

**EAST STROUDSBURG AREA SCHOOL DISTRICT
BOARD OF EDUCATION
FINANCE COMMITTEE MEETING
May 9, 2022
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, Wayne Rohner and Richard Schlameuss.
- School Personnel Present:** Brian Baddick, Brian Borosh, David Cooper, Diane Kelly, Craig Neiman, William Riker, Patricia Rosado and William Vitulli.
- III. **Community Member Present:** Jared Acosta, Larry Dymond and Jacob Morris.
Other: Joseph Solomon – Provident Energy Consulting
John Young – Provident Energy Consulting
- IV. **Approval of Agenda and Minutes**

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to approve the agenda for May 9, 2022 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 Richard Schlameuss and carried unanimously, 4-0.

Richard Schlameuss motion for item c. Penn State Facilities Engineering Update be moved up to item a. and all other items will move down one letter. Motion was seconded by Wayne Rohner.

The agenda with revisions carried unanimously, 4-0.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Richard Schlameuss to approve the minutes of the April 11, 2022 meeting. Motion was seconded by George Andrews and carried unanimously, 4-0.

V. Items for Discussion:

- a. Penn State Facilities Engineering Update
Mr. Schlameuss asked Mr. Neiman if he had a discussion with Scott Harford from Penn State Facilities Engineering. Mr. Neiman said he did. Mr. Schlameuss asked Mr. Neiman to relate to the Committee members the key elements. Mr. Neiman said that the Board had requested that I reach out to Scott Hartford from Penn State Facilities Engineering Institute to discuss with him about a free energy

analysis as well as talk about a cooperative purchasing with Scott. As the Board is aware, we are currently working with Provident Energy Consulting for a consortium of purchasing electricity and natural gas. I spoke to Scott Harford about that. We talked through the services that Penn State provides. They do provide electricity consortium purchasing. I believe the Board is under the impression that those services were provided for free. However, Mr. Harford confirmed to me that, as listed on their website, there is a cost associated with that which is the same cost that we are currently paying Provident Energy Consulting, a hundredth of a penny for a kilowatt hour. Mr. Harford also mentioned that, even though it is listed on the website, at the moment they are not providing natural gas consortium purchasing. That would be a service, the natural gas consortium, that we are going to speak about in a few moments with Provident Energy Consulting. We also spoke about the electric and natural gas bills. I provided Mr. Harford copies of our bills for his review. He was very familiar with Provident Energy's work that we do with them and their services as well.

b. Provident Energy Consulting Presentation

Mr. Neiman said our Account Manager, John Young, from Provident Energy is on Zoom this evening. Since we have talked about this for a several months, I thought it would be worth, for a few minutes, this evening to talk to John Young a little bit about the services that they provide to the district. I think the original agreement goes back to 2010. I asked him to give us a brief presentation, which you have in front of you this evening, about the services they provide and talk about the natural gas purchase that we entered into a few weeks ago with them and the process they followed for this transaction. Mr. John Young said that Mr. Neiman distributed to the Committee a copy of his presentation. He presented as follows:

Page 1 – Agenda

- ✓ About Provident Energy Consulting
- ✓ Energy Agreement Status
- ✓ Shopping Approach
- ✓ Budgeting
- ✓ Services
- ✓ Q & A

Page 2 – Provident Energy Consulting

We have a long history, as far as, with schools and about 70 years consulting experience amongst our group. As I mentioned, there are 16 schools in the Colonial IU amongst our aggregation and 140 Intermediate Unit School District, Vo-Tech, and Career Technology Institutions mostly on this side of the State East of Harrisburg and all the way through your area. Our approach is that our client should pay less for electricity and use it very effectively and that is the gist of what we do when we go out for shopping and when we have our consultations. The schools come to us with questions. We are an ongoing resource, at least we try to be for the schools. We are working with Mr. Neiman now just like we have

worked with the previous Chief Financial Officers going back many years answering many of their questions. We also have a side of the business where we do performance contracting for the offices of the Guarantee Energy Savings Act that gives us a depth of knowledge on energy efficiency in general. It gives us a lot of resources for our clients to reach out to us for. We have been licensed by the Pennsylvania Public Utility Commission since 1998 so we do have a good history amongst the schools' very strong reputation. As you might imagine, it's tough to keep 140 clients very satisfied. We feel comfortable using any one of them as a reference.

Page 3 – Energy Agreements Status

The current status of your agreements is the Electric City runs through the 2023 school year and you currently have Constellation Energy pricing dates from 2019. We requested pricing from 12 of the energy suppliers, that we have vetted and received 7 pricing offers for the group of Met Ed schools. Amongst the group, are very competitive prices in the fourth and fifth of the decimal point. Everybody is very aggressive to get this block of school users. It is a very attractive load and very aggressive on the margins. More recently, we did a pricing effort for your natural gas amongst the group of schools. We got again a bunch of very competitive pricing after asking nine suppliers who were able to go through and give us pricing for all the different types of accounts. We separate these accounts into two major categories. It has to do with the way that they have served and the peculiarities that are laid upon them by the UGI Utility. They specify that different rate types are served in different fashions that goes to the impact of the overall cost. We do that to drive down pricing margins. In this case they were successful with Direct Energy. Historically, they had used UGI Energy Service but Direct Energy won the business this time.

Page 4 – Purchasing Approach

The Provident Aggregation is the consultative approach that we have relationships with many IU's including the Colonial IU. We use them to come and educate and get feedback from the school districts and talk about their needs. We talk about the direction and give them energy updates. We give them things to look out for as far as tariff changes or anything kind of on the horizon that we see. We talk about how to drive those pricings down. When we go out for purchasing, it is always going to be a competitive effort. We use the volume of the group to drive down those margins. We also like to allow the schools to have some liberty on their own to drive their budgets through some of the hedging strategies that they chose to enact. Your previous Chief Financial Officer, Jeff Bader, was very particular it that he wanted to hedge certain percentage volumes with movements in the market. We were able to facilitate that. It's really dependent upon each school district to drive those decisions of the aggregation to get the best margins.

Component Level Pricing is the idea that we are looking to maximize the savings for the school or at least the competitive aspects of it for the schools to honor that duty that we feel that we have to them.

Page 5-6 - Budget Modeling

This is an example of the electricity budget that we do. We also do a natural gas budget in a similar fashion. This lists all of your school account numbers, utilities if you had different utilities, and the right class. Then it's going to give a usage estimation, an estimation of the cost and a projection of the cost that they are going to spend with the utility in your case, Met Ed, and then a projection for those costs by facilities for the following year. This is for each of your facilities. At the bottom of the page you will see that it ramps up to an energy budget. The schools find this very useful particularly if there is change going on from year to year. Schools will reach out and say what does it look like if we lose this elementary school or if we go to a four-day work week, which we talked to your district about previously when you were considering a four-day week schedule for the summer. We ran an analysis of the load shapes and some of the incremental that is not fixed cost that go into these charges and try to give you an estimation of what any savings would look like. We have the ability to look at your data. We have your data going back to 2010 or 2009 that we can be a resource for you in case you have any questions about long-term trends depending upon how deep into it you would like to go. We are licensed by the Public Utility Commission; therefore, we have full access to your data with the utility on the natural gas and electricity side. It's part of us looking to be a resource for the schools.

Page 7 – Customer Services

Amongst the other services that we offer the schools, of course, the budget modeling that you have seen and I have discussed, we talk to schools about how to manage down their cost, Peak Demand Management. We notify all of our clients, throughout the summertime when these peak loads are considered because they are a key driver of electricity costs for everyone. We discussed the Peak Load Management with the Facilities folks, which in your case is Constellation Utility Met Ed on the natural gas side Director UGI. As I mentioned the other side of our business does the guaranteed energy savings act of performance contracting. We advise folks on Demand Response, which is the electricity program for driving down and getting rebates from the grid for being responsive to particularly hot days. The Work Week/Occupancy, I've talked about. Usage Trends again just more data for you folks to look at. Updated Facilities is what do you bring on or lose a facility again. Another thing we help in is the Hedging Strategy, which I talked about a little bit.

I know I am going pretty quick here. I will have as much time for your questions as you afford me. With me tonight is Joseph Solomon. Mr. Solomon said I am very sorry for my technical difficulties in getting logged in. I just want to introduce our firm. Obviously, Mr. Young has gone through the entire PowerPoint presentation. I just wanted to thank you for being our client for so many years and the faith and trust that you placed in us. I started this business a long, long time ago. I think we were the first consulting firm in Pennsylvania to be licensed back in 1998. I am very conversant with all aspects of energy deregulation in Pennsylvania both on the electricity and natural gas side. We are

quite conversant with the PUC, with the utilities. That is why we try to be full blown energy consultants to you at a fee that we keep as the lowest in the industry. We are endeavoring constantly to provide you the greatest service for your needs of whatever variety it may be. Mr. Young talked about the PowerPoint. In it, we talked about the wide range of service that we are prepared to support. We've gotten questions about the four-day work week. We've gotten questions about solar PPA's and we are here to answer all of those questions. We never charge for that. We consider that an added value and we are happy to do that for our clients. I'm sorry I missed the beginning. I was supposed cover much of the first slide but I am here to answer any of your questions.

