

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

September 28, 2009

OPENING ITEMS

1.01 Call to Order

A meeting of the Board of School Directors, Derry Township School District was held on Monday, September 28, 2009, in the District Office Board Room. Mrs. Beulah Chabal, Board President, called the meeting to order at 7:04 p.m.

1.02 Roll Call

Directors Present: Mr. Christopher Barrett
Mrs. Beulah Chabal
Dr. Donna Cronin
Dr. Henry Donahue
Mr. John Gräb
Dr. William Parrish
Mrs. Ellen Sheffey
Mr. Charles Stover

Excused: Mr. Alan Malkoff

Superintendent: Dr. Linda Brewer

Secretary: Mr. Stephen Rineer

Solicitor: Brian F. Jackson

Student Representative: Chris Waybill
Shruti Shah

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

Representatives of the Administrative Staff: Mr. Dan Tredinnick, Dr. Bernie Kepler, Mr. Ed Consalo, Mr. David Yarian, Mr. Al Harding, Ms. Lynn Dell, Ms. Sue King, and Mr. Michael Murphy.

Representatives of the Staff and Community: Greg Merkel, Megan Hulse, Bunny Hottenstein, MaryBeth Hagan, Susan Foxx, Chris Morelli, Jacqueline Callaghan, Judy Haverstick, and Julie Neal

1.03 Flag Salute

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

REVIEW AND APPROVAL OF MINUTES

2.01 Approval of September 14, 2009 School Board Meeting Minutes

A motion was made by Mrs. Sheffey and seconded by Dr. Parrish to approve the minutes of the September 14, 2009 School Board meeting. All Board members present signified by a Yes vote.

MOTION CARRIED

INFORMATION AND PROPOSALS

3.01 Announcement of Executive Session

Mrs. Chabal announced the Board met in executive session prior to the meeting to discuss matters related to personnel. All Board members were present, except Mr. Malkoff who was excused.

3.02 Recognition of Citizens (Agenda Items)

None

3.03 Student Representatives' Report

Mrs. Chabal: I think that we may find a pleasant change in our agenda at this point. We have moved our Student Representatives report to the front end of our agenda. If we can have your report.

Ms. Shah: One of the biggest things that we have to report is that we had our Homecoming events this past weekend and they were a great success, the parade and the dance both.

Mr. Waybill: Despite the football team, I thought the dance went really well, a lot better than in years past. Everyone I talked to had a great time and it flowed really well. The coat check was an excellent idea, I must say. Everything at school is going well.

Mrs. Chabal: Wonderful, thank you, and not that we don't want you to stay with us, but if there is a time that you do need to leave prior to the end of the meeting, please do so. We are trying to be respectful of not only the time that you spend with us, but also because of your academics and your other schedules, we know that sometimes the meetings are a little long, so this is where you will be in the future. Once again, welcome, we are so glad that you're with us this year. We look forward to it, and thanks again.

3.04 Standing Committee Reports

Finance Committee:

Mrs. Sheffey: The whole purpose of the meeting was to discuss Mr. Verdelli's presentation, so I'll leave that to him.

Communications Committee:

Mr. Barrett: I have a report and a power point slide presentation to make on behalf of the committee. The committee was brought forward based upon some comments that we've received from stakeholders within the community concerning our communication strategy. I just think the fact that things are really changing in our world in communications. There are so many e-tools that we have available for us that we're utilizing day in and day out, I think all of us can talk about how we're communicated with by things that we have interest in. I think we also have to tune up our method of communication to ensure that the stakeholders are completely heard and heard in the best way that they want to be heard. This committee got together very quickly considering tactical things versus the long term strategy. These were the folks that got together to begin with, Dr. Brewer, Mr. Treddinick, myself, Dr. Donahue, Dr. Cronin, and Mrs. Sheffey. We met together for two meetings to start to consider where we want to go with this committee.

The key thing is, I kind of covered this slightly in my first comments, is why have this committee? One of the things that we want to ensure that when there is a project or issue that comes before us, and there are many over the course of a full term, is that we want the stakeholders to have a full set of facts. Not that we don't want their opinion, because we do, but we want to ensure that they have the correct facts in front of them before formulating that opinion. Also, the projects and issues that come before us are very complex, so we're constantly putting more time into it. We're seeing a lot of experts who are advising us, not

only our staff, but also people like Lou who come in and succinctly give us advice on things that are incredibly complex. We want to boil that down and make sure that the stakeholders are getting that information in the best possible way that they could get it and in a way that they want to get it. The Board is a policy making body, they're seeing so much, they're not involved in the day to day operations, but yet we're charged with coming out with policy to regulate those day to day operations. I think I talked about tuning up, tuning up our communication strategy, how we do it on a meeting basis, but also how we push it out. When I talk about communications tools, if I look back 12 years from when I first came on the Board, I can tell you that if a member of the public wanted to get any type of information about what the School Board was doing, they had to come into the School District office, obtain a copy of this agenda, they possibly would get minutes, and our website was about 4 or 5 pages and that was it. So, now with tools changing as rapidly as they are, we have a lot more capability to be able to communicate in any form that somebody wants. We can send out a letter, we can send out an e-mail, we can have folks come online and look at the website's home page, they can dig into the website deeper on a micro site if they want to check out any specific thing. Dan is doing a lot of pod casting and video casting, using those types of tools and he's done a really nice job with a lot of neat things that have been happening in the District. How do we push all that out? This isn't a criticism of the local media at all, but the local media can't tell a story as fully and completely as we can. They just don't have the capability to do it. They can't devote 5 to 6 pages to a story that can be somewhat complex. The trick is to find out how you succinctly put it out, but if a stakeholder wants to find the facts, how do they do that as quickly as possible.

Again, the print media is changing, so we have to change with that. We've invested a lot in technology, so we have a pretty solid arsenal of tools at our disposal that we can use, it's a matter of harnessing them. Again, we want the stakeholders to be able to turn to us for the facts on a policy or issue, but we also want them to be able to formulate that opinion. This is very important, formulate their opinions that we want to hear, but the facts have to be in line completely.

What have we done? We've met twice as I talked about. We looked at our current vehicles. We communicated with constituents, as well as the faculty and staff and asked them for some opinions on what our current communications vehicles are. We evaluated the current use of our website and our e-tools and we made some recommendations which I'll talk about. We also evaluated the current Board reporting method. Some of you might know that now we'll be taking minutes of each individual Committee meeting, except if it's a Human Resources meeting where there could be some personnel issues discussed. We'll be taking those minutes from meetings because we understand, for example, that a lot of stakeholders sometimes can't make it at 4:30, so we want you to have the minutes of each meeting so you're able to see what took place, so when it comes before the Board you have an understanding of why it is at the

point in the decision making process as it is. That's very important. That's just a small example concerning one thing that we need to take a look at changing.

