

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

**April 14, 2020  
VIA Zoom  
5:30 P.M.  
Minutes**

- I. **The Chairman**, Rebecca Bear, called the Finance Committee meeting to order at 5:34 p.m. and led those present in the Pledge of Allegiance. Secretary, Patricia Rosado called the roll.
- II. **Board Committee Members Present:** George Andrews, Rebecca Bear, Larry Dymond and Rich Schlameuss.
- III. **School Personnel Present:** Brian Baddick, Brian Borosh, Tom McIntyre, William Riker, Patricia Rosado, and Paul Schmid.
- IV. **Public Present:** None
- V. **APPROVAL OF AGENDA AND MINUTES**

**RECOMMENDATION BY THE COMMITTEE:** Motion was made by George Andrews to approve the agenda for April 14, 2020 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 March 9, 2020 meeting. Motion was seconded by George Andrews and carried unanimously, 4-0.

**VI. ITEMS FOR DISCUSSION:**

- a. **Computer Bid Results and Financing – Discussion**  
Mr. Borosh said there are three transactions that need approval. The first one is for Apple Computers. The district is requesting 87 iMac Desktops and 158 Macbook Laptops for J. T. Lambert and Lehman Intermediate Schools. The district is on a four-year computer replacement cycle; therefore, J.T. Lambert and Lehman are up for replacement according to the cycle. Three quotes were not obtained because Apple is the sole-source provider for K-12 Education. Pricing is per the Chester County School District's Joint Purchasing Agreement in the amount of \$346,548.75. Mr. Andrews asked why is Apple the sole-source provider. Mr. Borosh said he is not sure why but the district would not be able to go to any store to purchase this product. Only Apple is able to sell it to the district. Ms. Bear asked if the district offices use Apple and the students use Chromebooks. Mr. Borosh said that is correct. There are computer app labs that a teacher at Lehman and J.T. Lambert teach; therefore, the reason for the need of the 87 desktops. Libraries have it and some computers were cut from them. The 158 are for teachers and for Technology Education. Mr. Andrews asked if the district has turned to Apple and away from IBM. Mr. Borosh said not necessarily. They have cut back on all computer labs. Chromebook carts have rendered

a cost savings. Mr. Andrews asked who makes the Chromebooks. Mr. Borosh said Lenovo makes the Chromebooks, which they will be discussing tonight. Ms. Bear asked if the high schools' Apple desktop computers are also being replaced. Mr. Borosh said they were replaced in the summer of 2018. High School labs vary depending on the need such as computer labs, art rooms, tech ed labs, etc. Some have PC equipment. It depends on specific use at the high school level. Lease information includes a Budgetary Pricing at 1.65% Promotional APR. Ms. Bear asked if the old lease included the \$1 option. Mr. Borosh said it did. Ms. Bear asked if the district is going to sell the equipment to any family that would like to buy one. Mr. Borosh said the district has not done so in the past but instead has sold it to a recycling company because our Solicitor suggested that any electronic should not be sold but recycled. This way the district would not be held liable in case there is fire or any other hazard. The operating system on these devices are educational. If someone bought it, they would get a device with no operating system. Ms. Bear asked if the district should look at this option or continue to do as we have done so in the past. Mr. Borosh said he recommends doing as they have always done since we get a decent amount of money. The money goes back into the General Fund. It's guaranteed money. We get a check and the hard drives are wiped. He said, in his opinion, this is the best option.

Mr. Borosh said the second request is for 31 HP Desktop Computers & Related Peripherals and 87 HP Laptops and related Peripherals for the offices, labs and stem group at J. T. Lambert Intermediate and Lehman Intermediate Schools. Ten quotes were obtained. Staples had the lowest price at \$134,287.84. An RFQ was issued on March 24, 2020. The RFQs were due April 7<sup>th</sup> and they were reviewed and evaluated on April 7<sup>th</sup> & 8<sup>th</sup>. Ms. Bear asked if the computers are from Lenovo. Mr. Borosh said they are for HP Computers and not Chromebooks. The lease rate, which, includes HP and Lenovo, is 1.96%. Mr. McIntyre said this is the lowest financing he could find due to current times. Ms. Bear said Staples does not care who finances then as long as we get the money. Mr. McIntyre said that is correct. Staples will handle the whole process.