Mrs. Bear said I have a question about the budgeting. Does the North campus include all of the schools such as Bushkill Elementary, High School North and the Route 209 school Middle Smithfield Elementary? I just want to understand which schools I am looking at. Mr. Young said these names are the ones that we have gotten feedback over the years on. They are easily editable and rather arbitrary. The account number would not change but any type of nomenclature you would like to use we are happy to update it for you. Mr. Rohner asked about some of these line items like the traffic lights for Middle Smithfield Elementary School. I see a couple of line items for Middle Smithfield. Mr. Young said typically there could be a traffic light yet it would usually be under a different rate class. They might be an auxiliary building or garage. They really could be any facility that has its own meter. The important thing to note here would be that they would be under their own set of bills and account number from the utility enrolled that way similarly with the supplier. Mr. Solomon said when we begin with a client, the name of that account is delivered to us by the host utility, whether it is Met Ed or PPL or whatever it may be so that is what they call that account. They have named that. When we do our electronic data request for your data, that comes into our application. That's how it initially begins. With the very first budget that ever gets developed for a client, we typically like to go through that with the Business Manager or the Facilities Director. These are very good questions you are asking on how do you identify them. We can make the change very easily in our application to rename that to something that is more meaningful to you not what Met Ed or PPL calls it to set the meter. That is a very easy thing to do so that you are cognizant of what it is. You can say traffic light, garage or maintenance shed. Mr. Schlameuss said my question is, you say that you work with 140 school districts. Do you work with any authorities other than school districts? Mr. Young said yes. We have about 14 county governments in the State. We have numerous municipalities, townships, commercial, industrial customers and wastewater customers and 70 private schools that are called independent schools that we service. The clients are probably closer to 250 to 300. Mr. Solomon said I can tell you a little background on that. When I started this business back in the late 1990s, I originally had many, many Chambers of Commerce from Wilkes Barre, Williamsport, Catholic diocese etc. We had 10,000 customers. We found out that it took the same amount of time to answer a question from A & A Auto Parts as it did from the East Stroudsburg Area School

District so we focused on clients that were at least a million kilowatt hours a year or more. That brought us to a niche market. We have more school districts in Pennsylvania than any other entity like us. One hundred and forty school districts K-12 units is about a third or more of the school districts in Pennsylvania. Quite frankly, the school districts on the Eastern and Southeastern part of the State tend to be the larger entity. I would say that we probably have upward of a half of the load of K-12. That is important mainly because you all kind of look alike in terms of the way you use energy by the hour. You are what we call the load shape. When we go to shop for pricing for you and all of these other school district, we are presenting essentially a gigantic school district profile to Constellation, Washington Gas Light, Electricity DeFrance, etc. We like to concentrate in that niche. As Mr. Young said, we have about 14 county governments, including Lehigh County, Montgomery County and Bucks County, Dawson County, North Cumberland County, etc. Again, they look like a large county load profile with their long term care facility, prism and things of that nature. The one thing in common is that they are large energy users. Their volume, that I didn't see in any of these slides, is that they are well over a billion kilowatt hours. What that yields as a benefit to East Stroudsburg, for example, is an incredibly skinny margin on the price that is provided. When these people know that they are competing with one another that we are completely independent non-exclusive, they are fighting amongst each other to get your business and where can they get the skinny is in their margin. Nymex trades energy. You will see it more often on the gas side, where we are locking a space on the pipe for you with the basis charge but the Nymex itself is the physical commodity that is traded by anybody. Where do these guys, the big suppliers, make their money, is in their margin that they could put on your account. If they are competing aggressively and they know that there is a billion plus kilowatt hours or a couple hundred million deca term of natural gas, they can afford to get a skinny or margin on that so they can beat out their competitor. That has been our business model for ever, literally since I started the business in 1995. Mrs. Bear asked if you deal with multiple different school districts in size compared to our, do you get one versus another one that is similar in size but ESASD is using a lot more electricity than that of another school district. Mr. Solomon said yes that is exactly right. Mr. Young alluded to that other service. The two main things we do are the energy purchasing and the Energy Efficiency Project Development activity. We are always trying to get our clients to invest in their own facilities, when we see how your operating compared to another district in similar size. There is a neighboring district Pocono Mountain School District, that is pretty large and use a lot of energy, we want to have that follow up conversation. It most noticeably appears to us in with the summer demands component. It is called PLC, Peak Load Contribution. We are always working with our clients to say, you guys have to get off the grid or somehow scale back your cooling needs in the summer. The way that the PLC and the Federal Energy Regulatory Commission look at every sing account not just a client is what are you using at the peak hour of the season. That is how you are assigned your peak load contribution. There is \$1 amount associated with that, that we cannot control and neither can you. It is

generated by an auction at FERC, the Federal Energy Regulatory Commission, runs every year for three years into the future. That sets the dollar per KW level that you can control for 3 p.m. on whatever date it may be. We then want to work with you to bring down that PLC value. Some of our clients participate in this program. I noticed it was on one of the slides earlier called Demand Response, where vendors go out and try to talk to you about helping you drop your demand for power at those hours. We'd rather tell you about it rather than pay some entity 20% or 30%, which is what they take off the top. We do not make any money on it but we rather tell you here is how you clip your demands. You have to be careful on these hours and we send out broadcast notices approximately 10 times a year. Mr. Young said I touched upon this a little bit within the slides. Mr. Solomon said the other thing is that we want to come in there and help you with identifying your over usage or why is this elementary school using more than that elementary school when they are the same square footage. The first slide I was hoping to cover said Use Energy More Effectively and pay less for what you are using. That is what it is all about. Mr. Schlameuss said I have a question for Dr. Riker. Since you have been here, how many conversations, are you aware of that our staff has had with this firm? Dr. Riker said I have not had any directly but he mentioned Jeff Bader a number of times. I do know that he has had those conversations. In fact, the peak hours in the summer, I recall. I just said that to Mr. Neiman that Mr. Bader would send out any number of emails letting us know when those measurements were being taken so that we can reduce our load to save money on our expense for energy, so that has occurred. Mr. Schlameuss asked have we not seen them recently or are we just not aware of that. Dr. Riker said I'm not aware of it recently. Mr. Young said it is a summer based program so you will see those notices anytime between June and September. Mr. Solomon said for that particular component, the summer demand shedding, the way things work with our clients, some clients delegate this responsibility for energy budgeting to the Business Manager or Facilities Director. They typically are aware where those responsibilities lie. It varies by district even within the Intermediate Unit. The Colonial IU have some Business Manager or others Facilities Director or in other cases, it lies in a different entity. We have a list of primary contacts and it is rarely ever the Superintendent. That person oversees all of the operational activity of the district. It falls down the chain of command. Very often I'd say, most often, it is the Business Manager but again it varies. Mr. Neiman said one of the things I've heard over my short time working in school districts to the effort to try to save money by shutting off feedback systems during peak summer times, sometimes the unintended consequence of mold might exist. I think there is always that conversation you would want to have around penny wise a pound foolish kind of thing. I don't think we ever want to jeopardize the opening of school by trying to save some dollars. Mr. Schlameuss said we have seen that before. Mr. Young said this is unquestionably true and the times that we are talking about are in the afternoon for a matter of a couple of hours. It is not as we are advising you to shut the doors and close the place on a Friday night through a Monday morning. That is simply not something that we would get involved in and of course, we know that energy is a large spend for schools, but

you have a tremendous amount of money and effort and time put into creating a learning environment. We are talking to facilities folks because sometimes, there are tough conversations around energy use that occur. We would like to remind folks but we understand that your primary role there is to provide an educational environment and we are trying to help you do that. We are trying to identify opportunities for savings rather than questioning anything or trying to get you to work at the fringes of what is recommended. Mrs. Bear said the other thing you mentioned too is that you do analysis for solar and other modes of cogeneration. Mr. Schlameuss said I believe he said Solar PPA. That is the purchasing of the solar energy. Mrs. Bear asked do you do any cogeneration. Mr. Schlameuss asked do you guys do the solar generation. Do you make recommendations for cogeneration and advising us on that? Mr. Young said with cogeneration what we would do in the energy projects is work with an RFP and evaluate proposals. Cogeneration typically is something that is better off or the value is found more in places that are around the clock facilities like college campuses and municipal governments. Mr. Solomon said another example is a nursing home. Mr. Young said it would be in places that have heat needs and energy needs around the clock. We would certainly be happy to go down that path with you but it is not typically something that the school districts are looking at. Mr. Solomon said we typically would look at anything that you are struggling with as part of an energy engineering analysis. If indeed, we see a situation that you are further down the line or going beyond of what is this and the pros and cons. We would recommend that you get much more involved in a full blown engineering study, which we have not historically, over the years, done. I'm an electrical engineer, we have engineers around on our team. However, we are not a design engineering company, where you might want to have a cogeneration plan designed. We have not seen a school district that was utilizing cogeneration. Switching back to other topics like solar PPA days or four-day work weeks or whatever it may be. During the COVID, period we saw a lot of people talking about indoor air quality, bipolar ionization techniques and things of that nature. Again, it is about air flow, making sure you do not have mold, making sure that you are bringing in outside air, even in the winter to give oxygenation to students so that they are not falling asleep in their chairs. Things of that nature. We will help with any and all of those kinds of things at your request. We want to be here and have always been here as a resource for our clients. East Stroudsburg Area School District is aware that there are questions that can be asked and we are here to answer them. We are pretty good at what we do. I worked for a utility company then got into consulting before starting my own consulting firm back in 1995. We have a host of experts that are, what I call related parties, that we call on as needed. About a month ago we were up on the roof of the Lehigh County Government Center looking at their solar panel arrays. We discovered that there had been bullet holes that landed on top of these panels that were integrating circuits and so on. We have solar gurus that I've known for 20 years that we bring to our team for these kind of things. I don't think there is much that we are reluctant to take a look at by any means. If you need involved detailed engineering design, then you know we will tell you. You need a professional engineering firm to take this a little bit further. Mr.

