

**EAST STROUDSBURG AREA SCHOOL DISTRICT  
BOARD OF EDUCATION  
FINANCE COMMITTEE MEETING  
November 8, 2021  
Administration Center Board Room and Via Zoom  
5:30 PM  
Minutes**

- I. The Chairperson, Rebecca Bear, 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, Rebecca Bear, Larry Dymond and Rich Schlameuss (attended virtually).

**Board Non-Committee Members Present:** Debbie Kulick, (attended virtually), Wayne Rohner

**School Personnel Present:** Diane Kelly, Frederick P. Mill, Edwin Malave, Craig Neiman, William Riker, Patricia Rosado, and William Vitulli.

- III. **Community Members Present:** Jennifer Floyd (attended virtually) and John Petrizzo
- Other:** Ms. Jamie Doyle, Public Financial Management (attended virtually)  
Mr. Chris Bamber, Public Financial Management (attended virtually)  
Mr. Jeffrey Weiss, Zelenkofske Axelrod LLC  
Ms. Sandra Reguera, Zelenkofske Axelrod LLC  
Ms. Rachael Gougher, Zelenkofske Axelrod LLC

IV. **Approval of Agenda and Minutes**

**RECOMMENDATION BY THE COMMITTEE:**  
Motion was made by George Andrews to approve the agenda for November 8, 2021 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 George Andrews to approve the minutes of the October 12, 2021 meeting. Motion was seconded by Richard Schlameuss and carried unanimously, 4-0.

- V. **Items for Discussion:**
  - a. Refunding Update  
Ms. Jamie Doyle and Chris Bamber from PFM Financial Advisors were present virtually.  
Ms. Doyle presented her handout as follows:

Page 1 – In the bottom of the chart there is a blown-up version of the red box of what is above on the page. It is the long-term fixed interest rates which continue to hover near all-time low levels so that is good for refinancing.

Page 2 – Shows the main target for this refinancing opportunity is your 2017 bonds. They are currently outstanding in the amount of \$6,860.00. They have a call date coming up of March 1, 2022. Their average existing rate is 2.973% so that is just under 3%. It is a relatively short issue. It has a final maturity of September 1, 2029. We are proposing in conjunction with that 2017 refunding to refund the last little remaining piece of your issue that we accomplished on your last refunding. We can clean up this little piece. It would never work as a standalone refunding but, in conjunction with the Series of 2017, it makes sense to do. We would utilize the dual track approach again just like we have the last couple of times. We think that the estimated net savings to the school district could be around \$470,500 or about 6.77% of refunded principal. Remember the historic benchmark for refunding is 2%, therefore, this is a pretty healthy opportunity. The dual track approach between a bank loan, RFP competitive process and the bond market, which would also be a competitive process, is detailed in the picture down below. The district used this same process during the last two opportunities the Series of 2020, where the bond issues was chosen and Series of 2021, where the bank loan was chosen. PFM will go through the same procedures and leave no stone unturned. Whatever produces the best economic answer for the school district is what will ultimately be recommended.

Page 3 - Includes the district's existing debt portfolio. As always, the top half is the gross debt service meaning principal and interest. The bottom half is the district's local share once the State aid is netted out. On many of your issues, you can see that State aid line near the bottom. It says PE for percentage. You can see the issues that you get a little bit of State reimbursement on. I highlighted the 2017 bonds, which is the main driver of this opportunity, and the remaining 2016 bonds that we are focused on.

Page 4 – Includes a summary of the rest of the pages thereafter. It shows what the refunding series of 2022 could look like. The entire size between the two series would be about \$7.3 million rounding up slightly. The net local effort savings are projected at about \$475,000. We will look at how that can be recognized in a minute and that is about 6.77%. Down below in Column 6, is how we've structured the savings. You can see we've structured it so that about \$96,000 would be recognized in your current fiscal year. Meaning the money is sitting in your general fund right now. When the bills come in during the spring, it would be for \$96,000 as well as in the second year. The minimal savings would be in the middle of the issue. The reason we structured the savings that you see in Column 6, is because you have had some really successful refinancing in the last couple of years as we highlighted a minute ago. In Column 3, you can see that once some of those savings start to go away, you know you'd have a bump out there. We are restructuring the savings in Column 6 to further smooth down your existing local efforts so that, at the end of the day, you'd be left with Column 7. Column 7 hits a high point of just over \$14 million in that 2030 fiscal year. The bottom of column 6 totals the \$475,115 number that we have been talking about.

