

NO: XI
Minutes of the
Board of School Directors
DERRY TOWNSHIP SCHOOL DISTRICT
Hershey, PA 17033

January 11, 2010

OPENING ITEMS

1.01 Call to Order

A meeting of the Board of School Directors, Derry Township School District was held on Monday, January 11, 2010, in the District Office Board Room. Dr. William Parrish, Board President, called the meeting to order at 7:00 p.m.

1.02 Roll Call

Directors Present:

Mrs. Beulah Chabal
Dr. Donna Cronin
Dr. Henry Donahue
Dr. Mary Beth Hagan
Mr. Christopher Morelli
Dr. William Parrish
Mr. John Gräb
Mrs. Ellen Sheffey
Mr. Charles Stover

Superintendent:

Dr. Linda Brewer

Secretary:

Mr. Stephen Rineer

Solicitor:

Mr. Brian Jackson

Student Representative:

Miss Shruti Shah
Mr. Chris Waybill

Press:

Mr. Drew J. Weidman THE SUN
Ms. Monica von Dobeneck PATRIOT NEWS

Representatives of the Administrative Staff: Mr. Dan Tredinnick, Dr. Bernie Kepler, Mr. Michael Murphy, Mr. Sam Elias, Mr. Ed Consalo, Mr. Joe McFarland, Ms. Lynn Dell, and Mr. Dave Yarian.

Representatives of the Staff and Community: Bunny Hottenstein, Cathy

Ferster, Cindy Hertz, Bruce Hancock, Christine Drexler, Page Kozak.

1.03 Flag Salute

Mr. Stover led those gathered in the Salute to the American Flag.

REVIEW AND APPROVAL OF MINUTES

2.01 Approval of December 7, 2009 Reorganization and School Board Meeting Minutes

A motion was made by Mrs. Chabal and seconded by Mr. Stover to approve the minutes of the December 7, 2009 School Board meeting. All Board members present signified by a Yes vote.

MOTION CARRIED

INFORMATION AND PROPOSALS

3.01 Announcement of Executive Session

Dr. Parrish: I'd like to announce that the Board did meet tonight in Executive Session prior to this meeting to discuss matters of employment, labor relations, and legal matters.

3.02 Announcement of Working Session

Dr. Parrish: This is the first public meeting of the month and as such, as you know, some months we actually designate time set aside for work sessions. Generally we do that at the end of the meeting. However, out of respect for our administration and many of our teachers, our Athletic Director, and administrators who have been at work since 7:30 this morning, we're going to move that up in the agenda tonight.

3.03 Working Session

So tonight, we will be discussing in work session the use of school facilities and the policy that deals with school facilities. This rose out of a policy meeting that was held in December and the Policy Committee felt that they really wanted more input into this before they moved forward in redoing or changing the policy

in a new way. That's what we're here for tonight. Bernie, if you have some comments.

Dr. Kepler: Thank you, Dr. Parrish. Yes, and thank you, as Mr. Elias with a game against Palmyra tonight, he wants to make way to the high school gym to help with crowd control tonight, so thank you for allowing us to go first on the agenda. Ultimately, some basic information as to why we're here. As Dr. Parrish said, in December, the Policy Committee began to discuss Policy 707 as it currently exists. When we dove into this, obviously, looking at 4.2 million dollars of facility, looking at the notion of responsibility of care of the new facilities and how do we balance that as a school District with community utilization. Any time that you have a facility that is utilized open to the public, things can happen. It was determined to bring things to the full Board for discussion at a public session was pertinent use of our time this evening. With that, I tried to prepare some guiding questions from our committee meeting to help us focus discussion tonight.

First and foremost, our current policy has a chart of organizations that fit into different classifications and the policy specifies through these different classifications of organization, utilization of facilities currently – whether they are going to have payment to utilize a facility or not is probably the most specific use of that classification tool. As we move forward, specific discussion tonight on the synthetic fields and the track facility, who can utilize the fields is a big determining factor for the Policy Committee. In terms of, once we determine who can utilize the facilities – costs. Are there costs associated with that? Currently, a school related or a Class A organization doesn't have any cost. Will that be maintained true with our synthetic fields and track going forward? So, that's a second consideration there. Third, staff positions. We discussed having at least one mandatory staff member at any event held at the new synthetic fields or track facility, so we'd like to discuss that further. Facility in general. Is it locked throughout the day in the evening or is it unlocked? In either of those cases, some time factors for discussion tonight. And one that we feel straight from the manufacturer of synthetic turf fields is water only and that is pretty much a given in the industry, that Gatorades, things of that nature are harmful to the synthetic turf fields and, administratively, in this case as well, we feel that's really a non-negotiable. It's a water only scenario in and around both fields, which would include the track because of its proximity with the synthetic turf and we can talk about that further if need be tonight.

Sticking to those classifications or organizations, a little bit of background. Currently, and Mr. McFarland can pass these around to the Board, the Policy has classification 1 are school related organizations. Class 2 are non-profits, non-school related organizations, Class 3 – non-profits, and Class 4 – profit organizations. Currently, our school related organizations do not make payment when they use our facilities. They're part of who we are. They're PTO, they are our various booster clubs. They are our advisory based clubs within the school

organization – youth and government, for example, choir, student council, etc. Classification 2 our non-profits, non school related, but however have an affiliation here in the Township are our Derry Township Park and Recs Kids Club for example, Hershey Youth Baseball, Softball, Hershey Lions Club, etc. Those folks typically do not, and correct me if I'm wrong Ed, do not make payment for use of facilities. Only for custodial fees, thank you. Class 3 are non profits, non school related, Senior Men's Basketball, Dauphin County Legislative Committee, PMEA groups, etc. Those folks do incur costs when they use our facilities. Then, of course, for profit organizations incur costs.

What discussion point is today is scenarios of who, within our policy, would make payment for utilization of the fields. Obviously, perhaps not obviously, but a discussion point is, does this School Board desire to have school related organizations use our fields outside of PIAA events. So if, for example, our Booster Club would want to utilize a synthetic turf field, what does our policy, going forward want to say regarding that matter? Will they have to pay for different services to help utilize that field? Will the non-profits, our Parks and Rec, what are sentiments about that organization using those fields? Are there costs associated with that? That being the big discussion point.

Mrs. Sheffey: I think what's different about the athletic fields, what's unique about them is there is a cost to the District to make it available whereas when we talk about our basketball courts, the cost to the District is custodial. We pass it on. But, when we talk about the new turf fields, there are additional costs associated with it. We would have to have, what is it, a facility manager present?

Dr. Kepler: Fields or facility manager, correct.

Mrs. Sheffey: And then there's an issue with the score board. So, the question is, these additional costs to the District, do we pass them on to the community organization or do we the District cover the cost?

Dr. Kepler: Sure. Ultimately, what the recommendation of the administration and my work with Sam Elias as Athletic Director and Ed Consalo, Director of Buildings and Grounds, Mike Murphy, High School Principal, recommended to the Policy Committee that, if there is an event being held on the synthetic turf fields or track, that is a use of facility based utilization – an organization has asked, "May we use your facility?" It's not Sam running an event through our athletic department – that we would want a facility manager there to monitor that site. A 4.2 million dollar investment for the community in doing due diligence to care and protect that facility, the facility manager would be the person there who is monitoring, making sure there is water only on the fields, making sure that [not audible] aren't running up and down the synthetic turf, etc. and various other things. Recommendation is that that would be a requirement.

Some other items: score board operator. If a group wanted to utilize the score board in those facilities, that there would be an additional person needing to be there. If they didn't want to use the score board, obviously, that person would not need to be there. The same thing with an announcer. We found this particularly of interest with the work that we've done to try to maintain volume levels at our new fields, out of respect to our neighbors wanting a District personnel person there if an outside organization wanted to utilize the PA system that there would be a District person there. When we have people there, there's a cost, so that is a consideration of the Board to give direction, I guess, back to the Policy Committee where we want to go with that.

Dr. Cronin: Now, if you did have a facility manager on the outside turfs, that's exactly consistent with having a custodial staff member indoors. They are very similarly there as facilities manager. So, this isn't anything different in terms of paying a staff member to be on site.

Dr. Kepler: Correct. In terms of paying a staff member, some considerations though, a custodian indoors doesn't have the responsibilities that we'd be looking at the facilities manager doing. The custodial staff . . .

Dr. Cronin: It still requires a staff member that goes with the use of the fields, so that [not audible] know we're getting the basketball court for free, but we must pay for this custodian.

Dr. Kepler: Correct. A very specific point of discussion there is for which classification or organization? Currently, no charges are incurred by organizations related to the school system, and oftentimes minimal charges for those non-profit Township affiliated organizations. In moving to the synthetic turf fields utilization in this policy, the recommendation was to have, regardless of classification, the fee structure for that facilities manager as a requirement and the potential option if they want a score board operator or and announcer. That would be a specific element of this policy that would be solely for the synthetic turf fields and track. The Policy 707, for example, has a section – Use of Kitchen. The recommendation taken to the Policy Committee has a separate section – Synthetic Turf Fields and Track Facility so that it's clearly delineated as to what procedures are for these two/three different facilities. Was that clear there?

Mrs. Sheffey: Yes. So, what we're looking for on this point, the Committee is looking for input from you, the Board, how you feel about passing on the costs? You know, the Committee and the administration, I think, were in line on this. We felt that this is a cost to the District and we should not bear that cost. We should pass it on to those requesting to use the facility, and we just needed input from the full Board. Are you comfortable with that and then we can move on to the next issue we need some input on?

Male Board Member: Who would you classify as a facilities manager? For instance, if one of the Booster Clubs have an advisor, or a club from the school has an advisor who is a teacher or faculty member and that person's present – do they qualify as a facility manager?

Dr. Kepler: Our discussions would be that there would be specific people who have the knowledge to take care of the facility. They would have to be trained through Sam and Ed to have the knowledge to be able to maintain that position.

Mrs. Sheffey: That's a good question. If the football booster club is using the field, then perhaps they have a person who is trained, would they not then?

Dr. Parrish: They may choose to waive their . . .

Mrs. Sheffey: Because they would have . . .

Dr. Parrish: Would that be true?

Mrs. Sheffey: I guess we're getting too complicated.

Dr. Parrish: Say, the football booster team has something and one of the coaches is trained to do this, would he be able to waive that fee?

Dr. Kepler: Certainly, I would think so. If it's one of our people designated to be that fields manager and they said, I'm associated with the football team or boosters and I will donate my time for this event, I think that fee could be waived.

Dr. Cronin: Then, almost by definition, wouldn't every coach who uses those facilities need to be a certified facilities manager? Otherwise, in addition to, in any soccer game, would we need to be paying for a facilities manager, or would that be the responsibility of the staff member who is already part of it – whether it be Athletic Director, coach, or whatever. Is this an extra position or something?

Dr. Kepler: I feel it's something we can consider. My caution would be that our coaches are, in most cases, are teachers by day, coaches by evening and weekend. I just would be cautionary to set the precedent that those folks are going to be the ones who are the facility manager, because any time there is a, we mentioned football, if a community football organization wants to host games on the field, that person becomes the person that's there repeatedly. I would just caution that it would be a time commitment above and beyond.

Dr. Donahue: What about the situation where is PIAA games that don't involve us? Obviously, we're going to have to have the same policy. How is that paid for?