Schlameuss asked when you take our utility bills and then get the best rate on them, are you taking our set of utility bills and then working with those or do you take our utility bills and Lehigh bills and other school districts to look at then at the same time putting them basically out on the market for bidding. Mr. Solomon said the way we are doing it is the best of both worlds because we have done something called unbundled the bill. The part that you are banded together with all of the districts not counties. It is almost like we call it an unbundled fixed energy. We refer to it as the UFP product, Unbundles Fixed Energy Product. That takes apart the energy piece from the demand pieces. The energy piece is what shot across all the school from all the school districts. The only separate element of that is Med Ed, School accounts are price together vs. PPL accounts vs. PECO accounts, etc. Each Utility territory has something called different marginal cost curves. It is because of the region. It is a vocational factor that the power lines dictate, etc. It's almost like you are getting the wholesale price of energy marked up. The thing that separates you out and makes you unique, is the peak load contribution, the PLC, and the Transmission. That is what is called the NSPL, the network service peak load, which is the equivalent thing for transmission. They are unique to you so we get the best price for all of the districts together by utility territory for the unbundled text energy component. We did this thing several years ago when the recaps you may remember that in 2010 and 2011 in the Med Ed territory, the rate caps came off in 2011. In PPL territory, they came off in 2010. They had been set back in 1998 as part of the regulation statute. Thirteen years later, they are allowed to be released. In other words, we became a free retail market. When they came off, we began investigating by talking to all of the big suppliers like what is in the price? How do we know that your price is comparable to the next guys price? When we did this the first time, if you got a fixed price for energy for example. Then all of those things are bundled together. Well if you were doing a good job of managing your PLC and you are NSPL, and let's say Blue Mountain School District up in Schuylkill County was not doing a good job, then you'd be crossed subsidizing that other district who wasn't doing a good job. We separated it out. You have distinct control over the unique elements of when you use power and things of that nature. You are still leveraging the volume buying power of this unbundled fixed energy. The very first time we did that pricing request, I looked at the answers or their responses and for the UFP component we had across 50 school districts the variance across, the UFP product component was plus or minus 2.7%. Across the NSPL or the transmission component, it was plus or minus 19.9% and across the PLC the PECO contribution, it was about 33%. Some school districts were not doing a very good job of managing their peaks. Some were doing an excellent job. This gives you the motivation to do what is best for you and you are still on the plus or minus 2.7% variation on the price because everyone got an individual price. We looked at those prices and the variance and every one of those were getting their own price. The variance was tiny. Where the big benefit comes in is helping you managing those summer demands and then transmission is a 12-month look. We are trying to help you all year by managing how you use energy. That is why we try to do energy projects now and then. We do them a lot but not as many people

think they need the help with that because their own facilities team is often doing a good job. They just get called off a lot when a teacher complains about the temperature in her classroom. This is when we try to add value. Mr. Rohner said on the budget modeling page you have decrease in cost for electricity for the 2022-23 as stated on the chart. You have us as -4.25%. Mr. Young said yes, that is what is predicted based upon the usage, the agreements, the towers from the utilities. You are correct. Mr. Solomon said you will see that the kilowatt hours are when we have no way of knowing what your 2021-22 will end up. Then this model assumes that the last 12 months of usage will be what the next 12 months of usage will be. It's kind of a predictive tool but it does not purport to have inside knowledge to any building changes or shut downs of schools, etc. If you are aware of something like that coming up, we asked our clients to call us so we can prepare for various changes.

c. Natural Gas Basis UGI Schools Group Bid Awards for July 1, 2022 through June 30, 2025

Mr. John Young said in a similar fashion the accounts were aggregated and as I think I mentioned before, Stratified by Rate class. We asked 9 suppliers and received pricing for 4 of them. You got very competitive pricing on that and I think on the DS you were about 29 cents and that basis came back negative 60 or so. The N went up but it's probably about 85% of your usage that is in that high volume rate class DS. There was very competitive pricing on that and I think on the DS you worried about 29 cents and that basis came back negative 60. The end went up but it's probably about 85% of your usage that is in that high volume for rate class DS. It was very competitive pricing involved the schools in the UGI territory going out for pricing in the same manner we described here. Mr. Neiman said he provided to the Committee members the summary that he gave me from the results. It does talk about high volume and low volume pricing and the results of that. Mr. Solomon said when we go out to shop for natural gas we are shopping for this transportation component, the basis component, which is kind of a kin to the UFC product I mentioned for electricity. Once you have the pipeline reservation made, which is the basis component that Mr. Young just alluded to the minus is negative 60 cents. Why is it negative? Gas is not moving these days. The people that own the pipelines are trying to give away space on the pipe so that they can move their natural gas out of the shale regions, etc. Your physical location is uniquely interesting because with these guys that are drilling up in Towanda and Northern Pennsylvania they want to get to New York City and Long Island where the rates are that much higher. Therefore, they are willing to give away space on the pipe just so that they can move this gas. Once you have that secured space on the pipe, you can now access and contract for the physical commodity, which is generally referred to as the basis plus Nymex contract. With the Nymex extremely high right now, we are not encouraging anybody to lock pricing up at these ridiculously high levels in the \$6 to \$8 a range when two years ago, you were paying an average in the \$3 range. That is one of the things that we are very careful with and want to be your consultant for a long time. Some other folks might treat their clients differently and say let's get them locked up and we

are not all into that. We will hang in there as long as we can or have you hang in with whatever price you lock up. Mr. Young said it is the competitive portion of it rather than what Mr. Solomon mentioned previously. The Nymex is, as it trades, the basis or pipeline capacity portion of it that is shoppable and competitive amongst the suppliers. Rather than have them provide a price that was inclusive of this Nymex traded price, only the comparable part and the terms of it are shopped amongst the suppliers. As far as to why it is negative, we actually pay for that commodity because at one point the GL utility had to have space on these pipelines to provide the full package. Deregulations were responsible for all portions of bringing the natural gas to you and procuring it in the US. If you look, you will see that you pay more on the DSI on this high volume side to the local utility because they are actually paying for some of that capacity on that side when you go get the basic pricing that is factored into the offerings from the different suppliers. I would be happy to prepare a slide that goes over deregulation and talk about how they all fit together. I can give you a more in depth and broad understanding of that. I'd be more than happy to come back with it. I didn't want to go too deep into that because we talked about presenting for about 10 to 15 minutes. Obviously, we have gone much further over that time. We are happy to but we were mindful of our time when preparing this presentation. Mr. Solomon said we want to have all the answers to the questions you have for us. There are a lot of moving parts in the energy pricing realm, right now, both in the electricity side and natural gas side. We talked about UFC capacity and transmission. There are numerous other components to the electricity price just as there are with the natural gas price and the rate classes and how different utilities regions treat each of these. We are happy to spend as much time as you would like individually or in a session such as this. We hope that you will understand that if any individual Board member or Superintendent would like to chat or have another team meeting, we are here for you. Mr. Neiman said knowing that we are locked in through June 2023, Mr. Solomon at some point in the next several months will come to me with a timeline for when you want to go out to market for that. Is this the direction from this committee? Do you still want me to continue or would you like me to go with a different direction as far as electricity matters? I would like to know that now rather than later. Mr. Andrews asked are you talking about natural gas or electricity. Mr. Neiman said we are talking about electricity because we already have the gas prices. Mr. Rohner said me personally I am not prepared to make that decision at this very moment. Mr. Schlameuss said it is not on the agenda yet but you can place it on the agenda for next month's meeting. Mr. Andrews said we also have other companies like Penn State to look at. We cannot make a decision yet. Mr. Schlameuss said we can have Penn State present next month. Mr. Neiman asked is this the direction from the committee to have Penn State come next month to present. Mr. Schlameuss said it would not hurt. Mr. Rohner said he is okay with that. Mrs. Bear said Mr. Neiman said that Penn State's fees were basically the same as Provident Energy's are. Mr. Schlameuss said the fees were the same but the pool of bidders is different, which makes a difference in the price. Mr. Solomon said it is important to look at the mix of accounts as well. You want to be looking upon as a gigantic

school district. You are a pretty big school district. You are a good sized district but we got a lot of those. It's also a matter of some of the things I mentioned to you. We have been doing it a long time. I would look to see when people got licenses, who is paying attention to this, etc. It may behoove you to invite or have a phone conversation to see who are on the list like Constellation, Electricity de Franc, etc. etc. How many people have they done with other companies compared to Provident? We are known as the school district guys. We encourage you to check us out further and all those that want to get your business as well. Mr. Young said we have a lot of good reference sand would be happy to furnish them to you. Mrs. Bear asked Mr. Neiman to make sure they get his name on the contract since it still says Jeffrey Bader on it.

d. Dairy & Bread Bid Awards for 2022-23

Mr. Neiman said he provided to the Committee the details for the various bread and dairy bids with the recommendations from the Food Service Department. Mrs. Bear asked is it similar to what we paid last year or is it increasing a lot. I see now that the prices have increased by 12%. Mr. Schlameuss said that is the market now. Mrs. Bear said yes that is the nature of it all. Do you know if next year the State is giving us funds for the free and reduced lunches? Mr. Neiman said the funds come from the Federal Government and we are still waiting for a final decision yet. Mr. Andrews said I thought the decision is right around the corner. Are we going to be distributing lunches on the buses? Mrs. Bear asked are we not doing that any more. Dr. Riker said we are not.

e. Government Software Services Inc., 2022 Agreement

Mr. Neiman said this is our annual agreement for tax billing for our Pike County Municipalities. The price went up slightly due to the price of paper. In the grand scheme of it, it is only a couple of dollars of increased costs. Mr. Andrews asked if this is the software verses using paper. Mr. Neiman said it is the actual system to print the bills.

f. Gator for Lehman Intermediate Athletic Trainers - Deere & Co. Quote, \$11,416.43

Mr. Neiman said this item is for a gator for Lehman Intermediate for the Athletic Trainers, which was requested by the Athletic Department. She asked will this be funded by St. Luke's funds. Once this one is purchased all of the intermediates and high schools will have one. Mrs. Bear said she is assuming that Lehman Intermediate and High School North share a gator. Mr. Neiman said he does not know. Mrs. Bear asked Mr. Rohner if he knows if they share a gator. Mr. Rohner said he thought we just purchased one. Mrs. Bear said we purchased one for J. T. Lambert Intermediate. Dr. Riker said all schools will now have a gator. Mr. Andrews asked if this purchase will come out of the Athletic Department funds. Mrs. Bear said it will come out of the St. Luke's funds. Dr. Riker said that is correct. Mrs. Bear asked if the gator is similar to the one that J. T. Lambert Intermediate got. She said it is the same one. Mr. Schlameuss asked did they

give a timeline of when delivery would be. Mrs. Bear said Lehman is done with sports for now so if we get it by fall it should be good. Mr. Schlameuss said he does not think that would be possible. Dr. Riker said that is correct. I don't know what the timeline is but if I recall, the last one wasn't coming until the fall if we are lucky. Mrs. Bear said I am hoping this will be here for the fall also.