Mr. Borosh said the third request is for 2,064 Lenovo Chromebooks for students in Grades 4 & 5 (at each elementary school), Grade 9 (at both high schools) and the Cyber Academy (200). Thirteen quotes were obtained through an RFQ. The lowest bidder was RTI (Riverside Tech) in the amount of \$702,482.40. Ms. Bear said, therefore, we are replacing all of the current 9<sup>th</sup> graders. Mr. Borosh said they are replacing this year's 8<sup>th</sup> graders. Every 9<sup>th</sup> grader receives a new device to use during the four years of high school. Ms. Bear said we have all devices out in homes and hopes they come back into the district in good condition. Mr. Borosh said yes and that is why they added 4<sup>th</sup> grade computers. Mr. Dymond asked what is the cost per unit on the Apple computers. Mr. Borosh said the iMacs in the labs are about \$1,349.27 for use by the teachers. The other iMacs are about \$1,159.00, which was discounted from the prior quote that he received in the fall. There are also three 16 inch pros at a cost of \$2,599 each for specialized use. Mr. Andrews asked what do we pay on the Chromebooks. Mr. Borosh said an RFQ was issued on March 24, 2020, in conjunction with the HP RFQ. RFQ's were due on April 7<sup>th</sup> and reviewed and evaluated on April 7 & 8. The Chrome books cost about \$340.35, which includes the device, three-year warranty, google management, etc. Ms. Bear asked if the Chromebooks will be supplied by RTI and the HP Computers will come from Staples. Mr. Borosh said that is correct. Ms. Bear asked if both items will fall under one lease. Mr. Borosh said that is correct at a total of \$836,770.24 with an annual payment of \$215,685.90. Mr. McIntyre said this will render a cost savings of about \$15,000 a year.

Mr. Schlameuss said if we set aside cash on hand through the Capital Budget, can we just create a loan for ourselves, save on the interest rate and then refund our Capital Budget Account. Mr. McIntyre said, in essence, we can if you are looking to save that type of cost. It would take this Board and future Boards to be consistent with this plan. If we pull out the amount this year, it would be out immediately; therefore, drop the budget down. We would then need to make sure that we move money into the Capital Reserve on an annual basis. Ms. Bear said it is a matter of the current Board and future Boards being disciplined. Mr. McIntyre said that is correct. You will take one million dollars away this year and replenish with about \$200,000 each year until the one million is recovered in four years. It's a cash flow issue. The district may become strapped. Mr. Schlameuss asked if it is prudent to do this in order to save the interest rate. Mr. McIntyre said we would need to set aside money from the Capital Account but it has to be refunded annually. Mr. Schlameuss said this may not be the time to do this but it is something to consider. Mr. Borosh said when he did a proposal last year or the year before, it looked like it would be a bell-shaped curve. Ms. Bear asked what is the average that the districts spends each year. Mr. McIntyre said that Mr. Borosh keeps the expenses stable from year to year. The current lease would cost the district about \$26,000 in interest. Mr. Schlameuss said if we put together a fund designated for these expenses maybe we can take out six million dollars to replenish it. Every year money is being placed for this expense. Mr. McIntyre asked from which account would the money come out of, the Capital Reserve? Mr. Schlameuss said no from the Technology Account. Mr. McIntyre said it would come from the General Fund and the Capital Reserve Account. Mr. Schlameuss said this topic can be discussed in the future if the district feels it needs to be done. Mr. Schlameuss said they can have this conversation at another time. We are trying to smooth out payment instead of having a big chunk of money come out. Ms. Bear said this is something to consider. Mr. McIntyre said it is not a bad concept. It is just a manner of what happens down the road. Money will be flowed back into the Capital Reserve Account but one million dollars will be coming out of the account each year going forward. Ms. Bear said it would take about four years to recoup the first million. Mr. Borosh said he worked on an analysis last year for leases from prior years to show the Board how much capital has been spent. All of his computer requests are a budgeted expense in the 2020-2021 SY budget.

b. Food & Supply Bid Results

Mr. Schmid said that he is pleased with the results of the Food and Supply Bid. They had 14 bidders, which included 4 new bidders and 12 responded. The bids were due on February 28, 2020. The bids were advertised in the Pocono Record, on the website and sent out to previous bidders via mail and via electronic methods. The bids were opened on March 4<sup>th</sup> in the presence of Marisela Horton (Business Office), Martha Determan (Food Services), Jennifer Huffman (Food Services), Melissa Collevchio (Newly Elected Food Services Director) and Paul Schmid (Current Food Services Director).

