

BETHLEHEM AREA SCHOOL DISTRICT
BOARD OF SCHOOL DIRECTORS
REGULAR MEETING

DECEMBER 14, 2009

A Regular Meeting of the Board of School Directors of the Bethlehem Area School District was held on Monday, December 14, 2009, at 7:03 p.m. in the Auditorium of the East Hills Middle School, 2005 Chester Road, Bethlehem, Pennsylvania.

REGULAR
MEETING

The Board Secretary called the roll:
Members present: Directors Burkhardt, Cann, Dexter, Faccinetto, Follweiler, Leeson, McKeon, and Ortiz – 8
Members absent: Directors Amato – 1
Student Representatives: Dhanalakshmi Thiyagarajan – FHS
Hannah Schwarzbach - LHS

MEMBERS
PRESENT

Others present: Dr. Thomas Persing, Interim Superintendent of Schools; Donald F. Spry II, Solicitor; Thomas K. Washington, Assistant Board Secretary; administrators, members of the press, and other interested citizens and staff members.

OTHERS
PRESENT

At this point of the meeting, the Pledge of Allegiance was recited.

PLEDGE OF
ALLEGIANCE

President Leeson requested a moment of silent meditation.

MOMENT OF
SILENCE

President Leeson announced that a discussion will be held with Mr. Scott Schearer. She reminded the board that a refinancing must be completed by January 5, 2010 and that they already voted on the parameters of this refinancing. She believed that Mr. Schearer was present to update the board on this matter.

DISCUSSION ON
REFINANCING
TERM SHEET

Scott Schearer with PFM addressed the board and introduced Mr. John Cox from Rhoads & Sinon LLP, the district's bond counsel. Mr. Schearer announced that he did not have any handouts for the meeting but that he was present to strictly update the board. He intended to give the board a brief over and then return in January after the transaction is closed and give the board a line by line tally of how the rates and fees came in as a comparison to what the board had approved back in September. He noted that this process has been a very long road. He reviewed that they are trying to refund the 2005 variable rate bonds basically due to the main fact that the liquidity facility that is currently in place with Dexia comes due and they did not want to renew. Dexia gave notice of their intent well in advance. Mr. Schearer noted that they have been developing plans on how to deal with this issue. He continued that they will be pricing the fixed rate bond component. He stated that they are refunding the short half of the 2005 bonds with a traditional fixed rate bond issue and terminating that related portion of the swap and refunding the longer half of the 2005 bonds with a new variable rate transaction and reassigning that swap over. He stated that because of the market values and overall market right now he believes that is the plan that is in the best interest of the school district.

He noted that over the last three months, they have gone through a very long process with RBC as the underwriter for this deal as well as the credit rating agencies and insurance companies to get them to this point. He continued that they have undertaken and will be completing a very tall task to get this transaction completed. He commented that over the past few months since September everything has been filed with DCD and approved by DCD and they have been going through very extensive and exhaustive conversations with a couple of the entities that he mentioned including the rating agency, the underwriter and the bond insurance companies. He noted that they were denied bond insurance about a month and a half ago by the only bond insurance company left in the United States. He continued to say that they had to do a lot more work with them to make them comfortable insure the fixed rate deal. He reported that they were able to secure the deal. He noted that in January the board will see the bond insurance fee is lower than previously projected in September.

He also stated that because of all of the due diligence of the past several months the overall rate environment has gone down which is a good thing. He informed the board that this week they will be pricing the fixed bond issue. He reported that everything has been posted and all the documents have been sent out. He anticipated having everything completed by Thursday afternoon. He stated that by then they will know all the final interest rates and the cost associated with the fixed rate deal. He announced that they will then be terminating that portion of the fixed bear swap at that point. He told the board that he will need a representative or two from the board to be on the recorded phone line on Thursday as they have done in the past to actually terminate that piece of the swap. He indicated that it would be a 2 or 3 minute phone call with the swap counterparty where a lot of work has been done with them and Morgan Stanley to get to the termination level.

Mr. Schearer reported that probably next week they will be going forward with the variable rate deal component or the other half of the transaction. Both are expected to close on January 5th which is the deadline. He stated that they will be taking it to the very last day to get the transaction done.

He announced that one change has taken place. It is a change to the benefit of the school district in which they have been dealing with RBC over the past couple of months. He stated that for the variable rate deal component, the \$30 million piece, they were going to issue variable rate demand bonds and obtain a letter of credit from RBC which was what had been discussed. He said that through all the discussions with RBC the market, in a good way, is changing the way these kinds of transactions are moving forward. He noted that they are no longer going to be doing the variable rate demand bond with a letter of credit but will be doing an FRN or Floating Rate Note. He explained that everything is done in one step where they do not need a letter of credit. He continued that the main buyers of variable rate bonds are mutual funds and insurance companies where they have their own "set of hoops" that they have to jump through for all the disclosure purposes and the way they structure everything where they require this letter of credit with a highly rated bank. He explained that they now know who their buyer is going to be. So instead of going out to the public and the remarketing agent has to go out and find new

buyers every week like the structure the district is currently under, they know who the buyer is going to be and it is going to be RBC. So they have the guarantee that they will be holding this debt for the next two years at a rate that is specified which is SIFMA (*Securities Industry and Financial Markets Association*) plus a spread of 150 basis points which did come down a little bit.

He continued that from an upfront pricing comparison it is less expensive than their original plan. From an on-going standpoint it is also less expensive than their original plan. From a risk perspective it also eliminates one of the main risks which is the liquidity risk, the risk that the bank is going to go bankrupt or get severely downgraded or whatever the case may be which may put the district in a situation similar to the one prior. He noted that they did eliminate all of those different facets. He explained that they are still negotiating a few of the documents. He said that they should have everything completed by next week or at the latest during the week between Christmas and New Year's. He acknowledged that they need to settle this transaction on January 5th.

He explained that they have had various discussions among the bond council and the solicitor's office with the finite details on everything to get everybody up to speed. He commented that this is a huge task that has been undertaken. He indicated that the product is basically only being done for very highly rated entities nationwide. He explained that they were able to convert that concept into being able to bring it to Bethlehem for this transaction. He summarized that what they have been doing from his financial aspect and Rhoades and Sinons legal aspect and the district's solicitor's office is really bringing a new and very financially beneficial product that typically is not offered to this kind of credit. He noted that they have been working very hard to get RBC comfortable with this transaction.

He stated that this is a very general overview and his goal is to come back in January with the handout that compares what they projected before with what actually happened and looking at all the costs both initial and on-going as well as looking at the interest rates and at that point being able to answer all of the board's questions. Then they would look at the overall debt portfolio in a big picture again to see what the next step would be. He asked the board if they had any questions.

President Leeson asked if there would be any reason or any way to move more of the bond financing to fixed as opposed to the split since it looks more favorable at this time. Mr. Schearer reminded the board that they are doing it this way because of the market value of terminating the swaps. He restated that they are doing what they feel is the most beneficial to the school district.

Director Cann asked what the cost will be for the portion of the swap that is going to be terminated. Mr. Schearer responded that according to the estimate that they calculated last Friday it would be \$3.5 million and would be associated with a debt of about \$25 million or so depending on the market. Director Cann also asked what happens at the end of the two years since there is a variable rate. Mr. Schearer responded that at that point there are options. They could roll it into another kind of facility or do a fixed rate bond issue at that time which is their goal. He noted that they have a lot of the same options similar to the Wachovia transaction that was done earlier in the year to refund

the Shippensburg. He stated that gave them another two year window to evaluate the market to determine if they want to roll it over again or to take advantage of the fixed rate market at that point in time. He explained that the one comes due in a year and this one in two so not all options are due at one time but are spread out over time to allow time to better market access. Director Cann asked if when RBC is done in two years are they putting it back to the district like a balloon payment. Mr. Schearer replied that they may buy it again. He explained that it is what is called a "hard put" or mandatory tender that at that point if they cannot find buyers or if they don't want to buy it themselves, the district will be looking at various options again.

President Leeson recalled that the district has a call feature that is about six months earlier. Mr. Schearer explained that it was changed to make it two years and that is it. He noted that there were talks about making it a three year facility but then having a two year call and all sorts of different options but that it ended up with their recommendation just to make it a two year period. He noted that they could have tried to get more fancy but they felt this gives the district the most options and made the pricing more favorable as well. He explained that they did look at all the different options and decided at that point to make it two years.

Director Cann commented that it sounds a little risky in the event that there is nothing out there for them to convert it to in two years. Mr. Schearer explained that at that point they will be looking at whether to roll it over again in another short term facility. He noted that they can do stuff between now and then and that they will be watching the market and gauging to see what happens at that point in time. He said that the big item here which was explained to the authority recently is that this eliminates the liquidity risk. He explained that if something would happen to RBC the district would be in a bad situation very quickly. But that main risk component that is inherent in a lot of the letters of credit is avoided. He acknowledge that there is still some risk associated with this product and that it is not a risk free product but that they believe that this is a way to manage the district's debt portfolio and start unwinding these swaps in cost effective means at cost effective times. He continued that it is not prudent to terminate everything at one time or to terminate this one transaction at one time. He noted that they are looking to space things out and take advantage of various features when they can.