Also, we want to establish a permanent Standing Committee title Communications. We want to involve Citizen Advisors on that Committee. It's important to be able to have the citizens involved to tell us how they're perceiving us and how we're doing things. It's very simple, it's not complicating to the Communication Plan, but I think there are some misconceptions that the Board doesn't care about what's happening, this is farthest from the truth. We'll get to that in a couple of minutes, but we want to recommend that it's a permanent Standing Committee having citizens involved with it. Also, I think some of you might know we just launched the Trojan Quest. The Trojan Quest had been a print publication that was sent out for a number of years and it had gotten fairly expensive to send that piece out. I think it was about \$30,000 at some point in time. We had seen that the web had emerged, stopped sending out the Trojan Quest, well when we didn't really have a strategy on how to use the web and e-tools. We're not bringing back Trojan Quest for cost reasons, but we have very robust e-tools that we want to use. The Trojan Quest, we're committing to at least one Trojan Quest per month, if not more. This will be a piece that will be able to summarize some of the things the Board is considering at any given point. It gives our stakeholders a point to say, 'Okay. They're considering now two tier bus system. I better go in and take a look on the micro site to see more of the facts based upon this.' Again, we're not trying to control the message, we're trying to get the facts out.

One thing, I'm going to quote some statistics, hopefully they're right. Our first Trojan Quest was sent to about 2,800 stakeholders. We had 1,300 opened, so it's almost a 50% open rate, which for e-blasts, is incredibly good. That's the good news. The continuing news is we have to keep making sure that there is relevant content in there so that stakeholders continue to open it and find it to be relevant. We also want to add that even though we have 2,800 people opted into that, we want to continue to grow, because the rest of the community has to be involved in the communication process. We really hope that they would jump on our website and opt in to that e-tool, so that they're getting continuous e-mails at least once monthly, hopefully twice monthly to disseminate to the world.

Also, we are recommending that we restructure current Board meetings for all the stakeholders to be more involved. To reiterate meeting procedure, at almost every meeting, a lot of times what will happen is, the public will question the Board on any given topic. The Board won't respond and sometimes that is misconstrued. The "why aren't they responding?" I think we want to be very clear when we're asked the question, we want to make sure that when we're answering, we're giving the correct facts. We're going to propose that the Board change its method in how it hears a question from the stakeholder. The Board may not answer at that given time, but may elect to answer that question under Old Business at the next meeting, or simply send a communication to each

individual stakeholder to answer the question and post it online so that the whole community could see that the question was answered. We're looking at that whole structure and a statement will hopefully be read at the beginning of each Board meeting, that will give the process on how this is to happen as we move forward.

We want to look at establishing a long-term communication strategy for the Board. I want to say Dan has done a great job, this has been an evolution. The staff has done a great job moving forward, but we feel, as a Board, we need another strategy to communicate with the public that's a part from, but akin with what Dan does. Also talk about a spokesperson. When the Board decides that its come to a conclusion on whatever subject is in front of it, how does that spokesperson actually position that? Does it go out to Trojan Question? Does it happen here? Those are the things that we need to take a look at. Of course, we have been taking minutes at the last two Committee meetings, General Services and Finance, I think, have been completely transcribed word for word, except for Human Resources, and we talked about before, because they're personnel issues decided there and they, of course, won't be made available to stakeholders. I think that's it. I'd be happy to answer any questions that anybody might have. Obviously, there's a lot more work to do and that's why we're suggesting that there be a Standing Committee moving forward with the next President or this President to appoint that Committee head and Chair, but I'm happy to answer any questions Madame President or anybody from the Board.

Mrs. Chabal: Thank you, Chris. I do think that for clarification, you would speak to the point that, up to now, obviously our Board meetings are taped and transcribed word for word. That's not an inexpensive thing. It's done by, essentially, a court reporter, so we send it out, it gets done. The major, when I say major, that kind of depends on where you are in the year, like if it's a budget time, then the Finance Committee is the major committee, so those things kind of flow. We do need to make sure that they understand that not all meeting minutes are going to be word for word. There will be a staff member assigned to take those minutes and those minutes will be looked at by the Board, but they're not the kind of minutes that you see so detailed as, as an example, when the minutes are done in public Board meetings.

Mr. Barrett: I think one thing that we probably want to do, is to make sure, I think we kind of talked about this before, but each Committee Chair on the Board Committee reports make a little bit more of a complete report based on what happened in the Committee, if the Chair feels that that report needs to be made.

3.05 Presentation - Financial Planning for Capital Projects

Lou Verdelli: Good evening. While those are going around, just a little bit of the background. We've been working with the Board for really over 12 months on

updating potential financing plans that would go together with your proposed projects: the middle school, the Master Plan, and evaluating, in conjunction with your existing debt, how can we phase in the projects based upon your enrollment projections, based upon when the existing debt is dropping so that we can meet the overall goal that we discussed over the course of the last year of maintaining the existing debt service budget, which is about 6.5 million dollars per year. How can we maintain that, but still do the projects that you'd like to do over the next several years. As your numbers have been changing, the projects have been changing. We've been updating that and at that last Finance Committee meeting a few weeks ago, we presented the latest. We've made a few changes to that based on some feedback from that meeting, so I'd just like to review that with you.

Overall the numbers on the potential borrowings have not changed, of course, because those most recent estimates of your project costs have stayed the same. Just to frame the discussion on Page 2, where we've always started, this is the chart that shows the existing debt service for the School District and all of the issues that are currently outstanding. They are shown in Columns 1 through 8 and then we add all of that up in Column 9, and there you see the debt service running at that number that I mentioned at about 6.5 million dollars per year. One of the things I just wanted to remind you, again, that as the year progresses, we're keeping an eye on Columns 4 and 5. Those are the two issues, the 2004 A bonds and the 2005 bonds that we cannot refinance today. If we could do them today, there would be very significant savings. Interest rates are much lower today than the rates on those old bonds, but those are part of the potential plan is that once you would be prepared to borrow new money for the proposed projects, and we know exactly how much we would need, when we would go to access the market potentially, in early 2010, we would be including those two issues and hopefully if interest rates remain close to where they are today, the District would be able to recognize some very significant savings as a result of that. That's really the base case that we're operating from. What can we afford in a 6.5 million dollar debt service budget? You see that for the next 5 years we maintain that level, but then there's a pretty significant drop in that amount to about 4.6 million dollars per year on down about 10 years out, we'll be down at 3 million dollars per year if there is no additional debt added. When we look at, if we need additional debt for the upcoming projects, how do we structure it and maintain that existing budget of 6.5 million?

On Page 3, I now labeled at the top of the page as Phase 1 of the Financing to really coincide with Phase 1 of your middle school project, as well as the Master Plan. What is shown here is the outcome of the refinancing of the 2004 bonds, as well as adding a new money borrowing that currently would be budgeted at 7.7 million dollars for your two projects. I believe that's the latest number for the middle school project, as well as the Master Plan. That 7.7 million dollar new money issue is shown in Column 2. That's really the addition new debt service as a result of the new money. When you look over in Column 9, what does that

do to your overall picture? You can see we're able to maintain the debt service under that 6.5 million dollar existing budget and, of course, instead of dropping down as much as it used to drop, it's going to stay level for a few more years, roughly in the 4 million dollar range. That would be the outcome after the first phase of borrowing, that, again, would be scheduled for 2010. Of course, it's subject to the final sizing, how much you would need, and where interest rates are when you actually go to the market at that point, but that's what Phase 1 would look like.

Page 4 then just graphically shows the difference between the existing debt service, which is depicted by the bar charts and then the line going across is the additional debt service in each year. There, again, you can see the first four years there would be no change, and then there would be slightly more debt service in those out years through the year 2025.

