

**EAST STROUDSBURG AREA SCHOOL DISTRICT
BOARD OF EDUCATION
FINANCE COMMITTEE MEETING**

June 11, 2018

Carl T. Secor Administration Building – Board Conference Room

5:30 P.M.

Minutes

- I. The Chairman, Lisa VanWhy, called the Finance Committee meeting to order at 5:30 p.m. and led those present in the Pledge of Allegiance. Secretary, Patricia Rosado called the roll.
- II. **Board Committee members Present:** George Andrews (via speakerphone at 5:32 p.m., Larry Dymond, Rich Schlameuss and Lisa VanWhy.
- III. **School Personnel Present:** Brian Baddick, Jeff Bader, Tom McIntyre, Fred Mill, Ryan Moran, William Riker, Patricia Rosado and Bob Sutjak
Community Members Present: Jim Metaxas
Chris Jones – Education Solutions Services (ESS)

IV. APPROVAL OF AGENDA AND MINUTES

Motion was made by Larry Dymond to approve the agenda for June 11, 2018 and with members of the Committee reserving the right to add to the agenda and take further action in the best interest of the District. Motion was seconded by Rich Schlameuss and carried unanimously, 3-0.

Motion was made by Rich Schlameuss to approve the minutes of the May 14, 2018 meeting. Motion was seconded by Larry Dymond and carried unanimously, 3-0.

V. ITEMS FOR DISCUSSION:

- a. Metro Alert Proposal
Chief Mill said the Police Department is requesting the purchase of Metro Alert, a software data system, in order to keep all information in one place and to eliminate paperwork. This new system will integrate with the system the district currently has. The upfront cost is \$7,429. The maintenance fee is \$1,389.
- b. Purchase 2 Passenger Vans
Mr. Baddick said that the Pupil Services Department would like to buy two vans to help special education students' transition into the workforce as well as assist them in other areas such as classes, portfolios, etc. Currently the district has about a dozen students from the North and South Campus that will receive this service. The vans will be paid with ACCESS Funds. Mr. Sutjak said they are nine passenger vans, which is considered a school vehicle. The vans are approved by the State of PA for transporting students ages 14 and up. The vans will have safety features that a bus has. They will not include wheelchair lifts.

- c. Revised Proposal for Transportation Truck
Mr. Sutjak said that the Board previously approved the purchase of two trucks but the dealer is unable to find the trucks as specified. The dealer is able to locate two trucks that are very similar, but cost a bit more. The truck that was approved in the amount of \$35,483.00 will now cost \$36,373.00. The truck that was approved in the amount of \$32,423.00 will now cost \$33,990.00. One truck is an additional truck and the other is a replacement. The truck that was in the accident was also purchased and will be fixed.
- d. Substitute Teacher Staffing RFP
Mr. Bader said, at the Committee's request, he advertised an RFP for Substitute Teacher Services and only received two proposals. They came from ESS and STS. Kelly Educational Services, Parallel Employment Group and Deltek did not respond. ESS's markup cost is 28.5% and has a discount of \$17,908.33 for AESOP for 2018-19. STS has a markup cost of 28% with a discount of \$2,400/year rent for recruiting activities. Both RFPs are close in price. He said he reached out to other districts and got good reviews for ESS but some districts had issues with STS. If the district approves the agreement with ESS, they can terminate their services at any time, if not completely satisfied.
- e. Postage Machine RFP
Mr. Bader said that he sent out an RFP for postage machines. Postage Pros Plus was the only vendor to respond. They provide Neopost equipment. The cost is \$2,827.20 a year per machine for a five-year period. It's new equipment and comparable to what the district currently uses. At the end of the lease period, the district owns the machines. The district will need to buy the supplies and will be able to pay the postage through the internet.
- f. Natural Gas Basis Pricing Bid
Mr. Bader said that the district purchases natural gas through the IU 20 consortium. The Consortium is going out to bid for basis pricing, which is the cost to transport commodity gas through the pipelines to the District. The bids are for a two-year period beginning 2019-20. Since the prices can only be held for two days, in the past, the Board would authorize him to sign on their behalf and then bring the prices back to the Board for affirmation.
- g. Pike County Tax Bill Printing
Mr. Bader said that the Government Software Services, Inc. came in with the lowest price to print the Pike County tax bills. He said he reached out to other companies such as Berkheimer and Spring Hill but Government Software Services, Inc. will print them at a lower price, 28 cents. Last year, the District used the same format as the other school districts in Pike County, but it was different than the format we had used in the past and caused some confusion for taxpayers. This year, we will be going back to our format so that everyone in our district will get the same kind of tax bill. The total expense would be about \$9,200.00.
- h. FY 2018-19 SBAP Participation Agreement
Mr. Bader said that every year the district has to authorize that they will continue with the PA School-Based ACCESS Program (SBAP). The district will collect reimbursements on services provided to Medicaid eligible students.