President Leeson noted that Mr. Schearer said that the put is in two years and asked if the district has the flexibility of changing within the next two years. Mr. Schearer responded that the district must stay in the variable rate during the next two years. He commented that one of the best scenarios that they could see happening is to keep it in that variable rate mode for those two years but be able to terminate the related swap at a break even cost so that they are left with just the underlying variable rate bonds for that short period of time which have very, very low rates. He continued that they would ultimately want to covert them to fixed rate. He noted that just like they were able to terminate swaps at a positive value they would like to see them be able to terminate this portion of the swaps at a breakeven point.

Director Follweiler mentioned that she appreciates the handouts because

although she is taking her own notes, the handouts would have been very, very helpful. She also asked if the term “product” used by Mr. Schearer is meant to mean “bond”. Mr. Schearer confirmed. She continued to confirm that a product could be fixed or variable but any type of bond or any type of financial item that they have entered into is what he is referring to as a product. Mr. Schearer answered affirmatively.

Director Dexter thanked Mr. Schearer for outlining the changes for the board. She asked if there were any options that they should be thinking about or if this is the deal that they will be voting on at the January 5th meeting. Mr. Schearer noted that there is no more voting that needs to take place but just settlements that will require signatures to get everything closed. He also noted that this is far and above the best option that is available. He explained that this product is only being offered nationwide to either triple A credits or very high double A rated entities. He noted that the Bethlehem Area School District is a bit below that by several notches. So as far as options given the overall big picture, what they have presented is a great story. Director Dexter commented that he mentioned that this will have a favorable impact on the district’s fees and asked him to explain what fees are included. Mr. Schearer explained that the bond insurance came down substantially, the underwriter’s discount or their commission is also coming down a little bit and what they will see from the interest rates overall will be a substantial impact. He noted that while they don’t have anything is finalized so there are still a couple more days of that risk between now and the time they price. He also noted that if there had been a letter of credit which was what they were originally pursuing they estimated a pretty substantial up front letter of credit fee estimated to be as much as several hundred thousand dollars which is no longer there which equates to big savings.

Director Dexter asked when he would need to have people available for the phone call. Mr. Schearer noted that their goal is to have the call on Thursday afternoon but will not know for certain until they start the pricing process and see how the bonds are moving. He anticipated that it would be around 3:00pm.

Director Dexter commented that she did not recall if the papers authorized the people in certain job titles were specifically named but that she is not serving as vice president any longer and Director Cann is. She is also not available on Thursday but Director Cann might be. She was uncertain if there needed to be a change but that it may be possible to do that at the meeting. Mr. Schearer recalled that they had it noted as president and vice-president as well as the finance chair and they were labeled by position. He also noted that all three did not need to be available but that it was worded as one or more. Mr. Schearer also noted that they are looking at a pre-closing where some documents will need to be signed along with the authority on January 4th and they will be in contact regarding the times for that. He stated that they would need the president, vice-president and maybe another person or two. He said that they will stay in communication over the next week or two to ensure that the proper people are there.

Director Leeson said that she would make sure that the proper people are

available on Thursday around 3:00pm. She told Mr. Shearer that if they do not have people available she will call to let him know and will arrange for January 4th as well.

Director Burkhardt commented that when this is completed in January he recalled seeing a pie that showed a percentage of fixed money and a percentage of district debt that is still variable rate. He asked for those two numbers. Mr. Schearer responded that of the two big pie charts the one looks excellent right now which is the one having to do with yield curve risk. He noted that it went from a very high percentage down to zero. Once they terminated the three constant maturity swaps a month or so ago, they eliminated \$150 million of that risk and the district benefited over \$3 million net payment that the district received. He noted that the other pie chart has to do with the tax risk or the basis risk which is inherent and the other fixed payer swaps are still remaining and the variable rate bonds. He estimated that once they close this transaction it gets them down to 40% of that risk that is still remaining and the other 60% is traditional. He noted that this is a substantial decrease from where they were a year ago at this time. Director ? stated that he believes that it is important for the community to know that they are moving in the right direction because those numbers have stuck out there in the public. Mr. Schearer indicated that those will all be shown in the form of charts when he returns in January. He noted that that is the only way they were able to get the insurance company comfortable with the credit and RBC. Otherwise if the substantial progress had not been made, they would not be there at the meeting.

President Leeson offered courtesy of the floor to visitors. Speakers are asked to come to the podium, stating their name and address. Public comment in the first session is limited to 30 minutes. Speakers are limited to three minutes each. The board requests that, when possible, all individuals supporting a like position on a topic select a speaker to present their views to avoid repetition. If that is not possible, all are welcome to speak. As per school board policy, generally, speakers are limited to taxpayers, residents, or employees of this school district. At the conclusion of the regular school board meeting, another block of time will be allocated for public comment. At that time, the same rules will apply. It is asked that speakers observe proper decorum, without personal attacks towards a specific individual or individuals. It is not the custom for the board to enter into a dialogue at these meetings about concerns. However, the board does listen with care to issues raised. Speakers will receive responses, in some form, by the administration.

COURTESY OF THE FLOOR TO VISITORS

The following individuals addressed the Board of School Directors:

1. Patricia Felix –

Ms. Felix presented the board with a table of statistics that she gleaned from the National Center for Education Statistics US Department of Education Institute of Education Sciences that she accessed Friday, December 5th. She indicated that the website for the source material is shown at the top of the table. She stated that she believes that the data shown is quite timely given that they will be working on the 2010 budget within the next couple of months. She stated that what she has shown are some comparisons for

student/teacher ratios, average expenditures per student, and the NAEP test scores which are National Assessment of Education Progress for the respected states she listed in the table. She continued that she thought it would most interesting to compare the states with the highest and lowest expenditures per student, their respective student/teacher ratios to their NAEP test scores and compare them to the US averages. She commented that she naturally included Pennsylvania for obvious reasons and because there are two states which are so close in their expenditures per student she chose to include them both. She indicated that she deliberately included a column for BASD as well for comparison sake. She noted that the BASD column is blank and requested that the board fill in the blanks for each category so that they can not only compare BASD to the US average but to Pennsylvania and in particular, UTAH. She pointed out that the selected states are Utah, with the lowest expenditure per student but the highest student/teacher ratio, New Jersey, with the highest expenditure per student, and then New York State, which is a very close second in this category, and each of these two has a considerably more favorable student/teacher ratio compared to the US average. She noted that Pennsylvania falls somewhere in between as can be seen on the table. She listed the conclusions and questions that she has drawn as the following: 1. Utah spends slightly less than one third the US average per student but still exceeds the US average test scores. 2. Utah spends \$5,801 less per student than Pennsylvania and \$10,665 less per student than New Jersey which has the highest expenditure per student but still exceeds the US average test scores. 3. Are New Jersey and New York's per student expenditures which are 57% and 55% higher respectively and Pennsylvania's per student expenditures which is 15% above the average per student expenditures yielding equivalent increases against average US test scores per student? No, they are not. 4. Note that the student/teacher ratio is slightly more favorable in Pennsylvania than the US average but in Utah where the ratio is 22.1 compared to 15.5 for the US average, Utah still exceeds the US average test scores. What are BASD's comparative figures so parents and taxpayers can determine if their money is being well spent and yielding the test scores we have a right to expect? She stated that we owe it to our students to provide them with the best quality education possible. If we do not we have failed them. She noted that at current spending levels across the country it appears that there is not a direct correlation between incremental education spending and incremental school system results. She called on the BASD to find out what other successful states and school districts are doing besides increased spending that drive improved results. She claims that the district owes it to the students to replicate these successful tactics before they increase spending. She respectfully asked them to take a hard and serious look at the data and if the BASD is falling short or only just meeting US average test scores then what is the explanation for it? She recalled that she had heard in previous meetings that "it is for the children" and asked what is it exactly that they are paying for and why should they continue to increase the educational expenditures budget for little educational gain. She stated that they must support any budgetary items or increases with concrete evidence that parents and taxpayers will see, a marked improvement in our students' test scores. She reminded the board that it is the National Center for Education Statistics that choose the criteria for measurement. She asked the board if they can expect to see the BASD data before the next scheduled

board meeting.

