

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

May 9, 2011

OPENING ITEMS

1.01 Call to Order

A meeting of the Board of School Directors, Derry Township School District was held on Monday, May 9, 2011, in the District Office Board Room. Dr. Henry Donahue, 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
Mr. John Gräb
Dr. Mary Beth Hagan
Mr. Christopher Morelli
Dr. William Parrish (Late Arrival)
Mrs. Ellen Sheffey
Mr. Charles Stover

Acting Superintendent: Dr. Bernie Kepler

Secretary: Mr. Stephen Rineer

Solicitor: Mr. Brian Jackson (Not Present)

Student Representative: Miss Meredith Royer
Miss Emma Witwer

Press: Ms. Elizabeth Kotz THE PATRIOT-NEWS

Representatives of the Administrative Staff: Mr. Dan Tredinnick, Ms. Lynn Dell, Mr. David Yarian, Ms. Joy L. MacKenzie, Ms. Lori Dixon, Mr. Michael Murphy, Ms. Jackie Castleman, Dr. David Lillenstein, Mr. Joseph McFarland, Ms. Lisa M. Sviben Miller, Mr. Sam Elias, Dr. Sue King, Mr. Ed Consalo, and Mr. Al Harding.

Representatives of the Staff and Community: Richard Gamble, Daisy Williams, Debbie Gross, Bunny Hottenstein, Brian Shiflett, David E. Fisher, Heidi Eby, Sallyann Talley, John Lutes, Bruce Hancock, Tara Valocdy, Maryellen Sheehan.

1.03 Flag Salute

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

APPROVAL OF MINUTES

2.01 Approval of the April 18, 2011 School Board Meeting Minutes

A motion was made by Dr. Hagan and seconded by Mrs. Chabal to approve the minutes of April 18, 2011 School Board meeting.

All Board members present signified by a Yes vote.

MOTION CARRIED

INFORMATION AND PROPOSALS

3.01 Announcement of Executive Session

Dr. Donahue: I'd like to announce that the Board met in Executive Session on May 2, 2011 and prior to this meeting to discuss employment issues and labor relations and arbitration issues.

3.02 Recognition of Citizens (Agenda Items)

Richard Gamble: I assume the Board received an e-mail I sent to you. Is that correct? I'm not going to expand on that, the reason I'm here tonight is I keep my word when I said if anybody wanted to see the correspondence between myself, the [not audible] and Milton Hershey School, you're welcome to have it. The reason I'm here tonight is prior to the last communication [not audible].

In this letter to the editor, I'm going to read this: the Hershey High School marching band will be marching in the Memorial Day parade and the band had intended to do so before Mr. Gamble, School Board members, and a student intern had decided to publicly criticize the Hershey High School marching band.

Now, in my letter to you, I identified the comments made and I think some members of the Board spoke up.

Now, you talk about acting civil, and, as you can see if you read the memo I sent you, I also sent a letter to [not audible].

When I read the minutes and Dr. Kepler responded to the question.

[Not audible].

I contacted your spokesperson and thanked him for it, I thought it was a great idea. [Not audible].

Dr. Donahue: Thank you, Mr. Gamble.

Brian Shiflett: Just a quick question. Do you want budget comments now or later?

Mrs. Sheffey: It's not an agenda item. I guess it's a report.

Dr. Donahue: It's a report. It doesn't matter – probably afterwards would be better.

Brian Shiflett: Thank you, Hank.

Dr. Donahue: Any other questions?

3.03 Student Representatives' Report

Miss Royer & Miss Witwer [no microphone]: School is very busy with activities. Since the last Board meeting, sophomore/junior prom happened, an orchestra concert at the high school, as well as elementary concerts happened. Also AP tests started last week and they are continuing this week, so students at the high school are very busy studying and taking tests. Still to happen in the next two weeks, if you remember in the last Board meeting I talked about how there would be a dialogue with students about the themes in Race to Nowhere, that is this Wednesday, so coming up May 11, I think at 7:00 p.m. in the high school LGI. Also there is a middle school band concert this week and a middle school orchestra and choir concert. It's concert season, so bear with me and next week is the high school finishes up with the choir concerts.

The last thing, May 18 is the underclassmen awards breakfast where the underclassmen will be recognized for all the hard work that they've been doing this year. Those are just a few things I have to report.

Dr. Donahue: Thanks. How are the seniors doing? A little antsy?

Miss Royer & Miss Witwer: There's about half of the amount of students in each class, but that's due to AP testing as well.

Dr. Donahue: Thank you very much.

3.04 Standing Committee Report

Dr. Donahue: The Curriculum Committee met and Mr. McFarland can update us on the Curriculum Committee.

Mr. McFarland: The Curriculum Council met today to just get an update on the restructuring at Hershey High School. Mr. Murphy provided updates on the roundtables, the themes that came out of the roundtable discussions. He shared the Frequently Asked Question updates – many of those came from questions that were brought out at the roundtables and then added to the FAQs which are on the website. We talked about the professional development focus on instructional strategies and the philosophy with professional development in the District making it a systemic approach so that we can effect change across the entire District. We talked about next steps continuing with the professional development, continuing with the focus on enhancing the academic learning through the curriculum revisions, as well as working with the 21st century skills and infusing technology into the curriculum.

I also shared on the District webpage under the Curriculum tab, there is a drop down for Curriculum Resources for Parents that we started to provide links. Right now there is a section on internet safety, there's a section on teen health, some links and things that came out of the Drugs 101 presentation. There's also a link on there for 21st century skills. It will be a growing page on the webpage. Hopefully to enhance the tie between home and school and there's an opportunity for people to give feedback on there as well, so I encourage parents and community members to go to that page to look for additional resources.

That was a summary of the meeting.

Dr. Donahue: Thanks, Joe. One thing I'd like to emphasize in regards to restructuring. It is important to emphasize that restructuring is an ongoing process, so we are restructuring. Restructuring in a manner that will not change the number of class periods we have so we take every opportunity we can to state that. The restructuring process has been going on for some time and continues to progress, especially as regards to the curriculum development. Are there any questions from the Board? Okay, thanks Joe. Mrs. Sheffey, do you have a Finance Committee Standing Committee report?

Mrs. Sheffey: I do. I think every Board member should have a packet of information in front of them. This is all the detail that we went over. I'm going to go through it in a little more detail, because at the end of this I'm going to need to get some direction from you for Dr. Kepler. We will have on our next Board meeting agenda an adoption of a preliminary proposed final budget. Technically, it only has to be an expenditure budget, but I would like for us to make a decision on the revenue side tonight, if we can.

If you look at your packet, the first thing we discussed was student lunch prices. We haven't had an increase in prices for our lunches in three years. Mr. Hummel is proposing a 10¢ increase for each meal. We all were in support of that so that was an easy one.

Next, Document 2 is just an update on revenues and expenditures. The expenditures are updated based on Document 3. Document 3 is our, what used to be green, yellow, red sheet, all of the items that were in the green column moved to the green column are now black and they have been included in the expenditures. The yellow column we had further discussions on and I'll get to that in a minute.

Document 4 – you can see Document 4 the bottom line. With a 3.1% tax increase, we have a surplus. With a 1.4% tax increase, we have, essentially, a balanced budget, because we know we have a budgetary reserve, so if you look at the middle column with the budgetary reserve. With a 0% tax increase, taking into account the budgetary reserve, we have a deficit of about \$300,000.

None of that takes into account our capital. Right now we are proposing to utilize our reserve to fund our capital budget. Some things we need to consider as we make our decision at the end of the discussion. There is legislation pending that would remove all allowable exceptions under Act 1. We have heard from the state that they're projecting an index for 2012-2013 at or below 1%. A 1% tax increase is approximately \$350,000 and we know that PSERS alone will cost us almost one million dollars in 2012-2013. If the legislation removes Act 1 exceptions passes and nothing is done to address PSERS, a 1% tax increase will not cover our need in that area. But, we do have fund balances. We have our retirement rate stabilization fund for PSERS specifically. We have our capital improvement fund balance which we are proposing to utilize. We have our self insurance health designation fund, and then we have about \$3 million in undesignated.

Another thing we need to consider is there is proposed growth. We know that the West Chocolate factory is coming online sometime in the spring of 2012. We haven't factored that revenue into our 2011-2012 budget, because things can be late, but we know it will be online for our 2012-2013 budget.

We had a meeting with the Board of Supervisors and they have told us that the hotel project at the old municipal building site on Hockersville Road is moving forward so we can count on some revenues in that area. There are also a couple of proposed improvements on Middletown Road that will generate revenue. Again, not for our 2011-2012 budget, but potentially for 2012-2013.

We have removed some positive variances from our budget that we are going to be using this year to replenish our capital budget. It won't be available next year and that's the PSERS reserve that, we did this intentionally, some surplus money we have in healthcare and the actual gas and retirement incentives.