Page 5 – There is a sample motion for the Board’s consideration that would authorize the finance team to proceed and get the paperwork in order so that PFM can lock these savings in. As always, the finance team consists of PFM, Chris and herself, Eckert Seamans, as bond counsel and the Board’s local solicitor, Chris Brown. The motion would authorize the dual track process between the competitive bank loan and the competitive bond issue. We are suggesting that the Board set a minimum acceptable savings target of \$140,000, which coincides with that 2% benchmark that I mentioned earlier. 2% would be the minimum. It’s PFM’s job to save the district every dollar that they can, but they have to set up a minimum. If they get below that, they will hit pause and won’t execute the transaction until they are at least at the minimum target or until the district indicates that they’d like to change the target. A time line of events is down below. You can see this is an initial introduction to the Finance Committee this evening. If you are inclined to pass the motion at the November 15<sup>th</sup> Regular Board meeting, we could start the competitive dual track process and send out the bank loan RFP the very next day on November 16<sup>th</sup>. We could have those bank loan responses due back at the beginning of December. We can discuss the dual track results also at the beginning of December and that would put us in a position to be ready at the December 6<sup>th</sup> voting meeting if you should choose to either adopt the resolution with the winning bank loan proposal, if that were the right answer or the bond issue is the right answer. We could have parameters resolution for the bond issue ready for you that evening. You can then see the rest of the process thereafter between the bank loan and the bond issue.

Page 7 - Includes your remaining 2016 bonds. It’s just one maturity left at \$160,000. It’s locked in at 2% right now.

Page 8 – Is the 2017 bond issue. Again, that’s the main driver of this opportunity. You can see principal outstanding is \$6,860,000. You can see the rates you currently have locked in. Column 3 range from a 2.375% to a 3% on the long end. The final maturity is September 1, of 2029. As always, we are not extending the debt at all. We are simply proposing to replace those old higher rates with today’s nearly all-time-low rates.

Page 9 – You will see the calculation for how much money we need principal and interest to pay off the remaining 2016 bonds at the proposed settlement date. You will also see the 2017 bonds principal and interest on March 1, which is the first optional redemption date.

Page 10 – You will see the backup savings page. You will see the interest rate assumptions we are making which range from 0.73% to a 1.4 or 5% on the long end and that those lower rates are which generate the net savings to the district, at \$475,115.24 that we have been discussing. The State gets the same share of the savings as they pay on the 2017 and 2016 debt service. The State would benefit by almost \$36,000, which is indicated in the box on the bottom of the page. This amount is already netted out of there as PFM’s estimated cost of issuance. You can see those estimated assumptions on page 11.

Page 11 – The estimated cost assumptions are based on either just pure estimates or based on what the school district has historically paid.

Ms. Doyle said she knows this was a lot of information. This is very similar to the last refinancing opportunities that the district has successfully entertained. We anticipate another excellent result from this process.

Mrs. Bear asked if Ms. Doyle believes that it's really in the best interest of the district to add the \$160,000, when we only have one year left to pay that interest on the bond. Ms. Doyle said it's not a savings driver but it just kind of cleans it up from an accounting standpoint. It will save you a year of paying agent fees. No, it's not the primary driver of the savings but it does not put a negative drag on the savings. The district would save a couple of hundred dollars on that. Mrs. Bear said that is what the refinancing would do. It is like going from a 15-year mortgage to a 30-year mortgage. You are extending the debt out, so I don't know if it's really worth it. Ms. Doyle said it does not extend the debt out at all. We are not going to do weighted average maturity of the issue. We will put the bonds back in the same spot. Mrs. Bear said we would have to consider if \$100 or \$200 would be worth savings for just that small portion that we are going to pay off in a year anyway. That was my first question. My second question, as usual, is I don't understand why you do \$8 for the underwriting fee when you know that it hasn't been that cost to do this in many years. I think we should be a little bit more honest with that being it's more like, the worst case scenario, \$3.00. In the past, it has been under \$1.00 at least the last two times. Ms. Doyle said it is zero cost on the bank loan but the bank loan has a higher rate. This amount is estimated for budgeting purposes. It will be what it will be through the competitive process but that is the industry average. Ms. Bear said years ago it may have been but not right now. She asked if the loans are through TD Bank. Mrs. Doyle said just one bank loan is with TD Bank. Mrs. Bear said when the Board votes on that portion she would have to abstain because she works for TD Bank in the Private Banking Department. Ms. Doyle said that the TD Bank loan was for the Series off 2014 Bonds. Mrs. Bear said somehow she would have to figure out how she can abstain from voting, because she cannot vote for anything that her company is in charge of. I have a series 7 and series 24 license so I am not allowed to vote on it due to regulations. Mr. Schlameuss said that the TD Bank loans are not part of the current refinancing. Am I correct? Ms. Doyle said he is correct. Ms. Bear said she just wanted to make sure. Mrs. Doyle said she is not a lawyer but she thinks it would be find for Mrs. Bear to vote on this motion. She can also check with the Board's solicitor to confirm. She believes Mrs. Bear can vote on this motion because we have no idea on who the winner is going to be yet. You are not voting on anyone. Even if this dual track process ferrets out that the best proposal is from TD Bank, that is not what you are voting on during this authorization. Mrs. Bear said if we get to the point that TD Bank is the top bidder, she cannot vote on it. Ms. Doyle said she understands.