The following contracts were awarded:

Reinhart (main distributor – includes items Maid Rite)  
Pocono Pro (main distributor – includes Nardone Pizza)  
Kasa Foods (pizza)  
RC Finer Foods (soup bases)  
Prime Food Sales (chicken)  
Pocono Dairies (juice and yogurt)

The total contract value for 1920-21 was \$988,788 and for 2019-2020 it was \$983,222. The total increase over 2019-20 is \$5,796, which is a .59% increase.

The second bid was for the bread items. They followed the same advertising methods as previously stated. The bids were due on February 27, 2020 and opened on March 4, 2020 with the same individuals as previously stated. The contract was awarded to Rockland Bakery. Morabito Baking Company, Inc. and Bimbo Bakeries came in higher than Rockland Bakery. Schmidt's Bakery did not bid but contacted Mr. Schmid today to see if he still could place a bid, but they were too late.

The total contract value for 1920-21 was \$48,290 and for 2019-2020 it was \$48,590. The total increase over 2019-20 is \$300 due Kaiser rolls, which is a .62% increase.

The third bid was for the dairy items. They followed the same advertising methods as previously stated. The bids were due on April 3, 2020 and opened on April 3, 2020 with William Riker (Superintendent), Fred Mill (Chief of Police) and Paul Schmid (Food Services Director). The contract was awarded to Pocono Mountain Dairies. Blue Ribbon Farm Dairy's bid was equal to Pocono Mountain Dairies. Pocono Mountain Dairies has been supplying milk, yogurt, 100% juices and creamed cheese to the district for over a decade. They have also supplied equipment to the district, normally milk coolers, as the district has had a need, at no additional cost. They will be the supplier of 100% fruit juice on the food and supply contract. They are based in Blakeslee, PA. Due to COVID 19, it would be beneficial not to change vendors at this time. Keeping Pocono Mountain Dairies as the vendor should allow for an easier transition to the new Food Services Director.

Lehigh Valley Dairies and Dean Dairy did not bid.

The total contract value for 2020-2021 cannot be established since dairies in PA must abide by PA Milk Marketing Board Region Number 3 minimum price structure. Dairies cannot sell milk below that established price except when offering a volume discount. Both vendors were willing to honor the minimum price on all milk products. Each month the prices will fluctuate and the district bookkeepers will monitor to insure that we get the lowest price.

He will provide a dollar amount for each contract at Monday's Board meeting.

c. 2020-2021 Proposed Final Budget – Discussion

Mr. McIntyre said that the budget report is identical to what he presented in February. However, he updated the budget numbers. Draft one's Payroll budget was \$118,903,941.00. In Draft two the Payroll budget decreased to \$118, 859,239.00. Draft one of the building budgets totaled \$1,281,392.10 and in Draft two it totaled \$1,282,892.10. There was a slight increase of \$1,500.00 because the calculation did not add in as it should have in the first report from ESE budget. Mr. Andrews asked why has the Blended School budget increased. Mr. McIntyre said that Mr. Vitulli is looking to purchase new computers in the current year. Ms. Bear asked why is Lehman's budget higher for the next school year. Mr. McIntyre said that the principal needed to purchase many supplies. Ms. Padavano's justifications were adequate. Ms. Bear asked why is the JM Hill budget over again as it has been in the past. Will the principal be held accountable? Mr. McIntyre said that they realized this pattern and he asked Ms. Kelly to look into it. Ms. Arnold bought items that were not placed in her budget because she thought technology or another account would be purchasing the items for her. Ms. Bear said she was over mid-year. Mr. McIntyre said that is when she purchased the items Her budget was brought down in previous years but now they have to increase it in order for her to include what she needs in her budget for