On the backside, if you flip over, you can see the cumulative effects of wage increases, PSERS increases and health increases. I believe we assumed 8% for health, PSERS is based on the actuals, and then the wage increases are based on contractual and for the HEA which we are negotiating right now, I believe we made the assumption of the index.

Dr. Kepler: For both Administration an HEA for the purposes of this perspective, we anticipated for Administration zero for next year, because that's a known and then 1% in each of the following years which kind of mirrors the index. That was the case for looking at a teacher raise, again, for this exercise of 1%.

Mrs. Sheffey: So you can see from this, the cumulative effect of those increased expenditures and then the projected revenues. It shows, obviously, starting in 2012-2013, we're projecting deficits of over a million dollars on an annual basis. Well it grows every year, so one million to two million.

Dr. Parrish: Ellen, that doesn't account for any of the potential revenue for all these things you just spoke of?

Mrs. Sheffey: Correct. The backside does not include the potential expansion to our tax base.

Dr. Parrish: Do we have any ball park idea how much additional tax revenue will see just from the West plant that's being developed?

Dr. Kepler: Unknown. We are aware of the three building permits that were issued for the site, but what we talked about in Finance Committee is not knowing what's structure and taxable, what's material or equipment inside that's not taxable so it's hard to get a rough estimate.

Mr. Rineer: If the building permits are \$50 million dollars, which is what they are, we'll first have to multiply that number times common level ratio, which is 0.7, so right off the bat you lose about \$15 million dollars because they are going to drop it down to the tax base of the current assessment, which I think is 2002. What chunk of that \$50 million dollars is equipment and, therefore, not taxable? After all, we all know that movable equipment like the Kissing Tower is not taxable. We don't know how much of that building permit amount is equipment and movable.

Mrs. Sheffey: So we don't have an estimate.

Mr. Rineer: Not enough to hang your hat on.

Mrs. Sheffey: Another thing that's not included in that document is we received a letter from Representative Payne letting us know that the House Republicans are proposing a budget that would restore state dollars for basic education funding to the pre-federal

stimulus level of 2008-2009. We'll restore \$100 million for accountability block grants and it would help the District's pay the share of the Social Security that they had proposed to reduce. The net of that is if that passes, our school funding would be restored by \$321,000 so that's not included in Document 4 either. That's not a given, but it sounds promising.

The next item we discussed was the yellow column on Document 3.

Dr. Cronin: Before you get to that, can I just ask for the backside of Document 4 assumes no further cuts beyond what we proposed so far?

Mrs. Sheffey: Correct. It's only the items in black.

Dr. Cronin: Gotcha.

Mrs. Sheffey: Now we'll move on to the items in yellow. We talked about, well actually we didn't discuss the school resource officer, but just as an update, we did meet with the Board of Supervisors. We've thrown out some discussions on how we can fund this. They have a meeting tomorrow so hopefully we'll have some positive resolution on this, so nothing for tonight.

The athletic budget: we went through details, it's all in your packet. It's Document 5. There was a survey on pay for play, how many districts are doing it. Our recommendation is not to do it. It also shows the coaches by team and compares it to other districts. In pretty much every situation we are comparable. Sam shared with us that his staff and he would not recommend a reduction in coaches. They feel that that would jeopardize the safety of our students and it would require a reduction in the number of students who could participate and they would not recommend that. They would be happy to reduce expenditures overall, and they are proposing a reduction of about \$36,000 in expenditures which is almost a 5% reduction to the athletic budget.

Dr. Donahue: I'm sorry, I misunderstood that. So they are proposing that that \$38,000 in yellow go to black?

Mrs. Sheffey: Yes. And the Finance Committee was in agreement with that. There is also some discussion happening at the mid state level to talk about reductions for middle school athletics. It would be a phase out and we would do it across the board so there is no proposal here about eliminating programs, but it is being discussed and it is a possibility, but it would be phased in. It would not start for the 2011-2012 budget, but something that would start for the 2012-2013 budget.

Dr. Donahue: Is it correct to say that we would phase out middle school sports before we would affect any high school sports?

Mrs. Sheffey: We did not discuss that, but I would say that was the case. You can ask our colleagues, but I would support that.

Dr. Parrish: These are discussions that are ongoing in Mid Penn and if Mid Penn makes this decision and it happens, there will be no teams to play against.

Dr. Donahue: That's right.

Dr. Parrish: So by default we would be in a position . . .

Dr. Donahue: My understanding is that there are schools in the Mid Penn conference that are further along in this process than we are.

Mrs. Sheffey: The weekend use of schools: we did not discuss that, but we did discuss field trips and it was actually a rather lengthy discussion and that is Document 7. You will see that there was initial discussion about students assuming the cost for field trips: \$10 for the smaller field trips, \$25 for Philadelphia, and \$50 for Sandy Hill and Kenbrook. There was a lot of discussion about whether this is something that families could afford? How would you handle if they don't? There's a lot of clerical work collecting and making sure that these fees have been paid. The bottom line was we've asked the middle school to come back with a recommendation for one overnight field trip at the middle school level rather than having two. We would ask them to come back with a recommendation for one overnight field trip. Then at the 8th grade level, the Gettysburg and the Civil War reenactment are kind of redundant and to make a recommendation of one, either the Gettysburg or the Civil War reenactment. I think the decision was made that it would be the Gettysburg field trip. We would not continue the Civil War reenactment.

Dr. Kepler: That's correct.

Mrs. Sheffey: Then there was discussion over what's the appropriate rate to charge for these smaller field trips. You can see if we charge \$10, there are some that we actually make money and is that what we really want to be doing so we've asked the Administration to come back with a cost for these field trips; for students to assume a cost for these field trips, but something that's a little more appropriate than just a blanket \$10 per field trip. We'll be waiting to hear back from that, but there will be some movement from the yellow column. We're proposing some movement from the yellow column to the black column.

If anybody has input, I can see Donna you want to make some comments on that?

Dr. Cronin: Yes, I have a question about the decision to have the middle school select either Kenbrook or Sandy Hill. Is that because we don't want to charge the \$50 or some nominal amount?

Mrs. Sheffey: Correct. I think the discussion was families have multiple children so it's not just \$50. It's \$50 plus for all your children for multiple years. We believe there will

be families who could not afford that. It would preferable to eliminate one field trip than to charge.

Dr. Cronin: My own personal preference which I hope we can keep on the table would be to keep both of them because it affects all students educationally and directly in the classroom so to speak and to come up with an amount that would be reasonable, but also allow for – I really think we need to think out of the box. I would propose that we would offer a checkbox that you are submitting your \$50 and you also have the option to submit an additional \$50 to pay for someone who couldn't and then rely on the means that we currently rely on for students or families that can't afford it. For example, PTO or the guidance counselors fund, because obviously we don't want anyone – we assume that everyone will go regardless of the ability to pay, but the ability to be able to cut those costs, to cut field trips down by the amount that shown on here, I think is significant and still allowing these to take place.

Mrs. Sheffey: We did talk about the PTO, because there is a component to the proposal that would require not just a \$50 payment from the student, but also a fundraising of \$20 per student and we talked about could the PTO help out with that. There was some discussion about the PTO has already cut back on their own fundraising. They used to have two fundraisers and they've now cut back to one. What they generate now is not nearly what they used to and we can't count on it. If we're going to do these programs, we need to be able to count on that money. We also discussed, I had forgotten, chaperones pay \$80 so you're talking about a chaperone paying \$80 for themselves, \$50 for their child. We might see a reduction in the number of chaperones. I leave it up to everybody. The Finance Committee was in support of reducing to one, but we need to hear from you.

Mr. Stover: I'd just like to add one thing that we kind of determined. We were also talking about pay for play sports and one of the things that came up is that some of the schools that have initiated a program like that actually had to hire a secretary to keep track of who is paid and who is not paid, then what do you do when somebody doesn't pay, so you end up paying how many thousands of dollars to have a secretary. I'm really really concerned about having that kind of a situation come up. Check a box, somebody's got to keep track of all of that information about field trips for the whole year on who paid, who didn't pay, what do we do when they don't pay. I think we're going down a real nightmare of a problem. You'll end up – teachers – somebody's going to be spending a lot of time trying to keep track of this. I don't know who is going to do it.

Dr. Donahue: I just need a point of clarification. Is the recommendation from the Finance Committee to have the middle school come back with one field trip that no student would pay for? Then, I wasn't clear on the smaller field trips; the proposal is do away with the smaller field trips and have some students pay or keep a few of them and no pay? Are any students paying the Finance Committee's recommendation?

Mrs. Sheffey: Yes, for the smaller field trips. We would keep them and the students would pay, but not what is on Document 7, which is a flat fee of \$10. They would come back with a more appropriate fee structure.