- g. Wrestling Mat for South High School - Resilite Sports Products Quote, \$10,195.20
Mr. Neiman said this is another item that will be paid through the St. Luke's funds. Mr. Andrews asked do we have to put a St. Luke's logo on it. Mr. Neiman said no.
- h. Classlink Software - Classlink Quote, \$27,028.75
Mr. Brian Borosh said we are currently using a program called Clever, which was bought by another company. They are moving to a different revenue models and starting to charge more. We had ClassLink at one point. We used it for a year or two. We didn't care for it at that time. It's come a long way since. Basically, for what is used for is for single sign on and rostering for all the different applications that we have and a lot of curricular software. It should be noted that they pair directly nicely with HMH, which is on the agenda here for ELA resources for grades, 3-5. Mr. Andrews asked what is this replacing. Mr. Borosh said it replaces a program called Clever. Mr. Andrews asked and this is for single sign on. Mr. Borosh said it is for single sign on and rostering. It does do some other things as well that we can leverage and probably get rid of another program or two in the future. Mr. Andrews said so it is a lot more versatile. Mr. Borosh said it is a lot more versatile than what we have. Mr. Schlameuss said I can only imagine doing that today without the software. Mr. Borosh said I remember what it used to be like when I started here when one person entered rosters by program. We had to identify the most important programs and especially when you consider 10% of our students are transient. There were a lot of changes. Dr. Riker said I think that was still happening about six years ago. Mr. Schlameuss said I see the value in this. Mrs. Bear asked does this link with Sapphire and everything else, too. Mr. Borosh said Sapphire is the source of authority. The data comes from Sapphire and goes into this program. It then will go out to different curricular and educational resource programs. Mr. Andrews said this will keep the students in each of the other programs. Mr. Borosh said yes. Mr. Schlameuss said it assigns the permission to do that. Mr. Borosh said it is one less thing for teachers to worry about, rostering their students' list in different programs. Mr. Andrews asked if a student goes from 9th grade to 10th grade, it will show up that way. Mr. Borosh said to your point, even if a student's schedule changed on any given day throughout the course of the year, it will be reflected in Sapphire and at midnight that data from Sapphire will go into this program. Mrs. Bear asked will this program also be used for when parents update phone numbers or whatever information in Sapphire and links it all together. Mr. Borosh said that is the community portal is still Sapphire. The other plus to that program is our students that are in the primary grades K-2, have QR Codes and

with Clever that will be going away. The students will flash their QR badge at the camera and they can log in. They won't have to worry about typing in their username and password. Most of the kindergarteners and first graders can struggle with this. Mrs. Bear asked if the new badges have all of that now. Mr. Borosh said he believes that the QR codes are being added on the new badges. Mrs. Bear said it can be much easier for even the parents at home, who are struggling to get online. This will help with their schoolwork since they always forget their lunch numbers and login information. Mr. Andrews asked if this program is for all students. Mr. Borosh said it is for K-2 grades. We polled our teachers and our Instructional Technology Coaches and they felt K-2 was a good place to leave it at. We do it as well for some Special Ed classes K-12.

i. Rubrik Backup Software - ePlus Quote, \$175,130.17

Mr. Borosh said the backup software is basically everything in our data center that backs up. Currently the way our backups are set up now is we have two appliances that are also in each data center. One is next door at South and one is North. We don't offload that anywhere else. We wanted to look at other backup software providers that would have software where our backups would be offloaded in the cloud somewhere else so that they are more secure so that they have air gaps, etc. We did not feel that the current backup software that we use provided that level of security and the level of encryption that we are looking for. This product came highly recommended. We saw demos on it and we compared it with our current product. It costs a little bit more than the current product. Basically, we would have one box and one of our data center that would transfer out to the cloud every night. We are looking at it not only from a Cyber Security standpoint of it but from the physical aspect of it. In addition, the Rubrik backup software is constantly scanning our backups for ransom malware and everything else while it is on that site. It will also see if there is any large exfiltration of data. If there is a large exfiltration, they would stop it right away. It is a lot more secure. I feel like I am coming here every couple of months for cyber security stuff. I realize that it is expensive, but I think the alternative is if something were to happen it would be definitely a lot more. Mr. Andrews asked if this product goes to the cloud. Mr. Borosh said the proposed Rubrik does but the current one does not. We will get an appliance that sits in our data center and then that appliance will go out to the cloud. We will have a data here and it will also have a copy out in the cloud that is also secure. Mr. Andrews so that is where it will stay. Mr. Borosh said it will be in two places, here in our data center and in the cloud as well. Mr. Schlameuss said it is typically AWS Server or something like that. Mr. Borosh said correct. Mr. Andrews asked is it everything in our server or just the Board information. Mr. Borosh said it is everything that is on our servers in our Data Center. Mr. Schlameuss out of curiosity did you look at Dato. Mr. Borosh said we did not. I attended a conference and one of the vendors, we dealt with for the last 14-15 years recommend Rubrik. A couple of other districts use it. It came highly recommended. The pricing is from the PEPPM Contract as well. I know it is a large number but it is for three years. When you break down that number out of the \$175,130.17 there is one time cost of is about \$23,000 to

get the appliances and other things. Our recurring annual cost is about \$50,800 for three each year. We are signing up to lock in a three-year agreement by paying upfront get the discount. It is a budgeted item and part of my budget initiatives for next year. There is also an installation component that they got over to me late of \$4,950, which is a one-time installation charge and in addition to the contract cost. Mr. Andrews if this amount is to buy an appliance to send the information to the cloud. Mr. Borosh said this would be included as part of a non-recurring costs. Mr. Andrews asked if there is a recurring fee for storing into the cloud. Mr. Borosh said, yes. Mr. Andrews asked if the fee is part of the \$175,000. Mr. Borosh said yes.

j. 2022-23 Budget Presentation

Mr. Craig Neiman said he is sharing the 2022-23 Budget Presentation on his screen.

Page 2 – Agenda

- Recap Budget Themes Discussed in March
- Multi-County School District Tax Rate Rebalancing
- Act 1 Index
- State Funding Updates
- Expenditures Overview and Major Cost Drivers
- 2022-23 Budget Timeline

Page 3 – Budget Themes Discussed in March

Revenues

- Millage impacted by STEB (State Tax Equalization Board) rebalancing (Market Value swing drives increase in Pike for the first time in over 10 years)
- Flat assessment values with commercial assessment appeals in excess of \$2 million
- Act 511 taxes (RE Transfer, Delinquent RE, EIT) remain strong and an indicator of local economic conditions
- Governor’s Budget Proposal includes a historic investment in Public Education in his budget
- Federal ESSER funds are budgeted and layered into assumptions
- Federal Title program funding essentially flat to current year

Page 4 – Budget Themes Discussed in March

Expenses

- Charter School costs estimated to increase more than 12%
 - ✓ After almost tripling during the 2020-21 school year
- PSERS costs, while leveling out compared to recent years, increase more than 4.5%
- Special Education costs/mandates outpaced by the State and Federal Funding
- \$1 million committed to fund the Capital Reserve Fund

- Salary Costs increase due to collective bargaining agreements and increased staffing to support learning loss related to the pandemic
- SBP (School Based ACCESS Program) costs up significantly but offset by Federal funding
- Federal ESSER costs are budgeted and layered into assumptions
- Pupil/Staffing ratios balanced but work will continue to analyze needs

Page 5 – STEB Market Values and Assessments

County	2019 Market Value	2020 Market Value	Change from Prior Year
Monroe	\$2,233,517,865 77.28%	\$2,206,694,165 76.34%	(\$26,823,700) -1.20%
Pike	\$656,750,884 22.72%	\$683,932,869 23.66%	\$27,181,985 4.14%
County	2022 Assessment	2023 Assessment	Change from Prior Year
Monroe	\$2,608,545,206 93.06%	\$2,616,686,801 93.08%	\$8,141,595 0.31%
Pike	\$194,396,520 6.94%	\$194,584,610 6.92%	\$188,090 0.10%

Page 6 – STEB Market Impact on Millage

County	2021-22 Budget Millage	2021-22 Rebalanced Millage	2022-23 Budget Millage	Change from Prior Year
Monroe	31.27	31.27	30.79	-1.5%
Pike	123.39	128.47	128.33	4.0%

- The 2021-22 STEB rebalanced millage is the new base millage for 2022-23 budget discussions and decisions
- 2022-23 Proposed Final Budget millage results in a Monroe millage decrease and Pike millage increase

Mrs. Bear said, last year Pike County went down even with our tax increase if I am not mistaken. Mr. Neiman said correct. Mr. Rohner asked what is STEB. Mr. Neiman said STEB is the State Tax Equalization Board. Mrs. Bear said our district deals with STEB because we are a multi-county district. Stroudsburg School District would not have to deal with them because they just deal with one county. Mr. Neiman said correct. STEB looks at the market value fluctuation and there is a whole model that it runs through which impacts the rates. Mr. Rohner said this goes through the County Commissioners these type of millage rates. Mr. Neiman said it goes through the State level. We talked about this back in March a little bit about the State Tax Equalization Board and how it works. Mr. Schlameuss said it is a formula that it goes through. Mrs. Bear said she remembers that even though raised taxes last year and Monroe received an increase, Pike county paid less taxes. Mr. Rohner said I am going to research this.

