

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

December 11, 2018

Carl T. Secor Administration Building – Board Conference Room

5:30 P.M.

Minutes

- I. Rich Schlameuss, called the Finance Committee meeting to order at 6:00 p.m. and led those present in the Pledge of Allegiance. Secretary, Patricia Rosado called the roll.
- II. **Board Committee members Present:** George Andrews, Larry Dymond, Jason Gullstrand and Rich Schlameuss.
- III. **School Personnel Present:** William Cook, Tom McIntyre, Patricia Rosado and Steve Zall.
- IV. **Community Members Present:** None

V. APPROVAL OF AGENDA AND MINUTES

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to approve the agenda for December 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 Larry Dymond and carried unanimously, 4-0.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Rich Schlameuss to approve the minutes of the November 12, 2018 meeting. Motion was seconded by George Andrews and carried unanimously, 4-0.

VI. APPOINTMENT OF THE CHAIRPERSON

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to appoint Rich Schlameuss as the Chairperson for the Finance Committee for a one-year term ending on November 30, 2019. Motion was seconded by Jason Gullstrand and carried unanimously, 4-0.

VII. ITEMS FOR DISCUSSION:

a. PA-REAP – Discussion

Mr. Zall presented documentation regarding a PA R.E.A.P. (Regional Education Applicant Placement) System. The information included Frequently Asked Questions by the employee and human resources that they may have about the system. Mr. Zall also provided a sample of an agreement that may be drawn up if the Board members would like to pursue this service. This service would be for any professional posting that are available across all districts in the region. This will help increase the volume of candidates. The service cost a one-time membership fee of \$1,650. The annual fee would be \$999.00. The district can cancel this service at any time. This system would be for any PA certified teachers. Mr. Zall said he would like to know if the Committee members would like him

to create a contract for their consideration. Mr. Gullstrand said that New Jersey has the same type of system that is run by their State. Since the PA system is for profit, he hopes that we will get equal fairness of jobs across the State. Mr. Zall said he believes once you log in, you can see all jobs available. Teachers will not have to pay. Mr. Dymond asked if we have checked with the IU and PA State to see what they offer. Mr. Zall said that the district uses Penn Link/PSBA but they are not the same as this system. Mr. Andrew asked if other States can access this system. Mr. Zall said they can. Mr. Andrews asked who will draw up the contract. Mr. Zall said if the committee directs him to, he will contact the company and work with them to bring back a contract to the Committee. The Committee members gave Mr. Zall the approval for him to move forward.

Mr. Schlameuss asked, on another note, what is the substitute company's service rate. Mr. Zall said their rate is about 67% or 68%. Mr. Schlameuss asked how much was it last year? Mr. Zall said it was the same. Mr. Schlameuss said that since it is the same, the district is saving money. If we were at a lower rate, the district would not be saving any money. Mr. McIntyre said the district is saving money since they are not paying employee healthcare, PSERS, taxes, etc. Mr. Gullstrand said that he's been informed that there have been issues with some of the subs getting paid, receiving correct information, paper work and not informed about the dress code in the district. There is also issue with lack of communication within the buildings. Are teachers being given class coverage vs. building subs? Mr. Zall said he will address these issues with the substitute company.

b. BerkOne Act 80 Proposal (Bundle B)

Mr. McIntyre said that the State mandates that the tax collectors match up EIT by verifying addresses and taxing bodies that live in the district. Since this is time-consuming, BerkOne has simplified this process through an automated system. The district would like to purchase Bundle B, which includes the basic service: one PDF copy of each report and one CD or flash drive containing flat file of records processed, in the amount of \$730.00

c. Act 1 Resolution

Mr. McIntyre said that the Act 1 Resolution is part of the budgeting process. The Board needs to approve this resolution at the December Board meeting if they plan not to raise taxes above the index of 3.2% index. He can then file that the district is not asking for any exceptions nor raising taxes above the index. Mr. McIntyre said he would recommend that the Board approve this resolution since the district has the fund balance to fall back on. He will bring his first budget presentation to the January meeting.

d. Pocono Alliance Donation

Mr. McIntyre said that under the new State Law, a vendor can get tax credit from the State by donating funds. This is the first vendor that raised \$4,000 for the district's summer STEAM-R Program. Mr. Schlameuss said that they collected the money for this purpose and will get a write off. Mr. Andrews asked if Pocono Alliance provides this donation for just our school district. Mr. Schlameuss said this will only benefit Monroe County not Pike County.

e. IU Fuel Bids- Discussion

Mr. McIntyre said that he does not have the backup information for the IU Fuel Bids yet. They will be available at 2:30 p.m. tomorrow. He will have a resolution for the Board to approve at Monday's meeting. The Committee members will receive the information in their packets on Friday. The information will include off road diesel, biodiesel fuel and heating fuel prices but not propane.

f. Budget Review – 6000 Function

Mr. McIntyre said that since Mr. Gullstrand is new to the committee, he would like to inform him that Mr. McIntyre has been explaining each area of the budget to the Finance Committee members in order for them to get a better understanding of how the money is budgeted in the revenue and expense sides. This month he is reviewing the 6000 section, which is the Revenue from Local Source - The amount of money produced within the boundaries of the LEA and available to the LEA for its use; and monies collected by a political subdivision, i.e. county, borough, etc. between the LEA and the State. The 6000 function series is broken down into several sub categories as directed by the PDE. This section ranges from 6100 through 6900.