- i. 2018-19 Budget Update
Mr. Bader said after the computer bids and leases were reflected in the budget, the final budget includes a deficit of (\$762,132). He included the same State revenue from what was received this school year. If the Governor's budget includes what is estimated that the district will receive, about \$800,000, then it will close the budget's deficit gap. The district's budget may be balanced. Full budget discussions will begin in the fall with monthly discussions going forward. Last year's actual budget will be compared to this year's budget.
- j. 2017-18 Preliminary Year-end
Mr. Bader said that according to the report the district spent about eight million dollars less than what was budgeted. Approximately, \$6M is due to anticipated salary and benefit increases that were not realized since the district is still in negotiations with the Teachers and Support staffs. An additional \$2M is anticipated from school and department budgets not being fully spent. With the growing list of capital projects, he asked the Committee if they would like to allocate the surplus into the capital reserve. The Committee suggested moving six million dollars into the capital reserve budget.
- k. 2018-19 Depositories
Mr. Bader said that each year the Board needs to approve the financial institutions that hold deposits for the district. The depositories are the same as they have been in recent years, ESSA Bank and Trust, PA School District Liquid Asset Fund and PA Local Government Investment Trust.
- l. AXA Grant to HSN
Mr. Bader said that a H.S. North student received a \$2,500 AXA Achievement Scholarship award. As a result, H.S. North will receive a grant in the amount of \$1,000. H.S. North would like to use the funds for their SWPB (School-wide Positive Behavior) Program. The Board will need to approve the acceptance of this grant.
- m. Payment of Bills
Mr. Bader said that in response to the direction from the Finance and Policy Committees, Mr. McIntyre was able to construct a report that details the list of bills that would be paid. The report includes the date, vendor name, invoice description and the amount of the check. If the Committee and Board members approve this report, no checks will be sent out until after they are approved by the Board at the Regular School Board meeting each month.
- n. Board Reports
Mr. Bader said that Mr. McIntyre created two reports that the Board will begin receiving, a Treasury Report and a Budget Report. The Treasury Report includes what monies go in and out of each account. The Budget Report includes all of the district's spending on both a year-to-date and a month-to-date basis and what is available in the budget.
- o. Property & Facilities Items
 - i. JMH Concrete Bid Results
Mr. Bader said that bid results came in with Northeast being the lowest bidder at \$54,173 and the bond was received. The engineering drawing is complete. This project will be prevailing wages.
 - ii. D'Huy Engineering – JMH Concrete – Invoice #47474 - \$2,162.50

- iii. D'Huy Engineering – JMH Concrete – Invoice #47602 - \$3,892.50
Invoices received for Concrete project at J.M. Hill Elementary School.
- iv. Master Locators – LIS Stormwater – Invoice #38539 - \$6,000.00
This invoice is for an additional report that was needed for the Stormwater Video pipe inspection.
- v. D'Huy Engineering – LIS Stormwater – Invoice #47601 - \$663.22
This invoice is Josh Grice's fee for his professional engineering services.

VI. PUBLIC PARTICIPATION – LIMITED TO ITEMS OF DISCUSSION

- A. Mr. Schlameuss said that he would also like to see reports for procurement expenses. It would help to have check off list of the whole process, reason and account numbers of where items are paid from.

VII. ADVISORY RECOMMENDATIONS FOR CONSIDERATION BY THE BOARD OF EDUCATION

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Rich Schlameuss to recommend that the Board consider for approval the following items. Motion was seconded by Larry Dymond and carried unanimously, 4-0.

- a. The proposal from Metro Alert for a police information system in the amount of \$7,429.00.
- b. The purchase of two school vans from New Holland Auto Group at a cost of \$28,177.00 each.
- c. To rescind Board approval at the April Board meeting to purchase a 2018 Dodge Ram 2500 pickup truck with snow plow from Reagle Dodge in the amount of \$35,483.00 and approve the purchase of a 2018 Dodge Ram 2500 pickup truck with snow plow from Reagle Dodge in the amount of \$36,373.00 due to the unavailability of the previous model.
- d. To rescind Board approval at the May Board meeting to purchase a 2018 Dodge Ram 2500 pickup truck with snow plow from Reagle Dodge in the amount of \$32,423.00 and approve the purchase of a 2018 Dodge Ram 3500 pickup truck with snow plow from Reagle Dodge in the amount of \$33,990.00 due to the unavailability of the previous model.
- e. The Agreement with ESS to provide substitute teachers services per their proposal submitted June 4, 2018.
- f. The Agreement with Postage Pros Plus to lease four (4) postage machines at an annual rate of \$2,827.20 per machine.
- g. Authorizing Jeff Bader to accept bids for natural gas basis pricing from the IU 20 on behalf of the district.
- h. To approve the proposal from Government Software Services, Inc. to provide tax bill printing for Pike County.
- i. The Agreement to participate in the 2018-19 Pennsylvania School Based Access Program.
- j. The transfer of \$6,000,000 from the General Fund to the Capital Reserve to support pending capital projects.

- k. The appointment of the following depositories for the accounts listed for the 2018-19 fiscal year.
- l. The grant from the AXA Foundation in the amount of \$1,000 to High School North to be used in support of their School-wide Positive Behavior Program.
- m. The bid from Northeast Masonry in the amount of \$54,173.00, the lowest responsible bidder for the J M Hill Concrete project
- n. The D'Huy Engineering invoice # 47474 in the amount of \$2,162.50 for work on the J. M. Hill Concrete project.
- o. The D'Huy Engineering invoice #47602 in the amount of \$3,892.50 for work on the J. M. Hill Concrete project.
- p. The Master Locators Invoice #38539 in the amount of \$6,000.00 for video investigation of the stormwater system at Lehman Intermediate School.
- q. The D'Huy Engineering's Invoice #47601 in the amount of \$663.22 for the Lehman Intermediate School stormwater project.

VIII. NEXT MEETING – July 9, 2018 at 5:30 pm

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to adjourn. Motion was seconded by Rich Schlameuss and carried unanimously, 4-0.

IX. ADJOURNMENT 7:05 P.M.

Respectfully submitted,
Patricia L. Rosado,
Board Secretary