2. Gary DeFulvio – President, Saucon Valley Rotary, Rickey Gower – Past President, Saucon Valley Rotary, Elizabeth Simmons – Saucon Valley Rotary, Adopt A Class Coordinator

Ms. Simmons stated that they are presenting Lisa Lynch – Principal, William Penn Elementary, with a certificate of adoption. She noted that they were present last year and adopted Marvine Elementary School and all the classrooms for \$100 each. She announced that they are doing the same for William Penn and that this is their second school. She presented and read the certificate. Ms. Simmons thanked Ms. Lynch for working with them so that they could adopt the classes and presented her with a check for \$1,100 for the eleven classes and a certificate. Ms. Lynch thanked the Saucon Rotary. She commented that it is a wonderful thing and the teachers are very excited and planning how they will spend the money.

President Leeson thanked the Saucon Valley Rotary on behalf of the board. She noted that they certainly appreciate their support of the classes, particularly at William Penn. She said that the money is well spent particularly now in the “budgetary tight” times. She assured the Rotary that they can easily find worthwhile places to put the money.

3. Stephen Antalics – 737 Ridge Street – Bethlehem –

Mr. Antalics noted that in his later years he has been through many Christmases and that there is nothing materially impresses him or that he needs. But he did share that he received something very moving the other day which he considered a Christmas present. He stated that on his porch he found a chair or a bench or a seat. He indicated that it was from the Broughal Middle School auditorium. He commented that it really moved him because he did not expect it. He thought it may have come from the group who are “pro-Broughal” but that was not the case which is why he decided to make this public. He said that it came from a gentleman who against his will was part of an adversarial group toward the “pro-Broughal” group. He continued that this gentleman was the project manager for D’Huy Engineering. Mr. Antalics felt that his act expressed great sensitivity because he knew how we felt. He identified the man as Steve Gardner who worked for D’Huy Engineering. He related that Mr. Gardner saw both sides of the coin but he had a job to do which he did. So when Mr. Antalics drove by today he saw a plowed over field. He stated that at least he has a memory of that because he now has a seat from the auditorium in his den. He explained that he singled him out because he really respects that kind of sensitivity to the public.

Hannah reported that despite the cold, sleet, and snow Liberty students and faculty are excited about this winter season. She noted that winter sports have gotten off to a great start with teams already showing promise for a successful season. She continued that in the Arts Department tryouts begin tomorrow for this year's musical production of *Guys and Dolls*. She reported that the Christmas concert will take place this Friday and Sunday and will feature Liberty's chorus and orchestra that will be playing a range of holiday favorites to get everyone excited for the holidays. Hannah continued that they will be holding a special concert on Friday afternoon for senior citizens who can watch the performance and then enjoy a lunch with Liberty student government. She congratulated the Grenadier band's director, Greg McGill, for being chosen to direct the United States Army All-American marching band at the 2010 United States Army All-American bowl in San Antonio, Texas on January 6, 2010. He is one of only six directors chosen throughout the entire east coast. She continued that after years of taking their orchestra in Puerto Rico the musical group La Tuna from the University of Puerto Rico visited Liberty this past Thursday to play a concert for their students in their native language and traditional costumes. She reported that the Latino Leadership club also held a Puerto Rican festival at Liberty commemorating the discovery of Puerto Rico on November 19th celebrating over 500 years of Puerto Rican heritage.

Hannah reported that as seniors begin to hear back from colleges, Liberty is very proud and excited to say that students are being accepted at fantastic schools throughout the country including acceptances to Dartmouth, Cornell and the University of Pennsylvania. She stated that they are very eager and excited to celebrate the rest of their seniors as the acceptance letters continue to pour in. She congratulated the Liberty High Scholastic Scrimmage team who won the title of Lehigh Valley Conference Champions this afternoon after defeating Central Catholic High School. She continued that they had an incredible, undefeated season.

She announced that Liberty is sponsoring this year's Student Against Destructive Decisions conference this Wednesday with over 100 students from the area attending to spread awareness about the dangers of drunk driving. She noted that with the holidays quickly approaching, Liberty is busy planning events to celebrate. Hannah reported that along with the winter concert this weekend, the LHS chorus visited St. Nicholas Greek Orthodox church to entertain the senior citizens at their Christmas celebration and will be traveling with the LHS bagpipers to elementary school and senior citizen homes to spread holiday cheer.

She announced that the Liberty student government back this year to the Spirit of the Lehigh Valley Christmas celebration at the Holiday Inn in Fogelsville to wrap gifts and serve Christmas dinner to the less fortunate members of our community. Liberty has also created over 150 holiday hope chests, is sponsoring six families through the Salvation Army, and has put together care packages for children who have to spend the holidays in the hospital. Hannah commented that they want everyone's holiday season to be filled with joy. She thanked the board and wished for everyone to have a wonderful holiday.

President Leeson called on Dhanalakshmi Thiyagarajan for the report from Freedom High School.

Dhanalakshmi began that with the winter sports season kicking off at Freedom the boys basketball team versus Wyoming Valley West was at home this past Friday and girls basketball was on Saturday at William Allen at 5:30pm. She reported that wrestling begins on December 16th versus Emmaus at 7:30pm and swimming and diving on December 16th against Dieruff at 4:00pm. She announced that the swimming and diving team is also busy with on-going fundraisers like Perkins gift cards in \$10 and \$25 amounts. Perkins Christmas pies, Jose Marin salsa, drawstring backpacks and retractable ID holders. She announced that if anyone is interested in participating in any of these fundraisers they should contact Vickie Clark at wclark3236@aol.com.

Dhanalakshmi continued to report that the FHS cheerleading competition squad performed in their second competition this past Sunday at Leigh University's Stabler Area. On January 24th, the girls will be hosting their own competition in Freedom's gym followed by the district competition on February 6th at Easton High School. She reported that to raise money for their competitions the cheerleaders are selling discount cards that offer discounts to various local eateries for one year at the low cost of \$10.

Dhanalakshmi reported that the events for the musical department include the orchestra and choir holiday concert which was performed on December 10th and 11th while this Thursday marks the day that the orchestra holiday pops concert takes place. She requested that people check out the Freedom band website for the on-going fundraisers helping band students to meet their fundraising needs for their upcoming Florida trip.

Dhanalakshmi continued by reporting that another arts organization, the highly acclaimed FHS Theater Company, received standing ovations after performing their fall show, "But Why Bump Off Barnaby", a murder mystery comedy during the weekend of November 20th.

She reported that for juniors and seniors registration for the upcoming ACT test date is available until January 5th while December 15th marks the registration deadline for the January 23rd SAT date.

She noted that on December 8th the induction of the new members of the National Honor Society took place in the FHS auditorium where officers of the society's chapter gave speeches on leadership, scholarship, character and service prior to the new members lighting candles to mark their scholastic achievements. The induction was followed by a reception for the inductees, their parents, and current honor society members.

Dhanalakshmi stated that the third marking period ended last week and report cards are to be distributed December 17th. She noted that scholarships are being offered by numerous organizations including the Hospital Center of Service Student Volunteer scholarship, KFC Colonial Scholars program and many others. Students are encouraged to visit Freedom website for more available scholarships.

She reported that juniors and seniors attended the Kutztown University joint

recruitment program last Wednesday where representatives from colleges and universities from the state of Pennsylvania had a chance to talk to students.

She further reported that the Relay for Life teen committee collected children's books for St. Luke's Hospital Pediatric unit. Texas Roadhouse is hosting a Relay for Life teen committee fundraising night tomorrow night between 4 and 10pm to help raise money for the American Cancer Society. To have 10% of your total purchase donated to the Relay for Life teen committee, please present one of the fliers posted around the school.

Dhanalakshmi reported that the Physical Education Department recently received a donation from the PTO of indoor soccer goals, pool basketball backboards, aqua goal scooters, scooter back and rescue tubes for the new FOTS class. She asked that donations be made of any used equipment including baseball gloves, basketballs, hula hoops, volleyballs, etc. to FHS Physical Education Department.

She reported that students recently enjoyed Thanksgiving break which took place from November 25th to November 30th and they are already anticipating the upcoming Christmas break which will begin on December 24th and last until January 4th. She noted that final exams will be held on January 19th and 20th.

She announced that submissions for the February/March PTO newsletter are due January 13th to the PTO and reminded all to pick up the latest edition of the Freedom Forum right before winter break. She said that it can also be viewed on the new website of FreedomForum0910.wordpress.com. She concluded by wishing everyone a great holiday.

President Leeson called for the approval of the minutes from the August 17, 2009 – Regular Board Meeting.

APPROVAL OF
REGULAR/
COMMITTEE MINUTES

President Leeson asked for a motion to accept. She acknowledged Director McKeon's motion and Director Follweiler's second. She called for all in favor to signify by saying "aye". Directors complied. She called for all opposed. Hearing none, the motion passed 8 to 0.