6100 – Taxes Levied includes all Local Tax Revenue to this function, fund levied by the LEA for the purpose of financing services performed for the common benefit. For State level reporting, only the net taxes are to be reported in the accounts. Net taxes mean the face amount of the individual tax less discounts plus interest and penalties. The district has accounted for Real Estate Taxes (6111), Interim Real Estate Taxes (6112), Public Utility Realty Tax (6113), State & Local in-Lieu of Tax (6114), Occupation Privilege Tax (6143), Earned Income Tax (6151) and Real Estate Transfer Tax (6153).

6400 – Delinquencies on Taxes Levied includes funds levied by the LEA for the purposes of financing services performed for the common benefit that have become delinquent. 6411 includes the function we use for the recording of Delinquent Taxes received from Monroe and Pike Counties.

6500 – Earnings on Investments includes interest revenue received on temporary or permanent interest-bearing investments and interest-bearing checking accounts.

6600 – Food Service Revenue includes revenue from students or adults for purchasing food. School entities will use the 6600 revenue codes in their Enterprise Fund (50). This includes daily breakfast and lunch sales and special functions. Mr. Dymond asked if this account is compatible with what the district does. Mr. McIntyre said the point of sale is different but the accounting is the same. It is verifiable.

6700 – Revenues from LEA Activities which includes revenues result from co-curricular and extra-curricular activities controlled and administered by the LEA but does not include proceeds from student activities which is accounted in agency funds. The revenue you would see in this account would be athletic admission sales, student fees, parking fees and other special events.

6800 – Revenues from Intermediary Sources/Pass through funds which includes revenues from another local governmental unit. These are pass thru funds commonly from State and Federal sources that are passed thru IU #20 or the State. Mr. Dymond asked if there is grant money from the State does it go directly to the IU 20 and then the IU 20 disperses it back to the district. Mr. McIntyre said it depends on how the grant is written.

6900 – Other Revenue from Local Sources which includes revenue from local sources not classified elsewhere. Local grants, rental of facilities, cell tower rental, and other tuition payments or adjustments are included here. Last year 68% of the total revenue came from local sources.

- g. Everase Corporation – Resurfacing Chalkboards at JTL Quote -\$13,409.00
Mr. McIntyre said the district has been converting chalkboards into whiteboards. J. T. Lambert Intermediate School (JTL) currently still has chalkboards. They have 33 classrooms that need to be done. The Committee received a quote from Everase Corporation for a total amount of \$13,409.00. The vendor comes out if there is any problem to fix the issue. Mr. Gullstrand asked if the district has dealt with this company in the past and are they providing square corners as oppose to round corners. Mr. McIntyre said he believes they are providing the same what has been done in the past. He asked Mr. Reichl, Principal of JTL, if they obtained other quotes but Mr. Reichl feels that this vendor has the best product. Mr. Reichl has budgeted for the majority of this expense from his budget and Mr. Borosh will supplement some of the funds. Mr. Schlameuss asked if installation is included. Mr. McIntyre said this vendor comes out to install and has a ten-year warranty. It is a magnetic boards and not permanent. Mr. Schlameuss said although it is a CoStar vendor, JTL should get at least one more quote before a final decision can be made.
- h. Lyman & Ash Invoice - \$7,875.00
Mr. Schlameuss asked what have Lyman and Ash done so far and what has been their feedback. Mr. Dymond said they are reviewing files and the one gentleman that has been working on this project is laid back and quiet. Mr. Dymond feels that they have found information to continue their research. Mr. Andrews said they have also visited two schools. Mr. Dymond said so far it is all preliminary work. He said that he believes that it will cost about \$20,000 for this project. One gentleman was in the office today and he will be there tomorrow in order to review all contracts. Mr. McIntyre asked how would the committee like to pay for this bill. He can include a line item in the Board Legal Fee Account in order to track this project. The Committee members agreed.
- i. Property & Facilities Items
- i. JM Hill Sidewalk Curbing – Northeast Masonry Brick & Block Pay App #1- \$42,147.45
Mr. McIntyre said this invoice is for the JM Hill Sidewalk curbing but the balance of \$12,025.55 is being held until the company comes back in the spring time to fix the issue. Mr. Gullstrand asked where is the problem. Mr. Dymond said the concrete by the student drop off and main curb needs to be fixed.
 - ii. HSN/Lehman Roof Investigation – D’Huy Engineering Invoice #48609 - \$3,425.00
Mr. McIntyre said that the HSN/Lehman Roof Investigation Report was given to everyone.
 - iii. LIS Door #9 Replacement – A.G. Mauro Co. Invoice #PSI150022 - \$21,350.00
Mr. McIntyre said the LIS door was replaced but it was not closing properly. Now that it has been fixed, payment can be made.