Dr. Donahue: Which would be higher.

Mrs. Sheffey: No. No, we make money in some cases. If you use \$10, I mean, we have the walking field trip to the recycling center, why are they paying \$10 to walk to the recycling center.

Dr. Donahue: So they are currently paying?

Mrs. Sheffey: No, that was the proposal.

Dr. Donahue: How much money would we save by having the students pay less than \$10 a person to go – it sounds like it's small to me.

Mrs. Sheffey: We would make it cost neutral. The point of it would be to make our field trips cost neutral.

Dr. Donahue: So Chuck's point, how is paying for any field trip different than pay to play which I oppose also. The Finance Committee is recommending not to go forward with pay to play, but the Finance Committee seems to be suggesting to go to pay for education, right?

Mr. Stover: Hank, the other thing that came out in some of these trips, we didn't really realize it, but we are collecting – what was the trip that we identified?

Mrs. Sheffey: The Oaks Museum.

Mr. Stover: The feeling is that trying to collect \$10 is a whole heck of a lot easier than trying to collect \$50 and keeping track.

Dr. Donahue: How much money can we save by collecting what we said was going to be less than \$10 now from 300 middle school students? If it's \$5, that's \$1,500.

Mr. Stover: We've just asked them to go back and reevaluate and come back with the answer for it and maybe we'll decide not to do it, but we came up with a plan and we'll take a look at that plan and we'll either accept it or reject it.

Dr. Donahue: Right, thanks.

Dr. Kepler: Jumping in here – a rough estimate would be approximately \$30,000 at the \$5 to \$10 level for the smaller trips of revenue, so it is substantial. If there are any teachers in the audience, they might string me up, but being able to collect \$5 or \$10

per students in a classroom is more manageable per teacher than it is in a large athletic type of role.

Dr. Parrish: If we eliminate one of the two major trips, you're going to save \$44,000 roughly, correct?

Mrs. Sheffey: Correct.

Dr. Parrish: So the District would be to the good by \$10,000 to \$15,000 roughly. If we went for small field trips, but eliminated one of the major overnight trips, we would still be to the good by \$10,000 to \$15,000.

Dr. Donahue: That sounds right, because the small field trips cost about \$30,000.

Dr. Parrish: Is it worth the hassle of trying to keep track of multiple field trips at \$10 a head?

Dr. Donahue: Like Chuck said, it's a plan.

Mr. Stover: Yes, it's a plan. One of the ideas was that maybe we could collect it up front at the beginning of the year and then it's done, then you're done with the collections and you know where you are. That would probably be the easiest way to do it.

Mrs. Sheffey: So we need to hear back from the Administration with a clearer proposal and we do not need to make a decision on this tonight.

Mrs. Chabal: Just a point of clarification. So this recommendation actually came out of our middle school teachers? What we're talking about? This Document 7?

Mrs. Sheffey: Yes. You mean Document 7.

Mrs. Chabal: Right, so Document 7 that we're talking about either or, or the pay for field trips came to us from our educators.

Mrs. Sheffey: Based on our request.

Mrs. Chabal: We requested and so this is what they've come with.

Dr. King: The recommendation from the middle school teachers was the one for both the 6th grade and 7th grade trips where you have the contribution being paid by the students, fundraising, and then also charging the parent-chaperones.

Mrs. Chabal: Okay.

Dr. King: So for both trips, that recommendation in your packet came from the 6th and 7th grade teachers as a group.

Mrs. Chabal: Okay, thank you. I was just trying to clarify that this wasn't something that the Finance Committee put together and was trying to press it down from the top, but this actually came up from our educators as a way to deal with the issue.

Dr. King: But the only part that came from the teachers is to pass the cost on to [not audible] not choosing one or the other.

Mrs. Chabal: Right, I understand.

Dr. Cronin: I just want to make my stance clear that I am definitely in support of the teachers' recommendation to maintain both of these programs, because they are directly impacting the students. If we need to save that money, I want to save it far away from where the students are in some other capacity. Every student in 6th and 7th grade gains from this in many ways, both educationally as well as group dynamics, which I think are critical at that middle school level. I am absolutely going to support keeping both of them and finding the same cuts someplace else away from students.

Dr. Donahue: Thank you. Any other comments?

Mrs. Sheffey: I think the field trips need to remain in the yellow column, but I think the athletic budget proposal can move to the black column, is that correct?

Dr. Donahue: I think we have consensus from the Board that we can move half of the . . .

Mr. Morelli: The \$36,000, and Bernie you can correct me if I'm wrong, that Sam put in there for reductions of cross programs, I thought we were keeping that in there.

Mrs. Sheffey: We're moving it from 'maybe' to black.

Dr. Donahue: That's correct. I've got it here.

Mrs. Sheffey: But we're keeping field trips in the 'maybe' at this point.

Dr. Cronin: Do we know what those cuts are? Those \$36,000?

Dr. Parrish: They are summarized.

Dr. Hagan: That was the other document, Donna.

Dr. Kepler: Document 5 shows some of the specifics, column 1 to column 2.

Mrs. Sheffey: I can just give you a little more detail, it's training and instructional videos.

Dr. Donahue: I'd like to get this a little more concrete. Is there consensus among the Board that we should go with our Finance Committee's recommendation that we limit our field trips to one? We heard from one Board member that is not in agreement with that Finance proposal. Are other members who are willing to weigh in on that or do you want to think about it for a longer period of time? Was it unanimous on the Finance Committee?

Mrs. Sheffey: Yes.

Dr. Hagan: I would echo what Dr. Cronin was mentioning. If possible, I also agree to keep the cuts far away from the classroom, but I certainly understand in this day and age what we have to do.

Dr. Donahue: Anybody else want to weigh in? We can move on if you want.

Mrs. Sheffey: We need to move on. We have a lot to discuss; we need to move on. I say keep it in the yellow.

Dr. Donahue: Alright.

Mrs. Sheffey: The next document in your packet is Document 8 and that was some faculty suggestions. This is not an HEA proposal. This is just separate faculty groups brainstormed and came up with some ideas. You'll see that there are contradicting proposals. Many of these things we have acted on already. Some of these things, I think Dr. Kepler has looked over and said, that's a good idea, we'll start looking into that. We didn't discuss it much in detail, it was just some ideas for us to look at. Just looking through it quickly many of these things we are looking to do next year.

Dr. Cronin: Do you want us to prioritize any of these or take a few to focus on? What do you want to do with this, because I see some great ideas in here, but there are so many. What can we do?

Mrs. Sheffey: You should share them with Dr. Kepler. They may be things that we already do so just shoot him an e-mail.

Dr. Cronin: Thank you.

Mrs. Sheffey: Then the last document, Document 9 just shows administrative and clerical staff. I think there has been a lot of discussion in the community about administrative and support not taking reductions. I think what hasn't been clear is that they have made reductions in prior years and there's been no public discussion about it; they just made those reductions because it did not directly impact the instruction program. We looked at our administrative and support offices, almost office by office, and Dr. Kepler provided some information about the services they provide.

I think some clarification. When we talk about support staff in the School District, we're not talking about clerical support staff - that's transportation, so that's our bus drivers, that's our psychology services so that's our guidance counselors, our school psychologist. It includes health, our nurses, our recess aides, our school aides. When we talk about support services, it's anything that supports the instructional program, not clerical positions. Also when we talk about clerical positions, we're not talking about people who answer phones; these are the people who collect and maintain the mandated information for the state and federal government. That information is audited on a regular basis and that information is used to determine our funding from state and federal programs. So we did go through office by office and I don't know if anybody wants to hear, but Dr. Kepler just explained some of the reporting requirements and some of the services these positions provide. Actually, you have in your packet job descriptions for all of them. If you want to look them over and if you have any concerns, you can e-mail me and we can talk about it at our May 23 meeting.

Now we have to get to the big decision which is what kind of revenue recommendation/tax recommendation would we as a Board like to make? I can say the Finance Committee is split. I think when we look at Document 4, sorry, I've got to find Document 4, give me a minute.

Dr. Donahue: Before you go on, Ellen, while you're looking, there are multiple choices, but we have three choices here. What's the Finance Committee split on?

Mrs. Sheffey: We are split – two votes are in support of no tax increase and two of us – no. One Board member, John, was not present is 1.4% and all of our citizen advisors are 1.4%.

Dr. Donahue: And the rest is zero?

Mrs. Sheffey: Zero. We can all grow through individually and explain why we feel the way we do, but I think as we look at the factors to consider, the issue isn't 2011-2012. We can balance our 2011-2012 budget at a 0% tax increase. The concern is in the out-years: in 2012-2013. That's all the factors you can see are on Document 4. If the legislation passes and we lose our ability to raise taxes for exceptions, then how do we fund PSERS going forward if the state doesn't address it?