On Page 5, we dropped in the 2014 borrowing that is currently scheduled really for two reasons to occur in that year. That's when the significant drop in the existing debt service occurs. That's also when the estimate is for when you would actually need to do that second phase of the project. I think that the timing of the payback of the debt has also influenced the timing of that project, which is good. We're trying to manage and stay under that budget, and so 2014 is shown as a new money borrowing. Here, it was the advice of the Finance Committee to use the higher of the two current estimates for that Phase 2 borrowing, so there you'll see in the note at the top, the new money for 2014 is estimated at 18.6 million dollars. That debt service then is dropped in as Column 3, and you can see what those annual payments would look like. In Column 10, the overall impact of that second financing being dropped in, we still maintain the 6.5 million dollar target and the debt service would run at about 5.5 million dollars for another 10 years and then drop back down to the 4 million and 3 million dollar range until that 2014 issue would be paid off.

Page 6 then again shows that same illustration on the chart. You can still see that our goal is still to maintain a drop down in your existing debt service, so even with that borrowing, if there was something that came up 7 years from now, 8 years from now, that you needed to do a significant borrowing, there would still be a drop off in the debt service that hopefully we would be able to accommodate that project and still keep the debt service under about 6.5 million dollars per year.

One of the questions which was asked at the Finance Committee, which was a good one, was what interest rates have we assumed for all these projections. The answer was, I was conservatively using current interest rates, but again, current interest rates as many of you are probably aware are very low. To show a potential impact of higher interest rates, when we get to 2014, I'm pretty comfortable with the projections for 2010, but certainly 2014 is a long way off and I won't make any predictions on interest rates for that year. What we've done is

we've added, we took the interest rates we were using, conservative estimate of current rates, and for the 2014 borrowing, you can see at the top of the page, we've added 100 basis points, which is the equivalent of 1 full percent. Roughly, instead of assuming a 4% interest rate, we're assuming a 5% interest rate. You'll see if you compare Column 3 on this page versus the one two pages earlier, that one full percent on an 18 million dollar borrowing is a very significant amount, about \$200,000 in annual difference if interest rates were a full percent higher. We're still able, as you can see, to maintain staying under the 6.5 million target, that's not a problem. I can tell you that if we got to 2014 and interest rates were in fact a full percent higher, we would also be able to change the structure of the 2014 borrowing. We might shorten it up a little bit, depending upon, are interest rates higher in the short term area, 5 to 10 years, or are they higher in the 15-20 years, or are they just higher completely across the board. We'll have the ability to change the structure a little bit to minimize the impact of higher interest rates, but this is giving you a good read. I tried to keep it as apples to apples as possible for this illustration that just shows, yes, we have interest rate risk and that project in 2014, if that's in fact when we borrow and interest rates are higher, that it could certainly cost more per year than what we're currently estimating. It's a good illustration of looking at what is your potential maximum exposure, if in fact that's your cost, when you get to 2014 and that's your cost estimate on your project. Certainly, I have a lot of variables there for that 2014 borrowing, but I think the important part is that you see you would still be able to accommodate the goal of staying under 6.5 million. Again, on Page 8, the same graph just shows that obviously the drop off in the future would not be as significant if interest rates are in fact higher when you do that borrowing.

That's the update on the proposed financings, again the 2010 issue and the 2014 and the projections that you're using for your evaluation of your projects. On Page 9, I put together a timeline for the financing decisions that will need to be made in conjunction with your project decisions as we back up from May 15 which is when we would be able to close the issue based upon the call dates of those two previous issues that I mentioned would be included, the 2004 bonds and the 2005. When we back up from May 15, basically, it would be February when it would make the most sense for you to be authorizing the financing team to actually pick an amount, whether it's 7.7 million you need for your project or 7.1 or 8.1. Really, February would be the timeline that we would need to establish the amount to borrow. In March, you would effectively authorize us to go out and sell the bonds like we've done in the past. Then, actually accessing the market in April is when we would lock in interest rate, so when we talk about interest rate risk, it's basically now until April 2010 in terms of whether rates are higher or lower on the refinancing of the two issues as well as locking in a rate on the new money borrowing. If we follow that plan, mid-April we would sell the bonds and then close in mid-May. The old bonds would be retired in May and the funds would then be available in the construction fund for your projects by June 1. That's the potential timeline, I'd be happy to answer any questions. I

know there is one other item that ties into that, the reimbursement of resolution, but I'll try and answer the questions first.

Dr. Donahue: Thanks Lou. Every time you give these presentations, I really do learn more. The question I have first is regarding the approximately 6 million dollar debt service. Why is 6 million what we want to maintain our debt service at, why not maintain it at 12 million and do a bigger project? What's magic about 6 million? Just historically or given our financial situation?

Mr. Verdelli: That's a great question and I think probably the first and foremost answer is if you keep the debt service at 6.5 million in the budget, it's not putting any pressure to increase the overall budget.

Dr. Donahue: Because it's historically at 6.5 million.

Mr. Verdelli: Right. So, if it was 7 million, for instance, we'd have to say either some new revenue source has to come in, some other expenditure of \$500,000 per year needs to go away or else there needs to be a tax increase to fund 7 million per year. I think it's really been driven by what potential project can we do without increasing that and, therefore, without causing a project to cause a tax increase.

Dr. Donahue: I guess a corollary question is what's the negative of having a 6 million dollar debt service in 2020, rather than a \$200,000 debt service? I know the financial implications, but from a financial management perspective?

Mr. Verdelli: Well, I think the negative would be, to fill up your debt service that far, you'd have to do an 80 million dollar borrowing. One, you would be looking at, first off, can we do that under the state formulas that control how much debt you can have, there's debt limits. Secondly, there's issues like your credit rating and maintaining that rating. One of the important factors in the credit rating that has allowed you to have a very high credit rating is that you pay off the majority of your debt very quickly. They look at the principal amortization over the next 10 years and that's a very high percentage. Your percentage is around 60%. There are some districts that have borrowed so much that the debt structured over 30 years...

Dr. Donahue: Maybe I didn't make myself clear. Really what I was asking is if we don't do anything, our debt service at 2030 is some very tiny thing.

Mr. Verdelli: Right.

Dr. Donahue: If somebody walks up to me on the street and knows I'm on the School Board and asks me to explain that, they'll ask me, isn't it better to be really tiny here, then up where that red thing is at the end of the year? What's the answer to that question?

Mr. Verdelli: Well, certainly. There's some districts that choose never to fix their buildings and they haven't done anything for 20 years. They have debt service that's very very low. Eventually, they call us and they say, "We're in a giant mess." "We haven't touched our buildings for 25 years and now we need to go out and spend 100 million dollars all over the next 4 years." Neighbors over in Donegal are experiencing that right now.

Male Board Member: What's important what Ellen said is that we are able to keep this at 6 million dollars without, at this time, raising taxes. At least at this time.

Mr. Verdelli: That's right. Actually, based on the amounts that you're looking at, we wouldn't really even push up against that in those out years, we would still stay below that, so unless there is some other significant projects that happened in the next 7 or 8 years, we may, in fact, drop down and not maintain 6.5, the budget may even be lower.

Male Board Member: Thanks.

Mr. Verdelli: Sure.