Mr. Andrews asked if the district has looked into the LED lighting rebate. Mr. McIntyre said he can look into this.

Mr. McIntyre said that the Property/Facilities Committee asked for further information regarding the air quality testing companies that submitted their information. Now, Mr. Ihle has asked Mr. McIntyre to distribute information that they obtained regarding the owners of each company. Mr. Schlameuss suggested that all the rest of the Board members also get the same information with their Friday packet.

Mr. McIntyre said that, while replacing a tile at East Stroudsburg Elementary School, it was discovered that a pipe is corroded and may explode at any time. A quote was obtained from Keystone Fire Protection Company, who handles our sprinkler system. They can remove and replace the pipe for approximately \$3,200. They will also follow up with internal inspections for five years. This will take about 14 hours of work and can be done on December 26th when staff and students are not in school. Mr. McIntyre said he is bringing this to the Committee members for their information since it does not require Board action. This information will also be provided to all non-committee Board members in their Friday packet. Mr. Dymond asked if this issue was discovered when they came in to do an inspection. Mr. McIntyre said no this was discovered by a custodian when replacing the wet tile. Mr. Dymond said that there should be a procedure in place so that all buildings are being checked to prevent these issues. Mr. McIntyre said the Property/Facilities Committee can discuss a preventive maintenance plan to be included in the budget.

VIII. PUBLIC PARTICIPATION – LIMITED TO ITEMS OF DISCUSSION

None

IX. ADVISORY RECOMMENDATIONS FOR CONSIDERATION BY THE BOARD OF EDUCATION

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to recommend that the Board consider for approval the following items. Motion was seconded by Jason Gullstrand and carried unanimously, 4-0.

1. The proposal from BerkOne for Act 80 Comparison Services in the amount of \$730.00-Bundle B.
2. To adopt the formal Resolution certifying that the District will not seek exceptions to the Act 1 Index and will not raise taxes in an amount that exceeds the Act 1 Index (3.2%) for the 2019-20 fiscal year.
3. To accept a donation in the amount of \$4,000.00 from Pocono Alliance for East Stroudsburg Area School District's summer STEAM-R Program.
4. The payment of invoice #3108 from Lyman and Ash in the amount of \$7,875.00 for Special Construction Counsel.
5. The payment of Pay Application #1 from Northeast Masonry Brick & Block in the amount of \$42,147.45 for the JM Hill Sidewalk Curbing project.
6. The payment of invoice #48609 from D'Huy in the amount of \$3,425.00 for the Lehman/High School North Roof Replacement Investigation.
7. The payment of Invoice #PSI150022 from A.G. Mauro Co. in the amount of \$21,350.00 for the replacement of Door #9 at Lehman Intermediate School.

Since the fuel bids are not currently available, discussion was held about including the IU #20 Fuel bid results along with a motion in the Friday's Board packets so that action can be taken by all Board members at Monday's (12/17/18) Regular School Board Meeting.

X. THE FINANCE COMMITTEE MEETING DATES

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to approve the following meeting dates. Motion was seconded by Jason Gullstrand and carried unanimously, 4-0.

Finance Committee Meeting Dates For 2019

January	14,	2019	--	5:30 PM – Carl T. Secor Administration Center – Board Room
February	11,	2019	--	5:30 PM – Carl T. Secor Administration Center – Board Room
March	11,	2019	--	5:30 PM – Carl T. Secor Administration Center – Board Room
April	08,	2019	--	5:30 PM – Carl T. Secor Administration Center – Board Room
May	13,	2019	--	5:30 PM – Carl T. Secor Administration Center – Board Room
June	10,	2019	--	5:30 PM – Carl T. Secor Administration Center – Board Room
July	8,	2019	--	5:30 PM – Carl T. Secor Administration Center – Board Room
August	12,	2019	--	5:30 PM – Carl T. Secor Administration Center – Board Room
September	10,	2019	--	5:30 PM – Carl T. Secor Administration Center – Board Room
October	14,	2019	--	5:30 PM – Carl T. Secor Administration Center – Board Room
November	11,	2019	--	5:30 PM – Carl T. Secor Administration Center – Board Room

XI. NEXT MEETING – January 14, 2019 at 5:30 P.M.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Larry Dymond to adjourn. Motion was seconded by Jason Gullstrand and carried unanimously, 4-0.

XII. ADJOURNMENT: 7:51 P.M.

Respectfully submitted,

Patricia L. Rosado
Board Secretary