Page 7 – 2022-23 Median Tax Bill

	Monroe	Pike
% of District	76.3%	23.7%
2021 Median Homestead Assessment	\$137,020	\$27,650
2021-22 Millage	31.27	123.39
2021-22 Tax Bill	\$4,284.62	\$3,411.73
2022-23 Proposed Millage	30.79	128.33
Tax Bill with Proposed Millage	\$4,218.85	\$3,548.32
Yearly Change in Median Bill	-\$65.77	\$136.59
2022 Homestead Rebate ESTIMATE	\$563.14	\$563.14

Page 8 – Median Homestead RE Tax Bill Comparison

	Monroe	Pike
2013-14 Tax Bill including Homestead Rebate	\$3,937.23	\$3,149.44
2021-22 Tax Bill including Homestead Rebate	\$3,841.87	\$2,968.98
2022-23 Tax Bill including Homestead Rebate	\$3,655.71	\$2,985.18
2021-22 Tax Bill DECREASE compared to 2013-14	-\$95.36	-\$180.46
2022-23 Tax Bill DECREASE compared to 2013-14	-\$281.52	-\$164.26
2022-23 Tax Bill compared to 2021-22	-\$186.16	\$16.20

- Homestead/Farmstead rebate estimated to be \$563.14 in 2022, this compares to 2021 amount of \$442.75 (more info on slide 11)

Page 9 – 2022-23 Act 1 Index is 4.8%

County	2021-22 Millage	2021-22 Rebalanced Millage	2022-23 Act 1 Index	Change from Rebalanced Millage
Monroe	31.27	31.27	32.77	4.8%
Pike	123.39	128.47	134.64	4.8%

- In December the Board passed a resolution to not exceed the Act 1 Index
- The maximum amount of new tax revenue that can be generated in 2022-23 is \$6.4 million
- Each 0.5% tax increase generates approximately \$500,000 of new tax revenue

Mrs. Bear said on page 7 it says the Proposed Millage is 30.79 but the rebalanced millage was 31.27 for last year. You have the rebalanced millage was 31.27 last year so that we are going to go up from 30.79 to 32.77. Are you basing the 4.8% increase on the 31.27 going up 4.8% or the 30.79? Mr. Neiman said on the 31.27. For the Act 1 index it is based off the rebalanced millage for 21-22. The Act One index is based on the 31.27 and the 4.8% increases based off the 31.27 not the rebalancing for 30.79. It is a little confusing. There is the rebalancing that we have to run and there are other assumptions built into the formula that contract with the middle so the 4.8%. Mrs. Bear said how does that affect Pike. I am confused because their rate was 123.39. in

2021-22. Then rebalanced at 4.1% they are at 123.39. Mr. Neiman said there is 4.1% to 128.47 as the Act 1 index says. The Board could do another 4.8% which would bring it to 134.64. Mrs. Bear said Monroe is more than 4.8%, too. Mr. Neiman said what I am proposing is different than STEB amount. Mrs. Bear said that is why I am confused. Mr. Andrews said this is the maximum amount it can increase to. Mrs. Bear said but he is basing it off the 31.27. Mr. Neiman said that is what was paid last summer. Mr. Schlameuss said what Mr. Neiman is saying is that he is looking for us to hold at 31.27. Mr. Andrews said this number may change by the next presentation. Mrs. Bear said it is confusing to me and I was trying to wrap my head around it.

Page 10 – Millage Change Compared to Act 1 Index

- District has remained well below the allowable Act 1 Index tax rates. With multiple years of tax reductions.
- Since 2013-14, in aggregate, Monroe Millage Rate is down 0.4% and Pike Millage Rate is down 4.3% and Pike Millage Rate is down 4.3%. While the Act 1 index is up 33%. This represents ~\$35 million of lost annual revenue opportunity
- Reduction in tax rates has limited additional revenue opportunities

Page 11 – Homestead/Farmstead

- On May 1, 2022 the Pennsylvania Department of Education announced a significant increase in the 2022-23 State Property Tax Reduction Allocation. This number has not changed pretty much in the history of this program.
- SPTRA (State Property Tax Reduction Allocation) reduces local property taxes as a result of the distribution of State gambling funds through the Taxpayer Relief Act, also known as Special Session Act 1 of 2006.
- District allocation anticipated to be \$5,475,081 in 2022-23
 - 2021-22 allocation was \$4,345,813
- Estimated 2022-23 rebate of **\$563** compares to 2021-22 amount of **\$442** per Homestead/Farmstead resulting in a savings of **\$121** for eligible properties! This is big news and real money for folks. It is offsetting tax increase for Pike County and significantly lowering the Monroe County’s tax bill. In total, we are equal as district but the State revenue amount increases and the local revenue decreases. These funds started around 2008, which amount has not changed. This is not something that happens every day. I think it’s a good news story. Mrs. Bear asked does the district get the money whether it increases or decreases. Mr. Neiman said yes. We receive the \$4.5 million and the number of applicants fluctuate every year. We should thank our State legislatures for funding this.

Page 12 – 2022-23 Governor’s Budget Proposal Compared to a Potential Final State Budget Scenario

Governor’s Proposal

ESASD Projected Scenario

Basic Ed Funding	\$1,250,000,000
Level Up	\$300,000,000
Special Ed Funding	\$200,000,000

BEF @ 20%	\$250,000,000
Level Up @ 50%	\$150,000,000
SEF @ 50%	\$100,000,000

- ESASD BEF would increase by \$7.6 million or 42% in Governor’s proposal
- ESASD not eligible for any additional Level Up funds (goes to the 100 most underfunded Districts)
- ESASD SEF would increase by \$1.3 million or 25% in Governor’s proposal

Page 13 – 2022-23 Governor’s Budget Proposal Compared to a Potential Final State Budget Scenario – BEF @20%

	2021-22 Budget	Governor’s Proposal	ESASD 20% Scenario	2022-23 Estimated Increase
New State Money Distributed through New BEF Formula	\$898,667,243	\$2,148,667,244	\$1,148,667,244	\$250,000,000
BEF Base 2014-15	\$13,203,911	\$13,203,911	\$13,203,911	\$0
Level Up “100 most underfunded”	\$0	\$0	\$0	\$0
Students Weight BEF Distribution “New Formula”	\$5,070,664	\$12,718,423	\$6,600,215	\$1,529,552
Total Basic Ed Funding	\$18,274,574	\$25,922,333	\$19,804,126	\$1,529,552

I felt the 20% was a good scenario and confident for this amount. Board members should call our State legislatures that we assuming the 20% and see if it is realistic. Everything I heard would say it is a fair number.

Page 14 – 2022-23 Governor’s Budget Proposal Compared to a Potential Final State Budget Scenario –SEF @ 50%

	2021-22 Budget	Governor’s Proposal	ESASD 50% Scenario	2022-23 Estimated Increase
Special Education Funding	\$4,983,166	\$6,251,539	\$5,617,353	\$634,187

Mrs. Bear said maybe we will get lucky and get more. Mr. Rohner asked how do we reduce cyber charter school costs. Mr. Schlameuss said getting students back into the district. Mr. Rohner said that is the obvious answer. Mr. Schlameuss said it is the only answer. Mrs. Bear said charter school reform if that every happens. Mr. Rohner said that is not going to happen. What is the increase to charter school news right now? Mr. Neiman said I will finish up the presentation and then we can look into that.

Page 15 – 2022-23 Revenue Comparison to 2021-22

	2021-22 Budget	2022-23 Budget	Variance \$	Variance %
Local	\$106,346,827	\$108,656,038	\$2,309,211	2.2%
State	\$49,902,534	\$55,542,691	\$5,640,157	11.3%
Federal	\$14,885,180	\$13,302,548	(\$1,582,632)	-10.6%
Other	\$1,653,602	\$1,999,316	\$345,714	20.9%
Total Revenue	\$172,788,143	\$179,500,593	\$6,712,450	3.9%

- Includes reduction in Local taxes due to increased SPTRA funding, offset by an increase in State Funding.
- Includes ESASD assumed 20% BEF and 50% SEF scenarios.

Page 16 – 2022-23 Budget Comparison to Prior Year

	2021-22 Budget	2022-23 March Budget	2022-23 Proposed Final Budget	Variance \$	Variance %
Revenue	\$172,788,143	\$177,368,735	\$179,500,593	\$6,712,450	3.9%
Expenditures	\$177,316,960	\$184,947,805	\$184,359,728	\$7,042,768	4.0%
Revenue over Expenditures	(\$4,528,817)	(\$7,579,070)	(\$4,859,135)	(\$330,318)	7.3%
Beginning Fund Balance	\$48,745,190	\$44,216,373	\$44,216,373	(\$4,528,817)	-9.3%
Ending Fund Balance	\$44,216,373	\$36,637,303	\$39,357,238	(\$4,859,135)	-11.0%

Mrs. Bear said are we trending to use the deficit right now. Mr. Neiman said I think revenues are exceeding budgeted expectations at this point in the year. I don't see that stopping. I think we will exceed our revenue budget. I think we will hopefully underspend our expenditure budget. Mrs. Bear asked so we might not have to do that transfer that we voted to do. Mr. Schlameuss said correct. Mr. Rohner asked what transfer. Mrs. Bear said when we balanced our budget last year, we voted to take money from the general fund to put it in the budget in case we needed it. Mr. Rohner said we say that every year. Mrs. Bear said I asked if this year we were on track to do that again. Mr. Rohner said every year we end up with a surplus. Mr. Neiman said for the State when we pass a budget with a deficit, we have to show that we have money in the general fund to cover that otherwise we cannot pass a budget with a deficit. Mr. Andrews said it also means that we do not have to raise the taxes. Mr. Neiman said that is what I am proposing tonight.

Page 17 – 2022-23 Budget Cost Drivers

2021-22 Budget	2022-23 Budget	Increase/(Decrease) Over 2021-22 \$	Increase/(Decrease) Over 2021-22 %
Salaries	\$71,152,998	\$2,918,905	4.3%
Benefits	\$51,832,860	\$1,686,698	3.4%
Charter Schools	\$9,000,000	\$1,000,000	12.5%
Capital Commitment	\$1,000,000	\$1,000,000	*
SBAP (ACCESS)	\$2,671,358	\$1,027,664	62.5%
Debt Service	\$16,576,468	\$730,289	4.6%
ESSER	\$7,474,667	(\$2,525,333)	-25.3%
Everything Else	\$24,651,377	\$1,204,545	5.1%
Total Expenditures	\$184,359,728	\$7,042,768	4.0%

Mrs. Bear said I thought our debt service went down due to our refinancing. Mr. Neiman said it was the actual amount in repayment. It is essentially flat. Part of the refinancing is trying to lower that as much as possible.