President Leeson noted that the items are numbered 25 and 26 on the agenda. She called for a motion to accept the financial report and payment of the bills. Director Follweiler made the motion and it was accepted by Director McKeon. President Leeson called for discussion. Director Dexter asked about the revenues which seem to be down compared to last year. She was wondering if the revenues are expected to be replenished. She thought there was possibly a delay in state funding because of the delayed budget or if there was another explanation that brings the numbers below where they were last year. Mrs. Anne Morton responded that there was a delay in receiving the state revenue. She noted that it should pick up and be on target for January and February. Director Dexter asked that when the January and February reports are prepared they should be able to compare them with those from a year ago and they should show approximately the same percentage of income received. Mrs. Morton replied affirmatively.

APPROVAL OF
FINANCIAL REPORT/
PAYMENT OF BILLS/
BUDGET TRANSFERS

Director Dexter recalled that Director Tenaglia requested a report on the

conclusion of the year that ended June 30, 2009. Mrs. Morton commented that those numbers are in this report. Director Dexter asked if there would be any other reports on how the district ended last year. Mrs. Morton replied that the audit is not complete yet so they are still waiting on the audited numbers but the June 2009 column is in the reports now. Director Dexter asked when the administration expects to receive the audit. Mrs. Morton replied that Mr. Gorman is returning later in the week to do single audit work but she is not sure exactly when the audit will be finalized.

President Leeson asked Mrs. Morton to tell the board how the district ended the year last year in June of 2009. She stated that she understood that they ended the year with a positive unaudited of about \$2 million. There was some discussion to clarify the number stated of \$2 million. Mrs. Morton stated that number was not what she was focused on but that it was the cumulative amount of almost \$3 million improvement from where they were from June 2008 to June 2009. President Leeson asked if the district entered July 2009 with about a \$500,000 deficit. Mrs. Morton confirmed this amount.

Director Dexter asked where she could find this information in the paperwork she received. Mrs. Morton replied that she would not see the \$400,000+ negative fund balance until they receive the audited numbers in the reports. Director Dexter confirmed that she is then correct that she is not missing this information but that it is not included. Mrs. Morton replied affirmatively and that she is viewing the preliminary statements from the auditor.

President Leeson requested a roll call vote on the Items 25 and 26. The question was called with roll call as follows: Yea, Directors Burkhardt, Cann, Dexter, Faccinetto, Follweiler, McKeon, Ortiz, Leeson – 8.

ROLL CALL –
ITEMS 25 & 26

The motion passed 8 – 0.

President Leeson reported that an executive session of the Board of School Directors was held this evening dealing with personnel, student discipline, and contract negotiations.

PRESIDENT'S
COMMUNICATION

President Leeson stated that she received information from Craig Deely called District at a Glance. She asked that the board secretary make copies for each person's file for Friday. She continued that it gives some information on funding from the state.

President Lesson also stated that she had the opportunity to talk with the superintendant and noted that he would be able to get the numbers to fill in Mrs. Felix's chart and that they should be able to get them for the finance meeting. Dr. Persing noted that he would have to determine the availability of the NAEP test scores. He was not certain that they are available.

President Leeson stated that all members received a list of the tentative committees. She noted that she had not heard from anyone regarding their assignments and will assume that the committees can stand as they are. She stated the Director McKeon has agreed to hold the 3-year term on the Vo-Tech committee. She noted that there are still two 2-year terms to fill and one more 3-year term. She asked Director Faccinetto which term he would like. He

responded that he would take the 3-year term. Director Ortiz agreed to accept the 2-year term. Director Amato was assigned the remaining 2-year term. Director McKeon accepted the assignment as spokesperson for the Vo-Tech. President Leeson noted that Director Amato will be asked to be spokesperson for Northampton.

President Leeson noted that many people may have been reading about the tax incentive funding in South Bethlehem. She asked their attorney to gather some information for the board and announced that there will be a proposed resolution that will be addressed in the new business portion of the meeting.

Dr. Persing reported that Cindy Leshinsky has received a prestigious award which is the John Wilson Memorial award. She will be presented this award at the Pennsylvania Council for Exceptional Children conference on Thursday evening. He noted that they are very pleased to hear of her accomplishment.

SUPERINTENDENT'S
REPORT/FEDERAL
PROGRAMS UPDATE

He continued that they have received information from the Federal Programs coordinator that contains all positive news. He reported that they have received the awards that were applied for in April 2009 and it will be a positive influence on the budget of \$1,166,875. He asked Mrs. Cintrón to confirm the accuracy of this number. She noted that the exact numbers are listed in the Federal Programs Update under the PA PAC grant. She continued that one of them is \$1,166,875 and the other is \$1,922,176. President Leeson asked if the impact on the general operating budget was between \$1.6 and \$1.7 million. Mrs. Cintrón confirmed that it is \$1.7 million.

Dr. Persing noted they had mentioned about the Title 1 stimulus grant and the Pennsylvania PAC grant. He continued to report about the Dual Enrollment program. He reported that the district has been notified that the Dual Enrollment grant has been funded in the amount of \$23,922 and that these funds will be used for the high school students to take college courses. He continued that the Safe Routes to School was notified that the grant for Calypso Elementary School was funded in the amount of \$5,000 and that the purpose of this grant is to improve the safety of students and their families on their way to school.

President Leeson recalled that they had discussed the co-curricular activities at the high schools. She asked Dr. Persing asked if they would be able to look at funds that are not GOB funds to fund those co-curricular activities. Dr. Persing responded that they could. Director Cann made a motion that the board direct Dr. Persing to find non-GOB funds and work with the high school principals to reinstitute the co-curricular activities that were earlier but on hold or cancelled. The motion was seconded by Director Burkhardt.

UNFINISHED
BUSINESS

President Leeson restated the motion – that the board directs Dr. Persing to look for funds that are not GOB funds and to work in cooperation with the high school principals to reinstate the co-curricular activities at the high school level and bring that back to the board at a curriculum meeting.

Director Follweiler asked for clarification on the instruction to find non-GOB

funds to mean grant money or donations and not money that is coming from the general taxpayer. President Leeson confirmed her statement. Director Dexter clarified that it could come from any source as long as it is not currently in the budget. Director Cann noted that the administration would bring back information on where the money would come from and how it would be used.

Director Ortiz asked if the teachers would be covered for insurance during these co-curricular activities. President Leeson responded that all the teachers are covered by the district's blanket policy when they are working with the students whether it is in the classroom or during an extra-curricular activity.

President Leeson called for a voice vote. She called for all in favor to signify by saying "aye". Directors complied. She called for all opposed. Hearing none, the motion passed 8 to 0.

President Leeson asked that the energy plan be put back on the table during a facilities meeting. Director McKeon agreed with President Leeson because what they heard was a presentation. Reading in the newspapers and being on Vo-Tech he stated that districts are already getting part of consortiums and not that they can't be part of one but they are already negotiating or beginning to utilize a consortium to negotiate lower rates and it does not seem like the district has done that yet. He stated that although they did hear a presentation from Arif at the last Facilities meeting he is unaware that the district has not begun working on this yet and he felt that this is something that should be done in earnest and get something locked down for the second half of the fiscal year.

Director Follweiler clarified that when the board refers to "out of the GOB" that means that those moneys were budgeted in the general budget and now they are going to be paying for by grant money. So when they use that phrase the public can understand that this is money that was found to subsidize programs from another source therefore that money now is in the budget to perhaps bring down the debt.

Dr. Persing noted a correction for Tracey Hirner who should have been scheduled to start in July but was originally scheduled for August. He also reported that Carol Dalrymple has declined the position and her name should be removed for consideration. He continued that there are three other names that will be pulled from the agenda. Mr. Washington outlined the items being pulled as page 17 – item #2, page 17 – item #5, page 18 – item #6, and as previously mentioned page 23 – item #5. He also noted that on page 21A is where the change in date for Tracey Hirner can be located.

RECOMMENDATIONS OF THE ADMINISTRATION

President Leeson asked if anyone would like to pull any items for discussion. Director Dexter requested that item #23 be pulled. Director Cann requested that item #24 be pulled. President Leeson asked to pull items #15 & 16.

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° Information Item Only

1. *Revised Transportation Schedule for the 2009–2010 School Year*

INFORMATION:

The student transportation schedule for the 2009–2010 school year was approved at the September 21, 2009, Regular Board Meeting. This schedule provides service to public and nonpublic students who are eligible for transportation. This schedule must be revised to include transportation to the SPARK prekindergarten program as a PA – Pact Grant has been awarded to the district. Parent notification and bus schedules will be mailed out to those parents with a date of when transportation will be starting in January 2010.

RECOMMENDATION:

That the Board of School Directors approves the revised student transportation schedule for the 2009–2010 school year which includes transportation for the SPARK prekindergarten program in which a PA-Pact Grant has been awarded to the district.