b. Presentation of 2020-21 Audit Report - Zelenkofske Axelrod LLC

Mr. Jeff Weiss presented the 2020-21 Audit as follows. He said the report didn't change much compared to last year but there were minor changes and he said he would show everyone as they go through the report.

Pages 1 – 3 contains their opinion. It is an unmodified opinion, which means we state that the financial statements that are attached are materially correct. There are no materials errors in them. Most people worry about certain numbers and I will try to cover a couple of those numbers.

Pages 4-11 – Management’s Discussion and Analysis. That is not something we do. Management writes that up and gives you an explanation of what occurred during the year.

#### Pages 12-13 – Government Wide Financial Statements

What happens on these pages is pretty much all of your operations are placed in either of the two columns, Governmental Activities and Business Type Activities. Your business type is your food service and everything else rolls into the Governmental Activities Columns. On this report, these two pages, this is done on a full-proof bases of accounting, which means all of your long-term assets which is your capital assets are shown on here. All long-term debt is also shown on here like your bonds, also your net pension liability and your other post-employment benefits. On this page you will see that there’s actually a negative unrestricted net asset of almost \$167 million. If you see above the column there is a net pension liability of \$227 million and a Net OPEB obligation of about \$43 million for your other post-employment benefits. Most people like to concentrate on the General Funds, which actually begins on page 14 -17.

Page 14 – Balance Sheet is where all assets that are included in the general fund are on there. If you look down the bottom is where the fund balances are. You have approximately under \$49 million in the fund balance where a bunch of it is committed and assigned. You have \$24 million committed and \$18 million for the future retirement obligation as well about \$6 million for OBED obligations. There are also assigned amounts that the Board passed a motion in order to balance the budget for 2021-2022 as well as an amount assigned for future budget expenditures and future educational programs with an unassigned fund balance of just under \$9.2 million.

Page 16 – Governmental Funds is the Statement of Revenues, Expenditures and Changes in Fund Balance. Your general fund had a net change in fund balance just under \$400,000 for the year. When you get farther we will speak about page 55. You had budgeted approximately a \$5.2 million loss and you ended up with a \$400,000 loss.

As I mentioned, your business-type activities are the Food Service Funds, which are detailed on pages 8-20 with a negative net position of about \$5.4 million. Once again the net pension liability and OPEB make up about \$6.2 million of that. You have about a \$37,000 change in net position.

Page 21-22 - Fiduciary Funds. A change from prior years. GASB 84 needed to be implemented by the school district this year. What GASB 84 did was change the way you present the Fiduciary Funds. You used to have agency funds. In the past there was never a statement of changes in net position for fiduciary funds. You just had to show the assets and liabilities. Under GASB 84 you now have to present an income statement as noted on

page 22. As I said, this is just your custodial funds, which are the various groups and clubs that you have.