Dr. Kepler: I don't know if I can answer, but I think those are events that, as Athletic Director, he is present.

Mr. Elias: I'm the game manager for all those events.

Dr. Donahue: Even when our school is not involved?

Mr. Elias: That's correct.

Dr. Donahue: The other question I had was, and this will be a difficult question, do you have a sense of the cost that would incur for the use, now I don't mean a dollar amount in a relative cost, for an organization and so a facility manager, and let's say a score board operator, and a loud speaker operator. My question is, and not a dollar amount, but in your head, is this something that's going to be so expensive that it's going to keep people from doing it or is it within the realm of costs that they pay already for the other facilities. Does that question make sense?

Mrs. Sheffey: Absolutely and I think Bernie you had a rate.

Dr. Kepler: Consistent with our rates for staff currently to be there on an hourly basis, the cost to the District when you factor in the actual payment to the District person, which it would be – there's retirement, it must run through payroll. It's approximately \$30 and hour per person.

Dr. Donahue: So that would be 3 people if you had a score board guy, facility manager . . .

Dr. Kepler: Thirty an hour per person. So, if an organization wanted to have all three, in essence, I guess hypothetically you're looking \$90 an hour.

Dr. Donahue: My only concern is that the cost, not because we can do anything about it, but the costs are out of our control, we have to pay those costs, are they so exorbitant that people in the committee are just going say, "Oh, they're just charging so much so we won't use it" or are the costs relatively similar to what they would pay to use other facilities.

Mr. Elias: The cost is all relevant to the time period. Most of these organizations that are going to ask for help is going to be probably weekends – Saturday and Sunday. So, with that consideration, if there's not a lot of people, I think you know how much our score boards costs and if you don't have somebody who is knowledgeable with it, we will have a major problem. The announcing, the sound system, it's pretty complicating and right now, there's about 3 or 4 of us that really have an understanding. I'm not saying that I have an understanding, but I know where the buttons are and what needs to be done. It's a little technical and to have any individual just coming off the street to do that, an organization will

say, "Well, I'll volunteer my time", there would be some training and I would want that person to have some ownership to it as the 4 or 5 people have right now. As far as managing the Saturday for 6-8 hours, that's people's time. I have 3 or 4 game managers that have been with me for about 8/9 years that are very capable of running an event, whether we have 1,000 or we have 4,000-5,000, besides Ed and myself. So, we have between the group, we have about 5 or 6 people that I'm sure we could find available on those weekends and those evenings when most other people don't want to take up that time. I would say, it's in line with what we pay our teachers for different things that they have to do in their off 7 ½ hour time schedule. When we pay a tutor, I think it's \$26 an hour. So, it's in line with what, and some of the things that we're doing is more time than actual work, but 6-7 hours – one of the examples, Mitch Football asked would there consideration to use the football field? Absolutely. I have no problem using it as much as they want, but in order to do that, if you've been at a football game, there's people all over the place with all types of animals and things. We just want some structure, and with the structure, you're going to have a person who will be able to understand that structure and tell people they can't do this or that. There's a lot of, I just want to protect what our District has paid for that when they come in, the place looks the same when they leave.

Mr. Consalo: Also, right now for custodians, it's around \$28 for an hour that weekend they would charge them for use of gym. It's about \$28, so it's not that much more. Also, a facility manager would be there longer than your score board and your announcer. Announcer and score board will only be there just before the game and when it's over, they're done. The facility person is going to be there before, when everybody gets there, and the last one to leave and make sure everything's turned off. He'll be the one that will be paid the whole time. It's only 1 game, they might be there for an hour and a half for score board operator and announcer. To give you an example, Lower Dauphin Soccer Association right now is paying Lower Dauphin \$15,000 a year to use their synthetic turf and they have a contract for 10 years. So, that's what they're charging them just to use their fields for them to take care of everything. So, \$15,000 a year to do that. There's too many items on there to just let it go and just have anybody out there. One of the other things you talk about water, the other thing is gum. Gum sticks to that. It doesn't come off. Little things like that that most people wouldn't realize unless someone's there to say "Hey, you can't do this or that", and that's mainly what the facility manager's going to be. They're just kinda saying, "This is our ground rules. This is what we need." We talk to both teams and say, "This is our ground rules. We need to do this." If not, we have a custodian out there, they'll just walk over them, to be honest with you, so we need someone that's management to do that.

Mrs. Sheffey: So, if we can maybe move on. Can I just make sure we have consensus that the Board is in support of requiring a facilities manager to be there and that the cost of the facilities manager would be passed on to whoever is using the facility?

Dr. Cronin: Correct. And that's just addressing the specific.

Mrs. Sheffey: That's just organized request.

Dr. Cronin: Yes.

Mrs. Sheffey: That's just one group and we've got to move, we've got a bunch more, but is everybody okay with that so we can move forward? Okay.

Dr. Kepler: Okay, thank you. Beyond that, really, another focus point and a big discussion point is general accessibility to, ultimately, the track and synthetic turf within that track, because that is encased, obviously, with fencing as gate or turnstile gate and direction moving forward. Is that locked 24/7? Is it wide open 24/7? I think those are the two polls of that spectrum and any direction that the Board can give the Policy Committee moving forward really with looking at community walkers and joggers, etc.

Mrs. Sheffey: I think the issue is the old track was open to the community and it was used by the community, so the question is, do we lock this facility to protect the investment and there are community members who feel they have a right to it, because they had a right to the old one. Do we limit the time when we would keep it available to the community? Do we require people who would like to use it as individuals to register to use it? There's just a lot of discussion points. Lock and unlock – it's a little more than that.

Dr. Kepler: A consideration is, administratively, a lot of time is on school safety in general. During the school day, 3,500 inhabiting the campus, Phys Ed classes, being outdoors, etc – just as a consideration of safety – if that track facility is open, our student body is moving about the facility – is outdoors and indoors in close proximity.

Mrs. Sheffey: Well, actually, I'd forgotten, I wanted to ask this before in the meeting. We always had our students using the old field and track. Did we allow the community to go on the old track and field when our school was in session?

Mr. Murphy: When school was in session, yes. We allowed them to use the track not the field.

Mrs. Sheffey: Okay. So the track was open to the public during school, but if maybe a PE class was out on the track, we would not allow the public?

Mr. Murphy: If there were activities on the track, they weren't allowed to be on the track.

Mrs. Sheffey: Okay.

Male Voice: If there wasn't an activity, if we had something going on the football field, they were allowed to run around the track.

Mrs. Sheffey: Okay.

Dr. Donahue: Are there other – so does Lower Dauphin, for instance, have a track around their turf field?

Mr. Elias: No.

Dr. Donahue: Do you know of other, are there other situations similar to ours, and you know how those schools handle it?

Mr. Elias: I surveyed 20 school districts that have similar situations. There are about 8 of them that don't have a track near their turf field, so all I could tell you about that is they keep it locked 24/7. Three schools, which I found really interesting and it's something we may want to look at, one is Manheim Township, that pays – they register at the athletic office – and they pay a \$20 fee. They have a special key and a special lock for one of the turnstiles, and at the end of the year, give the key back, you get the \$20. So, in essence, it's more of a security than anything else and they know that it's not riff raff that's using the facility. It's people in the community that have registered properly and use it. There are two other districts that do the same thing. There are districts that leave it open Monday through Friday from 6:00 a.m. until dark, unless there is Phys Ed classes or unless there is an athletic event going on. There are several that leave it open all weekend and the note that I made that came as a common denominator for all of them was their constantly picking up all types of garbage. To give you an example, at Milton Hershey, they had a situation where even turf people didn't think of initially. A bottle like this was left one day in the middle of the summer laying on the turf and it melted. It was from a jogger who just threw the bottle down and didn't pick it up and it cost them thousands of dollars to cut out that area and replace the turf. So, those are things that concern me with the investment and coming on a Monday and seeing things that we don't want to repair financially. There's a lot of ideas out there of what other school districts are doing, but I would say there are fewer schools that have it completely open. There are more schools that have some type of guideline sometime during the week and the weekends.

[Comment not audible]

Mr. Elias: When I talked to all 20, that was the other thing I forgot to mention, they don't have 2 tracks like we do. The cinder track which a lot of our community members have been using during our repairs is an option. I'm not sure that we shouldn't look at that option as opposed to just opening up completely. My concern is, and let me share some things that I see. I'm going to

say I'm here 24/7. I don't live here. I don't have a bedroom here, but I'm here quite a bit 7 days a week. These are some of the things that concern me from the old track. I see community members with their children running with dogs, running with bikes, skateboards on the old track. That's part of the reason why we had some issues. I witness the dogs, in particular, which is a big issue, all types of things are left behind and I'll give you a great example.

Male Voice: You don't have to.

Mr. Elias: I need to give you this example. This example happened 3 or 4 months ago when Mark Shrift and I were on the field hockey, soccer, lacrosse field, over off 322. I said, "Watch. There is a lady with 2 dogs." The dogs running loose in the middle of the middle school field hockey field and went to the bathroom. She didn't clean it up. That happens not just a few times. It happens often on our campus throughout the various times of the day. Those are the concerns I have of somebody bringing an animal on our turf field and having problems with that. It's a fine line, but you need to be aware, if you open it up 24/7, we will have issues.

Male Board Member: Is there a modest repair that could be made to the cinder track that would make it more inviting to the people? That's something that wouldn't be really costly?

Male Voice: Ed would have a better idea financially, but I know if we put a few more inches of cinder track on there, it probably will cushion it better. They are still going to get there ¼ mile, 4 laps a mile workout. I just think that 's something that we should at least look into, because we're one of the few that have 2 tracks.

Mr. Consalo: Last summer, I put 10 truck loads of cinder on that track and I forgot the amount that it cost and we spread it out. We put some cinder on the track every summer when we go through and we break it all out. We do that usually before the, we break it out also before we start track season, because the JV practices on that cinder track. Somebody said there was a lot of potholes. There's no potholes. At the end of the winter, we rake it out and level it out. We put [not audible] loads of cinder on that track last summer to build it up because it started getting low. I think a couple of school districts still have cinder tracks. They don't let them play track meets, but they still, they practice on it. It's nothing saying that you have a rubber track, but we maintain that track. The PE class uses it from the elementary. They use it for JV.

Mr. Elias: Middle school track, that's where they practice unless varsity track has an away meet and they go up to the varsity track and practice, but that's where they practice for years.

Female Voice: Anybody else before I jump in?

Mr. Stover: Sam, do our security cameras cover all of our fields?

Mr. Elias: I'm not sure what the new ones will, Ed, can you answer that?

Mr. Consalo: The new ones will cover the football fields and the soccer field. It will cover the new fields. They also pan that will pick up some of the other fields, but their main job will be to cover those two fields.

Mrs. Sheffey: And the track as well?

Mr. Consalo: Beg your pardon?

Mrs. Sheffey: And the track?

Mr. Consalo: And the track, yes. It will be on the outside of the track covering in.

Mr. Stover: I would love to be able to make these great facilities available to the teams. I think the people I worry about the most would be parents and fans and kids and dogs. I don't know how one person is going to be able to regulate a parent or a kid or a dog, especially at some of these bigger events. I don't know how, that's going to require more people down there for something like that.