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

2. *Approval of High School Night School Program Proposal*

INFORMATION:

The administration reviewed the current High School Night School Program and developed new proposals that would make them self-sustaining programs. The proposals were reviewed with the Bethlehem Education Association and approved. The Board of School Directors reviewed the new proposals at the January 20, 2009, Board Curriculum Committee Meeting. At the January 26, 2009, Regular Board Meeting, the Board of School Directors approved the High School Night School Program for the first semester of the 2009-2010 school year.

RECOMMENDATION:

That the Board of School Directors approves the attached High School Night School Program effective for the second semester of the 2009-2010 school year.

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

High School Night School Program
Fifteen weeks, two sessions per week @ three hours per session
February 9, 2010 – May 25, 2010

Length of course

A full credit course will provide instruction on Tuesday and Thursday afternoons for a total of thirty days at three hours of instruction per day, for a total of ninety (90) hours of instruction.

A half credit course will provide instruction on Tuesdays and Thursday afternoons for a total of fifteen days at three hours of instruction per day, for a total of forty-five (45) hours of instruction.

Hours of class

Classes will meet Tuesdays and Thursday for three hours from 3:00 p.m. until 6:00 p.m.

Teacher Stipend

Faculty will be paid 90 hours at the current hourly leadership rate effective September 1, 2009 for a full credit course.

Faculty will be paid 45 hours at the current hourly leadership rate effective September 1, 2009 for a one-half credit course.

Minimum registration

A minimum of twenty-five (20) students will be required to conduct a course. A course maximum of twenty-eight (28) students will be established. A teacher may choose to teach a class with more than twenty-five (28) students on an individual basis with no increase in stipend.

Insufficient registration

Teachers will be given the option of teaching a course at a prorated reduction, if registration is below the required number.

Full Credit Courses Offered

Full credit courses will be offered in English 9, 10, 11, Algebra 1, Geometry, Algebra 2, World Cultures, U.S. History 10, U.S. History 11, Biology, Chemistry, and Physics. Depending on need the following courses may be accommodated in the ninety (90) hour format (English 12, Pre-Calculus, Mathematics Concepts, and/or Government/Economics).

One Half Credit Courses Offered

Health 9, Health 10, Physical Education 9, 10, and 11. Depending on need the following course may be accommodated in the forty-five (45) hour format (Physical Education 12).

Absences

Only two absences will be permitted in a full credit course. A late to class will be considered a one half day absence. Any total of absences and/or lates to class exceeding two will result in the student being removed from a full credit class. Tuition is non-refundable. All students must take the end of course final assessment.

Only one absence will be permitted in a one half credit course. Any total of absences and/or lates to class exceeding one will result in the students being removed from a one half credit class. Tuition is non-refundable. All students must take the end of course final assessment.

Cost

Students will be charged \$200 per full credit course. Students will be charged \$100 per half credit course. Full payment will be due at registration, no exceptions.

Financial Hardship

Cases of financial hardship will be considered on an individual basis in consultation with the high school administration.

Administration & Security

Facilitator responsibilities include conducting registration, developing the academic schedule, monitoring attendance, handling discipline situations, keeping payroll records, as well as other duties associated within the program. The facilitator will be required to work from 2:45 p.m. until 6:15 p.m. on days the program is in session, plus conduct registration prior to the beginning of the program. The facilitator will be paid \$3,500.

A monitor will be hired to provide for student safety at the pay rate applicable effective January 4, 2010, for 3.5 hours per session for 32 sessions.

High School Night School Proposed Budget

When: Tuesdays and Thursdays (February 9, 2010 – May 25, 2010)
Where: Liberty High School
Time: 3:00 PM – 6:00 PM (student)
3:00 PM – 6:00 PM (teacher)
Classes: 3:00 PM – 6:00 PM
Director: Dr. Dean M. Donaher
Coordinator: TBA
Hall Monitor: TBA
Teachers: As determined by student registration

A minimum of 15 students in a class would be necessary to cover the cost of the teacher. Additional funds would be necessary to cover the expenses listed below. Therefore a minimum of 20 students per class will be necessary to conduct a class section and we will need a minimum of 7 class sections to conduct night school.

Each teacher @ \$33 per hour for 3 hours per day for 30 days	\$2,970
Coordinator @ \$33 per hour for 3.5 hours per day for 30 days	3,500
Hall Monitor @ \$17 per hour for 3.5 hours per day for 32 days	1,904
Supplies – Postage	200
Supplies – Paper (7 cartons @ \$27 per carton)	<u>300</u>
Total	\$5,904

If the minimum 7 class sections were to be conducted the budget estimates would be:

Expenditures

7 teachers @ \$2,970 per teacher	\$20,790
1 coordinator @ \$3,500	3,500
1 hall monitor approximately \$17 / hour for 3.5 hours per day for 32 days	1,904
Supplies – Postage	<u>200</u>
Total Expenditures	\$26,394

Revenues:

$(20 \text{ students per section}) \times (7 \text{ sections}) = (140 \text{ student slots}) \times (\$200 / \text{student}) = \$28,000$

Please keep in mind:

- The number of student slots (140) would be a minimum number required to support the program. Additional students greater than 20 per class or greater than 7 sections would provide additional support.
- The hourly rate used to calculate the teacher and hall monitor salaries are estimates and not exact.

3. *Community Service Agencies*

INFORMATION:

A very important component of the Bethlehem Area School District's Community Service Program is the involvement of agencies and organizations to serve as hosts for students participating in the program. These organizations must not discriminate against any race, religion, or sex, and must provide assurances that the approved experience is free from religious doctrinal motivation. In addition, each agency must commit to provide our students with opportunities to benefit others.

As part of the Community Service Program, the Board of School Directors must approve each community service sponsor prior to students participating with the agency.

RECOMMENDATION:

That the attached community service sponsors be approved to participate in the Bethlehem Area School District's Community Service Program and be included in the Community Service Directory of Participating Organizations and Agencies.

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

Name of Agency/Organization: Bethlehem Saints Youth Organization

Address: 1001 Fire Lane, Bethlehem, PA 18015
Mail: 62 E. Spruce St., Bethlehem, PA 18018

Phone number: 484-554-5645

Contact Person: Lisa A. Brown

Email address: brownlisalb@yahoo.com

Web Site address: N/A

Number of students requested: 5-10 ***Minimum age:*** 14

Description of service opportunities: Football/Cheerleading Coaching Assistant, Press Box, Equipment Assistant, Field Chain Member, Flag Referee, Camp Assistant.

Minimum Time of Service Per Shift or Session: 1.5 hours per evening

Hours agency is open to community service students: Monday to Friday, 6:00 p.m. to 7:45 p.m. Camp hours vary during summer sessions and peak season.

Dress requirements: Casual and comfortable

Supervision provided by: Cheerleading/Football Coordinators and other Officers

Training and/or orientation: Provided at field location by Coordinators and Officers

Additional information or comments: Students are expected to be reliable and responsible, as well as, serve as role models to younger student athletes.

This agency carries liability insurance covering students on site.	(N)
This agency participates in court ordered community service activities.	(N)
This agency requires Act 34 (criminal history) clearance for employees.	(Y)
This agency conducts events/activities where alcohol is served.	(N)
(Parental Waiver is needed if alcohol is served)	

Name of Agency/Organization: FC Freedom Soccer

Address: 4405 Jasmine Drive, Bethlehem, PA 18020

Phone number: 610-954-5712

Contact Person: John Eltringham

Email address: jeltringham@hmk-ins.com

Web Site address: www.fcfreedomssoccer.com

Number of students requested: 1 per team

Minimum age: High School age

Description of service opportunities: Team Manager – Assist with management of team practices, games and activities. Assistant to Coaching Staff in practice sessions.

Minimum Time of Service Per Shift or Session: 2 hours

Hours agency is open to community service students: 2 practices per week/1 game per week. Practices are held on weekdays and games are held on weekends.

Dress requirements: Appropriate athletic wear

Supervision provided by: Coaching staff

Training and/or orientation: Familiarity with soccer

Additional information or comments:

This agency carries liability insurance covering students on site. (Y)

This agency participates in court ordered community service activities. (N)

This agency requires Act 34 (criminal history) clearance for employees. (Y)

This agency conducts events/activities where alcohol is served. (N)

(Parental Waiver is needed if alcohol is served)

4. *Student Discipline – #1004872 – Adjudication*

INFORMATION:

The Board of School Directors of the Bethlehem Area School District has received and reviewed the following information regarding misconduct by one student in violation of District Policy 233.

RECOMMENDATION:

That the Board of School Directors adopts the proposed adjudication relating to Student Number 1004872.

5. *Student Discipline - #0938912, #0947433, and #0953506 – Waivers*

INFORMATION:

The Board of School Directors of the Bethlehem Area School District has received and reviewed the following Waivers of Expulsion Hearing and Stipulation regarding misconduct by three students in violation of District Policy 233.

RECOMMENDATION:

That the Board of School Directors adopts the waivers relating to Student Numbers 0938912, 0947433, and 0953506.