Page 18 – Next Steps/Discussion:

- Administration will:
 - Monitor State Budget discussions
 - Continue to analyze and prioritize expenditures
 - Monitor enrollment and staffing requirements
 - Update Budget based on new developments
- If the estimated increases in BEF and SEF State funding do not materialize, how would the Board like to close the resulting additional budget deficit?
 Do we want to increase the millage rate or cut programs? Mr. Andrews said we need to call our legislators. Mrs. Bear said it is interesting because last year we raised taxes but we ended up backtracking because we go extra money. Do you remember that? Mr. Schlameuss said we all remember that. Mr. Andrews said with the economy that way it is; I don't think we should raise taxes. Mr. Schlameuss said then that means that there is something that has to come out of the budget. We need to think about it. Mrs. Bear said when you estimated the salary increase, did you use an idea of what can possibly happen. Mr. Neiman said he included his assumption. Mrs. Bear said we do not need to know what it is. I just wanted to make sure you added an assumption in there. Mr. Neiman said I hope the numbers I gave you for the State are numbers you can go to the legislators with. This will give you some talking points. Mrs. Bear said is this the norm or in your experience have we seen this number in the past. Mr. Schlameuss said this is a whole new ball game. The Governor is very ambitious and the State Representatives may have another idea. They have to be able to demonstrate where the money is coming from.

Page 19 – 2022-23 Budget Timeline

- December 20, 2021 – School Board Meeting
 - **Motion to not exceed the Act 1 Index**
- March 14, 2022 – Finance Committee Budget Presentation
- March 21, 2022 – School Board Budget Presentation
- May 9, 2022 – Finance Committee Budget Presentation
- May 16, 2022 – School Board Budget Presentation
 - **Proposed Final Budget Vote**
- June 13, 2022 – Finance Committee Budget Presentation
- June 20, 2022 – School Board Budget Presentation
 - **Final Budget Vote**

Mrs. Bear asked if the second handout is the estimated General Fund Budget that you are estimating. Mr. Neiman said yes. Mr. Andrews said this is broken down by categories. Mr. Neiman said this follows the same format as the PDE document. Mr. Rohner said on your budget handout page 16, for the 2021-22 Budget, you are making an assumption for the ending fund balance. Is that correct? Mr. Neiman said the beginning fund balance was \$48,745,190 in the beginning of June 30th. If the budget that the Board passed plays out, it will go down by 4.5 million dollars leaving a total of \$44,216,373. Mr. Rohner asked where will I find the assigned and committed dollars that we did last fall. Mr. Neiman said in the March presentation that I gave to the Board. It is also on the website. Mr. Rohner said can I find that on this presentation. Mr. Neiman said no. Mr. Rohner asked how will those dollars get used. Mr. Neiman said hopefully they will never get used. If you do not consume your fund balance it will not get used. Mr. Rohner said we did assign and commit funds for educational resources. Where do I see those numbers? Mr. Neiman said they are built into the fund balance total. In June, there will be a motion about the reassigning of those fund balances. They are reassigned by the Board every year. Mr. Rohner asked are there dollars that will be added to this budget, yes or no. Mr. Neiman said no. Mr. Rohner asked so those millions of dollars that the Board assigned and committed, when do we spend those dollars. Mr. Neiman said whenever the Board elects to do so. Mr. Schlameuss said we have some capital projects engaged now. We have the sheet that tells us what is spent. Mr. Rohner said that is for capital projects. We set aside \$10 million for the capital reserve. Mr. Neiman said capital reserve is different than the fund balance. Mr. Rohner said correct. Now I am trying to figure out how the assigned and committed dollar balances, which are impacting the beginning and ending balances, how do they resurface. Mr. Neiman said what do you mean by resurface. Mrs. Bear said how do we know we are going to use them. Mr. Rohner said yes. It is changing my balance. Where are they? Mr. Neiman said in March, I gave you the composition of \$48,745,190 that was broken down by committed assigned and unassigned fund balance with a couple of categories that the Board assigned through a motion. Mr. Rohner said I understand that but when do those dollars come back to us to use. Mr. Neiman said an example is you have money aside for PSERS and future healthcare costs, we can make a decision that we want to spend all of that in this budget since it is available for us to do so. Mr. Andrews said so we can put all that money back in the budget. Mr. Schlameuss said I am confused by your questions. Mr. Rohner said I witnessed this Board assign and commit dollars into an expired fiscal year. Mr. Schlameuss said but the money sits in a bank

account until we assign to do something with them. It's a buffer in case we need it. If we do not spend it, it sits in our bank account. Mr. Rohner said but is changing our beginning and ending fund balances. Mr. Neiman said if we talk about actual and if we do not realize a deficit this year and in a perfect world our revenues and expenditures are exactly the same numbers, your beginning fund balance of \$48,745,290 would be your ending fund balance in 2021-22 because your revenue and expenditures equal each other. Mr. Schlameuss said minus the capital reserve expenditures. Mr. Neiman said correct. That is a separate fund. Mr. Rohner would we agree that we had a surplus in the last budget and that we finished with \$14 million surplus. Mr. Neiman said you mean actual which is different from budgeted. Mr. Schlameuss asked Mr. Rohner do you mean the ESSERS Funds. Mr. Rohner said, No. It is the budget that expired in 2021. The last fiscal year we had a surplus of over \$14 million. Mr. Neiman said the surplus was about \$10.3 million. Mr. Schlameuss said you are right we assigned in the unassigned and committed funds. That sits outside the budget. You have your fund balance, which is separate. Mr. Rohner said when do those dollars come back and we see them being used. Are we not using them for this coming budget? Mr. Schlameuss said we already did for this year's budget for the deficit. Mr. Rohner said that the deficit occurs because of the accounting move we made of assigning and committing. Mr. Neiman said we transferred \$10 million into the capital reserves for capital projects. We showed an expense of \$10 million in the last fiscal year. Mr. Rohner said I am okay with that. When does the millions of dollars come back that we assigned. Mr. Schlameuss said we put \$4 million in the education fund for when Mr. Vitulli would say I want to use those funds. What you do not want to use the capital money for is to pay teachers because the following year, you do not have that money again because we spent it. It should be for a one-time use. Mr. Andrews asked if the money that Dr. Vitulli asked for tonight came from that reserve. Dr. Riker said no that money was budgeted as part of his general operating budget. A better example with the ESSERS funds. You do not want to use it for reoccurring expenses but for one-time expenses. The money in the fund balance is used for reoccurring expenses. You will need to fill the hole by raising taxes. Mr. Andrews said we have \$4 million in an account and that is what Dr. Vitulli is using. Dr. Riker said it is coming out of his general budget because he still has that available to him. Mr. Andrews said I thought you got it from this year's budget. Dr. Riker said his expense did not raise the budget. Dr. Vitulli's expense is for the next school year. Mr. Schlameuss said you are looking at this year but it is for next year. Mr. Neiman said there is a difference between timing of cash than accruing. We are putting future years into a balance sheet and every year we would amortize into Dr. Vitulli's budget. You will not see the whole lump come out of next year. The cash will go out the door as we pay the bill. Mr. Schlameuss said you asked what if we see 30% of this used rather than 20%. We do have it in the budget using reserve money. We could not need the reserve. Mr. Neiman said if we do not realize a deficit. Mr. Schlameuss said not only that but you would need less of a deficit. Mr. Neiman said yes that amount would be reduced and go back into our reserve. Dr. Riker said that time will come when the district has to realize the deficit for the 2023-24. You have that deficit plus your increase cost for 2023-24 and lets says for conversation sake, it is the same amount. Now you are looking at a \$7 million deficit that you cannot raise enough funds to cover that cost. Mr. Neiman said it well your local revenues because of sale of homes is over \$2 million up from what was budgeted but that is going away. That is making it \$4.8 million instead of \$6.8 million. That is my concern that we keep budgeting a deficit and when that is realized, the district will have a hard time

filing that hole and the expenses of the consequence year. Mr. Rohner said I do not see that. Dr. Riker said I hope we don't. You are not going to see spikes of a \$10 million surplus. I can't help to say that half a percent tax increase brings in half a million dollars. It is not a lot but it is something that you at least know that you have it for that deficit or to reduce it. The Board should consider it for \$500,000 because you have a favorable local revenue due to sale of home and it is going to dry up. The assessment value is flat but we are in place that we have not been in ten years. Mr. Andrews said we need to look at the community and the place they are in with an 8.5% inflation. Dr. Riker said there are two ways to balance a budget by a tax increase or by cutting programs. You will not get more from the local state or federal taxes.