Mr. Consalo: We do have an ordinance. There is an ordinance that the Township has that in 1997, we went to the Township with the Police Department and we had signs put on the entrances of all the schools. This is the sign. The sign is actually 36 x 30. The following ordinance states:

Welcome to Derry Township School District and Township Campus
Responsible Behavior and Adherence to these Regulations is
Required

- Unapproved use of athletic fields is prohibited as any time.
- Playground use shall be prohibited from sunset to sunrise.
- Entrance on School District and Township property is prohibited from 10:00 O'Clock P.M. through 6:00 O'Clock A.M. (except for previously approved and scheduled events by the School District or Township).
- Motor Vehicles and bicycles shall be operated in a safe and proper manner when and where permitted. Motor vehicles and bicycles are restricted to roadways and designated parking areas for transportation only.
- Pets are prohibited at all times.
- Skateboards, roller blades, roller skates, go-carts, mini-bikes or such other similar wheeled objects are prohibited at all times.
- No golfing permitted at any time.

- Smoking or use of tobacco products is prohibited.
- Possession of alcoholic beverages or controlled substances absolutely prohibited.
- Any person found to have violated these regulations shall be subject to the charge of criminal trespass and injury to public property, 18 Purdons Statutes, Section 3304 and 3503 (Pennsylvania Crimes Code) and 24 Purdons Statute 7-777 (Pennsylvania School Code).

By Order of Derry Township School Board and Derry Township Supervisors.

We have the authority to ticket people for violating the ordinance.

Mr. Stover: Does that include the baseball field?

Mr. Consalo: Yes. There is a sign right there at the baseball field right on that fence if you look at it.

Mr. Stover: Well, we're not enforcing that pretty well.

Mrs. Sheffey: Well, and I think we need to streamline that sign. Who reads it? I think you need to just put big bold no pets, no bikes.

Mr. Consalo: The Police Department wanted it this way. They said it should be so it's right there. If they want to read it, that's fine, but if they walk off or drive off, if they don't read it, that's not our problem. That was the Police Department's philosophy. That way, it's there, it's big enough, the people can notice it, and they should know the ordinance.

Dr. Cronin: I think what Ellen said is critical, because then you highlight the important facts, it's backed up by the ordinance, and then you also include that there are surveillance cameras, so you will be seen if you break these.

Mr. Consalo: Which one is important?

Dr. Cronin: They're all important, but in terms of verbiage, not only do we want to be able to get them in trouble for it, but we want them to not do, so I think it owes itself to say, in simpler, smaller terms, no pets, no motorized – no wheeled vehicles.

Mr. Consalo: This is what the Police Department wanted us to put on the sign.

Dr. Cronin: Right – that in addition . . .

Mr. Consalo: If we change it, we will have to . . .

Mrs. Sheffey: We're not going to break the rules . . .

Dr. Cronin: Put two signs.

Mr. Consalo: There is a sign outside the track, still right now. It's beat up, but it specifically says no pets, no bikes. It says certain specifics, yet, they've been violated every day.

Dr. Cronin: I think we need a communications campaign to make sure that the community knows that this is a protection of their property. I think the good thing is that there's only one entrance, so I think the facilities manager can at least monitor whether or not pets come in, whether people are bringing food and drink, whether or not bikes, or whatever – wheeled vehicles are coming in. So, that at least gives us a little chance for control. But, I think communication and making it clear that unless you want to lose the opportunity to utilize these facilities, we need to follow the rules.

Dr. Parrish: Certainly, for the sake of today's discussion we're really talking about the policy and then whatever we decide, we can decide how to communicate that. I think that's important. Just to move things forward, I think the idea of dusk to dawn at the max being available. I love the Manheim Central idea where people have access, but we have some idea of who is there. We can take it a step further, perhaps, if you have a lock that's key coded and people have their own codes so you know who is there and who's not there. Beyond that, how good is our fencing to keep people who shouldn't be there out. I mean, you can only do so much.

Mr. Elias: Dr. Brewer and I, I guess, were the Police in the fall on Sundays. I came over several times and Dr. Brewer had driven by several times and people jumped the fence. I kicked off, one Sunday afternoon in November, a bunch of, I would say 20 plus age kids, and with that were cans of beer and things of that nature. Whether you lock the fence or not, people are going to try to get into the facility. The cameras are going to help us identify individuals that will break the ordinances or break our policies.

Dr. Cronin: Sometimes a locked facility is more enticing.

Mr. Consalo: We could also look into, maybe doing a card swipe at one of the gates where I can time it, so it only works from certain times and it costs a little bit to put a card swipe in there. We have one that's going to be at the concession stand. If you do that, then I can time it so it doesn't start before 6:30, your card swipe will work and it can stop at 6:00 or something like that and during the winter months, we can close it off all together.

Mrs. Sheffey: But then you know who is in there so if there's damage, we can identify it.

Mr. Consalo: That person will be on the computer. It might cost a little bit of money to do it, but that will be better than giving them a key or a code, because . . .

Female Voice: Well, that protects our investment.

Mr. Elias: That way it opens up the facility to all the community members who really want to utilize it the right way.

Mrs. Sheffey: Can we have consensus from everybody? I think register, pay to get a swipe card. When you return your swipe card, you get your money back. Are all the Board members in favor of that?

Mr. Gräb: What could be the cost of the swipe cards?

Mr. Consalo: To make the swipe cards?

Mr. Gräb: No, to put the swipe card system in?

Mr. Consalo: What I have at the facilities now, I could probably do it for maybe \$600-\$700, I can have the whole thing put in.

Response: Okay.

Dr. Cronin: Does a punch button work the same in terms of tracking, because then you won't have to worry about people losing these things? Losing keys, losing cards?

Mr. Consalo: The thing with the punch is that you forget your number or they don't know the number and they hand someone else the card and it's got the person's name on it. Where . . .

Male Voice: Does it record who the individual person is?

Dr. Cronin: Can you record who the individual person is?

Female Voice: Or give everybody their own pass. . . .

Mr. Consalo: You could do it, but . . .

Dr. Cronin: People have PIN numbers all the time. It think . . .

Mr. Gräb: I like the swipe card idea.

Dr. Cronin: But people lose things, that's the problem.

Female Voice: Well, then you deactivate it.

Mr. Consalo: If you use a swipe card, you can get it replaced, you just invalidate the number that was on the first one.

Mr. Elias: We do the same thing for kids that need the elevator, because we have the elevators with keys and we give them a card. Also, when employees with the cards. The philosophy if they lose a card, it costs them \$5 to replace it.

Mrs. Sheffey: So, I think, do we have consensus on this so we can move things along? So, we'll have some system. Then, the last thing, do we want to restrict hours. Ed said that there is an opportunity to restrict hours, would we want to do that?

Male Voice: Yes.

Mr. Consalo: Well, the hours are currently restricted – dawn to dusk.

Mrs. Sheffey: But, beyond that. Keep it dawn to dusk?

Male Voice: Dawn to dusk is fine?

Mrs. Sheffey: Everybody's good with that.

Male Voice: Especially with controlled access.

Mr. Consalo: Monday through Friday, right? Not through weekends. Just Monday through Friday?

Various Responses: No. I think weekends.

Female Voice: Weekends are when people are going to want to use it.

Female Voice: That's when people are going to want to use it.

Male Voice: I would hope we could do it on the weekends.

Dr. Cronin: Yes. I think most people would want to use it.

Mr. Consalo: I just thought Monday through Friday there is someone here that could actually see it. Saturday and Sunday there's usually no one here.\

Mrs. Sheffey: But we have cameras.

Male Voice: You have somebody on duty on the weekends. What's their time?

Mr. Consalo: Not on summer. I have them on during the winter months, I have a maintenance person here from 6:30 to 3 on Saturdays and Sundays during the school year. During the summer, we don't have anybody here. We shut the buildings down.

Male Voice: But still, the swipe card, you know. . .

Mr. Gräb: I think the cameras in conjunction with the swipe cards should be sufficient.

Mrs. Sheffey: And I think when people register to get their swipe cards, they've got to sign a document that says, I will not bring pets, I will not bring Gatorade, I will not whatever, and if I do, I lose the privilege.

Male Voice: I think more signage around the facility will deter. If people see something that is concerning to us, pets particular, tobacco- another item. If that's clear before they enter, where they have to see it, shame on them if they continue then to violate that.

Mr. Consalo: We can give them a sheet of paper when we hand them their card. This is our restriction, maybe something similar to this.

Mrs. Sheffey: Well, and I think you have them sign it, because then if they break the rules, you revoke the privilege.

Mr. Consalo: It will a little more work, but we can make it work to try to work together with the public.

Dr. Parrish: Excellent. I think we've given some pretty good feedback to the Policy Committee.

Mrs. Sheffey: Bernie? I think I have enough information. Was there anything else you needed?

Dr. Kepler: No. I feel confident as well that we can go back to Policy Committee within the month and perhaps bring something for first read to the Board in February.

Dr. Parrish: Okay. So what will happen is that the Committee will then revamp the policy. They will bring it for first read. It will be publicly displayed so the public knows like any other policy.

Mrs. Sheffey: Okay.

Dr. Parrish: Alright. Excellent. Thank you everybody for their input. Thank you guys for coming. Moving forward. Now is the time for citizens to make any comments they might have on agenda items for tonight.

3.04 Recognition of Citizens (Agenda Items)

Page Kozak: I sure wish I had heard this discussion before I wrote my little piece, because what I'm saying kinda sounds a little Pollyanna-ish, but it's kinda from the perspective of an individual in the community who was a taxpayer who has children who have gone to school here and looks at that facility and says, "Gosh, I sure hope we start to treat it like it's a castle with a fortress around it and a moat and no players are welcome." So, I'm trying to look at it as, it's a community.

My husband and I have been here for 16 years. We have 3 students who have been through the school. Our youngest is now a junior, the other two have graduated. All of our children played outdoor sports for Hershey Middle School and Hershey High School and, so, they were all very excited to hear about the new track and the two new fields. Last night at dinner, there was a discussion that arose about the balance of creating field access versus how to maintain security and proper usage. Our children thought that the school should have first rights to the fields and the track, but that Derry Township residents should be able to use the facilities from sunrise to sunset, sort of like the Derry Township parks. Our children have cited several times over their breaks, over their holidays, and summer breaks, that they have been unable to find a place to throw a lacrosse ball, kick a soccer ball, play touch football – either because of, like this past holiday, all the snow, or in the rainy seasons that the fields are too soggy or backyards are too soggy. My husband actually thought that, because Derry Township tax payers help fund this, that they should be able to access it. I as a school nurse who is seeing an increase in childhood obesity, think that we as a community need to encourage and support opportunities for physical activity for our youth and our families.

Derry Township School District has a wealth of resources that we can share and preserve. I think that all Derry Township residents should be able to use the new facilities in accordance with School District regulations that prohibit bikes, roller blades, and pets. Because there are security cameras in place, I believe that it could be incumbent on each resident to self-police. I wonder if in exchange for giving the community access to our facilities, like other Derry Township parks, we could arrange for the Derry Township Policy to do periodic drive bys with this. I think we built our field of dreams and now we need to let our families and our children use it. I also think that when you were talking about those signs that were our there. I personally have never paid attention to the signs, but I think that if we did little pictorials – the little dog with a line through it, the bottle with the

line through, the cigarette with the line through it, the bike and the roller blades – the visual. Then, our children, if we wanted to allow them access, they would be able to see it too and it wouldn't have to be something that so onerous. Thank you, Dr. Brewer. Thank you Mrs. Chabal. Thank you Board.