Page 23-54 are the Notes. Page 40 Note 10 beginning of pension plan discussion goes on for pages. I just want to point it out since it is the biggest number on our financial statements with the liability. PSERS is responsible for paying that liability but the district contributes money towards it. You have a liability for PSERS of over \$230 million and there are some other numbers in there. Anyone who was hired after November 2019 are no longer in that defined benefit. They are in a buy cash-back plan. Mr. Dymond asked where is the \$233 million that Mr. Weiss spoke about. Mr. Weiss said it is indicated on page 44 and in number of other places. Mr. Dymond said he thought Mr. Weiss was on page 40. Mr. Weiss said the foot note for the Pension Plan begins on Page 40. On page 42, you will see the that as of June 30 2021, the school district reported a liability of \$233,245,000 for its proportionate share of the net pension liability. The Foot Note 11 is the Other Postemployment Benefits – PSERS which is on page 45. In the bottom of the page, you will see the Liabilities for PSERS and OPEB equal \$10,240,000. The note continues through page 49 discussing more details on that OPEB liability. You also have another OPEB Plan – Single Employer District Plan which starts on Note 12 on page 49.

On the bottom of page 51, you will see that the current liabilities are just over \$33 million.

Page 55 – Budgetary Comparison Schedule in General Fund. As I reported earlier you had expenditures higher than your revenues by just under \$400,000 but had budgeted it to be almost \$5.2 million. Therefore, you met your budget by almost \$4.8 million in 2020.

Page 57-61 are more details on the pension plan, as far as contributions, what makes up a liability and items like that.

Page 64 and on is the Single Audit report. The Single Audit Report is another part of the audit that we have to do to test your compliance with Federal grants. This year, during 2021, you received significant grants due to COVID. The major programs we looked at was the Assistance Listing Numbers 21.019 Coronavirus Relief Fund, 84.425 ESSERS Grant through the Education Stabilization Fund and 84.027 Special Education Cluster.

Mr. Weiss said he is happy to report there were no findings in any of the reports. The last few pages just speak about that there were no findings related to those grants. Mr. Andrews asked, which grant was reported for ESSERS, one, two or three. Mr. Weiss said ESSERS I was reported with what was spent through June 30, 2021. ESSERS II and III will care over to this year. Mr. Weiss said every district is different in their reporting with reference to the grants.

Mr. Neiman said that the fact that this is a clean audit is a real compliment to the school district. He said he is appreciative, as the new CFO, to the district's administrative team, for supporting the Business Office. This is a team effort to produce a clean audit for the district. He said he thinks this is a real compliment on the Administrative team, following our Board policies and procedures, and this is the output of it, being a strong financially

compliant organization. He thanked the Business Office and Diane Kelly. She was the leader of our audit this year. She has been doing this for the last several years. He thanked the Business Office personnel for all of their extra work in assisting the auditors over the past several months.

Mr. Dymond said he is appreciative with what Mr. Neiman said and the numbers look good. Whatever page it was that said there were no findings and everything was fine. It is not fine. Back when Zelenkofske Axelrod LLC started this audit, I was signing the checks and then someone else was signing them. I called the Solicitor and he said that should not be taking place. I called Jeffrey Weiss and Dan Sefick called me back and said the people that were here in the building were going to check into it. I did a Right-to-Know request and I have not received anything. Now you give it a clean bill of health and that is a problem for me. I have not received a real explanation so I don't know what is going on. Yes, the numbers look good but there is something wrong.

c. Annual Financial Report

Mr. Neiman said the Annual Financial Report is in front of you. He submitted it last month. He went through a presentation on the financial results and the final motions that were taken into account to close out the fiscal year. This is another look as the State reported numbers, which he presented last month. Mrs. Bear asked if this is what he presented to the State. Mr. Neiman said this report was submitted to the State on October 29<sup>th</sup>. Dr. Riker said he would like to thank Mr. Neiman and his team. The Board had given Mr. Neiman and the State allows for some latitude to submit the report. Mr. Neiman had that latitude to submit the audit until the end of November but, as past practice, he was able to submit it in the end of October. He has done a phenomenal job in working with the district administration and the Board. His presentation has been phenomenal, and very succinct and to the point. I want to publicly thank him and his team for all of their work. Mrs. Bear said she agrees and hopes she has not been a nag with all of her questions. Mr. Schlameuss said the report that is being spoken about is very helpful to understand how we spend our money in our district, how it breaks out by building and then by group. It is a really good report for you to have a good understanding of how we spend our money and what it gets assigned to. Again, thank you for all of your hard work.

