POTTSTOWN SCHOOL DISTRICT
COMMITTEE OF THE WHOLE MEETING

August 4, 2011 - 7:30 P.M.

The Committee of the Whole meeting of the Board of School Directors of the Pottstown School District was held on Thursday, August 4, 2011 at 7:30 PM in the 2nd floor LGI room of the Pottstown Middle School with President Richard C. Huss presiding. Upon roll call, the following members were present: Mr. Dennis Wausnock, Mr. Robert H. Hartman, Jr., Mr. Thomas Hylton, Mrs. Michele Pargeon, Mrs. Polly M. Weand, Mr. Nat White and Mrs. Julia Wilson. Absent was Ms. Valerie Harris. Also present were Superintendent, Dr. Reed Lindley; Assistant Superintendent, Dr. Jeffrey Sparagana; Business Administrator, Mrs. Linda S. Adams; Solicitor, Mr. Stephen Kalis; Ms. Pamela Bateson, Mr. Jerry Ummarino, Mrs. Gail Cooper, Mr. Loretta Hoch, Mr. Matthew Moyer, Mr. John Armato, a member of the press, and interested citizens.

AWARDS

None.

PRESENTATION

Comcast Internet Essentials

Dr. Lindley provided a handout outlining Comcast Internet Essentials. He explained that the Comcast service is being offered to families whose children receive a free school lunch as part of their enrollment in the National School Lunch Program. The Comcast service is being tested for compatibility to the school district's software. Dr. Lindley stated that the Comcast service is not part of the district nor is there any commitment to this service by the district.

Mr. Hartman asked if there was the low cost internet fee was a lock in rate or does it have an expiration date. He also voiced his concern of whether Comcast would work with current subscribers that qualify for the Comcast Internet Essential program.

Forward Borrowing

Mr. Gordon Walker, Public Financial Management, provided a Project Financing Report and Bond Market Update. He explained the interest rate history, the recent drop in interest rates, the pay back schedule based on $15 million to fund the 5 elementary schools renovation project.

Mr. Hylton asked how soon could the bond be refinanced? Can the refinance be negotiated with the underwriter? Mr. Walker explained the call feature and stated that a refinance could take place in 5 to 7 years for a $15 million bond.

Mr. Hartman expressed his concern that the more terms in the bond the less advantage to the school district.

Mr. Kalis stated that the language in the $28 million forward borrowing bond states "up to $28 million".

Mr. Walker explained the process to lock in the interest rate and proceed with the bond closing. The earliest date could be September 15, 2011. The bond closing would take place 30 days after the bond sale.

Mr. White stated that if inflation were to take place, acting on the bond closing now would be beneficial to the district. Mr. Walker confirmed that the district can always refinance but the lender can never raise the interest rate.

Mr .Hylton stated a high inflationary period is more beneficial to the district's repayment of the loan.

Mr. Kalis explained the PDE application process for non-reimbursable projects. A self-certification application currently is needed to be submitted as part of the bond closing process. This legislation is changing but is not effective until January 2012.

Mrs. Pargeon clarified that no matter what the dollar amount the debt service for the non-reimbursable project will be completely placed on the local taxpayers.

Mrs. Weand stated that the Act 1 index is forecasted to be 1.1%. She expressed her concerns about the impact this will have on the district 's budget and the possibility of having to cut programs. She is not in favor of a debt without seeking reimbursement from the Department of Education. Educationally this is not a good idea.

COMMUNICATION

Dr. Lindley reviewed a report on past PSSA test results provided to him by Secretary of Education. The Data Forensics Technical Report is posted on the PDE website. Data Recognition Corporation conducted the forensic report. The information gathered identified several methods for detecting flags on a test. These flags represent testing anomalies. There were 89 schools from 39 districts identified with 3 or more anomalies. Pottstown was not on the list.

THE BOARD ADJOURNED AT 8:15 FOR AN EXECUTIVE SESSION FOR THE PURPOSE OF LITIGATION

THE BOARD RECONVENED AT 8:38 PM.

REPORTS

Minutes

Mrs. Adams presented the minutes of the Board Workshop held on July 5, 2011 and the minutes from the regular meeting held on July 21, 2011 to be placed on the August 18, 2011 Board Agenda for approval. Mr. Hylton provided an amendment to the July 21, 2011 minutes as presented.