Mr. Morelli: Can I just make a quick comment?

Dr. Parrish: Chris, go ahead.

Mr. Morelli: I'd just like to second some of Page's comments. First of all, I'm glad tonight that it sounds like we're not going to restrict the runners from being able to use the track. I'd like to extend that to, sort of, authorized use of the fields. If a group of boys or girls want to get out onto the turf fields to play lacrosse or soccer in a pick up game, which you never see in this day and age, I think we should encourage it. Again, I only want authorized use of the facilities for the intended use – whether it's jogging around the track or playing soccer or touch football or lacrosse on the fields. I'd like to second some of her comments and, hopefully, we'll definitely consider that in the policy discussion.

Tim Longenecker: I frequently use the old cushioned track and I recently was ejected from it and I ran over to Mary Beth Hagan's house and she kindly took care of me. The fences are only going to keep the good people out. It's not going to keep anybody, the bad people, the locks, it's not going to keep anybody that wants to do damage. That's what your camera system's for. The little turnstile thingie, that kept the bikes out pretty good, I thought. I think those should be open 24 hours a day. That way the community – it's a pain in the ass to carry a key or a swipe card, especially when I'm jogging from my house in the summertime or something. I'd save the \$600 or \$700 and just let the turnstiles open from whatever, sun up to sun down. Anyway, that's somebody from my perspective that uses it regularly. Just a thought.

Dr. Parrish: Any other comments, please.

Cindy Hertz: I agree with Mr. Stover and Mr. Longenecker. You're not going to keep the bad people out. If people are going to want to come in and drink beer or whatever, they're going to come in and drink beer. My question is, the ordinances are up. We're supposed to follow the rules. The rules are there for a reason, so with the rules in place, the ordinances in place, will we prosecute if we find people violating the rules? If they are caught on camera doing what they're not supposed to be doing, if we're going to prosecute them or charge them or do whatever, then I guess that's going to set the tone, isn't it? Then the people who are violating, they're not supposed to be walking around with dogs without leashes in my neighborhood. They're supposed to be picking up after them. They don't. So, the rules aren't being enforced. If we're going to put the power behind what we say and back up the ordinances, then maybe people will think twice about leaving the water bottle and such if they know that there's going to be

consequences. Because, you're not going to keep people, I agree, you're not going to keep people out. Thank you.

Male Voice: I agree.

Dr. Cronin: Can I make a comment there? I think that's a great point, Cindy, it also brings up something that I can't believe when Mr. Elias said this, this is very bothersome, that people would walk their dogs on the non-turf fields and let their dogs, I mean, students are out there and you want a gym student or a field hockey girl to step in something? So, I think we need to make sure that it's not just enforced or posted really clearly on just turf fields, but on all the facilities to make it clear. We want to protect all the facilities. Obviously, the turf ones cost more money, but we don't want that kind of stuff happening. We don't want trash, we don't want anything like that on all of them.

Male Voice: Sam, I think if you encounter, as Cindy was saying, encounter a situation like you did last fall, the ordinance is there. I'd just would make a call to the Township personally. When you do that a couple of times, it would put an end to it probably.

Mrs. Chabal: Would that be part of the policy?

Male Voice: It certainly could be.

Mrs. Sheffey: I mean, just saying, we will enforce all ordinances. We can have that.

Mr. Consalo: We have to some extent. For instance, skate boarders, I ask them to leave and if they don't leave then we do call the Police and they take them away. It used to be the old high school, the amphitheater, it was on the internet, you know, good place to skateboard, be careful you can get caught. That's one reason why we took it away, but I will say, if you open up the synthetic turf to everybody, then I need to increase my budget so I can have the repairs on the synthetic turf if we don't catch them. I'll also need to have another personnel that can look at these cameras every day to go through them, because that is time consuming. You don't know what time it is, so if it's open from dusk to dawn on a Saturday or Sunday and something happens, someone has to go through and look at that camera from dusk to dawn for those 2 days to go through and see what it is. It is time consuming to do that. My time is pushed now, and now I'm going to have to do all that stuff.

Dr. Parrish: Any other citizen comments?

Bunny Hottenstein: Just a real quick one. To my knowledge, the ordinance about dogs is campus-wide, not just fields.

Female Voice: Correct.

Bunny Hottenstein: I think that's not true of wheeled vehicles, because kids can ride their bikes to school or whatever, but campus-wide is no dogs ground.

Mr. Consalo: If we do that, we need to add to the budget to pay for repairs. Who will look at the cameras if something happens over the weekend? It would take time to review the tapes.

Dr. Parrish: Other comments? Thank you very much. We'll move on to student representatives reports?

3.05 Student Representatives' Report

Mr. Waybill: I think one of the recent things – they just changed the tech policies in the school, so now we can use iPods and cell phones after school and iPods in study halls. I think the students are really appreciative of that. I think it's definitely a lot more fair to us, and I think everybody's pretty happy with that change.

Dr. Parrish: Good. Alright, thank you very much.

3.06 Standing Committee Report

Mrs. Sheffey: The Finance Committee met today. I guess I'll start with the good news. We had a presentation on our audit and it was a good audit. Brian will be presenting to the full Board later, so I'll leave that to him, but it is a good audit, so there's our good news.

The second thing we discussed was the budget calendar, which Dr. Brewer, you'll be presenting that to the full Board later, so, again, I'll leave that for Dr. Brewer. We had an overview of the budget and, again, Dr. Brewer will be presenting that to you. Included in that, is some very concerning news. She will share with you that, even assuming that we do the full 2.9% allowable Act 1 millage increase, we will be in deficit. So, we're going to be working at that, the Finance Committee, and we will hopefully come April bring back a better picture, but at this point, we have a large hole to fill, even assuming the full tax increase. I believe the number is 1.4 million. So, you'll hear more details shortly.

I wanted to spend a little time talking about PSERS, that contributes to that hole. I know we had community members here in November asking questions about it, and my answer was that PSERS was meeting in December. Well, they met in mid December, they set the rates. I think all of you should have gotten those rates in your budget packet. Our rate for next year is 8.22% compared to our

current year rate of 4.78%. Then, the next year it goes up to 10.59% and then the next year, hold on to your pants, it goes up to 30% and it stays at that level for the next 15 years. So, it's definitely still a looming problem, but for us, it's not that big a crisis for next year. It's mainly because we have been setting aside designations to handle this. I believe in 2008-2009, we established a million dollar rate stabilization designation and last year, we were able to add half a million dollars to it, and this year, we believe we're going to add another half million dollars to it. By the end of this year, we're going to have 2 million dollars set aside for it. That's the good news. The bad news is that by 3 years, it will be fully expended. We've done the right thing. We've set it, but if the legislation doesn't tackle this issue in 3 years, we are in trouble.

The other reason why we're actually in good shape for this year is we assumed a budget of 7.13 even though the state came back and only required that we budget 4.78. We budgeted the 7.13 that PDE and PSERS recommended. So, for next year, we're not looking at increasing from 4.78 to 8.22, we're actually only looking at increasing from 7.13. Because of good planning, we are in good shape for the next two years for PSERS, but after that, all bets are off. I believe Brian will go over it, you'll see some information about that stabilization designation in the audit report and I know during our finance committee he pointed it out, so we'll probably see that during his presentation. PSBA does have a lot of information on their website for any new Board members or old Board members who are interested in hearing more about it – psba.org. They have a whole section – Pension Crisis. They are trying to have legislation introduced that would really address the long term concerns, but it doesn't address our short term concerns, but you can find that all on the website.

Dr. Parrish: Ellen, can you put some numbers to those percentages. When we go up to 30% in 3 years, what are we looking at in real dollars, just so . . . ballpark.

Mrs. Sheffey: It's 2.5 million dollars, I believe would be the increase from today. It's MDA page 8, just give me a minute.

Dr. Parrish: So, 2.5 million?

Mrs. Sheffey: Let me just confirm that, I don't want to . . . Yes, 2.5 million.

Dr. Parrish: One thing we have to be careful of, we don't fall into the trap that occurred years ago where we used money that we put away and expended it over the next two years so that all the sudden 3 years from now, we've used that money and nothing's been done to resolve this problem. You can bet that in 2 ½ years or 2 years, we're going to be looking at a 2.5 million dollar hit to the budget that's going to have to be passed forward. I'm just going to warn you because we planned ahead. We're going to be okay for 2 years, but we have to be really careful how we do our budget, because we may see a huge tax increase in 2

years to reflect that. You need to tell your friends, so in 2 years when it happens, people aren't getting hammered sitting around this table whoever's here, because it's a real problem. It's a real crisis, and we've tried to buffer it, but the buffer will only go so far.

Mr. Gräb: In conjunction with that, Dr. Parrish. Not only will our participation rate go up, but the state's participation rate will go up as well, which could necessitate an increase in your earned income tax and your personal income tax. You could get slapped around both sides of the head.

Dr. Parrish: Right.

Dr. Donahue: How far do the percentage increase projections go out? You said, it's 30% in 3 years?

Mrs. Sheffey: It goes out to 2039. Actually, I've got a lovely graph for everybody.

Dr. Donahue: It actually gets better over time.

Mrs. Sheffey: Well, it doesn't get that much . . . it's dependent upon the market, so things are going to look better, but just here's nice visual for you, Hank. There's today and see it stays up.

Mr. Rineer: Theoretically, it peaks at 2015.

Mrs. Sheffey: Yeah, but it goes down really slowly.

Dr. Parrish: Everybody just keep that in mind. I don't know what the solution is on the state level. Thank you, Ellen. Okay, moving ahead. Our first presentation tonight will be from Mr. Straub, is that correct? He's going to tell us a little bit about our audit from last year. Brian, it's all yours. Thank you.

3.07 Presentation - 2008-2009 Local Audit Report

Brian Straub: Thank you. For those of you I haven't met before, my name is Brian Straub. I'm from Waggoner, Frutiger & Daub, a partner there. I've already presented this financial report to the administration and the Finance Committee in greater detail, so I'm not going to go into quite as much detail tonight. After about 15 minutes, some people's eyes started glazing over and I knew it was about time to stop, but let me hit some of the highlights.

This is the audit for the year ending June 30, 2009. First thing I want to point out is that it's an unqualified opinion, which means that everything in this presentation is in accordance with generally accepted accounting principles. An unqualified opinion is the best opinion you can get. After Page 1, there's 9 pages

of the MD&A, which is the management discussion and analysis. This has been put together by the administration. On MD 9, the last page of those 9 pages is what Mrs. Sheffey referred to. There's a chart at the bottom that shows based on projections, how your retirement stabilization fund will be funded and used up over the next 5 years. Your building over the current year and in 2010-2011, it starts coming down a little bit. A little bit bigger the following year, and it's totally extinguished in the year 2012-2013. Okay?

Page 2 is the statement of net assets for the School District. It shows, in essence, the fixed assets, the debt comes down to a bottom line which they refer to as net assets, and the School District's total net assets as of June 30, 2009 is slightly over 31 million dollars.