next year. Mr. Andrews said that there has been a budget difference of about 15,000 from 2017-2019. Mr. McIntyre said the Ms. Arnold's budget has been level except last year when she cut her budget down because she thought she didn't need to include some items. Mr. McIntyre said he made changes in some departments. Draft 1 and 2 are included in the presentation. He increased the Board's budget by \$60,000 due to the Lyman & Ash invoices. Mr. Andrews asked if Mr. McIntyre decreased the Board budget. Mr. McIntyre said it was increased not decreased. Mr. Andrews said he thought the Board budget should have gone down because the Board decided to take the Lyman & Ash expense out of their budget and place it in the Legal Account. It's should not be in the School Board budget because it makes the Board look bad. Mr. McIntyre said a discussion was held when Lyman & Ash were first contracted and the Committee instructed him to place it under the Board account. This conversation is reflected in a previous Finance Committee meeting minutes. Mr. McIntyre said he can forward the minutes to the Committee as he did previously. Mr. Andrews, Ms. Bear and Mr. Dymond said they would like to see the Lyman & Ash invoices taken out of the Board account and placed in the Legal Fee account. Mr. Dymond said they probably decided at first to place it in the Board's account because it seemed to be the logical account to place it in. Mr. McIntyre said he will do whatever the majority wants. Ms. Bear said she will add it to the motions for when they take action on items at the end of the meeting. Mr. Schlameuss asked why did the Transportation budget go down by \$2,000,000. Mr. McIntyre said since the Board changed the process of how to calculate senior tax rebate, the account went down. This helped the district tremendously. The Athletics' budget was increased to \$723,000 because the Athletic Trainers and Strength and Conditioning Coaches were added back in. Mr. McIntyre said with reference to the Transportation budget, new buses will no longer be purchased next year. Mr. Dymond said we should be putting money away because buses will need to be purchased at a later time. Mr. McIntyre said he agrees but we will need to cut somewhere else in the budget or look to gain revenues through another source. He said he can add it back in but it will add an additional \$2,000,000 deficit to the budget. Ms. Bear said charter school payments are going up. Mr. McIntyre said tuition is based on our budgeted numbers. Ms. Bear said the IU 20 is getting 1.7 million dollars more next year. Mr. McIntyre said that is correct in addition to the other services they provide. Ms. Bear asked if the district can look at doing some of these services in-house in order to save the district money. We have space in Smithfield Elementary School that can be used. Mr. McIntyre said Pupil Services along with Mr. Baddick are looking at this area to see what can be or cannot be brought back into the district. Ms. Bear said she wonders what kind of learning are they getting at the IU 20 as opposed to here at the district. Mr. Baddick said the increases with the IU is for Related Services and outside placement, such as the Colonial Academy for the AEDY Program and Specialized placements. The related services increased in speech, other programs and student aides. We cannot provide our own Paraprofessional and Student Aides because the IU 20 has to. If we could, we would but due to the agreement with the IU 20 they have to provide the staff. We have reduced expenses in some areas. The district has increased in emotional and autistic classes. Mr. Dymond said this year's IU 20 increase is 1.7 million dollars, which is a lot of money. The district has ACCESS money, correct? Mr. Baddick said there is but we have a threshold in salary and benefits of a million dollars. We have to be careful not to go over. Mr. Dymond said the district has about 3.4 million dollars in ACCESS funds. Mr. Baddick said this amount has increased over the years due to the billing that has been processed. Ms. Bear asked if the ACCESS Funds can be used for transportation. Mr. Baddick said we are looking into developing our own Transportation System. The district would like to gradually build their own transportation program by purchasing vehicles with the ACCESS Funds. We can also add staff on the buses similar to what they did for the Transition Program. Ms. Bear said, if we transport, this can save the