HEARINGS FROM THE PATRONS OF THE SCHOOLS

Mr. Thees asked what the cost is to the taxpayer to retain and renovate the 5 elementary schools. He was confused about the amount requested by the Neighborhood Schools. Is it $15 million or $18 million? How much will it cost the average taxpayer for whatever we are doing? Would appreciate knowing and not getting a surprise.

COMMITTEE REPORTS

Finance Committee

Mr. Wausnock stated there will be no August Finance Committee meeting.

Facilities Committee

Mr. Hartman stated there was no meeting in July. The Facilities Committee will meet on August 22nd.

PSBA & Montgomery County Legislative Representative

Mrs. Pargeon reported no meetings were held in July.

Montgomery County Intermediate Unit Representative

Mr. Hartman reported that there was no meeting in July.

Community Relations Committee

Mrs. Pargeon passed around newspaper articles and bulletins of various events that took place in the district. She acknowledged Berks Mont Publishing for their positive articles regarding the Pottstown School District. Mrs. Pargeon asked that the Board direct the Neighborhood Schools Committee to submit all data from the committee meetings for posting on the district website. She stated that it is important to keep the public informed and up to date on the activities relative to the renovations of the 5 elementary schools. She also reminded everyone of the "Open Doors" event scheduled for September 10, 2011.

Co-Curricular Committee

Mr. Hartman reported there was no meeting in July. He recommended that the Board approve listing the Cross Country Team as an unfunded school district team supported by volunteer coaches.

Dr. Lindley announced that the Mr. Armato has received a donation designated to support the Cross Country team. He explained that Mr. Connor's was able to reduce the athletic 's transportation budget allowing for funds to help pay the costs to transport the Cross Country team if needed. Dr. Lindley stated that the motion on the agenda is asking the Board to approve the cost to transport the students providing the team has a minimum of 7 participants.

Mrs. Pargeon asked if there were fees the Cross Country Team would incur in order to participate.

Mr. Hartman stated that in previous years the salaries for the coaches were the biggest expense.

Technology/Curriculum Committee

Mrs. Wilson reported the committee received a technology update for the summer projects. Ten projects have been completed and 14 projects are in progress. The committee is looking into a safe driving program "Drive to Survive" to be provided at a discounted rate.

Policy Committee

Mrs. Pargeon stated there was no July meeting. The Policy Committee will meet on August 9th.

Personnel Committee

Mrs. Weand provided an update on several Personnel items. The Cosmetology instructor has completed the credentials needed to aid the students in acquiring their licenses for cosmetology. The district copy center has consolidated positions resulting in a significant savings to the district and is looking into starting a co-op program for high school students to help in the copy center. The next Personnel Committee is scheduled for August 9th.

Neighborhood Schools Committee

Mr. Wausnock stated that the Neighborhood Schools Committee will meet on Monday, August 8, 2011. He stated that the committee will post the meeting information on the district website.

LIST OF BILLS

Mrs. Adams presented the list of bills to be placed on the August 18, 2011 Board Agenda for approval.

CONSENT ITEMS

Personnel

Dr. Sparagana reviewed the personnel items as presented to be placed on the August 18, 2011 Board Agenda for approval. He gave a brief update on the current enrollment and stated that the district will have another update in a few weeks. Currently the average class size is 28 students per class.

Professional Leaves

None.

Field Trips

None.

Cross Country Team

Mr. Hartman reviewed the Co-Curricular Activities Committee recommendation as presented to be placed on the August 18, 2011 Board Agenda for approval.

Approval of School Attendance Officers

Dr. Lindley reviewed the list of the 2011-2012 school attendance officers as presented to be place on the August 18, 2011 Board Agenda for approval.

Contracts

Mrs. Adams reviewed the contracts as presented to be placed on the August 18, 2011 Board Agenda for approval.

School Physician and Dentist Rates

Mrs. Adams reviewed the school physician and dentist rates as presented to be place on the August 18, 2011 Board Agenda for approval.