I'm going to skip forward to Page 4, which is the balance sheet for all the governmental funds for the School District. The first column is the General Fund, and if you can focus on the bottom section of the first column which shows the fund balances, there's \$866,000 of fund balances set aside for inventory and long-term debt retirement. There's a designated fund balance of slightly over 2 million dollars, which is a 1.5 million dollars for your retirement stabilization fund and ½ million dollars for self insured medical costs. Then, the undesignated fund balance of \$3,886,000 is your undesignated, unreserved fund balance. That's the fund balance that's based on the Board policy of 8% of the General Fund's expenditures during the year. Anything over that gets transferred to the Capital Reserve Fund. You'll see in the second column there, the Capital Reserve Fund as of June 30, 2009 has slightly over 4.5 million dollars in it.

I'm going to skip forward to Page 6 which is the pages in the fund balance for the governmental funds. Again, the first column is the General Fund. The third number from the bottom is the increase in General Fund balance for last year, \$504,000. So, you've added \$504,000 to the General Fund balance. You'll see in the next column that the Capital Reserve Fund went up \$556,000, mostly as a result of the excess 8% that came over from the General Fund, okay?

Flip over to Page 8, is a budget to actual comparison of the General Fund for last year. The first 2 columns are the original and the final budget. The third column is the actual results of operations for the General Fund for last year. The fourth column is the budget variances. You'll notice that local sources had a positive variance of over ½ million dollars, mostly as a result of your payments in lieu of taxes. You got maximum dollars from the Giant Center last year. The budget didn't take quite that much into account, that's the reason you have the big positive variance from local sources. State sources, you have a negative variance, primarily again because you're budgeting for revenue of 7.13, half the 7.13 from the state, and that was higher than the rate, therefore there was more revenue requested in the budget than actually received. In most of the expenditure categories, you have positive variances, again, because you budgeted retirement 7.13 and it was only 4.78, okay? So, the three biggest

categories where you have salaries, instruction from regular programs, plant services, and transportation, you have large positive variance because of the way you budgeted from last year. Okay?

You originally budgeted in the General Fund for a 1.7 million dollar deficit. It came in at a \$504,000 surplus, so there's a 2.2 million dollar turnaround. I'm not going to hit a lot of the additional financial information on the food service fund, fiduciary funds, I'm going to just call to your attention on Pages 22-24, there's detailed information on the General Fund balance sheet at June 30. On Page 26 is a schedule of your governmental long-term debt. The key here is probably the second section which is the total debt service. Over the next 5 years, your annual debt service is somewhere between 6.4 and 6.6 million dollars. Pretty steady.

I'm going to flip over then to Page 33 and 34. This is the first year under the new accounting regulations, the School District is required to account for their post-employment retirement benefits to their staff, whether it's Act 93 administration or teachers or non-professional staff. There's a medical benefit as far as most of those agreements that, if you've been with the School District so long and the eligibility requirements are there, you are allowed to retire and receive medical benefits from the time you retire until you hit Medicare age. There is a cost to that policy and this presentation now tries to put a dollar amount to that cost. So, on top of Page 34, it's been calculated that the total required contribution for these benefits is \$1,061,000. You actually funded last year \$435,000 and so there's an obligation going forward of \$625,000 that shows up just on the net assets of the School District, okay? You might be curious to know that, obviously, state workers have some of these similar benefits when they retire prior to hitting retirement age. When the state had to do this for the first time 2 years ago, their accrued liability was 10 billion dollars. It can add up to a lot of money.

I think the next thing I want to hit here is all the way back on Page 46 and 47. There's a comparison of the General Fund revenues for the last 2 years. Then, on Page 48-55 there's a comparison of the General Fund expenditures for the last 2 years. Page 56 is a 10 year schedule of General Fund revenues and expenses. Page 57 is a 10 year schedule of statistical information. That's all I have on the actual financial report. I just want to make the Board also aware that a management letter was issued this year again for the same reason we issued one last year from the fact that it's part of the audit. We're required to make a number of material audit adjustments. The Board in the past had decided the cost to fix that and have the administration personnel actually do these adjustments is not worth the benefit derived from, because they have other things they're doing about this time. Okay? Then there's a SAS 114 communication letter that I think everyone also got, which is informing the Board since you're not involved in the audit on a day-to-day basis, generally how the audit went, were there any major disagreements with administration, were there

any major issues where the audit was concerns. I'm happy to report there was none.

So, a lot of information, questions?

Dr. Parrish: Questions for Mr. Straub?

Mr. Stover: Thank you, Brian. You guys do a great job for us. This first item I just want to point out to the rest of the Board and to the public, because it discourages me every year and it just exemplifies the problems that we have, so just bear with me as I read this paragraph:

The District is required to provide educational opportunities for students with special needs and the cost to provide these programs continues to increase as a result of the increased numbers of students identified with special needs as well as more complex and multi-faceted needs exhibited. While the Commonwealth of Pennsylvania continues to provide funding in this area, the cost of educating these students continues to escalate at a rate higher than the Commonwealth's reimbursement increases. In 2008-2009, special needs spending increased for \$225,005 while the Commonwealth funding decreased \$27,339.

This is continuing to happen every year and the gap between this is spreading and spreading and spreading, and it's uncontrollable.

The second thing I'd like to point out is, as we were negotiating the amusement tax with the Hershey Entertainment and Resorts, we were constantly being told that the amount that we're getting is going up and going up. In 2008, we received \$1,312,262. In 2009, we received \$1,236,312 – significantly lower. Now, part of that is because we now have lost the Hershey Gardens amount and we've also not yet received, and it doesn't look like, at least as we stand today, that we're receiving any of the Hershey Story Museum funds, so, I don't know Brian if you have any further comments on how that is lower.

Mr. Straub: Generally speaking, the rates the same, it had to be attendance.

Mr. Stover: So, it's not performing. Thank you.

Dr. Parrish: Any other questions? Brian, thank you for your time.

3.08 Presentation - 2010-2011 Budget Overview

Dr. Brewer: Thank you, Mr. President. Tonight you're going to see an introduction to the budget data to assist you in determining if we can adopt a

resolution to limit our tax increase to 2.9%. If you will remember, at the beginning of September, PDE informed us that our index for the 2010-2011 school year was going to be 2.9%, which meant that we can impose a millage increase of .47, which takes us up to 16.99 mills without a voter referendum. Our current millage, by the way, is 16.52. That was the millage rate for 2008-2009, the audit which you've heard, where we did not have a tax increase for 2009-2010. Today one mill of tax generates about \$ 1,823,589 million dollars. That amount, by the way, has declined slightly to \$1,801,844; for a decrease of \$21,745. A tax increase of 2.9% equals .47 – less than ½ mill or \$892,799.

Should we determine that our preliminary budget exceeds a tax increase of 2.9%, we need to propose the preliminary budget 90 days before the PA primary election. The primary is on May 18, 2010.

As you know, under the requirements of Act 1, we cannot raise taxes above the state index, which is set each year in September, unless a referendum is placed on the ballot on Primary Election Day. This year the Primary is on May 18, 2010. Therefore, if we intend to operate within the allowable index of 2.9%, we must adopt a resolution limiting the tax increase to the index 110 days before the Primary Election, which means that we must adopt the resolution at our next Board meeting on January 25th.

Last year we presented a very austere budget, one that did not include any new staffing positions. Staffing, as you know, represents the biggest expenditure at 63% of the total budget. Of that, approximately 46% is salary and 17% is benefits.

The downturn in the economy affected our very grim revenue projections for development of the current 2009-2010 budget; and, unfortunately, the picture has not improved for development of next year's 2010-2011 budget.

We do have a number of documents that will, we hope, demonstrate that we believe we can operate within a 2.9% index:

1. Budget calendar
2. Revenues and Expenditures, including:
 - ^ 2008-2009 actual compared to 2009-2010 budget, compared to 2010-2011 proposed with the 2.9% index included.
 - ^ 2008-2009 revenue projection to June 2010
 - ^ Revenue projection %age assumptions
3. A summary of revenues that further identifies revenue sources
4. Projected fund balances
5. PSERS contribution rate

We will return to these documents in a moment for discussion.

Proactive Measures and Austerity Considerations

This is a visual representation that many Board members have been accustomed to seeing. It demonstrates, simply, how a school budget is built. First, our budget is driven by educational priorities. Staffing, particularly the analysis of enrollment projections to ensure the class size standards you have established, is a significant factor in educational priorities. But there are other factors in establishing educational priorities, as well; including federal and state mandates, plus staff development and instructional materials that are consistent with our Strategic Plan. Next, we need to determine our costs for personnel, staff development, instructional materials, and of course, utilities, debt service, capital improvements, and so on. Finally, we need to pay for those expenditures by projecting revenues needed for the next school year.

The first glance at revenue projections estimates only a 2.88% increase with the 2.9% index having been passed. That means that if we have no tax increase this year, our revenues are not only flat, but actually .01% below the austere projection (with the no tax increase we had last year) under which we are operating for the current year. In fact, right now, our revenue projections for the current year, at the moment, are \$282,414 under budget. This is primarily due to Earned Income Tax not being at our projections, and then real estate appraisals. Now, that's not done. We'll know better where we are, we'll feel much more confident about our projections when we get out to about April.

I do want to stress, however, that the information we are presenting tonight is a first glance. It's always the darkest of night in the first run through. We have 3 months of work ahead of us; and the closer we get to the end of the fiscal year, the more certain we are of our projections. Nevertheless, we show you the projections in January so that you have information to assist you in voting for the resolution to limit a tax increase to the state index.

We have taken many steps, last year and continue into this year to contain costs; some of which are listed here.

- Spring 2008 Refinancing Results in decrease of \$200,000 in debt service and Spring 2010 refinancing. We are looking to do a refinancing in Spring 2010 along with new monies that we're looking for the corrals and so on.
- Educational Field Trips. We're going to take a very hard look at this again this year. That includes some of the education trips that are very near and dear to all of us, but it's something we're going to have to look at in this austere economy.
- Professional Staff Conference Requests. You don't see nearly as many come to you as you did several years ago. We watch that closely.

- Building/Department Budgets. There are some outlier Building and Departmental costs that you'll see that have already been proposed to us. The biggest one is looking at a reading series for the elementary school.
- Benefits Cost-Containment. We are trying to do a lot with benefits cost containment. Certainly, the collective bargaining agreement that we struck last year helped us with that. As a result, what is in the first glance of expenditures is a 10% healthcare increase, which is fairly reasonable in this day and age.
- Energy Conservation. We've done a lot with energy conservation and will continue to do more.
- Two-Tiered Bus System. The bottom line for the two tiered bus system was more about safety, but there are some cost containments in that.
- Staffing. We are very careful with staffing considerations with it being so much of our budget.

Staffing

In regard to staffing, we have a history of a multi-prong test for personnel considerations:

- Multi-Prong Test
 - ^ Enrollment
 - ^ Mandates
 - ^ Program enhancements as we look at what our staffing needs are.
 - ^ Continued viability of program (new)
- Class Size Guidelines

^ ECC and Primary Elementary	22 or less
^ Intermediate Elementary	25 or less
^ Hershey Middle School	25 core subjects
^ Hershey High School	25 regular
	24 labs
	20 writing

Certainly class guidelines are something we are going to try to continue to adhere to as we bring the staffing budget to you.

During this budget cycle you will hear presentations from our principals and directors. They will be describing new staffing positions that they feel are necessary in the near future. Now, I don't mean that all of them might be

necessary by August 2010, but they want to keep at eye level some of the staffing considerations that come before us.