My position is I'm in support of a 0%. I know it's taking a risk, but I think that we know that there is development that's going to happen. We know that there is opportunity for state funding to be restored. I think that the state is going to be forced to address PSERS. We are in a position to handle PSERS better than 99% of the school districts across the state. If they don't address PSERS, all the other school districts will be going to resolution to cover it. I think it's a risk, but I think it's a risk that we can take. I've been hearing from a lot of our senior citizens. They're not getting cost of living adjustments; they can't afford a tax increase. I've been hearing from small business owners, my husband is one of them, business is down and they can't afford tax increases. I think we need to balance our needs with those of our taxpayers and I am in

support a 0% tax increase. Now everybody can speak for themselves, but I think the comment was a 0% is going to catch up to us. So I am not recommending that we do this for more than one year. I think this is something we do for one year. The committee members are in support of a 1.4% are not recommending restoring the cuts. They are saying use that revenue to set up a reserve for future needs; so they're not saying restore cuts. They are saying take that revenue, replenish the capital budget reserve or set it aside as a separate reserve.

I'm going to turn it over to Chuck and Chris to share their feedback from the Committee meeting and John, you weren't there. Then I think we need to poll all the rest of the Board members, because Dr. Kepler needs some guidance.

Mr. Stover: Well, it'd be the easiest decision for me to say 0% is what we should do. I'm not going to be on the Board and I'm not going to have to wrestle with these problems next year, so that would be easy. But, I don't think it's the right thing to do. Having been a person who was involved in the 24% tax increase, I can't tell you how difficult that was six months being on the Board having to vote for that. The problem that we're looking at is we learned a lesson of deficit spending and you just can't do it. Next year, if you have the ability of raising less than 1%, I don't know how you're going to balance, and I think you're going to affect the quality of our schools. That's my belief cut and dry. I think that, as I said in the Finance Committee, I think we're shooting ourselves in both feet by not addressing some of these financial, they're not possibilities; we know they're down the street. We have to address those needs now so that we don't have 24% tax increases.

Dr. Donahue: John, you weren't at today's particular meeting, but would you like to comment since you've been at many Finance Meetings and have made contributions to this dialogue?

Mr. Gräb: Let me start out by saying fortunately the Treasurer excused me to attend another meeting at the Township Building. I'm inclined to agree with Chuck. A lot of these things we see out there are kind of nebulous. There is legislation in the general assembly that might return those monies to the school budget; there is legislation in the general assembly that might eliminate the application of exemptions in the future. There is legislation in the general assembly that might put all tax increases to a referendum whether they exceed the index or whether they don't exceed the index. I was not on the Board at the period of time that we had the 24% tax increase; I was voted off prior to that for various and sundry reasons. I think going forward as I alluded to when we had the workshop, not raising our taxes to the fullest extent of the index provided over the past several years has cost us bookoo bucks. If we had done in the past several years what we thought we were going to do and raise taxes 1 ½% to 2% annually with a small increase, it would be to our benefit. I think it was two years ago we had an index of 4% where we could have raised the taxes and we didn't. Going forward, that is really taking a negative impact on our cash stream. I, myself, personally might come a little bit higher than 1.4%. I would take a look at the 1.4% index. I would consider the exemption for special education and perhaps half of the exemption for

PSERS knowing that we have some designated funds that we could withdraw monies from. That's my opinion.

Dr. Donahue: Thanks, John. Chris?

Mr. Morelli: Thanks, Hank. I also support the 0% and I'll tell you why. I'm trying to understand and I think I do understand what John and Chuck are talking about. I think a lot of the citizen advisors made the same points. Last meeting, we had our meeting in the high school auditorium so the community could come out and tell us what they want us to do. If I take away the administrators and the teachers that were there and the Board members, I counted around 50 folks. A lot of folks told us what they didn't want us to take away. I support that as much as possible, because I've had two children in this system K through 12, but I will tell you, I support you guys as I support the other 24,000 people in this community. Folks are hurting. Not all of us, but a lot of us. I work with over 1,000 who haven't gotten a raise in 3 years. It will be 4 years in January. So \$90 per 100,000 of your assessed value to some folks is a lot of money. You may or may not care about that, but this community, I think, should go through this exercise every year. It's not easy. It's been incredibly hard. Our Finance Chair has done a great job of taking this Committee through this process. I learned a lot, I think the public's learned a lot. They've given us input, and I think we need to do this every year. I think we can take this 36 waist size District we have and bring it down to a 32 and still have a lean and good, healthy District.

Dr. Donahue: That's harder than it sounds. I've tried it.

Mr. Morelli: So, I think we need to do 0% this year and I support it and I fully understand the arguments, and I appreciate that. I appreciate everybody's input.

Dr. Donahue: Thank you Chris, Donna?

Dr. Cronin: I am also in support of a 0% tax increase, but I really understand where Chuck and John and coming from. I value you the experience that they bring to the table. What I would actually like to see is I think the environment that they were in at the time did not really, I could be wrong, but I don't believe had the same scrutiny to the level we have in terms of line item and looking at every dollar. I would like to say, not only 0%, but taking into account the money that we're losing by not having an increase that they suggested and actually try to cut about 1% further, so that we actually have a negative 1% spending with the 0% increase. That 1% that we're saving serves to offset the lack of 1.4% or at least a portion of it, because just looking at what the teachers and administrators have put forth, these are fabulous ideas, some of which may have already been taken into account. But the creativity and the way that they're actually thinking out of the box here to me tells us, yes, we can recognize some other areas that we could possibly cut. I say that we don't stop at 0%, we try to go a little bit lower so that we end up not having the problem of losing the tax increase funding if that makes sense.

Dr. Donahue: Thanks, Donna.

Dr. Parrish: I live through Chuck's pain too back in the 24% and I can tell you as I recall the initial proposal that came to the Board was more like 31% and it was not a very happy time. However, I think we're at a very different situation now. We were faced in a financial state whereby, and these numbers aren't going to be exactly correct, but I calculated when it was looking at me in the previous six years prior to that increase, the Board had increased taxes a total of 8%, yet the operating budget had increased 42%. During that phase, the Board had chosen to use reserve funds to balance their operating budget. I don't think we're there today. The fact of the matter is the \$4.5 million capital improvement fund, the retirement stabilization fund, the self insurance fund, and our undesignated balance – all of those that are there, the only thing that was present 8 years ago was the undesignated fund balance. We've been able to create a much more healthy financial plan and financial situation. I think the thing we can't forget as to John's point, when we raise taxes, it has a compounding effect in the years to come. If we raise taxes this year 3%, that 3% increases the balance. If we increase it next year, there's a compounding effect. I don't think we can forget it has that same effect on taxpayers. If we raise your taxes this year 3%, it compounds when we raise them again next year, because it's a higher level. I understand the importance of compounding for our budget, but it also has a compounding effect on our taxpayers. I think we have to think about that.

If I'm looking at this correctly, a little bit of information; the \$1.2 million with the capital reserve, how much are we taking out of that \$4.5 million capital fund to balance a 0% tax as it is now?

Dr. Kepler: The budget for capital is \$941,000, but there were some items in there that there's not an intention to spend. We budgeted \$80,000 for tennis courts replacement, which just to symbolize that we know there's a need. There were two compressors in there totaling close to \$50,000 that we would only replace if they fail. There is roughly \$120,000/\$130,000 off of that so you're closer to an \$800,000 number.

Dr. Parrish: That's what we established that fund for was to use those capital funds, not to necessarily fully replenish it every year, but to use it for one time capital expenditures for things like that.

When I look at this it seems to me there are multiple opportunities where we may be able to produce \$300,000 that we need to balance a budget with a 0% tax increase this year. That may be salary adjustments depending on what you guys come up with in HEA negotiations, it may be through the legislative process which Ellen pointed out, and it may be through potential real estate gains that we hear are likely to happen. I would support a 0% tax raise for those reasons.

Dr. Donahue: Thanks, Bill. Beulah?

Mrs. Chabal: I, too, was at the 24% table. It was very difficult and I think that Bill and Chuck have both done a good job of laying out the history, because the three of us

came on to that Board and it was a fiscal mess. Those hard decisions were made, and they were made, I agree with Bill, in a completely – not a completely different circumstance – but the circumstance was very very dire and really close to bankruptcy. I mean months away from bankruptcy, so it was a critical time. I will just cut to the chase and say I agree with a lot of the things that Bill has said and I respect very much Chuck and John and I know they understand that, but I too would support a 0%.

Dr. Donahue: Thank you, Beulah.

Dr. Hagan: Very quickly. I also would echo the sentiment of the 0% tax increase for all the same reasons as mentioned. I'd like to see where we could come up with \$319,000 to make us flush.