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

6. *Federal/State Program Budgets***INFORMATION:**

The 2009-2010 Budget included \$16,489,853 in both revenues and expenditures for federal and state programs. Budget modifications are necessary to properly reflect the current status of funding from various federal and state organizations in the 2009-2010 Budget. The provisions of the Public School Code of 1949, Title 24, Article VI, Section 609 allow for these budget modifications required on a program basis to reflect revisions approved by the various federal and state organizations. These changes will adjust the total federal and state programs' revenues and expenditures from \$16,489,853 to \$18,985,368.

RECOMMENDATION:

That the administration be authorized to revise the federal and state program budgets as indicated on the attached schedule.

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

2009-2010 FEDERAL/STATE PROGRAM BUDGETS

<u>Program Name</u>	<u>Approved Budget</u>	<u>Amended Budget</u>	<u>Increase/ (Decrease)</u>
Classroom for the Future	246,989	0	(246,989)
Dual Enrollment	52,134	23,922	(28,212)
PA-PACT: BEF above 4.1% -Federal (BFI)	0	1,166,875	1,166,875
PA-PACT: BEF Hold Harmless (BEF up to and including 4.1% - Federal)	0	1,922,176	1,922,176
Perkins LEP	51,949	0	(51,949)
Project 720	89,901	31,016	(58,885)
Reading is Fundamental - UGI	5,247	5,466	219
Safe and Drug Free Schools	0	52,092	52,092
Title I : No Child Left Behind Act - Improving Basic Programs	3,328,862	3,083,066	(245,796)
Title II : Part A - No Child Left Behind Act : Class Size Reduction	850,410	836,394	(14,016)
TOTAL ADJUSTMENTS			<u>2,495,515</u>

APPROVED FEDERAL/STATE BUDGET REVENUES/EXPENDITURES \$16,489,853

AMENDED FEDERAL/STATE BUDGET REVENUES/EXPENDITURES \$18,985,368

7. *Inclusion Mini-Grant*

INFORMATION:

The Pennsylvania Training and Technical Assistance Network (PaTTAN) is offering the opportunity for districts that are in corrective action for their Least Restrictive Environment (LRE) percentages for students receiving special education services outside of the regular education classroom to obtain a mini grant to enable the districts to implement the activities within the corrective action plan. The grant is awarded based on the size and need of the district. This grant will be used to support staff development opportunities in the area of inclusive practices, support positive behavior supports for students with behavior issues who are receiving their education outside of the regular education classroom, purchase items to support the Summer Academy (binders, name tags), purchase items for designated schools to build resource libraries, and cover the cost of substitutes for staff development opportunities and participation in needs assessments at two schools.

RECOMMENDATION:

That the administration be authorized to submit an application for an Inclusion Mini-Grant in the amount of \$14,967.99 for the 2009-2010 school year.

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

8. *Keystone Stars Quality Improvement Grants***INFORMATION:**

Keystone STARS is Pennsylvania's program to improve the quality of early learning. It is a voluntary program that recognizes Department of Public Welfare (DPW) regulated child care providers who exceed state health and safety certification requirements. It has a quality rating system beginning with the Start with STARS level and progressing through a STAR One, Two, Three, or Four designation. Each STAR designation has its own research-based performance standards or benchmarks that are linked to improving outcomes for children.

RECOMMENDATION:

That the administration be authorized to submit 2009-2010 support applications for the following child care centers:

- o Clearview Child Care – Star 2 = \$4,725
- o Donegan Child Care – Star 2 = \$6,300
- o Hanover Child Care – Star 2 = \$4,725
- o Marvine Child Care – Star 2 = \$6,300
- o Spring Garden Child Care – Star 2 = \$4,725
- o Wm Penn Child Care – Star 2 = \$6,300
- o Governor Wolf Child Care – Star 2 = adjusted from \$9,450 to \$12,600

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

9. *Field Trip Attendance*

RECOMMENDATION:

That the following overnight student trips for students and staff be approved:

January 16-17, 2010

(30 Freedom High School Students)

Cheerleading Competition-American Championships-American Masters

Baltimore, Maryland

\$0.00

All expenses paid by the Booster Club.

January 27-29, 2010

(28 Nitschmann Middle School Students-Girls)

Sequoia Camping Trip

Pocono Summit, Pennsylvania

1,069.08

\$469.08-Secondary School Transportation

\$600.00-Substitute Cost

February 3-5, 2010

(28 Nitschmann Middle School Students-Boys)

Sequoia Camping Trip

Pocono Summit, Pennsylvania

1,069.08

\$469.08-Secondary School Transportation

\$600.00-Substitute Cost

March 27-28, 2010

(30 Freedom High School Students)

Cheerleading Competition-JAMFEST Nationals

Atlantic City, New Jersey

0.00

All expenses paid by the Booster Club

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

10. *Resignations*

RECOMMENDATION:

Administrative

1. NAME:	Katona, Mary
ASSIGNMENT:	Assistant Superintendent for Curriculum and Instruction
REASON:	Personal
EFFECTIVE:	January 4, 2010

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

10. *Resignations*

RECOMMENDATION:

Instructional

1. NAME:	Anderko, Karen
ASSIGNMENT:	Liberty, Science Teacher
REASON:	Personal
EFFECTIVE:	November 24, 2009

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

10. Resignations**RECOMMENDATION:***Noninstructional*

1. NAME: **Madison, Catherine**
ASSIGNMENT: James Buchanan, Health Assistant
REASON: Personal
EFFECTIVE: December 12, 2009
2. NAME: **Mingora, Michael**
ASSIGNMENT: Freedom, Support Technologist
REASON: Personal
EFFECTIVE: January 5, 2010
3. NAME: **Pesola, Sandra**
ASSIGNMENT: SPARK, 0-3 Secretary/Clerk, 12 months
REASON: Retirement
EFFECTIVE: April 7, 2010
4. NAME: **Reed, Roseanne**
ASSIGNMENT: Freemansburg, Teacher Assistant, General
Duty Aide
REASON: Personal
EFFECTIVE: February 26, 2010
5. NAME: **Smith, Michele**
ASSIGNMENT: Lincoln, General Kitchen Help
REASON: Retirement
EFFECTIVE: November 14, 2009
6. NAME: **Vargas, Keith**
ASSIGNMENT: Freedom, Monitor
REASON: Personal
EFFECTIVE: December 2, 2009

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

11. *Leaves of Absence*

RECOMMENDATION:

Instructional

1. NAME: **Bullard, Michelle**
 ADDRESS: Bethlehem
 ASSIGNMENT: Freedom, Mathematics Teacher
 REASON: Child Rearing Leave of Absence, continuing
 EFFECTIVE: First day of the second semester of the 2009-2010
 school year, until the end of the 2009-2010 school
 year

2. NAME: **Wagner, Erin**
 ADDRESS: Bethlehem
 ASSIGNMENT: Spring Garden, Grade 4 Teacher
 REASON: Family Medical Leave of Absence
 EFFECTIVE: December 1, 2009, until the end of the day on
 December 4, 2009

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

11. *Leaves of Absence*

RECOMMENDATION:

Noninstructional

1. NAME: **Ashner, Alyssa**
ADDRESS: Bethlehem
ASSIGNMENT: SPARK, Teacher Assistant
REASON: General Leave of Absence
EFFECTIVE: March 1, 2010, until the end of the day on June 4, 2010
2. NAME: **Bell, Donald**
ADDRESS: Bethlehem
ASSIGNMENT: Freedom, Monitor
REASON: Family Medical Leave of Absence
EFFECTIVE: October 22, 2009, until the end of the day on November 3, 2009
3. NAME: **Cope, Carolann**
ADDRESS: Bethlehem
ASSIGNMENT: Freedom, Assistant Cook
REASON: General Leave of Absence
EFFECTIVE: November 11, 2009, until the end of the day on January 29, 2010
4. NAME: **Holmes, Sharon**
ADDRESS: Bethlehem
ASSIGNMENT: Liberty, Monitor
REASON: General Leave of Absence
EFFECTIVE: September 14, 2009, until the end of the day on December 4, 2009
5. NAME: **Mendoza, Mara**
ADDRESS: Allentown
ASSIGNMENT: Donegan Family Center, 0-3 Secretary/Clerk
REASON: Family Medical Leave of Absence
EFFECTIVE: December 7, 2009, intermittently, until the end of the day on December 7, 2010