Retirements also affect staffing considerations. Under the current terms of the collective bargaining agreement, members of the Hershey Education Association are not required to inform us of their intention to retire until March 1st (in order to receive the early retirement incentives); therefore, we are not sure of the number of retirees we can expect; but a few HEA members have already declared their intention to retire; so the staffing budget may be positively impacted by retirements. By the time we get to our meeting on March 8, I think that we'll have a clearer picture on the number of retirements that we'll show you.

We continue to fund numerous positions through the state block grants to the tune of about \$425,000, but we always wait with bated breath to see what the state and federal government is going to give us in that regard. That's something that this year was very difficult to know with how late the budget process happened. Existing grants fund over \$425,000 in positions for:

- * Literacy coaches (2)
- * Remedial math (1)
- * Remedial reading (2)
- * Class size reduction (1)

Next Steps

The information in your packet provides a "first glance" at a work in progress. The projected expenditures are based on the 2008-2009 actual budget, a report you just heard from our auditors reconciled the 2008-2009 budget. The revenues, on the other hand, are projected based on actuals to date for both the 2008-2009 budget and the current 2009-2010 budget. We will be closely monitoring revenues over the next three months, and we will continue to scrutinize expenditures, not only for the remainder of this year; but also for next year. Variables, this year that we have to address will be:

1. HESPA negotiations. We just started that.
2. State of the economy and its effect on revenues, which does not look very good right now particularly with interest rates, earned income tax, real estate transfers, and so on.
3. Continued scrutinizing of building/department budgets
4. Class size and the effect on staffing considerations
5. Retirements
6. Benefits cost containment

A first glance at expenditures for operations (not capital) indicates a modest 3.96% increase. That's where we stand at the first glance, first run through the budget. That really is pretty good for the first run through. However, this year, it's all about revenues. Our revenues, at first glance, are only looking at 2.61% increase, with a 2.99% real estate tax increase (.47 mills). That differential, right now, yields a deficit of over a million dollars. We will continue to work on that. There's a number of things that we will be able to do to get that a little further in line. The \$300,000 contingency, for example, is in that figure. We will be able to take some monies from the retirement stabilization for the differential with the retirement. Most certainly at the end of the day, even with a possible tax increase, some deficit spending can be expected.

Steve, would you please talk to the Board about the projections for our fund balance moving forward and the various spreadsheets that we have distributed?

Mr. Rineer: You pretty much summarized exactly as I would. The revenues is the problem. Investment income is down significantly from budget. Dr. Brewer mentioned that the revenue shortfall for this year is between earned income tax and investment income. All other local revenue sources are flat. From prior years, many of you know that about 85% of our funding comes from local sources. With that revenue source being relatively flat for the 2010-2011 year, it will be a tough year. Every year is a tough year. This year is going to be even more difficult. Expenditures seem to be in line. We have good controls. We are looking at all the expenditures that we can. We will continue to refine the budget expenditures over the next 3 months. The further you get towards the end of a fiscal year, the better revenue projections can be. We look at the economy, both local economy and the national economy to see what impact it's going to have. State revenues. The state regards us as being a wealthy District. The result is that our aid ratio is very low that means that we get relatively little state funding, and Mr. Stover mentioned during the course of the audit that the state reimbursement that we get for special education continues to gap between the actual expenditures and the revenues that we get from the state. It continues to widen year after year. I was talking with Lyn Dell, the Director of Special Education, and the costs of special education continue to rise. We continue to see children that have greater handicaps. We continue to see children that move into the District and the cost of the services that we provide to them continues to escalate. So, it will be a difficult year. We will leave no stone unturned and we will try to come in the 2010-2011 with a good budget that we can all live with for a year or two until the economy starts turning around.

Dr. Brewer: Thanks, Steve. All of you have a binder and every week, from now until eternity it will seem, you will get a new slide show that you will put in your binder. You also, tonight, were given a number of preliminary database spreadsheets that speak specifically to the points that we were making tonight. When we get to the preliminary budget, you actually will get a narrative that

describes the outlier kids of costs for each of the functions and objects of the budget.

Tonight we are embarking on the process, and you can see from Next Steps that the first thing that's going to happen is at the next Board meeting, we will be recommending that you pass a resolution to limit the tax increase to 2.9%. You also will start a series of mini-budget presentations that are listed. The format for these mini presentations will be about 5 or 6 slides, not a lot, and each of the administrators will describe the scope of their services, how their budget supports the Strategic Plan and their annual charting the course goals, their program initiatives and their staffing considerations. Those would be your mini presentations.

Culminating Budget Events

Culminating budget presentations and discussion are listed. On March 22nd a staffing presentation will follow the preliminary information shared with you by the administrative team. The Human Resources Standing Committee will meet to discuss staffing before this presentation.

Then, on April 12th the annual Capital Maintenance and Improvement Plan will be presented. The General Services Standing Committee has and will be involved in this process.

The preliminary budget will be presented on April 26th. As has been our practice, you will receive a detailed description of the budget by object and function prior to that presentation. The preliminary budget will then go on public display for 30 days and you will vote on the preliminary budget on May 25th.

The final adoption of the budget will be June 28, 2010.

So, the budget process is upon us; and as you can see from the first glance, this will be a very difficult year due to economic conditions. There are many questions still to be answered, including what the funding targets will be from the state. The Governor has announced that he will provide the funding targets in early February; and that will give us a first glance at the state subsidies. Nevertheless, we will methodically and publicly discuss the challenges ahead as we work with the Finance Committee and, sometimes, the General Services Committee and for all the public presentations that all of you will here.

Any questions?

Dr. Parrish: Thank you, Lin. You certainly have your work cut out for you.

Dr. Brewer: Yes.

Dr. Donahue: This is an obvious question, but if we come with a half million or million dollar deficit, that will be balanced by our reserve fund.

Dr. Brewer: Yes. We have very healthy reserves, but we would not want to go too many years doing that.

Dr. Donahue: So, it's about 8 million dollars or something like that, right?

Mr. Rineer: In total.

Dr. Donahue: So, let me ask another – then, you mentioned in your talk what the 2.99% would represent roughly in dollars, I think?

Dr. Brewer: About \$890,000, something like that.

Dr. Donahue: And then just roughly, I know this is sort of our there, but follow me, roughly, all things are equal, that means that last year when we kept the no tax increase, and I think we were allowed 3% or whatever . . .

Dr. Brewer: No, 4, I think.

Mr. Rineer: 4.1.

Dr. Donahue: So, at the risk of political suicide, we passed up, if you will, about a million bucks.

Dr. Brewer: Yes. Forever.

Dr. Donahue: And, had we not done that, and I voted for it too, so, had I not done that, we might not be in this situation we're in now. Is that safe to say that or is that unfair to say that?

Dr. Brewer: We'd be healthier.

Dr. Donahue: Yes. Obviously. Then I had another question.

Dr. Brewer: Let me say this, Dr. Donahue. It would not have made a difference in the fact that we still are earning nothing on that money. I mean, we're earning .6% on the money that we have invested and we still would have faced some of the appeals that we're facing and we still would have seen our earned income tax coming down because people aren't getting bonuses and don't have jobs. But, it's exacerbated certainly by that.

Dr. Donahue: A couple of bad things have happened. I had a general question, probably better for the Financial Committee than Lin, maybe too general, but

what are we thinking about to take care of PSERS down the road? What options do we have?

Mrs. Sheffey: We don't have any option. We need legislation. It is really the only solution.

Dr. Donahue: Or referendums on taxes.

Mrs. Sheffey: Well we would, yes. Yes. We would have to have a referendum to cover the PSERS increase of 2.5 million dollars.

Mrs. Chabal: That's not accurate.

Mrs. Sheffey: I don't know. I have asked this repeatedly. Steve, chime in on this. The Act 1 cap does include PSERS.

Mr. Rineer: That's correct. That's my understanding.

Mrs. Sheffey: I know I read elsewhere that it did not. We need clarification.

Mrs. Chabal: Okay because the latest presentation, perhaps by the Patriot-News, indicated that, and this doesn't make it any better, but it indicated that a school district that was required to raise taxes in order to meet the payment of PSERS did not have to go to referendum for that portion of the budget. I would think that, certainly, if we were to go down, if we had to go down that road, we would have to articulate in that particular budget exactly what part of an increase went toward the payment of PSERS.

Dr. Donahue: Do we know if that's true, because that's obviously very important.

Mrs. Chabal: That was what was reported.

Dr. Donahue: No, I mean this tax . . .

Mrs. Chabal: That was what was reported, but I don't know whether, you know, I read that as a citizen reading that and thought, "Okay, that's interesting." Because that's not what I ever heard as a Board member. As a Board member, I've always heard that there was, well, we never really knew, I don't think. So, that was the first time I had ever seen any other mention, resource in writing, that indicated that increase in school district budget that was specifically [not audible] to pay for the PSERS increase was not liable for the referendum.

Dr. Brewer: Well, certainly somebody's going to have to pay for it. I'm sure they'd rather we did than they had to raise taxes.

Mrs. Chabal: Exactly. That's kind of how I thought that when I read it. I just thought that was an opportunity for legislators not to have to bite that bullet.

Dr. Brewer: But Hank, there are other solutions out there that they are bantering around. For example, possible having another classification for new employees coming in that we'd have a defined benefit.

Mrs. Sheffey: But that's not going to . . .

Dr. Brewer: That won't help us a lot. It's short term.

Mr. Stover: The only good news is that the state is in the same boat. Each one of our school districts are in the same boat, but the state is going to have to come up with a bigger nut than all of us, so there's more emphasis, I think, for them to come up with some type of a solution that reduces this amount. I really believe that that's going to have to happen. They're just not going to make that difficult decision until they're absolutely pressed against the wall.

Dr. Parrish: In my opinion, it would be prudent to plan for them.

Mr. Stover: When are they ever . . .

Dr. Parrish: Prudent for us.

Mr. Stover: To answer your question, Ellen's absolutely right. We're doing everything that we can do to get ready and hopefully a solution will come out of this and we'll be in good shape and maybe get some of those funds back that we've put away. That would be the best solution.

Dr. Parrish: Lin identified this as an impending problem 3 years ago. Three years ago, we started to squirrel away a little bit of money when we had excess in the funds like this to try to buffer it and, hopefully, we've got enough to buffer the next 2 years before the big bite hits.

Dr. Brewer: We do.

Dr. Parrish: We'll just have to see what happens.

Mrs. Sheffey: I think you can reasonably buffer up to 10%, but beyond that – 30%.

Dr. Brewer: We can kick it down the road a couple years, but the reason this will come to a head before we get into an issue with it, is because there's district in trouble now.

Dr. Parrish: Right, there are other districts.

Mr. Stover: Hank, I just want to, thank you for bringing up the point of we lost out on an opportunity last year, because that is so important. It's kind of what happened several years ago when we had that big fund balance. That's what all of us as Board members need to remember. Everybody wants to have no tax increases, and last year, it was a difficult decision to do. I think we all did it going into it, but now we are in the position we are because of that. Had we raised 1% or something, we wouldn't be anywhere near. Hopefully, our decisions in the future, we learn by the years in the past, especially for the new people coming on board. This is a concept that, I know you've been here for a while and we're all kind of learning this. You learn a little bit more every year. I just wanted to point that out. It's extremely important for all of us.