Male Board Member: Lou, I'm going to beat you do death with what if's, so if we don't proceed with Phase 2, we get to 2014 and our debt service drops by 2 million a year, would it be prudent for whoever sitting on that Board then, and it won't be me, to make the decision to maintain the debt service and pay capital down, do you understand what I'm saying? Pay the debt down?

Mr. Verdelli: Yes. That's a good question. There are a couple different variables in ways you would evaluate that, certainly, you would have to be looking at what's on the horizon project-wise and can you afford to basically pay as you go using cash to pay for those capital projects. You would evaluate that. All of you remember the implementation of Act 50 and the restrictions on keeping your tax increase to the SAW index. Well, one of the things that was excluded from that, that you have an exception for, is that you're existing debt service, anything that was borrowed prior to the implementation of that, that debt is basically all grandfathered and so maintaining 6.5 million dollars of debt service currently, you can continue to maintain that and keep it into the budget. Many of our clients that have debt service that's dropping off and have projects in the future are basically keeping their debt service up, because once you ratchet that amount down, you would not be able to put it back up if it didn't fit into the index. Having the debt service budget, and that's one of the other reasons that we recommend maintaining the 6.5 million, if you can, and staying at that level, is basically, it's really neutral to the index calculation.

Mr. Rineer: In regard to that point, as a result of the Capital Reserve Policy that we adopted last year that if we continue to have an excess of revenues over expenditures because we didn't have the debt service. Any amount in excess of that surplus over 8% of expenditures automatically goes into that capital reserve fund, which is, right now about 3.9 million dollars. If, by some chance, in 2014 we decided not to go ahead with Phase 2, which is primarily student driven. It has to do with our students and if we decided that numbers did not indicate that we would have to expand, then by operation of the Capital Reserve Plan, that surplus would go into the capital projects fund that we have, the capital reserve fund.

Male Board Member: We could conceivably use that money from that for new projects instead of [not audible].

Mr. Rineer: Exactly right.

Male Board Member: That's being very prudent.

Mr. Verdelli: One of the things when I mentioned the variables. When we get to 2014, if at that point, there's no other projects on the horizon for 5 years and it looks like we're going to be fine with things, when I mention the structure of the borrowing, we will shorten it so that the debt service is actually higher each year and closer to that, because each time we shorten it, it's less interest we're paying over time and the total payback goes down. I'm really showing you what would be the worst case scenario of financing it over this longer time frame preserving some capacity, if you need it, but when we get there, the most efficient structuring of it is going to be to keep it as short as possible so you're paying less interest.

Dr. Brewer: I would like to add that all of these numbers represent worst case scenario, because the 7.7 million in new money for Phase 1 is the worst case scenario. They gave us a low amount and a high amount and these reflect the high amounts, and the same for Phase 2. We showed you the higher amount with the new HVAC in it, and one of the things we're looking for is a study on return on investment for the HVAC to see if the extra 4 million dollars would be prudent. I would estimate it probably is, but that's something we don't know yet. Also, as Lou said, the 2014 figure is very dependent on enrollment.

Mrs. Sheffey: I just want to take a minute to backtrack and I apologize for not being prepared earlier. For our community members, the 7.7 million for Phase 1 includes the Hershey Middle School expansion, of 3.6 million dollars which is our cafeteria/kitchen renovations, the library addition, and then the alteration of the existing library into classroom space, and some courtyard construction. It also includes costs associated with implementing Phase 1 of the District Master Plan, which is the High School and Middle School bus corral, the middle school parking lot, the ECC and elementary bus corral, the ECC faculty parking lot, and the

elementary music building, and then contingency for the safety corridor since we haven't finalized what that will cost or where it would go out. That all totals up to about 3.8 million dollars. There's an additional \$200,000 which I think Lou will be mentioning later, which is the reimbursement to the District for the soft costs, correct?

Response: Right.

Mrs. Sheffey: And that all totals up to the 7.7 million. Sorry I didn't tell you earlier.

Mr. Gräb: As a side note, I think Chris, you can should be able to attest to this. Back in 1995, I think our debt service was close to 20% of our annual budget and we now have it down to about 12% of the annual budget, so we are doing some positive things here.

Mr. Barrett: Because of the high school?

Mr. Gräb: Yes.

Mr. Barrett: I remember that.

Dr. Cronin: Yes, just a comment. I think the audience now has the graphs, because I think these graphs are a great pictorial of where things stand so it makes it very visually descriptive. I just want to say that I appreciate this, because it really gives us a good idea, not only that we're showing the worse case scenario, as Dr. Brewer stated, but I think from a Board member's perspective, it helps me decide where is that middle ground? This is the most we can spend and we want to make sure we prioritize what we need to do without going to the max. I know running our household budgets, when my car payment is done, I celebrate. I don't say, I still have this much money, let's keep spending it, but I also am appreciative of what you said about the importance of maintaining that certain index. I think, as a Board member, I want to be really cognizant of walking the fine line between spending the least amount, but still getting the most out of our money in terms of the buildings that we need and maintaining whatever credit rating or index that we need as well. But, I certainly don't want to just say, we have that red line, let's just keep it up there, because it doesn't affect anything. I want to be as conservative as possible in our approach to keep that line as low as we can and still be successful.

Mrs. Chabal: Anyone else? I think that Dr. Cronin has done a nice job of articulating what each one of us feels. It's our fiduciary responsibility to be conservative, yet maintain the capital needs of our campus and also to hold in the ready dollars that may be needed in the future for other Boards. I think that Dr. Cronin did a nice job articulating what each one of us understands as our role. Any other questions? Thank you, Lou.

Mr. Verdelli: Do you want me to review the reasoning for the reimbursement resolution now?

Dr. Brewer: Yes, let's do that real quickly and then you'll see it as a motion.

Mr. Verdelli: Really, the way this next item came up was we were calculating the amount of the potential borrowing in 2010 and it was mentioned that you're currently spending funds on your soft costs, design costs, engineering. I had brought up the discussion of, well, are you planning to permanently pay for those with your cash or reimburse yourself out of the borrowing when you do that. I don't think a decision has been made yet, and I think it will depend on those costs, also depend on how your finances are looking. The one recommendation I had that really is just precautionary, but it sets you up at least that if you do want to reimburse yourself, there is no tax issues that we have to deal with. That's by simply adopting what's called a Reimbursement Resolution under the Tax Code for bond issues. It says that any money that you spend, District cash, surplus funds, if you spend them on your project and you're eventually going to do a bond financing to pay for that project, if you've adopted a Reimbursement Resolution, you can reimburse yourself with the proceeds of that borrowing when you do it. If you don't adopt one of those, the IRS only lets you reimburse yourself for expenditures within the 60 days prior to the bond issue occurring.

Mr. Barrett: Then, Steve, are the soft costs being funded as current existing operating dollars?

Mr. Rineer: Actually, no. We had a bond issue, the high school plan, the project that we have about \$400,000 left, I expect to tap into that. But in case the amount of expenditures that we have exceeds that, then we have this as an alternate, a Plan B. It's prudent planning.

Dr. Brewer: I'd like to add too, that those soft costs have been increasing as we continue to look for different alternatives to the safety corridor. Every time we have to engineer a new cost, a new plan, that costs something. There's another motion on tonight for Trans Associates to expand their traffic study, which is a direct result of looking at some alternatives to the safety corridor. So, those are going up.

Mr. Barrett: I think that's all important, but I'm curious to know what those costs are, because engineering costs are not inexpensive, so I would like to know what those costs are.