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

11. *Leaves of Absence***RECOMMENDATION:*****Noninstructional (continued)***

- | | | |
|----|-------------|---|
| 6. | NAME: | Ortiz, Juan |
| | ADDRESS: | Allentown |
| | ASSIGNMENT: | SPARK, Teacher Assistant |
| | REASON: | Family Medical Leave of Absence |
| | EFFECTIVE: | December 21, 2009, until the end of the day on
December 23, 2009 |
| | | |
| 7. | NAME: | Sames, Shirley |
| | ADDRESS: | Bethlehem |
| | ASSIGNMENT: | James Buchanan, Teacher Assistant, General Duty |
| | REASON: | General Leave of Absence |
| | EFFECTIVE: | November 10, 2009, until the end of the day on
November 20, 2009 |
| | | |
| 8. | NAME: | Tajdar, Muzda |
| | ADDRESS: | Bethlehem |
| | ASSIGNMENT: | East Hills, General Kitchen Help |
| | REASON: | General Leave of Absence |
| | EFFECTIVE: | November 17, 2009, until the end of the day on
December 4, 2009 |
| | | |
| 9. | NAME: | Transue, Jacqueline |
| | ADDRESS: | Bethlehem |
| | ASSIGNMENT: | Thomas Jefferson, General Kitchen Help |
| | REASON: | General Leave of Absence |
| | EFFECTIVE: | November 4, 2009, until the end of the day on
December 23, 2009 |

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

12. *Nominations for Appointment*

RECOMMENDATION:

Instructional

1. NAME: **Andreucci, Robert**
ADDRESS: Center Valley
COLLEGE, DEGREE: State University of New York, B.S.
DeSales University, Certification
FIRST ASSIGNMENT: Liberty, Chemistry Teacher
EXPERIENCE: 4 years, New Jersey
STATUS: Long-term Substitute
SALARY: \$43,981, prorated (Bachelor's +15, Step 5)
EFFECTIVE: November 19, 2009, terminating at the end of the first semester of the 2009-2010 school year, or upon the return of J. Schmittle

- SECOND
ASSIGNMENT: Liberty, Chemistry Teacher
STATUS: (.6) Temporary Professional Employee
(.4) Long-term Substitute
EFFECTIVE: First day of the second semester of the 2009-2010 school year, with the Long-term Substitute position terminating at the end of the 2009-2010 school year, or upon the return of J. Schmittle

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

12. *Nominations for Appointment***RECOMMENDATION:*****Noninstructional***

1. NAME: **Barnwell, Stephen**
 ADDRESS: Allentown
 ASSIGNMENT: Liberty, Support Technologist
 SALARY: \$29,256, prorated (Noninstructional Meet and Discuss,
 Category K, Step 2)
 EFFECTIVE: December 15, 2009

2. NAME: **Ford, Rory**
 ADDRESS: Bethlehem
 ASSIGNMENT: Education Center, Business Office, 0-3 Secretary/Clerk,
 12 months
 SALARY: \$14.01 per hour
 EFFECTIVE: December 15, 2009

3. NAME: **Karam, Joseph M.**
 ADDRESS: Nazareth
 ASSIGNMENT: Liberty, General Kitchen Help, 3.5 hours daily
 SALARY: \$11.60 per hour
 EFFECTIVE: December 15, 2009

4. NAME: **Langensiepen, Rosann**
 ADDRESS: Bethlehem
 ASSIGNMENT: Liberty, General Kitchen Help, 3.5 hours daily
 SALARY: \$11.60 per hour
 EFFECTIVE: December 15, 2009

5. NAME: **Reed, Roseanne**
 ADDRESS: Bethlehem
 ASSIGNMENT: Education Center, Child Accounting Office,
 0-3 Secretary/Clerk, 12 months
 SALARY: \$19.30 per hour, to be adjusted upon completion of
 Clerical/Secretarial Bargaining Agreement
 EFFECTIVE: February 26, 2010

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

12. *Nominations for Appointment***RECOMMENDATION:*****Noninstructional (continued)***

- | | | |
|-----|-------------|--|
| 6. | NAME: | Reinert, Sheila |
| | ADDRESS: | Bethlehem |
| | ASSIGNMENT: | Education Center, Business Office, 0-3 Secretary/Clerk,
12 months |
| | SALARY: \$ | 14.01 per hour, to be adjusted upon completion of
Clerical/Secretarial Bargaining Agreement |
| | EFFECTIVE: | January 4, 2010 |
| 7. | NAME: | Reyes, Virginia |
| | ADDRESS: | Bethlehem |
| | ASSIGNMENT: | Liberty, General Kitchen Help, 3.5 hours daily |
| | SALARY: | \$11.60 per hour |
| | EFFECTIVE: | December 15, 2009 |
| 8. | NAME: | Roff, Diane |
| | ADDRESS: | Hellertown |
| | ASSIGNMENT: | District-wide, (.6) Health Assistant |
| | SALARY: | \$13.72 per hour |
| | EFFECTIVE: | December 15, 2009 (pending results of drug testing) |
| 9. | NAME: | Rosado, Ivan |
| | ADDRESS: | Mertztown |
| | ASSIGNMENT: | Freedom, Monitor |
| | SALARY: | \$17,968, prorated, (Noninstructional Meet and Discuss,
Category N, Step 10) |
| | EFFECTIVE: | December 15, 2009 |
| 10. | NAME: | Sanchez, Graciela |
| | ADDRESS: | Freemansburg |
| | ASSIGNMENT: | Freedom, General Kitchen Help, 3.5 hours daily |
| | SALARY: | \$11.60 per hour |
| | EFFECTIVE: | December 15, 2009 |
| 11. | NAME: | Vasquez, Larissa |
| | ADDRESS: | Bethlehem |
| | ASSIGNMENT: | Freedom, General Kitchen Help, 3.5 hours daily |
| | SALARY: | \$11.60 per hour |
| | EFFECTIVE: | December 15, 2009 |

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

12. *Nominations for Appointment***RECOMMENDATION:*****Miscellaneous***

1. **ASPIRE Program**
(After School Programs for Instruction, Recreation, and Enrichment)
Helper
Broughal Middle School
Knoble, Denise
SALARY: \$7.25 per hour

2. **Coaches**
Freedom High School
Wrestling

Assistant Coach	Ackerman, Jared (.5)	New	\$2,025.00
Assistant Coach	Zito, Michael (.5)	New	2,025.00

3. **Consultant for Curriculum and Instruction**
Barilla, Margaret
SALARY: \$500.00 per day
EFFECTIVE: January 4, 2010

4. **Extracurricular Activity Advisors**
Donegan Elementary School

Leadership Club	Kalamar, Pamela	357.00
Newsletter	Schwarzbach, Lorie	322.00
School Incentives	Zahm, Sonia	322.00

Marvine Elementary School

Student Council	McKinnon, Stephanie (.5)	167.50
	Sikler, Deborah (.5)	178.50

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

12. *Nominations for Appointment*

RECOMMENDATION:

Substitutes

Instructional

Brunstetter, Kirk, Jr.
Easton

Maghbouleh, Marjan
Bethlehem

Doll, Deborah
Bethlehem

McCubrey, Melinda
Bethlehem

Dorney, Nicole
Whitehall

Medei, Nicole
Bethlehem

Kocon, Diana
Bethlehem

Simmons, Sahar
Bethlehem

Lang, Stacey
Bethlehem

Turner, Lisa
Schnecksville

Lynch, Shawn
Bethlehem

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

12. *Nominations for Appointment***RECOMMENDATION:*****Substitutes******Noninstructional***

Barrios, Villi
Bethlehem

Paul, Daniel
Bethlehem

Diaz-Busquets, Noel
Bethlehem

Schaeffer, Regina
Bethlehem

Frye, Jan Robert
Bethlehem

Seier, Patricia
Bethlehem

Humbert, Juliana
Bethlehem

Vasquez, Rosa
Bethlehem

Lamonica, Christina
Easton

Vazquez, Angel
Bethlehem

Laubach, Mary Ellen
Bethlehem

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

13. *Reassignments*

RECOMMENDATION:

Administrative

- | | | |
|----|-------------|---------------------------------|
| 1. | NAME: | Hirner, Tracey |
| | ASSIGNMENT: | East Hills, Assistant Principal |
| | FROM: | August 8, 2009 |
| | TO: | July 8, 2009 |
| | REASON: | Change in effective date |

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

13. *Reassignments*

RECOMMENDATION:

Instructional

1. NAME: **Deater, Anthony**
 FROM: Freedom, Social Studies Teacher, (.3) Temporary
 Professional Employee/(.7) Long-term Substitute
 TO: Liberty, 1.0 Social Studies Teacher
 STATUS: Temporary Professional Employee
 SALARY: \$41,100, prorated (Bachelor's, Step 2)
 REASON: Change in assignment
 EFFECTIVE: January 25, 2010

2. NAME: **Randall, Lynn**
 FROM: District-wide, (.6) School Nurse
 TO: District-wide, 1.0 School Nurse
 STATUS: Temporary Professional Employee
 SALARY: \$41,900 (Bachelor's +15, Step 1)
 REASON: Successful Candidate
 EFFECTIVE: January 16, 2010