d. Snow Removal Services, Request for Proposals Update

Mr. Neiman said we went through a public bidding process. We had public bids due on October 11<sup>th</sup>. We did not receive any responses for the public bid. Last month, the Board authorized myself and the Solicitor to enter into one-year contracts for snow removal services. However, we received three separate proposals for snow removal services. You'll see two of those proposals that were actually over a three-year period. One proposal was for one year. He put a summary sheet in the Board's agenda comparing the prices for those proposals based on the different models of snow removal. Based on the fact of the lowest prices, we actually only have one proposal for the South campus buildings. We had two proposals for the North buildings. One was for three years and one was for one year. You will see on the handout the associated prices for them. We ask that the Board move forward with Meglino for our South campus and AAF for our North campus. Mr. Andrews asked if we are going to vote on the three-year proposals. Mrs. Bear said yes the one year is

much more expensive. Mr. Andrews asked if AAF is a new vendor. Mr. Neiman said both are new vendors. Mrs. Bear said he is glad that we have new vendors and hopes they do well. Mr. Dymond said that WPA has a \$5,000 a year retainer. Mr. Neiman said WPA had a \$5,000 retainer fee that the district would have to pay in November, December, January, February and March regardless if they come out to plow snow. \$5,000 would be the minimum each month. If it snowed it would cost more that amount on that particular month.

e. DDoS Protection - Discussion Item

Mr. Neiman said this DDoS was an ITEC item. Mr. Borosh requested that this item be removed from tonight's agenda. Mr. Borosh said he will speak on this topic at a later date.

**VI. Recommendations by the Property & Facilities Committee**

a. D'Huy Engineering Invoices:

- i. High School North Roof Replacement - Invoice #53768 \$2,535.01
- ii. High School South Pool Repairs - Invoice #53769 \$1,457.63
- iii. High School North and Lehman Intermediate Window Replacement - Invoice #53770 \$2,058.61
- iv. Lehman Intermediate and Bushkill Elementary Flooring Replacement - Invoice #53771 \$3,056.13
- v. J.M. Hill Vestibule Renovation - Invoice #53772 \$386.13
- vi. Resica and Middle Smithfield Water Filtration - Invoice #53853 \$2,006.25

b. Applications for Payment

- i. Bushkill Elementary Flooring - Cope Commercial Flooring - Application #5 \$30,948.70
- ii. High School South Pool Repair - All State Technology - Application #3 \$75,045.00
- iii. High School North and Lehman Intermediate Window Replacement- D&M Construction - Application #4 \$41,984.10
- iv. Resica and Middle Smithfield Water Filtration - Leon Clapper - Application #1 \$70,650.00
- v. High School North Sanitary Liner Replacement - Atlantic Lining - Application #2 \$162,478.46
- vi. High School North and Lehman Intermediate Window Replacement - D&M Construction - Application #5 \$53,504.10

c. Current Projects List.

- d. High School North Chemical Controller - Deep Run Aquatic Services - \$4,998.25
- e. High School North & South Flowmeters - Deep Run Aquatic Services - \$2,446.73 each, totaling \$4,892.74.

**VII. Recommendations from Curriculum & Instruction (to be forwarded to EPR committee)**

- a. Suntex International - First in Math - 1,895 subscriptions - Elementary grades 2-5 plus teachers. Quote \$13,573.60, Funded by ESSERs III - One year subscription.  
Dr. Vitulli said they have completed assessments on students; therefore, teachers asking for Suntex to be renewed. He did not have data back when he presented his renewals but now he sees that this subscription is needed in grades 2-5.



- b. Math Seeds - 850 subscriptions - Elementary K-1 plus teachers. Quote \$7,650.00, Funded by ESSERs III - One year subscription.

Dr. Vitulli said that this item has a similar story from the previous item where it is a request by teachers to continue with it in grades K-1. Mr. Andrews asked if this is a new item. Dr. Vitulli said they have not used it as of yet this year but have in the past. Mrs. Bear said she knows they have used it at Resica Elementary. Elementary schools have competed with each other on this program. Dr. Vitulli said we want to make sure they are being utilized and they have data to substantiate their use. Mrs. Bear asked if all schools use Math Seeds. Dr. Vitulli said he doesn't recall if it's used in every elementary school. Mr. Dymond asked if we already purchased something for math in the beginning of the year. Dr. Vitulli said he does not recall. Mrs. Bear said that she believes it was for reading not math. Dr. Vitulli said he has commitments and data to back up the need for items a. and b.