Dr. Donahue: Well, it doesn't matter what I think. The votes are there. I support a 0% also, but I think what's important to emphasize is that we're talking about 1% of our budget between the two proposals we have. I think the reason we're able to have this discussion is because the Finance Committee working with the Administration has really worked diligently to cut as much as we can out of the budget without affecting educational programs. As Bill mentioned, we're in negotiations with HEA and we're going to be as fair as possible with HEA, but bearing in mind that we're voting now on the 0% tax increase. I would, as I said, support no tax increase, but just voice my appreciation for the Finance Committee getting us to a point where we can get by with no tax increase this year.

Mrs. Chabal: I wanted to thank Ellen and the Committee, because I know that what you've done is stepped the whole process through in a very neutral way, and I really commend you for that. There wasn't an individual on that Committee, at least that I saw, who had a set mind that this was what was going to happen, you know, this was the way it was going to be and try to ram it down the rest of the Board's throat. Everything was done sequentially, openly, a tremendous amount of transparency. Everyone talked about what it would be like if it was 3.1%. Then we talked about it if it was going to be a 1.4%. Then we talked about it if it was going to be 0%. I imagine to some people in the audience it looked as though the Finance Committee wasn't recommending anything and that there wasn't any leadership or dialogue. There was a tremendous amount of leadership, because a good leader, which Ellen and the Committee showed, was that you go through the steps and you let people come to a decision that based on facts not just on your gut reaction. I am just tremendously impressed and tremendously honored to have worked and have been educated by such an incredible Committee. I really think you thank you from my heart for that work.

Mrs. Sheffey: Actually, a lot of the credit we need to extend to our Administration.

Mrs. Chabal: Yes, exactly.

Male Voice: That's what I was going to say. What we really did was we put them through gyrations of asking for this and asking for that and it takes a ton of time from what they normally do, so to your entire team, thank you for the information.

Dr. Parrish: Just one other question – item 6 on Document 4 the four areas that we're going to have positive variances this year, are they reflected in this budget?

Mrs. Sheffey: Yes. They've been removed from the budget, that's why they won't be available in 2012-2013.

Dr. Parrish: Those funds will go – where will they be designated at the end of the year?

Mrs. Sheffey: The PSERS is going to the retirement rate stabilization and all these others would – remember this year we had planned on not replenishing our capital fund. These will replenish our capital fund.

Dr. Parrish: These, like the PSERS, is it reflected in the – is it part of that 2.4 or it will be added to that 2.4?

Dr. Kepler: That 2.4 retirement rate stabilization fund is reflected.

Dr. Parrish: It's already accounted.

Dr. Kepler: That's correct.

Dr. Donahue: Alright, any other discussion? Thank you for that report.

Mrs. Sheffey: Bernie you have your direction?

Dr. Kepler: Yes, we do have our direction, thank you.

UNFINISHED BUSINESS

4.01 Unfinished Business

Mrs. Sheffey: I do have one item to bring up, I forgot to bring it up in the Finance Committee so I'll bring it up now. There will be a PSBA legislative meeting Wednesday at 7:00 p.m. Senator Vance, Representative Steven Bloom, Seth Grove, Glen Grell, Sue Helm, and Scott Perry will be attending. We'll be discussing vouchers, budget cuts, mandates, Incentive Bill 911. Sherrie Smith will be speaking addressing the superintendent's perspective and then we have a Board member from West Shore, Shelley Kebaugh will be talking about Board members' perspective. We will actually have a student there from Redland High School talking about a student's perspective on the proposed reductions to education. Anybody can attend from our Board. I'm going

to try and be there. If anybody else is interested, shoot me an e-mail and I'll send you the details.

Dr. Donahue: Thank you.

NEW BUSINESS

5.01 Anticipated Agenda Items for May 23, 2011 Public School Board Meeting

1.	Oath of Office - Superintendent
2.	Approval of 2011-2012 Proposed Final Budget
3.	Approval of May 9, 2011 School Board Minutes
4.	Approval of April 2011 Finance Report
5.	Budget Transfers
6.	Requests for Payment
7.	Re-Appoint School Board Treasurer
8.	Recognition of Student Representatives
9.	Textbook Approval
10.	Requests for the Use of Facilities
11.	2011-2012 Fall/Winter Coaching Recommendations
12.	Personnel
13.	Hershey Federated Women's Club Student of the Month
14.	Announcement of Staff Development Conferences

5.02 Approval of School Supply Bids 2011-2012

The Administration recommended the approval of the school supply bid awards for the 2011-2012 school year.

Dr. Parrish moved the Board approve the 2011-2012 school supply bids and was seconded by Mrs. Chabal.

Roll Call Vote:

Chabal – Yes

Cronin – Yes

Donahue – Yes

Gräb – Yes

Hagan – Yes

Morelli – Yes

Parrish – Yes

Sheffey – Yes

Stover - Yes

9 Yes

MOTION CARRIED

5.03 Approval of Overnight Field Trip/Excursion - FBLA - June 2011

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

<i>Group:</i>	Future Business Leaders of America (FBLA)
<i>Number of Participating Students:</i>	2
<i>Grade Level:</i>	9-12
<i>Destination:</i>	Orlando, Florida
<i>Purpose:</i>	National Leadership Conference
<i>Depart:</i>	June 26, 2011
<i>Return:</i>	July 2, 2011
<i>Trip Leader:</i>	Doug Ruhl

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

Dr. Hagan moved the Board approve the overnight field trip excursion and was seconded by Mrs. Sheffey.

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

5.04 Approval of Overnight Field Trip/Excursion - High School Boys' Basketball - June 2011

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

<i>Group:</i>	High School Boys' Basketball Team
<i>Number of Participating Students:</i>	30
<i>Grade Level:</i>	9-12
<i>Destination:</i>	St. Francis University - Loretto, PA
<i>Purpose:</i>	Basketball Team Camp

<i>Depart:</i>	June 24, 2011
<i>Return:</i>	June 26, 2011
<i>Trip Leader:</i>	Paul Blackburn

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 overnight field trip excursion and was seconded by Dr. Parrish.

Roll Call Vote:

Chabal – Yes

Cronin – Yes

Donahue – Yes

Gräb – Yes

Hagan – Yes

Morelli – Yes

Parrish – Yes

Sheffey – Yes

Stover - Yes

9 Yes

MOTION CARRIED

5.05 Approval of Overnight Field Trip/Excursion - Envirothon Team - May 2011

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

<i>Group:</i>	High School Envirothon Team
<i>Number of Participating Students:</i>	5
<i>Grade Level:</i>	10
<i>Destination:</i>	Susquehanna University/Shikellamy State Park
<i>Purpose:</i>	Compete at State Envirothon
<i>Depart:</i>	May 24, 2011
<i>Return:</i>	May 25, 2011
<i>Trip Leader:</i>	Steve Newell

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

Dr. Hagan moved the Board approve the overnight field trip excursion and was seconded by Mrs. Sheffey.

Roll Call Vote:

Chabal – Yes
Cronin – Yes
Donahue – Yes

Gräb – Yes
Hagan – Yes
Morelli – Yes

Parrish – Yes
Sheffey – Yes
Stover - Yes

9 Yes

MOTION CARRIED

5.06 Approval of Policy - 006 Meetings

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

- 006 Meetings

Dr. Cronin moved the Board approve the policy and was seconded by Mrs. Chabal.

Roll Call Vote:

Chabal – Yes
Cronin – Yes
Donahue – Yes

Gräb – Yes
Hagan – Yes
Morelli – Yes

Parrish – Yes
Sheffey – Yes
Stover - Yes

9 Yes

MOTION CARRIED

5.07 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 Soccer Club
<i>Date/Time:</i>	May 1 & 22, 2011 1:00 p.m. - 5:00 p.m.
<i>Requested Facility:</i>	Football Turf Field
<i>Event:</i>	Practices
<i>Fee:</i>	As per Lease
<i>Group:</i>	Wilkes University

<i>Date/Time:</i>	Tuesday & Thursdays May 17 through June 23, 2011 4:30 p.m. - 8:00 p.m.
<i>Requested Facility:</i>	District Office Room
<i>Event:</i>	Summer 2011 Graduate Course
<i>Fee:</i>	None
<i>Group:</i>	Derry Township Parks & Recreation
<i>Date/Time:</i>	Start of 2011-2012 School Year to the End of 2011-2012 School Year 6:30 a.m. - 9:00 a.m. 3:00 p.m. - 6:00 p.m.
<i>Requested Facility:</i>	Elementary Primary Cafeteria, Kitchen, Gym, Multipurpose Room
<i>Event:</i>	Kids Club Program
<i>Fee:</i>	None
<i>Group:</i>	Hershey Youth Field Hockey Association
<i>Date/Time:</i>	Monday through Fridays September 6 to November 4, 2011 5:00 p.m. - 8:00 p.m.
	Saturday and Sundays September 10 to November 6, 2011 12:30 p.m. - 5:00 p.m.
<i>Requested Facility:</i>	Middle & High School Grass Fields
<i>Event:</i>	Youth Field Hockey Practices and Games
<i>Fee:</i>	None
<i>Group:</i>	Derry Township Parks & Recreation
<i>Date/Time:</i>	October 21, 2011 3:15 p.m. - 6:30 p.m.
	October 22, 2011 5:00 a.m. - 5:30 p.m.
<i>Requested Facility:</i>	High School Hallways, LGI, Cafeteria, Restrooms
<i>Event:</i>	Annual Winter Arts & Craft Show
<i>Fee:</i>	None

Dr. Parrish moved the Board approve the requests and was seconded by Dr. Cronin.