Dr. Parrish: Well, it was a little different. In that situation, we used "savings" or . . .

Mr. Rineer: Fund balance.

Dr. Parrish: Fund balance, which is savings to balance an operating budget and we didn't do that this year. We just chose not to raise taxes. It wasn't that we were spending savings money to [not audible], so it was a little different. Plus, in spite of that, the budget for last year, we came out fairly significantly . . .

Dr. Brewer: We came in a half million ahead.

Dr. Parrish: Yes, we came out ahead.

Dr. Brewer: But wait until next year.

Mrs. Sheffey: I think when we made the decision last year, I know the Finance Committee was very much aware that this was a one time. That we weren't going to be able to repeat this.

Dr. Parrish: To sustain it.

Mr. Gräb: Looking down the road, this is something that's going to fall in the lap of the next gubernatorial administration.

Dr. Parrish: Lin, thank you. We'll move forward.

UNFINISHED BUSINESS

4.01 Appointment of Delegates/Committee Members

Dr. Parrish: In keeping in line with our reorganization of the Board we have reassigned committee appointments. Are those available on the website, by the way, for citizens to look at?

Dr. Brewer: They aren't, but we'll do that tonight.

Mr. Tredinnick: They will be once they're official after this evening.

Dr. Parrish: We don't have to vote on these?

Dr. Brewer: No.

Dr. Parrish: These are just for information only. They will be available. I'll remind our citizens that we do operate on a committee structure so, if you have an issue that you would like to have addressed, perhaps identifying members of the Board who are sitting on any of these committees, that would be a good place to start. So we will get those posted on the internet.

Board President	Bill Parrish
Vice-President	Hank Donahue
Treasurer	Ellen Sheffey
Standing Committees:	
Curriculum Committee:	
	Donna Cronin
	Hank Donahue
	Mary Beth Hagan
Chairperson (Administration)	Joe McFarland
Finance Committee:	
Chair (Board)	Ellen Sheffey
	John Gräb
	Chuck Stover
	Chris Morelli
Co-Chairperson (Administration)	Linda Brewer
	Steve Rineer

General Services Committee:	
Chair (Board)	John Gräb
	Chuck Stover
	Donna Cronin
	Ellen Sheffey
Co-Chairperson (Administration)	Linda Brewer
Building Oversight Committee (Ad Hoc):	
Chair (Board)	John Gräb
	Chuck Stover
	Donna Cronin
	Ellen Sheffey
Co-Chairperson (Administration)	Linda Brewer
Human Resources Committee:	
Chair (Board)	Hank Donahue
	Bill Parrish
	Beulah Chabal
	Mary Beth Hagan
Co-Chairperson (Administration)	Linda Brewer
Policy Committee:	
Chair (Board)	Beulah Chabal
	Ellen Sheffey
	Chris Morelli
Co-Chairperson (Administration)	Bernie Kepler
Communications (Ad Hoc) :	
Chair (Board)	Donna Cronin
	Bill Parrish
	Chuck Stover
	Hank Donahue
Co-Chairperson (Administration)	Linda Brewer
	Dan Tredinnick

*Board President is ex-officio member of each Standing Committee	
Delegates:	
CAIU Permanent Representative:	Beulah Chabal
Dauphin County Technical School:	John Gräb
	Chris Morelli
	(Alternates: Remaining Board)
Derry Township Parks and Recreation:	Bill Parrish
	(Alternates: Remaining Board)
Founder's Park	Bill Parrish
	(Alternates: Remaining Board)
Derry Township Joint Work Group:	Bill Parrish
	Ellen Sheffey/Hank Donahue
	(Alternates: Remaining Board)
Harrisburg Area Community College:	Hank Donahue
	(Alternates: Remaining Board)
Safe Schools/Act 211:	Donna Cronin
	(Alternates: Remaining Board)
Tax Association:	
12/01/2009 - 11/30/2011	Chuck Stover
12/01/2010 - 11/30/2012	Ellen Sheffey
	(Alternates: Remaining Board)
Trojan Foundation:	
(Board President or his/her designee)	Hank Donahue/Chuck Stover
Co-Chairperson (Board)	
Co-Chairperson (Administration)	Linda Brewer

District E-Mail Communications:	
	Dan Tredinnick

4.02 Unfinished Business

None.

NEW BUSINESS

5.01 Anticipated Agenda Items for the January 25, 2010 Public Meeting

The following items will be on the agenda for the January 25, 2010 Public Board Meeting:

1.	School Board Recognition
2.	Approval of January 11, 2010 Board Minutes
3.	Standing Committee Report - General Services
4.	Technology Vision
5.	Mini 2010-2011 Budget Presentations: <ul style="list-style-type: none"> • Athletics (Mr. Elias) • Special Education (Mrs. Dell)
6.	Approval of December 2009 Finance Report (Mr. Rineer)
7.	Budget Transfers (Mr. Rineer)
8.	Adoption of Limiting Tax Increase Resolution, Mr. Rineer
9.	Requests for Payment (Mr. Rineer)
10.	Tax Collection Association Appointment
11.	Requests for the Use of Facilities (Mr. Elias)
12.	Personnel
13.	Students of the Month (Mr. Tredinnick)
14.	Announcement of Staff Development Conferences

5.02 Approval of Finance Report for November 2009

1.	The Treasurer's Report for the month ending November 30, 2009 was summarized as follows:	
	• General Fund Revenues	\$2,590,281
	• General Fund Expenditures	3,884,913
	• Balance of Cash Plus Investments (Includes \$3,988,097 Capital Reserve)	29,815,198
2.	The listed schedule of investment transactions for the period beginning November 1, 2009 through November 30, 2009 has totaled interest earnings of \$16,272 comprised of the following:	
	• General Fund	\$173
	• Money Market	13,898
	• Capital Reserve	2,201
	• PA School District Liquid Asset Fund	0
	• PA Local Government Investment Trust	0
	The average interest rate for November 2009 was 0.67%	
3.	The November 2009 expenditures for the paid bills for all funds totaled \$2,315,793 excluding net payroll, retirement contributions, and debt service.	
4.	The December 2009 expenditures for the unpaid bills for all funds totaled \$1,283,955.	
5.	The estimated expenditures of the General Fund for the month of December 2009 were in the following amounts:	
	• Operating Expenses	\$1,000,000
	• Utilities	99,000
	• Net Payroll (3 pays)	1,902,000
	• Employer Provided Insurance	387,000
	• Payroll Deductions	900,000
	• Employer Payroll Taxes (FICA/RET)	458,000

	• Debt Service	<u>0</u>
	Total Estimated Expenditures	\$4,746,000

Mrs. Sheffey moved the Board approve the Finance Report and was seconded by Mrs. Chabal.

Roll Call Vote:

Chabal – Yes

Gräb – Yes

Parrish – Yes

Cronin – Yes

Hagan – Yes

Sheffey – Yes

Donahue – Yes

Morelli – Yes

Stover - Yes

9 Yes

MOTION CARRIED

5.03 Approval of Policies: * 114 - Gifted Education * 115 - Vocational Technical Education * 201 - Admission of Students * 617 - Petty Cash * 718 - Service Animals in Schools * 800 - Records Management

The Administration recommended the approval of the following policies of the Derry Township School District Policy Manual which have been on public review for thirty-days in the following locations: Hershey Public Library, Derry Township Tax Office, Derry Township Municipal Office, Hershey High School Library, and the District Office.

* 114 - Gifted Education

* 115 - Vocational Technical Education

* 201 - Admission of Students

* 617 - Petty Cash

* 718 - Service Animals in Schools

* 800 - Records Management

Mrs. Sheffey moved the Board approve the request and was seconded by Dr. Hagan.

Mr. Gräb: Yes, are we approving the 30 day review or are we approving the policies.

Mrs. Sheffey: Approving the policies. They've been on review for 30 days.

Dr. Parrish: Yes. After the 30 review, I guess we should say. Any other questions or comments?

Dr. Parrish: Dr. Cronin actually had to leave. She has an excused absence.

Roll Call Vote:

Chabal – Yes
Cronin – Absent
Donahue – Yes

Gräb – Yes
Hagan – Yes
Morelli – Yes

Parrish – Yes
Sheffey – Yes
Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.04 Approval of Thirty-Day Review of Policy 705 Employee Safety

The Administration recommended the approval of Thirty-Day Review of Policy 705 Employee Safety of the Derry Township School District Policy Manual in the following locations: Hershey Public Library, Derry Township Tax Office, Derry Township Municipal Office, Hershey High School Library, and the District Office.

Dr. Parrish: And this is a 30 day review, correct?

Dr. Kepler: That is correct.

Mr. Morelli moved the Board approve the request and was seconded by Mrs. Sheffey.

Roll Call Vote:

Chabal – Yes
Cronin – Absent
Donahue – Yes

Gräb – Yes
Hagan – Yes
Morelli – Yes

Parrish – Yes
Sheffey – Yes
Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.05 Approval of Overnight Field Trip/Excursion - Future Business Leaders of America - April 2010

The Administration recommended the approval of the overnight field/trip excursion as listed:

<i>Group:</i>	Future Business Leaders of America
<i>Number of Participating Students:</i>	38
<i>Grade Level:</i>	9-12
<i>Destination:</i>	Hershey Lodge and Convention Center

<i>Purpose:</i>	State Leadership Conference
<i>From:</i>	April 12, 2010
<i>Until:</i>	April 14, 2010
<i>Trip Leader:</i>	Bonnie Ritchey

The District reserves the right to cancel the excursion based on events that could pose a heightened safety or security risk.

Mrs. Chabal moved the Board approve the request and was seconded by Mr. Stover.

Mr. Morelli: Can I just ask a question about the rationale for the lodging. I know the club funds are paying for it, but I just hate to spend money we don't have to.

Dr. Kepler: Very legitimate question and one that we ask ourselves every year. It really comes down to the students at FBLA, with the conference being local, many of the events run late into the evening and then beyond those events, the social activities that are specifically designed for students take place. The Hershey High School students would not be privy to those experiences if they did not stay. That's the rationale that's provided to us and with it being student funds raised through student work, the reason the administration brings it forward to the Board is a recommendation.

Mr. Gräb: If I may add to that being involved with some of these Mr. Morelli in the past, some of these organizations do require that the students stay on site as opposed to coming in or out, whether they live close by or whether they don't live close by. It's more of a mandatory statement by the organization. They really don't have an option. Maybe the students would like to chime in with that.

Mr. Waybill: When I had District choir two years ago at Milton Hershey, I had to stay with the whole choir even though, I mean we were staying at the Comfort Inn right across from Kmart. I can see my house from there. But I still had to stay with the students.

Dr. Parrish: That's part of the experience too.