Mr. Rineer: In fact, we show them every month and we don't show them in total as a cumulative amount, but for example in the construction expenses that we're going to authorize, we have, for example, ShraderGroup. It's listed on the expenses to be paid and Trans Study is listed on the expense to be paid.

Mr. Barrett: I know. I looked at those. What percentages are from the requested changes to look at the alternatives, I'm sorry I wasn't clear.

Dr. Brewer: We'll give you that.

Mr. Barrett: Thank you.

Dr. Brewer: We need to wait until we land on the proposal and then we'll give it to you.

Dr. Cronin: Are there any downsides to it?

Mr. Verdelli: Absolutely none. It's simply just precautionary if you never need to reimburse yourself, it's a resolution that was never utilized. It simply just says you can reimburse yourself if you do in fact have expenditures out of a future bond issue. We do have to just identify what issue so it's labeled the 2010 borrowing. You'll see that specification in there. Dick Wood, your bond counsel from Rhodes & Sinon prepared that. It's a standard document that many districts enter pre-construction. It's really just precautionary.

Mrs. Chabal: Any further questions or comments for Lou? Thank you.

Mr. Verdelli: You're welcome.

UNFINISHED BUSINESS

4.01 Unfinished Business

Mr. Murphy: Good evening. The issue of the content of the 2008-2009 Chocolatier, our high school yearbook came to the Board's attention with the appearance of a concerned parent earlier this month. In addition to her public statement, the parent also sent a letter to Dr. Brewer, Sue Seaver, the yearbook advisor, and me, in which she reviewed her concerns. Among those, if I may paraphrase some of them, a list of organizations that were either under represented or not included with photos in the yearbook, misrepresentation of some high school activities as "clubs" instead of their official designation as co-curricular activities or classes, and inclusion of several pages of activities unrelated to our high school program. In reviewing the situation with the advisor, Ms. Seaver, we find these issues resulted from a combination of factors, including advisors who did not supply photos or other information after repeated attempts by Ms. Seaver, miscommunication between the official photographer and the yearbook staff, and editorial guidelines that were somewhat vague. In attempting to remedy this situation for those purchasers of the 2008-2009

Chocolatier, as well as prevent an occurrence in future years, we are taking the following steps:

- Yearbook staff has already begun assembling the necessary material to produce a supplement to the yearbook that will be printed in similar appearance to the yearbook, meaning similar kinds of paper, color, where available, things of that nature so it fits nicely into the model of the yearbook.
- In future years, all organizations will participate in the club and activity photo day to have their official photo taken by our photographer.
- Advisors will participate to ensure a reasonable portion of the group attends and appears in the photos.
- Also, where applicable, we will note absent members from those group photos.

We are currently in the process of revising editorial guidelines for the yearbook. Guidelines that state page quantity for various groups are already in place, but carry no mention of the type of photo to be included. A perfect example which is, we have a page dedicated to the band, but it doesn't necessarily designate what kind of photo, whereas something showing the full regalia, the beautiful uniforms that our band wears would certainly be appropriate, so we're going to refine those guidelines to include some of those kinds of things.

There will be no photos of activities outside those that are officially connected to the high school. Also all photos used will come from the school photographer or a member of the yearbook staff.

Finally, a draft copy of the proposed yearbook will be made available to me prior to submission to the printer. The advisor and myself will review the contents to ensure adherence to these new guidelines.

Dr. Cronin: I just have a quick comment. I think that's great. It's commendable that we're addressing this so quickly and thoroughly. The only question I have has to do with the yearbook staff itself, just some comments. I had never realized, I know that there's a rigorous interview process for editorial staff and that certainly makes sense, but I was surprised to find out that a lot of students get turned away, and I was just curious as to whether there's any discussion on expanding the staff beyond the editorial staff that undergoes the rigorous interviews to just staff, so that if a senior wants to be part of making his or her yearbook, more kids could be included and then maybe less things would fall through the cracks. I was surprised when I opened up the book and only saw 12 or 15 members of the yearbook? I don't remember that first page, I was really

surprised, because I'm used to seeing much more involvement. Is that something that can be addressed?

Mr. Murphy: Well, yearbook as you know meets as a class. It's a class for which students earn actual high school credit. As such, there is some limitation as to the number of people we can put in there. Your observation that it's 12 to 15 students is generally accurate from year to year, it's around that number. What is probably a little bit less firm though is the actual number they are turning down. They do sometimes turn down a small number, but that's seldom because of issues where they can't contribute as much as it doesn't fit in their schedules, because we only offer it one time a day. Frankly, I think if we were able to give Ms. Seaver a staff of 30 and somehow schedule them, she'd probably like that idea, but the reality is given the current teacher complement that we have, everybody's fully scheduled. We couldn't add another section of that if we wanted to.

Dr. Cronin: I assume that all the staff members are of editorial level or title and just wondering, I don't need the answer now, but if there could be discussion as to staff members who are not getting it for credit, but are doing it for an extracurricular activity and not a course, just to open it up wider. I don't need an answer, it's just something to throw out there, to allow more involvement.

Mrs. Sheffey: Why do we release our yearbook so late?

Mr. Murphy: There are really two prevailing thoughts on the timing of the yearbook. Yearbook companies are flexible, they'll allow you to do either. First, is to cut off production and submission of photos and so forth by about March or April, compile the book and get it printed and in the hands of the students by roughly end of May, early June. Then follow up with the supplement that comes out later that would include the end of year activities, like prom, commencement. That supplement typically coming up in September-ish kind of time frame. The other option is what we currently do and that is continue compiling through the end of the school year and working on it over the summer, submitting in late June to the printer, receiving the yearbook back in September for distribution. The book, therefore, encompassing the entire senior year. In talking with Ms. Seaver about that, the prevailing thinking on that is, it looks nicer the way we do it, because it's not, those last couple of crucial activities, prom and commencement aren't just simply a few pages slipped in the back, it's actually part of the full bound book. It looks nicer. Different schools do it different ways. When I asked the yearbook consultant for a rough breakdown, he couldn't really say for sure, but he said it's not significantly lopsided one way or the other.

Mrs. Sheffey: I was just curious.

Mr. Murphy: Sure. Truth be told, it would change the cost a little bit to do the former way, the way we currently do not and it's something that our contract with

the yearbook company does not dictate, so we could always change if we wanted to. The students have been pretty consistent about liking it the way it is.

Mrs. Chabal: Thank you very much Mike.

Mr. Murphy: Thank you.