district a significant amount of money. Mr. Andrews said the vans cannot be used by anyone but the Special Education Program. Mr. Baddick said that is correct. Mr. Dymond said currently the district pays the IU per student, per mile. If we transport the students, it will not cost us that much. Mr. Baddick said they charge per ridership. Each student is a separate bill. Mr. Dymond said when he previously researched this expense, he saw that for six kids on a bus is costs about \$1,400 per day. Mr. Baddick said students travel all around PA depending on where the IU program is situated. Ms. Bear asked if ACCESS Funds can be used to pay for IU bills. Mr. Baddick said we use our IDEA funds for some costs. Mr. McIntyre said the IDEA Funds are taken up by salaries and very little for supplies or other purchases. It does not cover a large number. Mr. Baddick said it's a good question to see if we can pay the IU with this money. We will have to research it some more. ACCESS Funds need to be used for new positions not past ones. There are strict guidelines but we will take a look into it. We have never used it for services but for in-house expenses. Right now the money is covering a lot of in-district costs within the ten buildings. Mr. Dymond said if we do not use the three million dollars in the ACCESS Funds, the district may lose the money. Mr. Baddick said the money is being spent down and the funds need to have a certain number in there to cover the current staff that are being paid through ACCESS. We have another 2 million dollars that we have used for materials, equipment, etc. It all depends on what we will be reimbursed for. Mr. Dymond asked how much more do we need to do for the de-escalation rooms. Mr. Baddick said they are almost done and items have been delivered but because we are not opened, they cannot be set up. We will have all Sensory and Trauma rooms in order as soon as we are able to. Legal trainings were also paid through ACCESS and curriculum was purchased. Mr. Dymond asked if the construction of all sensory and de-escalation rooms are done, such as the lighting and floor. Mr. Baddick said all equipment is in. Ms. Bear said she thought Resica Elementary already had a sensory room. Will they have a second one in the Pod? Mr. Baddick said they placed the sensory room in the pod. The other rooms are for Autistic Support classes, which are due to increase because of the need in the district. Mr. Dymond asked how many psychologists does the district need to hire. Mr. Baddick said we currently have 5 and are looking to hire 2 more. Mr. Dymond asked if ACCESS pays for these positions. Mr. Baddick said some of them are paid through ACCESS not all of them. Mr. Dymond asked what is the three million dollars being used for. Mr. Baddick said he is not sure how many are being paid and how. Mr. Dymond said as many issues that students have, we will need to increase support. We should have one in each of the building. Mr. Baddick said we want to increase our social workers' need because they staff our referral programs. They work hands on with students. Psychologists identify the need and the social workers provide the therapy. Currently, we use contracted services; therefore, we are looking to take this program back into the district. Ms. Bear asked if the only job of a psychologist is to test and nothing else. Mr. Baddick said they do a variety of things, i.e. test, attend meetings, etc. We took this service back from the IU. Our next phase is to get care. Mr. Dymond asked if the title of what the district needs is a therapist to work one-on-one with students. Ms. Bear asked if currently the district is just hiring psychologists. Mr. Baddick said the district needs to replace individuals that left. Bringing in house more social services is the next step. Mr. Dymond asked if the next phase can be paid through ACCESS Funds. Mr. McIntyre said some may be billed through ACCESS because ACCESS is strictly for the special needs students and social workers will be working with all students. Therefore, about 50% may be paid through ACCESS Funds. Mr. Baddick said they are looking at billing the student's insurance provider in order not to cost the district any funds. There is a high need right now for mental health services. Not enough staff to cover all needs. We have billing ability in order not to cost the district money but we need the staff. We will share a proposal once it is completed. Ms. Bear suggested using district qualified staff that may work evenings and

weekends in this area. Mr. Baddick said they can ask them but the staff member would have to volunteer. Ms. Bear suggested paying them through a Schedule B position. Mr. Baddick said this is something that can be looked at. We are looking for a self-funded program similar to ACCESS. ACCESS can help decrease some funds through the emotional support and autistic support classes and pull them away from the IU. We will be looking at more cost savings next year, i.e. transportation. There will be an increase in related services through the IU. Mr. Dymond said he and Mr. Schlameuss had a conversation with Dr. Riker regarding transportation. They would like some changes to decrease cost and hope the new administrator will look into reorganizing the runs. Mr. Baddick said we cannot eliminate the IU totally but can look to scale back some services. Ms. Bear said they would like to see a plan in place including all costs. Mr. Dymond said if we can use an employee after hours in school or in their home, it would be beneficial to the students. Mr. Baddick said some staff work during the day in the school clinics. We would like to duplicate program that they have at South up North. There are a lot of services that families are using now but they do not want to go to a hospital or elsewhere but within the district. The proposal that the district will present may include additional staff. Ms. Bear said this may benefit staff, students and families. Mr. Baddick said they are doing their best to help during the school day.

Mr. McIntyre said they lowered the budget by in the district's investments \$104,000. Assessment and millage history has not change. Ms. Bear asked what is the new mill rate. Mr. McIntyre said the millage in Monroe County is 30.72 and in Pike County it is 123.66. Mr. McIntyre said he also provide information broken down by account code per the State law.