VI. Recommendations by the Property & Facilities Committee

a. D'Huy Engineering Invoices

- i. Resica and Middle Smithfield Water Filtration – Invoice #54856
\$1,067.55
- ii. High School North and Lehman Intermediate Window Replacement –
Invoice #54857 \$1,296.00
- iii. High School North and Smithfield Elementary Flooring Replacement–
Invoice #54858 \$4,357.20
- iv. High School North Natatorium Roof Replacement – Invoice #54859
\$6,190.80
- v. High School South Turf Field Replacement – Invoice #54860
\$1,251.88
- vi. High School North Natatorium HVAC Replacement – Invoice #54861
\$3,226.30

b. Applications for Payment

- i. High School South Pool Repair – All State Technology – Application #4
\$33,030.00
- ii. Resica and Middle Smithfield Water Filtration – Leon Clapper –
Application #4 \$18,250.00
- iii. Bushkill Elementary HVAC and Controls Renovation – Trane –
Application #4 \$442,449.00
- iv. JM Hill Vestibule – Bognet, Inc. – Application #7 \$6,778.24
- v. High School North and Lehman Intermediate Window Replacement –
D&M Construction – Application #11 \$7,398.00

c. Current Project List

Mrs. Bear asked does anyone have questions on the current project list. Mr. Rohner said he has no questions other than that we need to add to that storm water sinkhole issue for at the North Campus. It is not reflected at all on the list. Mr. Andrews said I thought that at the Property/Facilities they discussed separating the paving. Mr. Rohner said if that is the case then it needs to be on here. Dr. Riker said that is because it has not been approved as a current project. Mr. Rohner said the summer of 2022 list has the storm water project. Mrs. Bear said I guess we will have that added on the agenda. Dr. Riker said to Mr. Andrews that is two separate items you are talking about. One was the capital project list that Mr. Rohner talked about whether the storm drainage was listed on the Capital

Projects list which it is not. It is listed as North Paving. That was the question at the Property/Facilities Committee meeting. The question that Mr. Rohner is asking as I understand it now is whether that project that is being put together by D'Huy Engineering is on the project list. The Board has yet to approve it because we do not even have any bids yet on that project. Mr. Rohner said we did approve it. Dr. Riker said the Committee approved it. Mr. Rohner said the Board approved it. Dr. Riker said there are no bid specs on that project that have been developed by D'Huy. Mr. Andrews said I'm not talking about that project. Dr. Riker said Mr. Rohner is. Mr. Rohner said I am. We approved it. Mr. Andrews said what I am asking is if the project includes paving and storm drain. Mr. Rohner said I do not believe so. Mr. Andrews said I thought they were going to be separated out. Dr. Riker said there was no decision to separate it out. Mr. Andrews said I believe it was. Dr. Riker said read the minutes. Mr. Andrews said I am not on the committee. Mrs. Bear said neither am I. Dr. Riker said neither am I. Mr. Schlameuss said once we have bids and we select a bid then it would show up on the Capital List as an approved project that we can track. Dr. Riker said correct. Mr. Rohner said I want to make sure that the community understands that we did approve the storm water repair that is highlighted in the paperwork that I received many months ago. Dr. Riker said the Property/Facilities Committee approved for that project to get bid specs at the October 2021 meeting. That is as far as it went. Mr. Rohner said and we as a Board approved it. Dr. Riker said the Property/Facilities Committee approved it. Mr. Schlameuss said we are all kind of saying the same thing. We just need to get the bids spec back and get the process moving. Mrs. Bear said I have a question on the Resica Water filtration project. How are we doing with that because I was there for some event and the water is still dirty? I don't know how well the filtration is still going. Mr. Rohner said there was discussion on the fact that there is sediment in the existing plumbing lines that with time it should clear up. Dr. Riker said that was discussed at the Property/Facilities Committee meeting last week as well and Mr. Rohner summarized it perfectly.

VII. Recommendations by the Education Programs & Resources Committee

- a. Study Sync, Grades 6,7, & 8, Four year bundle - McGraw Hill Quote, \$169,874.59 paid through C&I

Dr. Vitulli said I have several items tonight. The first is the Study Sync which is a four-year bundle for ELA middle school resource. We are looking to extend our purchasing agreement with them for four years to align it with the curriculum rewrite that would be required at that time. Currently, our secondary ELA is up for rewriting in three years it will then align with the four-year implementation of this. Mr. Andrews asked if we are currently using this resource. Dr. Vitulli said yes and we are looking to extend it to four years. Mrs. Bear said she is fine with it as long as we are happy with it.

- b. Earth & Space, Life Science, & Physical Science, 3 year subscription - McGraw Hill Quote, \$107,324.70 paid through C&I

Dr. Vitulli said the Earth Science Program is a similar situation. New science standards come out in 2024 and we want to extend our current purchasing agreement with this provider for three years to align with the new ELA standards that are coming out. We will be rewriting science curriculum. Mrs. Bear asked is this only for ELA or for all of the grades. Dr. Vitulli said both of these are for grades 6-8. Mr. Rohner said I noticed on the 611 Form that we only got one proposal. Are there other providers out there? Dr. Vitulli said this is a sole provider of the resource we have been using. Mr. Rohner said I just see only one provider and am trying to get educated on this item. Was this purchased through Pennsylvania State Contract. Dr. Vitulli said no it does not go through that. We missed not indicating that information on the 611 form. It should be marked no. it is a sole provider software. Mr. Rohner said then it is a monopoly. Dr. Riker said it is a company that we are already using their product and what Dr. Vitulli is asking is to continue to use that product for three more years. They own it. The company is a sole source provider in that respect. If we were to look at other companies for products, then you would see different names on there. Mrs. Bear asked if after three years we are not happy, we can look for another company. Dr. Riker said that is correct. Mr. Andrews said Dr. Vitulli is happy with it and that is why he would like to continue with this company. Dr. Vitulli said if we made a change it would cost a lot more so this is just the electronics which will maintain all the materials that we currently have on hand. Mr. Andrews asked if this is a software. Dr. Vitulli said that is correct. Mr. Andrews asked if the students use the program on their computer. Dr. Vitulli said they would use the program with the computer but there are also provided with resources in the classrooms as well as books. Mr. Andrews asked if he would be able to see the program at some time. Dr. Riker said the Curriculum Review policy states that you can. To your point, the next few are new but they are narrowed down to one recommendation.

- c. HMH - 3-5 ELA 6 year subscription - Quote \$592,537.16 - HMH Quote, paid through C&I

Dr. Vitulli said a couple of months ago he brought to the Education Programs & Resource Committee the need to search for new ELA resources for elementary. As you know, we continue to work to better our students' ability to read and comprehend reading. We were not seeing the results we were hoping to see with the current reading program. We had it for six years. We went through an extensive search to find new programs out there to analyze what strengths and weaknesses we were working with and try to find a match between a new provider and our school district and our philosophies in the practice of teaching children to read. I am happy to say that after much work by a lot of people, Dr. Bradley, Chairs, many teachers and HMH individuals as well, we've come to the conclusion that for grades 3-5, we would like to purchase the HMH Program. What you are looking at is a quote for a six-year subscription. That is all inclusive and includes renewals as well. Mrs. Bear asked of this replaces Reading Wonders. Dr. Riker said this would replace Reading Wonders, which is what we currently have. Mr. Andrews said he recalls that they discussed this at the Education Committee meeting. Dr. Vitulli said he provided a

heads up of what was occurring at the committee. Mrs. Bear asked if the price of HMH comparable to Reading Wonders. Dr. Vitulli said I believe everything we looked at was the original price as far as trying to get a basic quote. It was relatively close for a six-year term. What is important is that it will have the practices ingrained within it that we believe will help our students. As you know we put a lot of effort into increasing our teachers' knowledge about how to teach reading. We believe that for grades 3-5, this is going to work for the students. We said we were not going to buy this unless the data showed us that the results are what we wanted. Mrs. Bear said I am aware that you testing this program. Dr. Vitulli said we went through all of the data and came up with tremendous results for both programs in a short amount of time. We went over with all of the data with Dr. Riker. I went through all of the data personally and was happy with the results. The most important thing is that it was really good even though it was a lot of work for many individuals. Mrs. Bear asked if the quote for \$592,000 would be divided by six for the six-year contract. Dr. Vitulli said that is correct.

d. Superkids-Multi-year plan- K-2 Professional Development Component-Quote \$54,080.00, paid through C&I and ACCESS Funds

Dr. Vitulli said this precedes the next program. This is for professional development over the next several years to support Superkids. As you know, K-2 is the foundational years of teaching children to read and understand words. We really want to support this program to ensure our teachers are going to teach it with fidelity and that our children are going to get the most out of it. We want the students to be prepared in reading for when they reach third grade. I had two choices. I had a short term one-year contract or a three-year contract. I chose the three-year contract to support our teachers. The first year is complimentary but we are going to get some additional items on top of that with this particular bid here. Mr. Andrews asked are you talking about the \$54,000. Dr. Vitulli said correct. Mrs. Bear asked if this amount was over three years. Dr. Vitulli said correct. Mrs. Bear said it is important to include training because we may not have the same teacher teaching each year. Dr. Vitulli said the contract includes a several people coming to our school to work directly with our teachers.

e. Superkids-Multi-year plan-K-2 ELA 6 year subscription-Quote \$636,794.99, paid through C&I and ACCESS Funds

Dr. Vitulli said the last items is Superkids, which is a six-year implementation. We saw great results with the children who were excited to read. Again a lot of work but this covers everything we will need including the consumables for six years. We will be taking them in advance at a 25% discount because we will be storing them. We hope you can support us with this program as well. Mrs. Bear said I see that they are getting magazines but do they get new magazines every year or is it just what you see here. Dr. Vitulli said anything that you see there we get enough of for every child every year. Mrs. Bear said I see that there are books, too, which they can reuse but magazines are kind of flimsy and I'd be worried about consumables. Dr. Vitulli said the \$636,000 you see is a combination of our first year implementation and then the second quote is separate for years 2-6. The reason they are separated is, because we

currently have in our possession much of the materials that we already need for year one. I will be bringing you next month the payment for the material that we have in order to pay it with this year's budget. Mr. Andrews asked is the \$636,000 for one year. Dr. Vitulli said no. It is for six years. Mr. Schlameuss said you will be receiving all of the material for six years now but will be distributing it each year for six years. Dr. Vitulli said that is correct. Mr. Schlameuss asked do we have room to store all of it. Dr. Vitulli said he checked with East Stroudsburg Elementary and they have the room to store all of the materials. A lot of it is also electronically based but we have plenty of room to store everything. Mr. Schlameuss asked if any of the material will become stale over the next six years. Dr. Vitulli asked what do you mean by stale. Mr. Schlameuss said what if something changes in the world environment. D. Vitulli said the reason we are buying everything now is to secure that it does not go stale. I anticipate that many companies might make revisions and changes on a few items. I would prefer to have enough to serve every child and have the data and knowledge of everything I need to do to make sure that it is taught with fidelity and the results are reviewed to make adjustments as we go without changing along the way. I just want some stability in our program in order to let us perfect it. I am confident we can do that. Mr. Andrews said he is glad that there are magazines and not just work on the computers. Mr. Schlameuss asked are we using Reading Recovery. Dr. Vitulli said he is not aware of that.