NEW BUSINESS

5.01 Approval of Finance Report for August 2009

1.	The Treasurer's Report for the month ending August 31, 2009 was summarized as follows:	
	• General Fund Revenues	\$10,609,892
	• General Fund Expenditures	2,684,224
	• Balance of Cash Plus Investments (Includes \$3,981,571 Capital Reserve)	20,578,887
2.	The listed schedule of investment transactions for the period beginning August 1, 2009 through August 31, 2009 totaled interest earnings of \$8,197 comprised of the following:	
	• General Fund	\$767
	• Money Market	4,927
	• Certificates of Deposit	2,502
	• PA School District Liquid Asset Fund	0
	• PA Local Government Investment Trust	1
	The average interest rate for August 2009 was .68%	
3.	The August 2009 expenditures for the paid bills for all funds totaled \$2,454,790 excluding net payroll, retirement contributions, and debt service.	
4.	The September 2009 expenditures for the unpaid bills for all funds totaled \$606,789.	
5.	The estimated expenditures of the General Fund for the month of September 2009 were in the following amounts:	

	• Operating Expenses	\$1,000,000
	• Utilities	112,500
	• Net Payroll (2 pays)	1,174,000
	• Employer Provided Insurance	386,000
	• Payroll Deductions	566,000
	• Employer Payroll Taxes (FICA/RET)	279,000
	• Debt Service	<u>3,980,745</u>
	Total Estimated Expenditures	\$7,498,245

Mr. Rineer: I would draw your attention to two things: one was in Item 1, we did mention that the balance of cash plus investments includes approximately 3.981 million dollars capital reserve. The other item, the depressing thing, is the average interest rate for August 2009 was 0.68%.

Mr. Barrett moved the Board approve the Finance Report and was seconded by Dr. Cronin.

Roll Call Vote:

Barrett – Yes

Donahue – Yes

Parrish – Yes

Chabal – Yes

Gräb – Yes

Sheffey – Yes

Cronin – Yes

Malkoff – Absent

Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.02 Requests for Payment - Construction Projects

The Administration recommended the approval of the following invoices as reviewed and approved by Mr. Consalo:

	Elementary School HVAC Improvements:		
1.	Trane, Inc. (HVAC Contractor) Invoice No. 91168579 Invoice No. 91168583	\$2,630.00 <u>9,890.00</u>	12,520.00
	Multi-Purpose Practice/Playing Fields:		
	Leon E. Wintermeyer, Inc. (General Contractor) Application No. 4		631,626.75

	John E. Fullerton, Inc. (Electrical Contractor) Application No. 3 Application No. 4	68,342.45 <u>61,573.01</u>	129,915.46
	Eshenaurs Fuels, Inc. (Plumbing Contractor) Application No. 2		42,527.07
	A-Turf (Synthetic Turf) Invoice No. AT-317-PA #1		390,000.00
	Township of Derry (Plan Review) Invoice No. 65444-13 Plan Review		454.50
	Bashore Plumbing (Plumbing) Invoice No. 082046		850.00
	Bitner Electric Inc. Invoice No. 4958		1,654.99
	Davis Landscape, Ltd. (Utilities Relocation) Invoice No. 14418		1,680.00
	Middle School Expansion:		
	SchraderGroup Architecture, LLC Invoice No. 00649		22,713.50
	District Survey:		
	Rettew Associates Inc. Invoice No. 77795		8,250.00

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

Mr. Gräb: Is Mr. Consalo still here?

Mr. Consalo: Yes.

Roll Call Vote:

Barrett – Yes

Chabal – Yes

Donahue – Yes

Gräb – Yes

Parrish – Yes

Sheffey – Yes

Cronin –Yes

Malkoff – Absent

Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.03 Appointment of Delegate to Act 32 Committee

The Administration recommends the Board of School Directors appoint a voting delegate and one or more alternates to represent Derry Township School District to the Dauphin County Tax Collection Committee:

A RESOLUTION OF THE BOARD OF SCHOOL DIRECTORS OF DERRY TOWNSHIP SCHOOL DISTRICT, DAUPHIN COUNTY, PENNSYLVANIA, APPOINTING A VOTING DELEGATE AND ONE OR MORE ALTERNATES TO REPRESENT DERRY TOWNSHIP SCHOOL DISTRICT TO THE DAUPHIN COUNTY TAX COLLECTION COMMITTEE

WHEREAS, Act 32 of 2008, (July 27, 2009, P.L. 197) (hereinafter “Act”) mandates the consolidation of the collection of local income taxes; and

WHEREAS, Section 504 of the Act establishes a Tax Collection District (“TCD”) in each county; the geographic boundaries of which shall be coterminus with the county in which it is created excepting those municipalities within a school district located in more than one district with the greatest share of the school district’s population based upon the 2000 Federal Decennial Census; and

WHEREAS, Section 505 of the Act provides that each TCD shall be governed by a Tax Collection Committee (“TCC”); and

WHEREAS, Section 505(b) of the Act requires each political subdivision within a TCD to appoint on voting delegate and one or more alternates to represent the political subdivision of the TCC by September 15; and

NOW, THEREFORE, BE IT SO RESOLVED by the Board of School Directors of Derry Township School District, and through the authority of the same, that Chuck Stover is hereby appointed as the voting delegate representing Derry Township School District on the Dauphin County TCC and appointing Stephen E Rineer as alternate(s) on the TCC.

Mr. Barrett moved the Board approve the Resolution and was seconded by Dr. Parrish.

Roll Call Vote:
Barrett – Yes

Donahue – Yes

Parrish – Yes

Chabal – Yes
Cronin –Yes

Gräb – Yes
Malkoff – Absent

Sheffey – Yes
Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.04 Approval of Music Festival Overnight Excursions for the 2009-2010 School Year

The Administration recommended the approval of the overnight PMEA Music Festival excursions for the 2009-2010 school year as listed:

- PMEA District Level Festivals
- PMEA Region Level Festivals
- PMEA All State Level Festivals
- ACDA/PA Festivals

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

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

Roll Call Vote:

Barrett – Yes
Chabal – Yes
Cronin –Yes

Donahue – Yes
Gräb – Yes
Malkoff – Absent

Parrish – Yes
Sheffey – Yes
Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.05 Approval of Special Education Settlement

The Administration recommended the District accept and execute an agreement to amicably resolve a special education matter in accordance with a confidential agreement between the District and the minor child/parents.

Mr. Barrett moved the Board approve the request and was seconded by Dr. Cronin.

Roll Call Vote:

Barrett – Yes
Chabal – Yes

Donahue – Yes
Gräb – Yes

Parrish – Yes
Sheffey – Yes

Cronin –Yes

Malkoff – Absent

Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.06 Revision of Agreement with Trans Associates Engineering Consultants, Inc. - Traffic Study

The Administration recommended the Board authorize the revision and expansion of the traffic study with Trans Associates Engineering Consultants, Inc. for an expanded traffic study to support the services of Hayes Large Architects LLC.

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

Dr. Donahue: I have a question. I'm looking at the letter from Trans Associates and I just wanted to get some clarification on what we're asking them to do. Correct me if I'm wrong, Dr. Brewer or whoever knows the answer. We're going to investigate whether access onto 322 for the safety corridor is feasible for the project.

Dr. Brewer: Yes.

Dr. Donahue: Would that include an estimate of the cost of doing that?

Dr. Brewer: No, that would be Hayes Large's task following the feasibility.

Dr. Donahue: Then, it says evaluate access potential through the existing school right of way, which is, what's the existing school right of way now?

Mr. Consalo: That is in between the Antique Barn and the library. We own the 800 stretch across there.

Dr. Donahue: I guess the only other question I have is, I know what I think the answer is, but why are we doing this again now? Why wasn't this included in the initial traffic analysis?

Mr. Consalo: Originally, we looked at going through the library because all the architects asked that. When we went to the Zoning Office, they're the ones that asked us to look at other options. The other options that we have are to come out on 322 by the baseball field or to come out through our area that we own next to the Antique Barn. That is one of the two things. The third thing they asked for is, is the only traffic study we do a 5 year out? They are asking for us to go 10

years out, so that it is an increase for him to the evaluation to go from 5 to 10 years that the Township is asking us to do.