Roll Call Vote:

Chabal – Yes
Cronin – Yes
Donahue – Yes

Gräb – Yes
Hagan – Yes
Morelli – Yes

Parrish – Yes
Sheffey – Yes
Stover - Yes

9 Yes

MOTION CARRIED

5.08 Personnel – Resignations

Dr. Kepler: First, I would like to recognize two professional educators who elected to retire under the one time incentive the Board offered last meeting. Two middle school teachers, Leslie Shearer and Bonnie Houtz for their many years of service to the District. We wish them well in their retirement, as well as a custodian retirement, Norma Boyer at the middle school. Norma has been with the School District and does a great job for Ed and his crew at the middle school.

With that, the Administration recommended the approval of the following resignations:

Professional:
Houtz, Bonnie Grade 6 Teacher Middle School Reason: Retirement (One-time Retirement Incentive) Effective: At the end of the 2010-11 school year and not later than 06/30/2011
Shearer, Leslie French Teacher Middle School Reason: Retirement (One-time Retirement Incentive) Effective: At the end of the 2010-11 school year and not later than 06/30/2011
Classified:
Boyer, Norma Custodian Middle School Reason: Retirement Revision: Effective: 08/03/2011
Gibson, Joella Special Education Aide Elementary School Reason: Separation from Employment

Effective: 04/26/2011 (retroactive)
Homer, Kimberly Custodian Elementary School Reason: Personal Effective: 05/11/2011

Dr. Cronin moved the Board approve the resignations and was seconded by Mrs. Sheffey.

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

5.09 Personnel – General

1.	The Administration recommended the approval of the following appointments:
	Classified:
	Alexander, Ryan (in for Samuel McCorkel) Temporary Groundskeeper District-wide 40 hours per week Salary: \$14.13 per hour with no benefits Effective: 05/10/2011 (pending receipt of Act 34, 151, and 114 clearances)
	Robbins, Belva Michelle * (replacing Jana Bryce) Cafeteria Aide Elementary School 3.0 hours per day (maintaining Level B: Bus Driver) Salary: \$11.24 per hour Effective: 05/10/2011
2.	The Administration recommended the approval of the following personnel for 2011 Summer Employment:
	Stockroom:
	Guydo, Keith * Summer Stockroom Help Up to 10 hours per day or up to 40 hours per week

Salary: \$11.50 per hour Effective: 06/13/2011
Seip, James * Summer Stockroom Help Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011
Steelman, Peter * Summer Stockroom Help Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011
Swavely, Matthew * Summer Stockroom Help Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011
Robbins, Belva Michelle * Substitute Summer Stockroom Help As needed Salary: \$11.50 per hour Effective: 06/13/2011
Longenecker, Gregg * Substitute Summer Stockroom Help As needed Salary: \$11.50 per hour Effective: 06/13/2011
Transportation:
Danner, Ronald * Summer Secretary Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011
Lachman, Brenda * Summer Bus Custodian Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011
Lewis, Cheryl * Summer Bus Custodian Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011

<p>Rivera Santos, Carmen * Substitute Summer Bus Custodian As needed Salary: \$11.50 per hour Effective: 06/13/2011</p>
<p>Winter, Janet * Substitute Summer Bus Custodian As needed Salary: \$11.50 per hour Effective: 06/13/2011</p>
<p>Yohn, Linda * Substitute Summer Secretary As needed Salary: \$11.50 per hour Effective: 06/13/2011</p>
<p>Buildings and Grounds:</p>
<p>Allen, Clarence * Summer Groundskeeper Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011</p>
<p>Boger, Henry * Summer Groundskeeper Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011</p>
<p>Bohannon, Jackie * Summer Custodian Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011</p>
<p>Kurtz, Michael * Summer Custodian Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011</p>
<p>Mast, Deborah * Summer Painting Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011</p>
<p>Waybright, Patricia * Summer Painting</p>

	Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011
	Weaver, Clark * Summer Groundskeeper Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011
	Windle, Joelene * Summer Painting Up to 10 hours per day or up to 40 hours per week Salary: \$11.50 per hour Effective: 06/13/2011
	Technical Support:
	Breckfield, Spencer Summer Technical Support District-wide Up to 10 hours per day or up to 40 hours per week Salary: \$8.00 per hour Effective: 06/13/2011 through 08/26/2011
	Mackley, Jared Summer Intern District-wide Up to 10 hours per day or up to 40 hours per week Salary: \$10.00 per hour Effective: 05/11/2011 through 08/26/2011
	McNeal, Benjamin * Summer Technical Support District-wide Up to 10 hours per day or up to 40 hours per week Salary: \$8.50 per hour Effective: 06/13/2011 through 08/26/2011
	Limited Service Contract:
	Fried, Richard * (replacing Jim Shay for the remainder of the 2010-2011 school year) Science Olympiad Middle School Level I, Group H, Step 1 Salary: \$1,042 (pro-rated 50%) Effective: 02/28/2011 (retroactive)
3.	The Administration recommended the approval of the Limited Service Contract for the following individuals for the 2011 Summer School Staff, contingent upon enrollment:

	<p>Pierce, Kelly * Summer Around the World Session 1 Salary: \$156.00 Effective: 06/27/2011 through 06/30/2011</p> <p>Summer Around the World Session 2 Salary: \$156.00 Effective: 06/27/2011 through 06/30/2011</p>
	<p>Risser, Stacey * Summer Around the World Session 1 Salary: \$156.00 Effective: 06/27/2011 through 06/30/2011</p> <p>Summer Around the World Session 2 Salary: \$156.00 Effective: 06/27/2011 through 06/30/2011</p>
	<p>Umberger, Billie June * (replacing Jill Umberger) Memories on Wood Session 1 Salary: \$156.00 Effective: 06/13/2011 through 06/16/2011</p> <p>Memories on Wood Session 2 Salary: \$156.00 Effective: 06/13/2011 through 06/16/2011</p> <p>Memories on Wood Session 1 Salary: \$156.00 Effective: 06/20/2011 through 06/23/2011</p> <p>Memories on Wood Session 2 Salary: \$156.00 Effective: 06/20/2011 through 06/23/2011</p>
4.	The Administration recommended the approval of the following individuals as medical volunteers for the Derry Township Environmental Education Retreat:
	May 23-27, 2011 - Camp Kenbrook
	Chris DeFlicht, MD

	Katie Donahue, MD Denise Harr, MD JoAnn Massage, RN Diane Morelli, RN
	June 1-3, 2011 - Sandy Hill
	Dina Angello, RN Frank D'Amico, MD Kathy Frick, RN (pending receipt of Act 34 and 151 clearances) Sandra Sickler, RN Theresa Stapleton, RN Clarence (Kerry) Starner, RN
5.	The Administration recommended the approval of the following request in accordance with District Policies 435 & 439:
	Sachs, Kristen * Grade 1 Teacher Early Childhood Center Paid/Unpaid Childbearing/rearing Leave Effective: On or about 09/11/2011 through 10/24/2011
6.	The Administration recommended the approval of the following additions to the 2010-2011 Guest Teacher List:
	Jordan, Tara B.S. in Elementary Education from Indiana University of Pennsylvania
	Lumbatis, Laura B.A. in Elementary Education from Rider University
7.	The Administration recommended the following appointed to the Citizens Advisor Committees:
	Finance: Heidi Eby Phillip J. Wood
	Advertising/Sponsorships Ad Hoc Committee: Chris Barrett John Bowser Bruce Hancock Mary K. Moyer Maryellen Sheehan
*	This individual is currently an employee and/or volunteer. Clearances are on file.

Dr. Hagan moved the Board approve the personnel resignations and was seconded by Mrs. Chabal.