On Page 11, it indicates that the revenue has been tricky over the last several weeks due to COVID 19. He had to make changes by looking at estimates and shortfalls. There is a good chance that we will not hit certain revenues such as in unemployment claims. In March 14, 2020 there were \$15,400 claims and on March 21<sup>st</sup>, it was 377,400 claims. In March 28, there was an additional 404,000 claims of people who applied for unemployment. The State is estimating that the EIT will come in between 10-25% less. Therefore, he said he lowered the EIT funds by 10% at a total of \$380,000. It will hit our current budget severely. In addition, the State's revenue in sales tax and EIT may decrease. April numbers will be drastic. According to ACT 13, they are supposed to keep us hold just as we need to keep our employees hold. If their numbers are going to come in 25% lower, they will have a cash flow concern. If this continues and they cut our subsidies, we will need to find other revenue sources. We may save some money with school closures but salary and benefits is about 80% of our budget. All revenues are not going to come in. He lowered local tax by \$380,000. One suggestion was to cut down the investment income; therefore, he reduced it from 1.2 million dollars to \$500,000. He also increased the State reimbursement to 1 million dollars and no increase in property taxes. The percentage may drop. Our bills do not go out until August. Hopefully, people will be back on their feet by then. Ms. Bear said she is worried about commercial properties not being able to pay taxes. Mr. McIntyre said they may seek new appraisals. The tax problem may not just affect the revenue for one year but maybe two or three years. Ms. Bear said the district may need to raise taxes. Mr. McIntyre said they had the budget deficit down to \$200,000 but now revenues needed to be worked on.

The 2020-2021 Budget Summary Revenue Sources as of April 14, 2020 is \$164,260,193.00 which is a \$311,894.00 change. The Salary & Benefits is \$118,859, 239.00 which is a

(\$44,702.00) change. The Other investments is \$46,685,227.40 which is a (\$60,242.00) change. The Proposed budget is (\$1,284,273.49) which is a \$416, 838.00 change. There are no plans yet for a partial budget or timeline change. We need to keep moving forward. I wanted to submit a Proposed Final budget in May but due to many unknowns, it would not be possible. We have estimated numbers from the Federal bailout. They have \$471,000 ,000, which is to be divided by 500 school districts. Our share would be about 1.7 million dollars. Our payroll expense is about 1.7 million dollars every two weeks. Ms. Bear asked if the district is applying for grants for transportation during the Lunch Distribution Program. Mr. McIntyre said they are. He said he has filled out FEMA forms every week. No funds have been committed to the district but the district is keeping a total cost of all of the expenses that have been incurred during COVID 19. Ms. Bear asked what is being paid for by the State for the Free and Reduce Lunches. Mr. McIntyre said the Government closed the Free and Reduce Program and opened the Seamless Lunch Program, which is the summer program. This helped because it encompasses all students and not just those who qualify for free and reduced lunch. We are doing well with this program. We are not making money but are not losing it either. Ms. Bear asked if we got the new insurance information. Mr. McIntyre said he spoke to Mr. Thompson and the insurance company said they are interested in entertaining a multi-year contract with the district. Due to the current situation, we have not heard back. Mr. Thompson said he hopes to hear back within the next two weeks. Ms. Bear said hopefully there will be a savings to the school district. Mr. McIntyre said that Mr. Thompson should have something to share with the Committee in May. Mr. Dymond asked what is the bottom line comparing last year's budget to this year. Mr. McIntyre said last year it was 1.7 m more than this year. Mr. Dymond asked how much can the district raise in taxes. Mr. McIntyre said the district can raise about 1.5 million dollars. Mr. Dymond said this alone would not make up the 1.7 million - dollar difference. Ms. Bear said it is hard to raise taxes right now. Mr. Dymond said for the past 8-9 years, the district has not. If they had the district would be better off. We have a lot of maintenance going on. In another two years, buses will cost about 1 million dollars. Ms. Bear said it is a tough position to be in right now. Mr. Dymond said a lot of homeowners received a reduction in taxes. Mr. Schlameuss said that they would need to find 1.7 million dollars in revenues or lower expenses or both. Mr. McIntyre said another option is taking the money from the fund balance. Mr. Schlameuss said all figures are not final. Next month, it can be worst. Ms. Bear said she believes it will get worst. Mr. Schlameuss said taxpayers will probably not have money to pay their taxes. Mr. Dymond said he prefers to raise taxes. Taxpayers can make partial payments. Ms. Bear said the average person may not realize it or see that much of a change in the increase in taxes. Commercial owners may not be happy. Ms. Bear said if they pay \$6,000 in school taxes, it would be a \$60 a year increase. Mr. Schlameuss asked if the PSERS expense is going down. Mr. McIntyre said it is staying the same. It is based on the market also. This year's number is locked in but next year, if we do not recover by December, there is a good chance that it may spike. Ms. Bear said it all depends on the stock market. Mr. Schlameuss asked if there is any savings in the number of employees that are retiring. Mr. McIntyre said they accounted for this savings through March 16<sup>th</sup>. Since then he has not updated the information. Ms. Bear asked if anymore individuals will be retiring. Mr. McIntyre said there may be about four more individuals that are retiring.