Roll Call Vote:

Chabal – Yes

Cronin – Absent

Donahue – Yes

Gräb – Yes

Hagan – Yes

Morelli – Yes

Parrish – Yes

Sheffey – Yes

Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.06 Requests for the Use of School Facilities

The Administration recommended the approval of the following Requests for the Use of School Facilities:

<i>Group:</i>	Hershey Girls' Softball Association
<i>Date/Time:</i>	January 16 & 30, 2010 8:30 a.m. - 12:30 p.m.
<i>Requested Facility:</i>	Middle School LGI
<i>Event:</i>	Registration
<i>Fee:</i>	As per Lease Agreement
<i>Group:</i>	Derry Township Police Department
<i>Date/Time:</i>	January 24, 2010 Noon - 5:00 p.m.
<i>Requested Facility:</i>	High School Cafeteria
<i>Event:</i>	Testing for Police Applicant Process
<i>Fee:</i>	None
<i>Group:</i>	Hershey Memory Team
<i>Date/Time:</i>	February 13, 2010 8:00 a.m. - 2:00 p.m.
<i>Requested Facility:</i>	High School Cafeteria
<i>Event:</i>	Pennsylvania Competition in Memory
<i>Fee:</i>	As per Lease Agreement
<i>Group:</i>	Hershey Boys' Basketball
<i>Date/Time:</i>	February 14, 2010 9:00 a.m. - 5:00 p.m.
	March 5 and 26, 2010 6:00 p.m. - 10:00 p.m.
	March 6 and 27, 2010 8:00 a.m. - 7:00 p.m.
<i>Requested</i>	Middle School Gym and Lobby

<i>Facility:</i>	
<i>Event:</i>	Chocolate Town Youth Basketball Tournaments
<i>Fee:</i>	As per Lease Agreement
<i>Group:</i>	Hershey Soccer Club (formerly Hershey Youth Soccer Association)
<i>Date/Time:</i>	Weekdays March 15, 2010 through June 18, 2010 6:00 p.m. - 9:00 p.m.
	Saturday and Sundays March 20, 2010 through June 13, 2010 8:00 a.m. - 5:00 p.m.
<i>Requested Facility:</i>	Middle School Soccer Field
<i>Event:</i>	Travel Program Soccer Games and Practices
<i>Fee:</i>	None

Mr. Morelli moved the Board approve the request and was seconded by Mrs. Chabal.

Roll Call Vote:

Chabal – Yes

Cronin – Absent

Donahue – Yes

Gräb – Yes

Hagan – Yes

Morelli – Yes

Parrish – Yes

Sheffey – Yes

Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.07 Personnel – Resignations

The Administration recommended the approval of the following resignations:

Professional:
Daniels, Linda English as a Second Language Teacher District-wide Reason: Retirement Effective: 02/25/10
Classified:

Barge, Kris
 Recess Aide
 Elementary School
 Reason: Personal
 Effective: 01/07/10

Mrs. Chabal moved the Board approve the resignations and was seconded by Mr. Stover.

Roll Call Vote:

Chabal – Yes

Gräb – Yes

Parrish – Yes

Cronin – Absent

Hagan – Yes

Sheffey – Yes

Donahue – Yes

Morelli – Yes

Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.08 Personnel – General

1.	The Administration recommended the approval of the following appointments:
	Professional:
	Brocius, Elizabeth (Smith) * (for Stephanie Lupacchini) Grade 3 Teacher Elementary School Long Term Substitute Bachelors, Step 1 Salary: \$40,281.25 (pro-rated) Effective: Extending from 01/15/2010 through 02/25/10
	Myers, Elizabeth (for Lindsay Guenter) Grade 4 Teacher Elementary School Long Term Substitute Bachelors, Step 1 Salary: \$40,281.25 (pro-rated) Effective: 01/04/10 through the end of the 2009-10 school year (retroactive)
	Classified:
	Kuntz, Joan Substitute Teachers' Aide District-wide Salary: \$10.34 per hour Effective: 01/12/10

	<p>Yengo, Amy Substitute Library Aide Elementary School Salary: \$10.34 per hour Effective: 01/12/10 (pending receipt of Act 114 clearance)</p>
	<p>Limited Service Contract:</p>
	<p>Ettinger, Jennifer * Co-Advisor for Stage Crew Student Production Middle School Level II, Group I, Step 1 Salary: \$474 Effective: 03/01/10</p>
2.	<p>The Administration recommended the approval of the following request in accordance with the District Policies 435 & 439:</p>
	<p>Creason, Amanda Learning Support Teacher Elementary School Extension of Unpaid Childbearing/rearing Leave Effective: 01/18/10 through the end of the 2009-10 school year</p>
3.	<p>The Administration recommended the approval of the following requests in accordance with District Policies 535 & 539:</p>
	<p>Bagg, Amy Teachers' Assistant for English Limited Language District-wide Paid/Unpaid Family Medical Leave (up to 12 weeks) Effective: 01/18/10 through 03/15/10</p>
	<p>Ellingson, Katie Teachers' Aide Elementary School Unpaid Childbearing Leave Effective: On or about 02/11/10 for a period of six weeks (approximately 03/25/10)</p>
4.	<p>The Administration recommended the approval of the following addition to the 2009-2010 Substitute Teacher List:</p>
	<p>Dell, Hailey Kutztown University (pending Emergency Certification)</p>
	<p>* <i>This individual is currently an employee and/or volunteer. Clearances are on file.</i></p>

Dr. Hagan moved the Board approve the personnel recommendations and was seconded by Mrs. Sheffey.

Roll Call Vote:

Chabal – Yes
Cronin – Absent
Donahue – Yes

Gräb – Yes
Hagan – Yes
Morelli – Yes

Parrish – Yes
Sheffey – Yes
Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

DELEGATES REPORTS

6.01 Dauphin County Technical School Report

Mr. Gräb: No report, but to reflect that 6.01 will have us as Mr. Gräb and Mr. Morelli in the future. There is no report, the Dauphin County Technical School will be reorganizing their Joint Operating Committee on Wednesday, January 13, 2010.

Dr. Parrish: That is an error. Mr. Gräb and Mr. Morelli will be the representatives to the Dauphin County Technical School for this year.

6.02 Derry Township Tax Collection Association Report

Mr. Stover: I'd like to welcome Mrs. Sheffey to be our second representative for the Tax Association. The whole Association will be reorganizing at our next meeting on January 28. We are also in the hiring process and, actually, the interview process, this week interviewing for a new Tax Association manager. If the process goes as scheduled, we may be voting on that at our meeting on the 28th. We also have a meeting scheduled, the Dauphin County Tax Collection Committee, which is the EIP debacle, is going to meet on January 20, so they'll be some upcoming information on that. That's the full report for now.

6.03 Harrisburg Area Community College Report

Dr. Donahue: Nothing to report.

6.04 Capital Area Intermediate Unit Report

Mrs. Sheffey: Yes. The IU met December 17, 2009. We had our audit review and it was a clean audit for the IU. I won't bore you with it, but if anybody would like to see it, I have it. We also had our preliminary budget review for the General Operating Budget. They are proposing a increase to the district of 2.89%, just below the index, which, for Derry Township, using the current

distribution allocation would mean, I think about \$1,000, let me just check. Yes, our contribution would go up to \$48,800, an increase of \$1,300. This is just their General Operating Budget, that does not include the services we receive from them for special education, which are about a million dollars. Is that correct, Dr. Brewer?

Dr. Brewer: At this time, yes. [Not audible].

Mrs. Sheffey: So that's really the big payment to the IU. We are meeting January 25, 2010. That's it.

SPECIAL REPORTS

7.01 Announcement of Staff Development Conference

Penny Arnold
Pennsylvania School Librarians Conference
State College, PA
April 15 - 17, 2010
Expenses: \$690.00

7.02 School and Community Information Report

Mr. Tredinnick: Thank you Mr. President, just 3 real quick items for you. One's a note and, I believe all of you through the Board mail received very nice letters celebrating the High School band's successful performance and attendance at the Outback Bowl over the holiday break, so I just wanted to highlight that again for you, members of the public.

Also noting that later this week, we'll be doing the second round of the swine flu vaccinations. We provided though in December at no charge to applicable resident students in the Township. Those students who are 5 to 9 are recommended to get a second dose of the vaccine, so that will be provided later this week. If you need any of the details on that, it's posted on the website in terms of the dates and time.

Just also to let you know that, for the first time, the District is going to offer a gifted awareness program for members of the public. The first session is going to be titled "Gifted 101 – Defining Giftedness". It's going to be held at the Early Childhood Center LGI room on January 20 at 6:30 p.m. As you might guess from the title, the discussion is going to be how we identify students who show exceptional potential and how we go about including them in the gifted programs that we offer here in the District. That might be a good presentation for any of

the Board members who have an interest in that area, and certainly for members of the public are actively being encouraged to attend it as well.

Dr. Parrish: Thank you.

7.03 Board Members' Report

Mr. Stover: I'd just like to bring something up real quick and Dan you reminded me of it. I think the administration deserves a lot of kudos for the H1N1 process of getting that done. It was very staffed by the administration. The flow was outstanding. It was friendly. It was quick. I don't know how you could have done it any better. It was just a fantastic process, so I know many people when I was there told me the same thing. Great job.

Dr. Donahue: Just briefly – the Curriculum Committee met this Monday, January 4th and discussed 2 issues that will be brought, well 1 of which will be brought to the Board. There is a proposal in the K through 5 to go from a quarterly report card to a trimester report card. There's a lot of rationale for this that I won't go into, but on the February 8th Board meeting, we'll be briefed on that.

Then there was some discussion about criteria for AP courses, honors courses, Honor Society, and some questions that couldn't be answered at the meeting, so at the next upcoming meeting, Mr. Murphy is going to discuss National Honor Society – specifically the criteria, honor rolls, AP, etc. That's it.

Dr. Parrish: Questions for him? Any other Board members?

7.04 Superintendent's Report

No report.

7.05 Board President's Report

Dr. Parrish: I'd just like to thank everybody for coming out on a cold winter night.

RECOGNITION OF CITIZENS (NON-AGENDA ITEMS)

8.01 Recognition of Citizens

Bunny Hottenstein: I'm a little concerned that the press might take away that we regretted last year not raising our real estate taxes up to the amount that we might have done. That was not our feeling at the time. The administration, the

Board, and the Finance Committee were all trying to reach consensus, knowing that people who lived in homes and paid real estate taxes and couldn't sell them for anything like what they were worth are, nevertheless, having their jobs reduced or eliminated or their bonuses eliminated or, in many ways, their income reduced. I don't, personally, feel any regret that we did not raise taxes last year. We knew that was going to have a repercussion down the line, but it was going to be a double whammy for the tax payers of Derry Township. If I'm misrepresenting how the Board, and the administration, and the Finance Committee felt, I think you ought to say it now, before the press goes out and writes their articles this week and says that we regret having made that decision. I don't think we did.

Mrs. Sheffey: I agree with you, Bunny. Thank you for saying that.

Dr. Parrish: That's a good point. I think Chuck's point was that, you have to realize each year as we pass a budget that there are long-term implications.

Mr. Stover: Exactly. I have no regrets on what we did. We need to understand the ramifications of what that does.

Mrs. Sheffey: We knew there were consequences, we accepted them.

Bunny Hottenstein: We were planning that there would be better financial health for our tax payers by not having a tax increase last year, than by [not audible]. When we're looking down the line at the possibility we might have to raise taxes this year and for next year or both, we're going to be better able to pay them.

Dr. Parrish: I agree. Any other citizens?

ADJOURNMENT

9.01 Adjournment

Mrs. Chabal moved to adjourn, with a second by Mr. Stover and, approved by unanimous voice vote by all members. The meeting was adjourned at 8:56 p.m.

Respectfully submitted,

Stephen E. Rineer
Secretary to the Board
Approved at the January 25, 2010 meeting

Dr. William Parish
President of the Board

LDM