Roll Call Vote:

Chabal – Yes
Cronin – Yes
Donahue – Yes

Gräb – Yes
Hagan – Yes
Morelli – Yes

Parrish – Yes
Sheffey – Yes
Stover - Yes

9 Yes

MOTION CARRIED

5.10 Approval of Revised Act 93 Compensation and Benefits Agreement

The Administration recommended the Board approve the Revised Act 93 Compensation and Benefits Agreement for the period of July 1, 2011 through June 30, 2013. The Agreement establishes the compensation and benefits provided to all District administrators not covered by a collective bargaining agreement, other than the Superintendent and Business Manager. As required by the Pennsylvania School Code, the terms of the Agreement were established after meetings and discussions between the Human Resources Standing Committee, the Superintendent, and the Act 93 Committee, which is composed of various District administrators. The Agreement includes a wage freeze in Year One of the two-year plan.

Mrs. Chabal moved the Board approve the revised Act 93 compensation and benefits agreement and was seconded by Mr. Stover.

Roll Call Vote:

Chabal – Yes
Cronin – Yes
Donahue – Yes

Gräb – No
Hagan – Yes
Morelli – Yes

Parrish – Yes
Sheffey – Yes
Stover - Yes

8 Yes, 1 No

MOTION CARRIED

DELEGATES REPORT

6.01 Dauphin County Technical School Report

Mr. Gräb: the Dauphin County Technical School will be meeting this coming Wednesday, May 11. At this point and time, I'd like to address a headline that was in the newspaper a couple weeks ago that said the Dauphin County Technical School

budget is [not audible] increase for the teachers. That was an inaccurate statement. As Steve is aware, anytime a budget is developed, you need to put in a place order for your expenditure stream. That was the case with the 3.5. It needs to be noted that the Dauphin County Technical School [not audible] average of the six participating school districts. For the past, historically speaking, seven years, that has approximated 3.5%, hence, that amount of money was shown as a place holder in the developing the budget for the upcoming year. I just wanted to make that clear. Thank you.

Dr. Donahue: Thanks, John. Any questions for John? Chris, anything to add?

6.02 Harrisburg Area Community College Report

Dr. Cronin: We voted to accept HACC's proposal for a decrease in our tuition by 30%. That passed and we're very happy about that.

Dr. Donahue: Great. Thanks.

6.03 Capital Area Intermediate Unit Report

Mrs. Chabal: A couple things. As you know we are seeking a new Executive Director. They are using PSBA do direct this search. The application deadline has closed. In fact, I think I mentioned that I am sitting on that particular committee. We will meet tomorrow morning to go over the candidate list and begin to pare that down. At this point, I do not know how many we will be looking at. That's the first thing.

Secondarily, Mr. Farr, who is the Treasurer of the IU reported that he has completed his term at the Harrisburg School District. I think I mentioned to you that he was contracted out and he has since returned and is now going to be serving as Treasurer in his full capacity, although he will be taking some revenue stream development in assisting some parts of the Department of Education, but that will be in a very limited capacity.

There is a report from the committee on the negotiations with the educators of the IU which basically was there was no report. There are no meetings scheduled from either side so I guess that we are now once again in a stalemate and the stalemate has been two years so far. It doesn't look very promising there.

We did get a report that the IU has put out an RFP for a solo project. They are hoping to find a [not audible] purchase agreement where a company will come in and at the company's expense outfit the IU area with solar panels which will then solely power the IU and the grants to do that will be written and submitted by the project manager and they will receive any funding from that. The IU will strictly receive the fact that they're energy costs will be taken care of by solar. There will be no capital outlay for that.

Then briefly the Acting Director spoke about many interesting areas, but I'll just limit it to two. One was that the IU has hosted a state-wide virtual conference which was held in April. There were 415 participants listening to keynote speakers and that the IU is working to be one of their potential revenue streams to hold virtual conferences through the IU facilities at some point. They also had the Superintendents spring leadership conference in March and they felt that the IU and their current superintendents are working on talking about the life of the IU as it begins to change how it operates and how the school districts can benefit from that and working with superintendents.

That's my report.

Dr. Donahue: Thanks, Beulah.

6.04 Derry Township Tax Collection Association Report

Mr. Stover: The Tax Collection Association met on April 28 and the most important discussion that we had was that our software provider that supports our ability to collect the LST (local services tax) has informed us that they will support us through December of this year, but starting in January, they are going to charge us between \$1,000 - \$1,500 every month to support that software, which is an exorbitant amount of money for us to have to pay. The Dauphin County Tax Collection committee met also on April 20 and we are in negotiations with Keystone to work out their contract. They are the company that's also going to be collecting the LST for the other municipalities and districts. We're looking into the possibility of, we had earlier said it would be to our advantage for us to continue to collect the LST ourselves, we're now looking at it – unless we can figure out some other way of supporting our software – that it would be to our advantage from an economic standpoint to have the Keystone agency collect the LST starting in January. The problem that there is a lot of details for Keystone to work out with their contract and whether they're going to be able to pull that off; we're not sure. We're working it out as best we can with the information we have.

The next Tax Association meeting is May 26 and the next Dauphin County Tax Collection Committee is May 18.

Dr. Donahue: Thanks, Chuck. Any questions for Chuck?

SPECIAL REPORTS

7.01 School Community Information Report

Mr. Tredinnick: I, first, want to start by re-emphasizing and reinforcing one of the items that was mentioned by our student representative and that is the forum that will be on Wednesday at the high school. This public forum is an extension of the conversation that began with the screening of Race to Nowhere. This is an opportunity to continue

the dialogue that was started by that. What's particularly interesting about this forum is that it's being conducted and run primarily by students. Zach Cole who is a student will be one of the moderators along with English teacher, Rick Bittinger. Also on the panel to discuss some of the issues that were raised in that movie are going to be various representatives of the student body as selected by Student Council and really trying to represent all aspects of the student body. I really encourage Board members who are available and certainly members of the public if they have that opportunity on Wednesday to attend that forum.

Just a couple of other brief items – some accomplishments on note. You approved an item earlier this evening for the Envirothon team to compete at the state level. They earned the opportunity to compete at the state level by recently capturing the Dauphin County title, so congratulations to the members of that team, which include Jesse Weber, Skyler Ahmed, Tim Wegman, Alex Brand, and Michelle Chung.

Also some congratulations are in order for two members of the Hershey Powerlifting Team: Lewis Miscari and Michael Taylor both of whom captured the individual state championships in their weight classes recently.

Also congratulations to Bethany Foxx who is a junior at the high school. She was a student delegate who participated in the 2011 Pennsylvania Youth and Government model legislature and, in fact, was elected to be the Youth Governor as a result of that.

Congratulations to all of those students.

Dr. Donahue: Thank you, Dan.

7.02 Board Members' Report

Mr. Gräb: Thank you, Dr. Donahue: As alluded to previously, the chairman of the Finance Committee was kind enough to permit me to leave the meeting early today to go to the Township Building. The Township of Derry is developing a new comprehensive plan and sitting at the table with members of the County Planning Commission, the Derry Township Planning Commission, Penn State Hershey Medical Center, the Hershey Trust, Hershey Entertainment and Resorts Corporation and they were kind enough to invite the School District to sit at the table with them and both Mr. Morelli and myself are representing them at the table. This is important to us, because development in the community whether it be commercial or residential does have an impact on the School District. Primarily this evening we spent some time working together on a survey which is going to be sent out to members of the community. When that is finalized, they are requesting that the School District utilize our e-mail database to send it out to those members of the School District that would like to respond to it. I will give you further updates in the future, but that's where we stand right now. The existing comprehensive plan is 20 years old.

Mrs. Sheffey: What kinds of questions is the survey going to be asking?

Mr. Gräb: What type of residential availability should be in the community? If commercial development is brought in to the community, where should it be placed? The consensus of opinion was anywhere but not in my backyard.

Dr. Donahue: John, first of all, how often will this committee meet?

Mr. Gräb: That hasn't been determined yet. The first meeting was this evening and Mr. Todd Pagliarulo and Sandy Ballard sit on the committee. They gave us a timeline, but the timeline did not conclude any future meetings.

Dr. Donahue: Not to belabor it, but how does this relate to what went on 10 or 15 years ago when the Township, I don't think they involved the School District at all, looked at redevelopment?

Mr. Gräb: Can you rephrase that for me?

Dr. Donahue: There was an examination of this issue, in my recollection, 10 or 15 years ago, but may not have had the School Board's input. Is this related to that at all?

Mr. Gräb: All I was able to garner this evening was that this comprehensive plan should be reviewed approximately every 10 to 15 years. Right now it's been about 20 years. We'd like to take a look at that. Some of the questions that might be of particular interest to the School District is if cluster housing is brought into the Township in a large way, that's going to increase the number of children attending your school.

Dr. Donahue: Okay. I understand. Thanks.

Mr. Morelli: We've asked Bernie today, we're going to look at the next couple of weeks to get some dates to have our first meeting. It's my intent to get some sort of scope document and approach for the committee and have at least two meetings over the next month and a half – that way when the new Superintendent gets in, we can bring him in to the process and see where we can take this committee over the summer months. It is our intent to go out and look at the possibility of school advertising, whether it be building level or external sports venue level for those advertisers outside of our community's normal small businesses that support the PTO and the District clubs and things like that. We don't want to compete for those dollars. We're trying to look at the feasibility of bringing in some of the higher dollar advertisers so that's what the committee will do over the next couple of months. Thank you.