d. IU Paper & Janitorial Bid Results update

Mr. Dymond asked if an inventory has been taken of all items before they purchase for next year. Mr. McIntyre said the total amount for this year is \$116,130.59. Last year, the total cost was approximately \$145,000.00. Also last year, we purchased about 5,582 items and this year we would like to purchase about 4,900 items. The two Custodial Supervisors took



an inventory of the North and South supplies. We cut out a lot of color paper and other items to save about \$30,000. Ms. Bear suggested that they keep a monthly inventory. Mr. McIntyre said that they are planning to keep a running inventory on an excel spreadsheet. Ms. Bear asked if the other supplies that are used by the schools are being inventoried. Mr. McIntyre said that the district is looking into that. The next phase of inventory is to look at all pens, markers, clays, etc. Ms. Bear said she noticed that they ordered 12,000 pencils for SATs. She does not believe they need that many. Mr. McIntyre said they will be looking into all items. The IU Bid will not be approved until April 22<sup>nd</sup>. He would like the Board to approve it at the April 20, 2020 meeting. Although he does not believe that anything will change but if it does, it can be placed on the May agenda. Ms. Bear said it can be approved pending any changes.

e. LYMAN & ASH INVOICE #3188 \$5,760.00

Mr. McIntyre said if the Committee is ok with forwarding the Lyman & Ash invoice on the Regular Board meeting agenda, the check can be sent out next week if the Board approves it. Mr. Andrews said the only issue he has is that the invoices have all of the details on it. We either show all of the district Lawyers' invoices with full details or just a summary. They all should follow the same format. Mr. McIntyre said he was asked to provide a running total, which he has today. Mr. Dymond said Lyman & Ash are concerned with disclosing all of the details of their invoices on the website, which may hinder confidentiality and the investigation. Mr. McIntyre said they have now provided a summary and detailed invoice. Mr. Dymond said the Board should receive the invoice with full details and the public can see the summary. Mr. McIntyre said Lyman & Ash has provided both and only the summary will be placed online. Mr. Andrews also reminded everyone that Lyman & Ash invoices should be taken out of the Board account and placed in the Legal Fee Account.

f. Current Projects within the District

Mr. McIntyre said there have not been major changes on the report. He added the current D'Huy Engineering invoices. More projects are in place to be approved. Once they are approved, they will be placed on the report. Mr. McIntyre asked if the committee members would still like to receive this report. Ms. Bear said "yes". The members like to see what is going on. Mr. Dymond said that D'Huy Engineering is not keeping the Board updated about the projects that are currently occurring. He said Mr. Grice has been laying off staff and closing down the construction projects. Mr. Dymond said Mr. Grice has not returned any phone calls. Mr. Dymond said he is sympathetic about the issue going on, but as a Board, we should look to do an RFP in order to have two engineers so we can get caught up with all of the construction projects. The Finance Committee may want to propose this at the Board meeting in case D'Huy Engineering is no longer around. Ms. Bear asked if the district has a backup plan if D'Huy Engineering goes out of business. Mr. Dymond said we don't know; therefore, we need to discuss options. Ms. Bear asked if D'Huy Engineering oversees all projects. Mr. Dymond said they do but if they shut down, we should have someone else. We can hire another individual as a consultant. Mr. McIntyre said the previous RFP was initiated by the Property/Facilities Committee. This topic should be a discussion for that committee. Mr. Dymond said he is not saying to get rid of D'Huy Engineering but we need to have a backup plan. Mr. McIntyre said if we get into a jam, we can find someone else temporarily while an RFP is created and advertised. You don't want to have two firms on retainers right now because it will cost the district a lot of money. He said he agrees about having a backup company but we may need to wait due to all of the unknowns in the budget. Ms. Bear said we do not know if all construction work can continue in the summer. We are not sure what will happen. Mr. Schlameuss said he

believes contractors will be able to go back to work. Mr. McIntyre said, construction will be able to proceed as long as the district feels that it will need to be completed in order to open school in August.