2011-2012 Transportation Rates

Mrs. Adams stated that the 2011-2012 Transportation Rates will be provided in the next Board packet to be placed on the August 18, 2011 Board Agenda for approval.

Settlement of Per Capita and Occupation Tax Duplicate

Mrs. Adams stated that the settlement of per capita and occupation tax duplicate will be provided in the next Board packet to be placed on the August 18, 2011 Board Agenda for approval.

NON-CONSENT

Approval of Special Education Settlement Agreement

Mr. Kalis stated that the special education settlement agreement as discussed during the executive session will be placed on the August 18, 2011 Board Agenda for approval.

UNFINISHED BUSINESS

Mr. Hartman asked Mr. Kalis if the Board could permanently lower the amount of the $28 million forward borrowing bond.

Mr. Kalis stated that the $28 million Forward Borrowing Bond was borrowed as a set amount. He explained that Board action to use a portion and give the balance back would pose a problem with the underwriter. Mr. Kalis recommended that the Board only borrow what is needed, keeping the remaining balance. He also recommended that the Board not restrict the use of the balance of the funds.

Mr. Huss asked if a resolution was needed for the new $15 million bond issue. He stated that an increase in taxes would be incurred to pay the debt service on the $15 million bond.

Mrs. Adams explained that the $28 million bond is grandfathered under Act 1 and it will be up to the Board to decide if they will take advantage of the Act 1 Exception that allows a tax increase above the Index by the amount needed to satisfy grandfathered debt or to balance the budget with no tax increase or increase taxes up to the Act 1 Index.

Mrs. Pargeon stated that programs may have to be cut to cover the debt service if the school district does not take an increase to the index or apply for the exception.

NEW BUSINESS

Mrs. Weand made a motion asking the Board to direct the Facilities Committee to engage with the Neighborhood Schools Committee meetings. She stated that having the presence of the Facilities Committee at the Neighborhood Schools Committee meeting would help keep all Board Members informed of the activities of the Neighborhood Schools Committee.

Mr. Huss confirmed Mrs. Weand's motion to be placed on the August 18, 2011 Board Agenda for approval. He stated that he is waiting for Mr. Hylton's report, requested at a previous meeting.

INFORMATION

Community Relations Activity Report

A+ Communications Report: Jan. to June 2011

A+ Communications History Information: 7/1/2004 to 6/30/11

PSSA Results 2010-2011

Dr. Lindley reviewed the 2010-2011 PSSA results as provided in the meeting packet. He spoke about the importance of the leadership teams. A two-day workshop will be held on August 10th & 11th to help strengthen the leadership teams at all the buildings.

FEDERATION REMARKS

Mr. Decker spoke about looking forward to the new school year and the Open Doors event scheduled for September 10th.

ROUND TABLE

Mr. White – no comment.

Mr. Hylton – no comment.

Mrs. Wilson – no comment.

Mrs. Pargeon – no comment.

Mr. Hartman indicated while he concurs with Mrs. Weand's concerns, as Chairperson of the Facilities Committee he is not interested in taking any part in the Neighborhood Schools Committee. He thanked the custodians and cleaning staff for working during the several weeks of extreme heat.

Mrs. Weand stated that she will take the challenge on herself and attend the Neighborhood Schools Committee meetings as a taxpayer and a Board Member.

Mr. Wausnock – no comment.

Dr. Sparagana stated that the Parent Literacy Nights will include 1st grade this year. Information will be available at the Open Doors event to encourage parent participation in the five scheduled dates.

Dr. Lindley – no comment.

Mr. Huss spoke about the clean conditions of the high school he had observed while taking a tour of the building with members of the Class of '68. He thanked the custodians and cleaning staff for working in the heat these past few weeks.

Mr. Kalis clarified to the Board that the committee meetings gather information to discuss at the Board meetings. Information can be gathered by phone. No decisions are made at the committee level. All Board Members can attend committee meetings.

Mrs. Pargeon suggested the Facilities Committee chairperson appoint a committee member to attend the Neighborhood Schools Committee.

ADJOURNMENT

It was moved by Mr. Wausncock and seconded by Mr. Hylton that the Board adjourns. None opposed. The meeting adjourned at 9:32pm.

Linda S. Adams, Board Secretary