### **VIII. Public Participation - Limited to Items of Discussion**

A. Mr. Wayne Rohner asked if last month the Board made a motion to transfer \$10 million to the account for the end of June 2021. Mr. Andrews said that the funds were placed in the Capital Reserve account. Mr. Neiman said, yes, last month they spoke about it at the Finance Committee and Regular Board meeting regarding transferring the \$10 million from the General Fund to the Capital Reserve effective June 30, 2021. Mr. Rohner asked if last month there was another motion passed for future expenses for budget and educational items. Mr. Neiman said we made assignments to the fund balance last month as well. Mr. Rohner said he did not realize when he voted on the motion that we actually opened the budget for last year because the \$10 million and future expenses are reflected in this audit, which drastically changes the surplus. Why would we do that? Mr. Neiman said we talked about this process at both meetings pretty extensively. Mr. Rohner asked what am I missing. What don't I understand? Mr. Neiman said you have to tell me because I am not sure. Mr. Rohner said why did I vote to put \$10 million back in the June statement. I know it was placed in the capital reserve but I did not know it was going to impact the budget ending on June 30, 2021. Mr. Neiman said he spoke about the difference between a bank statement and the financial statement. Do you recall that explanation that I gave you about the difference between a bank posting and an accounting entry which will affect the financial statement? Mr. Rohner said the audit said that we are very strong. During the end of the school year around April, May and June, I kept hearing and the community kept hearing that we are structurally deficient and then the report says we are very strong. How do I reconcile the difference between the two especially when I see the million dollars that we are in the surplus are in this budget that we are reporting on for June 30, 2021? Mr. Neiman said he is not clear what Mr. Rohner's questions are at this point. Mr. Rohner said we assigned \$10 million to the capital reserve and it is reflected in the fiscal year June 30, 2021. In my six years on the Board, we've never done that before but we did it this year. I don't know why. Mr. Neiman said we talked about it extensively at two separate meetings. Mr. Rohner said he guessed he missed that information. I will continue this discussion at a Regular meeting when we do not have a time limit.

- B. Mr. John Petrizzo said “Figures Never Lie and Liars Never Figure”. You have just seen a prime example of it. He said he has a few questions for the auditor and the Board. Last year, there was no inventory done. Has one been done in its entirety of the school district, on equipment and all stuff on hand? Did anyone check the insurance policies for insured vehicles and equipment that may have been sold and you are still paying to ensure items that you do not own anymore? Apparently there are four districts that have a co-op for health insurance. Did anyone check in that and the inventory? There is a prime example right now going on with the Pennsylvania teachers’ retirement plan. Once again, “Figures Never Lie and Liars Never Figure”. You can see another prime example of this phrase from this bond hocus pocus that you just saw here tonight. I yield my remaining time to Mr. Rohner.
- C. Mrs. Bear said that the inventory was done. Mr. Neiman said the inventory was completed as part of the audit. Mrs. Bear said when we renewed our last insurance policy I asked for a list of what is being insured in order to match it up. I did that as Chair of the Finance Committee. Mr. Petrizzo asked how about food on hand, paper supplies, fuel, etc. Mrs. Bear said the inventory is done. Mr. Rohner said he has not received a copy of the inventory report. Per the School Law calendar, it requires that every year the Board receive a copy. We just have to request it. We have to do a Right-to-Know request because we are at the mercy of the majority of the Board. Transparency is something we struggle with at the district.
- D. Mrs. Bear asked Mr. Rohner what is the question he wanted answered. Mr. Rohner said he does not understand why the Board approved the transfer of funds into a fiscal year that ended on June 30, 2021 that greatly altered the surplus that we had. I was under the impression that \$14.5 million in surplus compliments the PSERS. I also see that \$10 million and \$5 million and \$6 million of future expenses entered into this audit because of what we approved less than a month ago. I did not realize that I was changing the budget that we adopted more than a year ago. I would not have voted for this. Dr. Riker said, “So Noted”. The Board already voted.
- E. Mr. Dymond said he has a question for Mr. Weiss. Mr. Dymond asked if Mr. Weiss has ever seen anybody take money in November and put it in the previous June’s budget. Mrs. Bear said we did not put it in the budget. Mr. Dymond said we put it back in the funds. Mr. Weiss said it is not reflected as a budget change. The motions that were made and that were provided to us was to move the \$10 million as of June 30, 2021. Mr. Weiss said, “Yes” we do it a lot. Mr. Dymond said we did it in November. Why was it not done in July or August? Is this acceptable? Mr. Weiss said, “Yes”. Mr. Dymond said it was \$10 million for Capital Reserves, \$6 million for education and \$5 million for future budget expenses at a total of \$21 million. I thought we were designating it for this year’s budget. I didn’t realize it was going back to the previous year’s budget. Dr. Riker said this was clearly explained before you took the vote. You may say you did not understand but it was discussed. If you chose to say you made the wrong decision. So be it.