**VII. RECOMMENDATIONS BY THE PROPERTY & FACILITIES COMMITTEE:**

a. F. D'HUY ENGINEERING INVOICES

- i. Invoice #50832 \$2,295.04 - High School North Roof Replacement
- ii. Invoice #50833 \$934.80 - Resica Elementary School Roof Replacement
- iii. Invoice #50837 \$5,527.60– JT Lambert School Security Camera Installation
- iv. Invoice #50834 \$5,898.29 - Resica Elementary/Middle Smithfield Elementary Water Filtration
- v. Invoice #50835 \$3,213.20- High School North Sanitary Liner Replacement
- vi. Invoice #50836 \$560.00- Smithfield Elementary Parking Lot Improvements

b. NORTH HS GYM FLOOR REPLACEMENT

- i. Recommended the proposal from Miller Flooring Option 2 Power-Loc LP in the amount of \$328,400 with Alternate #1 Power Vent Airflow in the amount of \$10,880.00
- ii. Cost of the flooring will be covered by our insurance company the District will be responsible for the \$5,000 deductible and possibly the Power Vent Airflow.

Mr. Dymond directed Mr. McIntyre to look over the Miller Flooring contract to ensure that they will be providing three blowers. The contract did not specify the number. Mr. McIntyre said he will follow up on this item.

c. REPLACEMENT OF FLOORING AT RESICA

- i. Recommended the proposal from Cope Carpet in the amount of \$303,780.00

d. REPLACEMENT OF FLOORING AT JT LAMBERT

- i. Recommended the proposal from LV Flooring in the amount of \$535,800.00

Ms. Bear asked if any of the carpets' expense will be paid through our insurance. Mr. McIntyre said it will not be covered by insurance because they are being replaced due to wear and tear.

e. PARKING LOT SEAL COATING AT SMITHFIELD

- i. Recommended the proposal from S&G Asphalt in the amount of \$41,217.00

f. CAMERA INSTALLATION AT JT LAMBERT

- i. Recommended the proposal from Guyette in the amount of \$127,212.00 for the installation of the camera.
- ii. Recommended the proposal from IntergraOne in the amount of \$147,228.00 for the purchase of the cameras.
- iii. Project will be paid for by a grant.

**VIII. PUBLIC PARTICIPATION – LIMITED TO ITEMS OF DISCUSSION**

**None**

**IX. ADVISORY RECOMMENDATIONS FOR CONSIDERATION BY THE BOARD OF EDUCATION**

1.

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by George Andrews that the payments for the Lyman & Ash invoices be moved out of the Board Account and into the Legal Fee Account in the General Fund. Motion was seconded by Larry Dymond and carried unanimously, 4-0.

2.

**RECOMMENDATION BY THE COMMITTEE:**

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

1. The following computer bid results and financing:
  - a. The Master Lease Agreement with HPE Financial Services in the amount of \$538,898.64 for an HPE dHCI Nimble SAN and HPE Servers with related equipment, software, and licenses for a four (4) year term beginning June 1, 2020 with annual payments of \$127,525.00.
  - b. The Resolution authorizing the District's participation in the Chester County IU's Joint Purchasing Board for the purchase of Apple computer hardware, software, supplies and related items for the 2020-21 fiscal year.
  - c. The lease proposal with Apple Financial Services in the amount of \$346,548.75 for desktop computers, laptops, and related equipment for a four (4) year term beginning July 1, 2020 with annual payments of \$88,775.42, per Apple's quote dated April 14, 2020, subject to the review of the Solicitor, Bond Counsel, and Chief Financial Officer.
2. The award of the Food Service Bids in the estimated quantities and unit prices.
3. The award of bids by the IU Joint Purchasing Board for paper and custodial supplies effective July 1, 2020 for a period of one year in the estimated quantities and unit prices. (if there are any changes, it will be reflected in the May agenda)
4. The payment of invoice #3188 from Lyman and Ash in the amount of \$5,760.00 for Special Construction Counsel.

3.

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by Rich Schlameuss to recommend that the Board consider for approval the Recommendations by the Property & Facilities Committee as indicated on this agenda. Motion was seconded by Larry Dymond and carried unanimously, 4-0.

4.

**RECOMMENDATION BY THE COMMITTEE:**

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

- X. **NEXT MEETING** – May 11, 2020 at 5:30 pm
- XI. **ADJOURNMENT: 8:08 P.M.**

Respectfully submitted,

Patricia L. Rosado  
Board Secretary