VIII. Public Participation - Limited to Items of Discussion

- a. Mr. Jacob Morris said in looking at this letter from Penn State, it says that Penn State does not do gas procurement but they do electrical procurement in bulk. Fortunately, this committee did delay any decision until hearing from Penn State in regards to bulk electrical procurement. The Board is on the ball waiting to hear from Penn State, which is State funded. This is absolutely the right way to go. In looking at the Penn State website, they have an education component, which I am going to request that this committee and the Board ask them to present on as well. They have trainings and certifications and I think it would behoove the Property/Facilities Committee, Finance Committee and any Board member to take advantage of these outstanding workshops and trainings that Penn State offers. They should present that as well and offer it to our school district. The first time I saw the annual bills by building was in the Provident Energy presentation. I saw the annual budget and did not see the energy cost broken down for the year. I believe it is about \$2 million. It looks like the school district is paying about \$1.2 million for electricity which should be provided to the Board and to the appropriate committees. The Board, the district and administration should explore the possibility of free ROY and life cycle analysis for these different modes. In listening to Provident's presentation today, they really do not do that. When he talked about cogeneration and not being for the school district, that expert like he seems to be is incorrect. Cogeneration could potentially be a tremendous expenditure savings. We are talking about half a percent raise on our property taxes. If you could knock down the energy bills by half a million dollars a year, you would not have to raise the half percent tax. I am going to ask for one year worth of energy bills by

building for electricity, natural gas and propane sent to the appropriate company for their free analysis to the Board.

b. Mr. Larry Dymond asked has anyone heard about the Fair Funding lawsuit. Mrs. Bear said it is still in the works and it does not look promising. Mr. Dymond asked have the judges release any information. Mrs. Bear said no. Mr. Neiman said maybe in the beginning of the summer. Mr. Andrews said we cannot build our budget around them. Mr. Rohner said that is how the legal system works. Mrs. Bear said the judges have different opinions of it. Mr. Rohner said can we add to your motion a request for one year of energy bills since I believe it is an easy request. Mr. Schlameuss said that is what are we doing with Penn State. Mrs. Bears said he wants to do a free analysis with them. Mr. Schlameuss asked who wants to do the analysis. Mrs. Bear said Mr. Rohner does. Mr. Schlameuss asked you want to take the bills and do a free analysis on it. Mr. Andrews said Jacob Morris wants them. Mr. Schlameuss said Mr. Morris wants to do that. Mr. Neiman said Penn State has the bills. They only requested one month of electricity, natural gas and propane. Mr. Morris said you need a year's worth of bills. Mr. Neiman said Penn State said they only want one year's worth. Mr. Morris said for cogeneration and for photovoltaic, you need the whole year. Mr. Schlameuss said two things happened here and one is that Penn State looked at our bills to see if they in line with what they should be, are they in line with the right taxes that are being charged and that kind of thing. Mr. Morris is saying if we want them to look at our bills for cogeneration, wind, etc. We have asked to have D'Huy Engineering give us the background to see what we should do if we go down that path. We then throw it to somebody to do that analysis that is part of the plan. Mr. Andrews said what Mr. Morris is saying is that he has somebody to do it for free. Mr. Morris said that he knows two major firms that will do that. Mr. Schlameuss said we are not there yet. Mr. Andrews said what is the difference if we are going to give the bills to D'Huy. Mr. Schlameuss said we are not giving them to D'Huy we are asking them to investigate what is out there to see if we want to continue so that we understand the full effect of what is out there. I know there are companies that will do it for free but D'Huy will need to do specifications. Mr. Andrews asked why pay D'Huy. Mr. Schlameuss said what is going to happen is D'Huy gives their presentation of the various options then we will ask how they will work at each school and formulate a plan. Then the RFP to solicit folks to come with a design of these things. Mr. Andrews why are we paying D'Huy to come with these things. Why not get it for free? It is not that I do not like them but why spend money? Mr. Schlameuss said I hear what you are saying. Mr. Andrews said we should use the free one first. I want to first see all the aspects of it. Mrs. Bear asked if we do the free one, what is in it for them? Mr. Schlameuss said the rules of procurement are if an outside organization comes to present us the plan and we can buy from them, we cannot do so because they lost the opportunity due to the rules of procurement. You cannot have an inside edge on the procurement action. If we write an RFP, then they know before everybody else does. We should pay for it and get it over with. Mr. Morris said let me see if I can help with reference to the procurement process.

Dr. Riker said he is leaving because there is another meeting scheduled. If the Chair is going to allow the public to speak whenever they want, he chooses to use his time more

wisely. Mr. Rohner said your attitude is noted. Dr. Riker said it is not an attitude but is called following the proper procedures for the Robert Rules of Orders. Mr. Rohner said we are changing democracy. Mr. Rohner said we have never had a three-minute time limit in my six years on committees. Mr. Schlameuss said we need to have more discussion on this and I am not the Chair of this committee. Mrs. Bear said we need to get to our next meeting. Mr. Morris asked may I speak on this for two minutes. Would that be possible. Mrs. Bear said you can speak for one more minute. Mr. Morris said first of all regarding those presentations, there are only two cogenerations that are appropriate for this district. In regards to the presentation, I do not see any problem with them being confidential. In regards to how complicated this is, there is photovoltaic, cogeneration and wind power. D'Huy cannot tell you that there is more than that. All they can tell you is what you can get directly from vendors. The point you raised about keeping it confidential so that no one gets a leg up that is absolutely on the money. Do it that way. Get the free analyses. Like I said, I spoke to Wind Mill Manager that did Northampton College. They are the biggest in the us. In 15 minutes they gave it to me for free. You do not need to pay D'Huy money. It is the same thing for solar. It is better to do cogeneration or wind power at the North Campus. Avail yourself of those free services.

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 Natural Gas Basis UGI Schools Group Bid Awards for July 1, 2022 through June 30, 2025. Motion was seconded by Wayne Rohner 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 Food Service Bids (Dairy & Bread) for 2022-23 school year in the estimated quantities and unit prices as presented. 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 the proposal from Government Software Solutions to provide tax bill printing services for the collection of 2022-23 school real estate taxes for Lehman and Porter Townships. Motion was seconded by Wayne Rohner and carried unanimously, 4-0.

4.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Wayne Rohner to recommend that the Board consider for approval the quote from Deere & Co. for a Gator at Lehman Intermediate in the amount of \$11,416.43 to be funded by the St. Luke's Athletic Trainer Services Agreement. Motion was seconded by Richard Schlameuss and carried unanimously, 4-0.

5.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Wayne Rohner to recommend that the Board consider for approval the quote from Resilite Sports Products for a wrestling mat at South High School in the amount of \$10,195.20 to be funded by the St. Luke's Athletic Trainer Services Agreement. Motion was seconded by Richard Schlameuss and carried unanimously, 4-0.

6.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to recommend that the Board consider for approval the quote from Classlink for Classlink Software in the amount of \$27,028.75. Motion was seconded by Richard Schlameuss and carried unanimously, 4-0.

7.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to recommend that the Board consider for approval the quote from ePlus for Rubrik Backup Software in the amount of \$180,080.17. Motion was seconded by Richard Schlameuss and carried unanimously, 4-0.

8.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by Richard Schlameuss to recommend that the Board consider for approval the following recommendations from the Education Programs and Resources Committee. Motion was seconded by Wayne Rohner and carried unanimously, 4-0.

- a. Study Sync, Grades 6,7, & 8, Four year bundle - McGraw Hill Quote, \$169,874.59 paid through C&I
- b. Earth & Space, Life Science, & Physical Science, 3 year subscription - McGraw Hill Quote, \$107,324.70 paid through C&I
- c. HMH - 3-5 ELA 6 year subscription - Quote \$592,537.16 - HMH Quote, paid through C&I
- d. Superkids-Multi-year plan- K-2 Professional Development Component-Quote \$54,080.00, paid through C&I and ACCESS Funds
- e. Superkids-Multi-year plan-K-2 ELA 6 year subscription-Quote \$636,794.99, paid through C&I and ACCESS Funds

9.

RECOMMENDATION BY THE COMMITTEE:

Motion was made by George Andrews to recommend that the Board consider for approval the following recommendations from the Property and Facilities Committee. Motion was seconded by Wayne Rohner and carried unanimously, 4-0.

- a. D'Huy Engineering Invoices
 - i. Resica and Middle Smithfield Water Filtration – Invoice #54856 \$1,067.55
 - ii. High School North and Lehman Intermediate Window Replacement – Invoice #54857 \$1,296.00
 - iii. High School North and Smithfield Elementary Flooring Replacement – Invoice #54858 \$4,357.20
 - iv. High School North Natatorium Roof Replacement – Invoice #54859 \$6,190.80
 - v. High School South Turf Field Replacement – Invoice #54860 \$1,251.88
 - vi. High School North Natatorium HVAC Replacement – Invoice #54861 \$3,226.30
- b. Applications for Payment
 - i. High School South Pool Repair – All State Technology – Application #4 \$33,030.00
 - ii. Resica and Middle Smithfield Water Filtration – Leon Clapper – Application #4 \$18,250.00
 - iii. Bushkill Elementary HVAC and Controls Renovation – Trane – Application #4 \$442,449.00
 - iv. JM Hill Vestibule – Bognet, Inc. – Application #7 \$6,778.24
 - v. High School North and Lehman Intermediate Window Replacement – D&M Construction – Application #11 \$7,398.00

X. Next Meeting - June 13, 2022

RECOMMENDATION BY THE COMMITTEE:

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

XI. Adjournment: 8:10 p.m.

Respectfully submitted,
Patricia L. Rosado
Board Secretary