Dr. Donahue: Is this second traffic analysis largely a result of requests from the Township and the Zoning?

Mr. Consalo: The Zoning Department, yes.

Dr. Donahue: As opposed to a consequence from appropriate debate with the community.

Mr. Consalo: Yes. It has some conjunction to it, but we are doing it to also please the community that asked us to look at other alternatives so we're looking at those alternatives. We cannot go any further until we look at the traffic study which also includes talking to PennDOT because both roads are owned by PennDOT.

Dr. Donahue: I think this is a really good idea and we're covering all of our bases and it's totally appropriate, I just want to be cognizant of the fact that we want to do this on a timely basis, and by no means suggesting that we shouldn't do this. It's very appropriate to do, I think it really emphasizes how careful we're being in this whole process, but we've got to keep our eye on the ball so to speak.

Mr. Stover: Does our right of way include that bridge by the Antique Barn or would we have to construct a new bridge?

Mr. Consalo: Next to the bridge at the Antique Barn, so we come right on the edge of the bridge is where our property starts.

Mr. Stover: So it requires construction of another bridge.

Mr. Consalo: Yes and no. We have to look and see what we can do. Until we do the traffic study, we don't even know it's feasible to do that area. We could work in conjunction with the Antique Barn and use their bridge or we could build a new one and they use our bridge. We don't know until we do the traffic study.

Dr. Cronin: I just have a comment. I agree Hank, that a lot of this probably answers some of the questions that the community brought up and, as you said, keep the community happy. At the same time, when I look at some of the items that they're looking at, we really talked around them, in my opinion, at one of the previous meetings. My sense is that we probably already know what a lot of these answers would be, so philosophically, I don't like the idea of spending more money to get answers that we probably know aren't going to work just to check it off. I think probably, I don't know if I'm speaking for everyone in the community, but as a taxpayer myself, I would prefer not to, I think the community would be happier to not spend the money in this capacity. I'll be voting no, just

because I don't think it's going to show us anything new and, once again, it's predicated on the fact that we need to have another egress, which I personally don't believe is something that is completely necessary or that was decided as necessary, so that's why I won't be supporting that tonight.

Mrs. Chabal: That's fine, thank you.

Mr. Consalo: One thing that we will have to do no matter what, we still would have to do a 10 year traffic study and not a 5 year, because that's the new requirement that the Township is offering now. We only did a 5 year study.

Dr. Cronin: That's required by the state?

Mr. Consalo: That's required by the Township. They require a 10 year traffic study.

Dr. Brewer: Actually, the Planning Commission.

Mr. Consalo: We also called the Zoning Department Planner and they said yes the engineers were requesting a 10 year instead of 5 year study. We would have to do that no matter what we do.

Dr. Cronin: That's not negotiable with them?

Mr. Consalo: Yes.

Dr. Cronin: I think we need to negotiate that.

Mr. Consalo: Good luck.

Dr. Donahue: Just a point of clarification. I didn't suggest that we were doing this to please, Ed suggested that. I think the important point is that was just emphasized that this is something that's required by the Zoning Board or whatever the proper name for the Planning Commission is, it's not clear that we even have a choice on this even from that perspective.

Mr. Barrett: I think one thing that is clear is that those two alternatives, the 322 alternative will be incredibly expensive, there are elevation issues, water issues. The other one you have to construct a bridge, it would have to be permitted. I'm not even sure if PennDOT would allow those two to begin with. In fact, I'd bet you a million dollars they won't.

Mr. Consalo: That's part of the traffic study. It all depends. We cannot go to PennDOT until we do the traffic study. We're locked in. We can't go to PennDOT, the first thing they're going to ask is where's your traffic study that you have for that. We're kind of caught in between a rock and hard place.

Mr. Barrett: It's kind of like a bureaucratic circle that unfortunately you have to pay for.

Mrs. Chabal: Any other comments?

Roll Call Vote:

Barrett – Yes

Donahue – Yes

Parrish – Yes

Chabal – Yes

Gräb – Yes

Sheffey – Yes

Cronin –No

Malkoff – Absent

Stover - Yes

7 Yes, 1 No, 1 Absent

MOTION CARRIED

5.07 Requests for the Use of School Facilities

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

<i>Group:</i>	Hershey Elementary Wrestling
<i>Date/Time:</i>	October 3, 2009 9:00 a.m. - Noon
	October 14, 2009 5:30 p.m. - 8:00 p.m.
<i>Event:</i>	Registration
<i>Requested Facility:</i>	High School Mat Room
<i>Date/Time:</i>	Monday through Fridays November 4, 2009 - February 26, 2010 5:30 p.m. - 7:30 p.m.
<i>Event:</i>	Practice Schedule
<i>Requested Facility:</i>	Middle and High School Gyms
<i>Date/Time:</i>	October 11, 2009 and December 27, 2009 10:00 a.m. - 7:00 p.m.
	February 6 & 7, 2010 Time to be announced at a later date
	March 21, 2010

	10:00 a.m. - 7:00 p.m.
<i>Event:</i>	Orientation, Tournament
<i>Requested Facility:</i>	Middle and High School Gyms
<i>Fee:</i>	As per Lease Agreement
<i>Group:</i>	Dauphin Association of Educational Office Professionals
<i>Date/Time:</i>	January 26, 2010 4:30 p.m. - 8:30 p.m.
<i>Requested Facility:</i>	District Office Conference Room A
<i>Event:</i>	Monthly Meeting with Speaker
<i>Fee:</i>	Waiver Requested

Dr. Cronin moved the Board approve the request and was seconded by Mr. Gräb.

Roll Call Vote:

Barrett – Yes

Donahue – Yes

Parrish – Yes

Chabal – Yes

Gräb – Yes

Sheffey – Yes

Cronin – Yes

Malkoff – Absent

Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.08 Personnel - Resignations

The Administration recommended the approval of the following resignations:

Limited Service Contracts:
Brought, Naomi Head Girls' Basketball Coach Middle School Reason: Personal Effective: 09/09/09
Cherry, Melissa Assistant Girls' Basketball Coach Middle School Reason: Personal Effective: 09/09/09

Dr. Parrish moved the Board approve the resignations and was seconded by Mr. Barrett.