**IX. Advisory Recommendations for Consideration by the Board of Education**

1.

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by Richard Schlameuss to recommend that the Board consider for approval the refunding opportunity as presented and to include both options for the Series 2016 (whether to pay it off now or whether to include it with the refunding of Series of 2017). Motion was seconded by George Andrews and carried unanimously, 4-0.

2.

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by George Andrews to recommend that the Board consider for approval the independent financial audit report by Zelenkofske Axelrod LLC for the Fiscal Year ending June 30, 2021. Motion was seconded by Richard Schlameuss and carried unanimously, 4-0.

3.

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by George Andrews to recommend that the Board consider for approval to accept the Annual Financial Report for the Fiscal Year ending June 30, 2021 and submitted to PDE on October 29, 2021. Motion was seconded by Larry Dymond and carried unanimously, 4-0.

4.

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by Larry Dymond to recommend that the Board consider for approval the contract for Snow Removal with Meglino Landscaping & Excavation LLC for the District's South Campuses (including South High School campus & associated buildings, JM Hill Elementary, Smithfield Elementary, Middle Smithfield Elementary, JT Lambert Intermediate & Bus Garage, Resica Elementary, and East Stroudsburg Elementary) and with AAF Landscaping for the District's North Campuses (including North High School, Lehman Intermediate, Bushkill Elementary, North Bus Garage, Water Tower Access Road, and Sewage Treatment Plant Road). Contracts with both Meglino Landscaping & Excavation and AAF Landscaping are for Three Years (2021-22, 2022-23, 2023-24). Motion was seconded by George Andrews and carried unanimously, 4-0.

5.

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by George Andrews to recommend that the Board consider for approval the following D'Huy Engineering Invoices. Motion was seconded by Larry Dymond and carried unanimously, 4-0.

- i. High School North Roof Replacement - Invoice #53768 \$2,535.01
- ii. High School South Pool Repairs - Invoice #53769 \$1,457.63
- iii. High School North and Lehman Intermediate Window Replacement - Invoice #53770 \$2,058.61
- iv. Lehman Intermediate and Bushkill Elementary Flooring Replacement - Invoice #53771 \$3,056.13
- v. J.M. Hill Vestibule Renovation - Invoice #53772 \$386.13
- vi. Resica and Middle Smithfield Water Filtration - Invoice #53853 \$2,006.25

6.

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by George Andrews to recommend that the Board consider for approval the following Application for payments. Motion was seconded by Larry Dymond and carried unanimously, 4-0.

- i. Bushkill Elementary Flooring - Cope Commercial Flooring - Application #5 \$30,948.70
- ii. High School South Pool Repair - All State Technology - Application #3 \$75,045.00
- iii. High School North and Lehman Intermediate Window Replacement - D&M Construction - Application #4 \$41,984.10
- iv. Resica and Middle Smithfield Water Filtration - Leon Clapper - Application #1 \$70,650.00
- v. High School North Sanitary Liner Replacement - Atlantic Lining - Application #2 \$162,478.46
- vi. High School North and Lehman Intermediate Window Replacement - D&M Construction - Application #5 \$53,504.10

7.

**RECOMMENDATION BY THE COMMITTEE:**

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

- i. High School North Chemical Controller - Deep Run Aquatic Services - \$4,998.25
- ii. High School North & South Flowmeters - Deep Run Aquatic Services - \$2,446.73 each, totaling \$4,892.74.

8.

**RECOMMENDATION BY THE COMMITTEE:**

Motion was made by George Andrews to recommend that the Board consider for approval the following two items, pending approval from the Education Programs & Resources Committee. Motion was seconded by Larry Dymond and carried unanimously, 4-0.

- i. The quote from Suntex International for a one-year subscription to First in Math, in the amount of \$13,573.60.
- ii. The quote from 3P Learning for a one-year subscription to Math Seeds, in the amount of \$7,650.00.

**X. Next Meeting – December Meeting To Be Determined**

**RECOMMENDATION BY THE COMMITTEE:**

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

**XI. Adjournment: 6:34 p.m.**

Respectfully submitted,  
Patricia L. Rosado  
Board Secretary