Dr. Donahue: Thanks Chris. Anybody else?

7.03 Acting Superintendent's Report

Dr. Kepler: One quick point and one prepared statement I had for this evening. The first is that I do intend to attend the PSBA legislative meeting on Wednesday so we'll have information to bring back to the Board on May 23.

The second item is one that I had intended this evening to have a statement regarding the Memorial Day parade as a concluding statement from the School District to try to clarify some things and remain as factual as possible without the subjectivity of a motion.

My statement reads as follows:

The discussions pertaining to the Hershey High School Band's participation in the Hershey Memorial Day Parade have been elevated to a level that is not necessary, unhealthy, and not in the best interest of veterans, students or the School District. I would like to take a brief minute to rectify misconceptions and my associated remarks will be the final statement from the School District.

On Wednesday, April 13th, representing the Derry Township School Board, Dr. Bill Parrish attended the Township Parks and Recreation meeting where the band's participation in the Memorial Day parade was discussed. That same evening Dr. Parrish phoned me and made me aware of the situation. The following morning, Thursday, April 14, 2011, Mr. Chris Morelli, Board member, communicated with me regarding the same issue. Also on April 14, 2011, Mr. Richard Gamble communicated with Dan Tredinnick via e-mail and by phone. On Friday, April 15, 2011, Mr. Tredinnick e-mailed Mr. Gamble to inform him that the School District was having internal discussions regarding the band's participation.

On Monday, April 18, 2011, I spoke publically and shared the fact that Mr. Rich Miller, band director, was out of town at the tail end of the previous week at a PMEA event and was unavailable to have dialogue specifically with myself, but the days following April 18th would allow for the internal discussion. However, without ever discussing the situation with Mr. Miller directly, he along with the band members had determined that they would play in the Memorial Day parade. This decision did take place prior to the article in *The Sun* on April 28, 2011, prior to Mr. Gamble's public statement at the April 18th Board meeting, and prior to the letters to the editor in the May 5, 2011 edition of *The Sun*.

Yes, the Hershey High School band initially declined to participate in the Memorial Day parade; however, the director and student participants made a decision to participate and this issue needs to cease. At no time did anyone intend to offend or show a lack of support for our community's

veterans. The Hershey High School band provides a great deal of service to our schools and community and for this, the entire organization should be applauded.

Dr. Donahue: Thank you, Bernie.

7.04 Board President's Report

Dr. Donahue: The only thing I have is to remind the Board that our new Superintendent, Dr. Faidley will be sworn in two weeks from now at the Board meeting and will begin work June 1.

RECOGNITION OF CITIZENS (Agenda or Non-Agenda Items)

8.01 Recognition of Citizens (Agenda or Non-Agenda Items)

Richard Gamble: [Not audible].

Dr. Donahue: Thank you, Mr. Gamble. Other citizens?

Brian Shiflett: Just want to make some comments on the preliminary budget work. First of all, I want to say thank you to the Finance Committee members for all the hard work and for the Administration for getting this far. I'm impressed to hear that this year's process is so much more transparent and in depth than in prior years. That's a great step forward. I just want to make the observation that over the last few months, it seems like our schools have been functioning pretty well, paychecks have been going out, curriculum is being developed. I also make the observation like that – we're doing that while missing a key member of our Administration, so indeed, the Administration can function well without the staffing level being asked for in the 2011-2012 budget – at least it appears it could. Last meeting, I asked or I brought the comment that I think it's unfair to the professional staff, the athletic department, and every other department in the School District that is proposing cutbacks in programs and services without really inspecting what would be the impact of making cuts to the Act 93 staff in this School District. I appreciate Dr. Kepler's defense of the administrative staff and I'm just going to relay how this would be done in my place of work when I managed a large department.

Every year in my budget process, they'd ask me or they tell me, we're going to cut your budget by 5% for next year. They would want to know from me what would be the impact in delivery of programs and services that we would deliver – that is, what is the value you're providing to the organization and to our customers. If I couldn't, in a very cogent manner succinctly say what the impact would be to those programs and services, they would go ahead and cut my budget by 5% just to see what would happen. As a Board, I would expect you to ask the same question on your

Superintendent and Acting Superintendent and that is, what would happen if we cut your budget by 3%, 4%, 5%? What would happen? What would you propose that we leave on the table or drop on the floor, however you want to call it. What programs and services would we cease to deliver? What state mandates will we be unable to fulfill? Basically, that's the information this Board needs to make an informed decision about that budget. I think, you know, we look at the instructional programs and some of the athletics and so forth; we're looking at that level. That is, if we have to pull back, what things don't we offer? I think you need to do the same thing with the administrative staff.

I wouldn't be surprised if the answer is, you know, if we have to sustain that type of cut for a long period of time, the lights would go off, paychecks would not go out in time; there would be some impact, but I think you all deserve, in making these tough decisions, to make the decision in an informed manner. That's just my counsel to you all. Thank you very much for the hard work you've done, and I appreciate your time tonight.

Dr. Donahue: Thanks, Brian. Just to respond to Brian's comment. [Not audible] and Dr. Kepler during the period when we were one administrator down, and I agree with Brian 100% they did an outstanding job. I don't know how long they could maintain the pace they're going, maybe forever, maybe they're two or three times a better worker than me. I think you have to look, not just at this brief 6 month period and say, hey we didn't have – or a year or whatever it was – and say we didn't have an administrator and imply that we could go without an administrator. That would imply that they could do that forever and that's a big implication.

Maryellen Sheehan: I just wanted to first of all thank the Board for approving the revision to budget or meeting code or Policy 006 for meetings. I think that's going to be very effective and it's going to improve communications and hopefully transparency as well.

I know I'm preaching to the choir, but in terms of looking for around \$40,000 for one of the field trips that we may be doing away with, perhaps we can look at budget code 635 – meals and refreshments. I've had an opportunity to sit down with neighboring districts, high level administration, assistant superintendent to be specific, and I know that they have a budget of \$6,000 for equivalent uses. I also was told by them that their district has 500 more students than ours and if you look at their top 4 level administrative salaries, they are operating at \$50,000 less than ours.

Secondly, it was also noted that the right to know requests are very time consuming for clerical support. Perhaps what would be an efficient way to handle that is to put the information on the District website so a right to know request would not have to be filed. I know I personally filed a right to know request to get the budget and I've got the budget right here, it's 66 pages. I wanted more detailed documentation, which I had to submit a right to know request and pay \$211 to get that documentation. If more information was placed on the District's website, perhaps less clerical and support

responsibilities would be spent providing these copies and sending that information out to constituents.

I think what we also need to look at is the processes that are taking place. For example, if my son Jimmy is sick, I've got to call the hotline. Jimmy is sick today, Maryellen Sheehan. He's in 7th grade. His homeroom teacher is "X". Then I need to file a letter that says Jimmy was sick on May 9, because he was vomiting. I think, and I've actually talked to District employees who say they spend hours every day listening to the hotline and then actually getting those absentee letters and cross referencing them with the child. Oftentimes, I guess, they are not legible, the child isn't indicated in a very evident way; there's no reason why we can't, as parents, log on to the District website like we do when we're able to check grades, schedules, and say "Jimmy's sick today." And it can go real time to our system. There's a not a phone call that needs to be placed to the District on the District hotline and then there's no follow up that needs to be processed in terms of absentee letters. I think if you look at processes like that, we can reduce the time that our current secretarial staff is spending and I was told by a District employee that she spends two hours a day doing that. That would be a full business day that could be eliminated if we change processes like that.

In addition, I've had the opportunity over the last 17 weeks to go around and talk to my campaign has personally approached 4,500 hundred homes and had 6 meet and greets and one person came up to me and told me that she was a prior District employee for the Business Office in a clerical position and she spend a lot of her time typing her administrator's thesis. So, I think we do have areas that we can look at improving and reducing and I ask the Administration to please look closely at doing so. Thank you.

Dr. Donahue: Thank you, Ms. Sheehan. Other citizens?

ADJOURNMENT

9.01 Adjournment

Dr. Donahue: The next public School Board meeting will be held Monday, May 23, 2011 starting at 7:00 p.m. in the District Office Board Room.

Mrs. Sheffey moved to adjourn, with a second by Mr. Stover and, approved by unanimous voice vote by all members. The meeting was adjourned at 8:38 p.m.

Respectfully submitted,

Stephen E. Rineer
Secretary to the Board

Approved at the May 23, 2011 meeting

Dr. Henry Donahue
President of the Board

LDM