Roll Call Vote:

Barrett – Yes

Chabal – Yes

Cronin –Yes

Donahue – Yes

Gräb – Yes

Malkoff – Absent

Parrish – Yes

Sheffey – Yes

Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

5.09 Personnel - General

1.	The Administration recommended the approval of the following appointments:
	Classified:
	Sullivan, Kimberly Substitute Recess/Cafeteria Aide Elementary School Salary: \$9.53 per hour Effective: 09/29/09
	Substitute Teachers' aide District-wide Salary: \$10.34 per hour Effective: 09/29/09
	Limited Service Contracts:
	Beardsley, Ernest Volunteer Golf Coach High School Effective: 09/29/09 (pending receipt of Act 34 and 151 clearances)
	Merrill, Carolyn * Special Education Department Coordinator Middle School Salary: \$1,540 Effective: 09/29/09
	Paquette, Edward * Volunteer Assistant 9th Grade Football Coach High School Effective: 09/29/09
	Volunteer Assistant Varsity Baseball Coach

	High School Effective: 03/01/10
	Rhoads, Sheri Volunteer Golf Coach High School Effective: 09/29/09 (pending receipt of Act 34 and 151 clearances)
	Smith, Margaret Elizabeth High School Volunteer Assistant Cross Country Coach Effective: 09/29/09 (pending receipt of Act 151 clearance)
	Tischbein, Andrew High School Volunteer Assistant 9th Grade Boys' Basketball Coach Effective: 11/20/09 (pending receipt of Act 34 and 151 clearances)
2.	The Administration recommended the approval of the following request in accordance with the District Policies 435 & 439:
	Creason, Amanda Learning Support Teacher Elementary School Paid/Unpaid Childbearing/rearing Leave Effective: on or about 12/07/09 through 01/18/10
3.	The Administration recommended the approval of the following request in accordance with District Policy 535:
	Koons, Larry General Food Service Worker Elementary School Paid/Unpaid Family Medical Leave (up to 12 weeks) Effective: 08/31/09 (retroactive)
	LeHew, Diane Library Aide Middle School Paid/Unpaid Family Medical Leave (up to 12 weeks) Effective: 08/20/09 through 10/18/09 (retroactive)
4.	The Administration recommended the approval of the following additions to the 2009-2010 Substitute Teacher List:
	Aichele, Marianne M.E. in Secondary School Counseling from Pennsylvania State University
	Bamberger, Jessica B.S. in Elementary and Special Education from Elizabethtown College
	Bomberger, Rachel B.S. in Music Education from Lebanon Valley College
	Dufault, Lauren

	B.S. in Elementary Education from Millersville University
	Grabish, Dana B.S. in Elementary Education from Lebanon Valley College with Special Education Certification
5.	The Administration recommended the approval of the following additions to the 2009-2010 Guest Teacher List: Hofsass, Jill
	<i>* This individual is currently an employee and/or volunteer. Clearances are on file.</i>

Mr. Barrett moved the Board approve the personnel recommendations and was seconded by Mrs. Sheffey.

Roll Call Vote:

Barrett – Yes

Donahue – Yes

Parrish – Yes

Chabal – Yes

Gräb – Yes

Sheffey – Yes

Cronin –Yes

Malkoff – Absent

Stover - Yes

8 Yes, 1 Absent

MOTION CARRIED

DELEGATES REPORTS

6.01 Dauphin County Technical School Report

Nothing to report.

6.02 Derry Township Tax Collection Association Report

Mr. Stover: The September meeting was cancelled. The next meeting is scheduled for October 22, 2009. There will be another report at that time.

6.03 Harrisburg Area Community College Report

Nothing to report.

6.04 Capital Area Intermediate Unit Report

Mrs. Sheffey: We met last Thursday and we discussed the revenue anticipatory note. The Board approved a second revenue anticipatory note of 12 million dollars. It's 12 million because they are going to use it to pay off the first revenue signatory note of 8 million dollars, so it's actually just an additional 4 million. We got an interest rate on the loan of 2.1% which is much lower than originally anticipated, but that's because it had a \$10,000 set up fee. Eight districts agreed to advance pay to the tune of 1.2 million dollars. They are hoping to not have to draw down on this second revenue anticipatory note beyond the 8 million after paying off the first one. Shawn Farr, their Director of Business and Operations wanted to express his direct thanks to all of us for being one of those 8 districts.

Last Wednesday, we had the dedication ceremony and open house for the Capital Area School of the Arts. It is at the new location in Strawberry Square, just a beautiful facility. There were 3 students who spoke and they talked about how this is providing them with a unique opportunity to express themselves and to learn and they loved it they thanked everybody for providing them with that opportunity. Mayor Reed spoke. It was a good turn out. I believe we only have one student from our high school, I forgot to confirm that. One of our students attends CASA.

One thing I wanted to mention to all of you, one of the services that the IU, I mentioned this to our Communications Committee, one of the services that they are hopefully going to be offering to all of the District is something called Agenda Manager. It's their replacement for Board Docs. It's much more user friendly. It can be used for more than just your Board meetings. It can be used for all of the Committee meetings, administration can use it. We've been using it for our IU Board meetings. I love it, but they're not ready to roll it out to everybody yet, but once they are I'm going to bring it back to you. I think we should consider becoming part of that, and that's it.

Mrs. Chabal: Is it less expensive?

Mrs. Sheffey: Yes.

Mr. Rineer: That's what I was wondering.

Mrs. Sheffey: Yes, Steve.

Mr. Barrett: They've never upgraded this, have they ever?

Mrs. Chabal: Not since we've been using it, I don't think.

SPECIAL REPORTS

7.01 Announcement of Staff Development Conference

Jason Pederson Association of School Psychologists of Pennsylvania State College, PA October 7 - 9, 2009 Expenses: \$290.00

Lynn Shirk, Melicia Widmer AP Foreign Language Conference Pittsburgh, PA October 12-13, 2009 Expenses: \$362.00 (each)
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7.02 School and Community Information Report

Mr. Tredinnick: Thank you Madam President. As you know one of the things we mention in our Strategic Plan is the desire to prepare our students to be global citizens. I just want to bring to your attention some involvement by our high students in a project that is not a high school offering, but is something that our high school students working with the Med Center have traditionally participated in and that is the Hearts for Ecuador Mission trip. The students who are involved in that are beginning their fundraising for that specifically to provide blood and blood related products for those children who will be getting heart surgery during the mission trip that the doctors in the Med Center will be doing and some of our students will be assisting with. So, I just want to bring it to your attention two of those fundraising events. One is going to be Thursday night, if you go to the Isaac's Restaurant here in town, note that you are there for that fundraising event, a portion of the proceeds from the check will be earmarked for that opportunity. Also, a car wash will be held on Sunday, October 4 from 11:30 a.m. to 4:30 p.m. at the MetroBank in Hummelstown. Donations from getting your car washed will go to support that worthy cause that our students are very actively involved in.

Mrs. Chabal: Thank you.

7.03 Board Members' Report

No reports.

7.04 Superintendent's Report

No report.

7.05 Board President's Report

No report.

RECOGNITION OF CITIZENS (Non-Agenda Items)

8.01 Recognition of Citizens

Jackie Callaghan: I just wanted to say thank you for the quick movement of the correction to the yearbook. At Back to School night this year at the high school, I had many people, some who I didn't even know, approach me to say that they appreciated my speaking up about it and bringing it to somebody's attention swiftly, so I do appreciate everything Mr. Murphy is doing. But, as to what Mr. Murphy said about the different ways that you can produce a yearbook, seeing that you do have two students who are guests of your Board, I thought maybe another way would be to do a survey in the school newspaper as to whether kids want to get their books before they graduate, because I've never heard of one family in this District who appreciates it coming four months after the kids graduate. Thank you.

ADJOURNMENT

9.01 Adjournment

Mrs. Chabal announced the next Board meeting would be on Monday, October 12, 2009 at 7:00 p.m. in the District Board Room.

Mr. Gräb moved to adjourn, with a second by Dr. Cronin and, approved by unanimous voice vote by all members. The meeting was adjourned at 8:18 p.m.

Respectfully submitted,

Stephen E. Rineer
Secretary to the Board
Approved at the October 12, 2009 meeting

Beulah Chabal
President of the Board

LDM