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

13. Reassignments**RECOMMENDATION:***Noninstructional*

1. NAME: **Berardinucci, Deborah**
 FROM: Freedom, General Kitchen Help, 3.5 hours daily
 TO: Freedom, General Kitchen Help, 3.75 hours daily
 SALARY: \$12.28 per hour
 REASON: Successful Candidate
 EFFECTIVE: December 15, 2009

2. NAME: **Cavanaugh, Carleen**
 FROM: Liberty, General Kitchen Help, 5 hours daily
 TO: Liberty, General Kitchen Help, Lunch, 5 hours
 daily/Liberty, General Kitchen Help, Breakfast,
 1 hour daily
 SALARY: \$12.28 per hour
 REASON: Successful Candidate
 EFFECTIVE: December 15, 2009

3. NAME: **Csrenko, Joseph**
 FROM: Liberty, C-1 Custodian
 TO: Donegan, C-2 Custodian
 SALARY: \$20.59 per hour
 REASON: Successful Candidate
 EFFECTIVE: December 15, 2009

4. NAME: **Czahour, Irene**
 FROM: Farmersville, General Kitchen Help, 3.25 hours daily
 TO: Freemansburg, General Kitchen Help, 3.75 hours daily
 SALARY: \$12.28 per hour
 REASON: Successful Candidate
 EFFECTIVE: December 15, 2009

5. NAME: **Dalrymple, Carol**
 FROM: Freedom, General Kitchen Help, 3.5 hours daily
 TO: Freedom, General Kitchen Help, Lunch, 3.5 hours
 daily/Governor Wolf, General Kitchen Help,
 Breakfast, 1.5 hours daily
 SALARY: \$12.28 per hour
 REASON: Successful Candidate
 EFFECTIVE: December 15, 2009

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

13. Reassignments**RECOMMENDATION:***Noninstructional (continued)*

- | | | |
|----|------------|--|
| 6. | NAME: | DeLuca, Maria |
| | FROM: | Liberty, General Kitchen Help, 3.5 hours daily |
| | TO: | Governor Wolf, General Kitchen Help, 3 hours daily |
| | SALARY: | \$11.60 per hour |
| | REASON: | Successful Candidate |
| | EFFECTIVE: | December 15, 2009 |
| | | |
| 7. | NAME: | King, Donald |
| | FROM: | Marvine, (.5) Supplemental Custodian |
| | TO: | Freedom, 1.0 Supplemental Custodian |
| | SALARY: | \$9.00 per hour |
| | REASON: | Successful Candidate |
| | EFFECTIVE: | December 15, 2009 |
| | | |
| 8. | NAME: | Mattox, Sharon |
| | FROM: | Freedom, General Kitchen Help, 4.5 hours daily |
| | TO: | Freedom, General Kitchen Help, Lunch, 4.5 hours daily/East Hills, General Kitchen Help, Breakfast, .5 hour daily |
| | SALARY: | \$12.28 per hour |
| | REASON: | Successful Candidate |
| | EFFECTIVE: | December 15, 2009 |
| | | |
| 9. | NAME: | Rupert, Gwynn |
| | FROM: | Clearview, General Kitchen Help, 3 hours daily |
| | TO: | Donegan, General Kitchen Help, 3.25 hours daily |
| | SALARY: | \$11.60 per hour |
| | REASON: | Successful Candidate |
| | EFFECTIVE: | December 15, 2009 |

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

13. Reassignments**RECOMMENDATION:***Noninstructional (continued)*

- | | | |
|-----|------------|--|
| 10. | NAME: | Velez, Brenda |
| | FROM: | Broughal, General Kitchen Help, 4.5 hours daily |
| | TO: | Broughal, General Kitchen Help, Lunch, 4.5 hours daily/Thomas Jefferson, General Kitchen Help, Breakfast, 1 hour daily |
| | SALARY: | \$12.28 per hour |
| | REASON: | Successful Candidate |
| | EFFECTIVE: | December 15, 2009 |
| | | |
| 11. | NAME: | Walck, Beth |
| | FROM: | Miller Heights, General Kitchen Help, 3.75 hours daily |
| | TO: | Miller Heights, General Kitchen Help, Lunch, 3.75 hours daily/Broughal, General Kitchen Help, Breakfast, 1.5 hours daily |
| | SALARY: | \$12.28 per hour |
| | REASON: | Successful Candidate |
| | EFFECTIVE: | December 15, 2009 |

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

14. *Professional Employee Status for Teachers*

RECOMMENDATION:

That the following teacher, who has completed the probationary period as defined by the Commonwealth of Pennsylvania and is properly certified, be granted a Professional Employee Contract in accordance with the State Laws of Pennsylvania:

EFFECTIVE: December 12, 2009

Harakal, Charles Freedom, Mathematics Teacher

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

15. *Acceptance of Arbitrage Rebate Compliance Service Proposal***INFORMATION:**

The Internal Revenue Service requires that an arbitrage rebate calculation be performed once the proceeds of a tax exempt issue have been expended. The Bond Series of 2007 proceeds have been fully expended and the arbitrage rebate calculation needs to be performed. The PFM Group has sufficient experience to perform this task and was asked to provide a proposal to complete the necessary calculation to determine if the school district received investment proceeds exceeding the IRS limit.

RECOMMENDATION:

That the Board of School Directors accepts the attached proposal and authorizes the administration to sign it and fully execute any related documents.

President Leeson asked if the District has done this in-house before. It was confirmed that this has always been taken out of house. She asked Mrs. Morton if this is calculating that they do not owe arbitrage. She was answered affirmatively. She further confirmed that this must be done with each bond issue.

Director McKeon commented that the district faced an arbitrage issue a couple of years ago. He indicated that this is PFM's statement that they should not impact the IRS arbitrage code.

The administration's recommendations 15 and 16 were considered together.



The PFM Group

Public Financial Management, Inc.
PFM Asset Management LLC
PFM Advisors

One Keystone Plaza
Suite 300
N. Front & Market Streets
Harrisburg, PA
17101-2044

717 232-2723
717 233-6073 fax
www.pfm.com

ARBITRAGE REBATE COMPLIANCE SERVICES AUTHORIZATION LETTER

November 10, 2009

Mr. Stanley J. Majewski, Jr.
Assistant to the Superintendent for Finance and Administration
Bethlehem Area School District
1516 Sycamore Street
Bethlehem, PA 18017-6099

Re: Arbitrage Rebate Compliance Services

Dear Mr. Majewski:

This letter confirms the engagement of PFM Asset Management LLC ("PFM") by the Bethlehem Area School District (the "Issuer") for the purpose of performing calculations relating to the rebate requirements contained in Section 148(f) of the Internal Revenue Code of 1986 (the "Code"). The calculations are to be performed with respect to the debt obligations listed on Exhibit A hereto (the "Bonds"), applying applicable federal tax rules. The Issuer acknowledges that it is engaging PFM hereunder in connection with the performance by PFM of only those services specifically set forth below.

PFM will calculate the amount of rebate liability with respect to the Bonds as of the end of each bond year (or other appropriate period) and as of the final maturity or redemption of the Bonds (each such date herein referred to as a "Calculation Date") applying regulations of the United States Department of the Treasury in effect on such Calculation Date. PFM will provide the following services (i) calculation of the amount of rebate liability with respect to the Bonds as of each Calculation Date, and (ii) delivery of schedules reflecting such rebate liability calculation and the assumptions involved.

The Issuer undertakes to provide or cause to be provided to PFM all relevant data, as requested from time to time, with respect to each Calculation Date within 15 days after such date and the Issuer agrees to cooperate with all reasonable requests in connection herewith. This information will be necessary to identify the amount of "gross proceeds" (as that term is used in the Code) of the Bonds subject to the rebate requirement, investment income thereon and applicable yields on the Bonds and on such investments in order to calculate the rebate liability of the Issuer with respect to the Bonds as of the Calculation Date. PFM is not being engaged to duplicate work performed by the prior Rebate Calculation Agent, if any, independently determine whether there were "prohibited payments" or "imputed receipts" within the meaning of Treasury Regulations or to perform an audit or review of the investments acquired with gross proceeds or the payment of debt service on the Bonds, and PFM will be entitled to rely entirely on information provided by the Issuer without independent verification. PFM is also not being engaged to audit or review the tax exempt status of interest on the Bonds or any other aspect of the Bond program except for rebate liability to the extent set forth in this engagement letter, and shall be under no obligation to consider any information obtained by them pursuant to this engagement for any purpose other than determining such rebate liability. PFM shall not have any obligation to update any report delivered hereunder because of events occurring, changes in regulations, or data or information received, subsequent to the date of delivery of such report.

The Issuer shall pay PFM \$5,000 to prepare an arbitrage rebate calculation with respect to the Bonds. Calculation Date fees are due upon delivery of each calculation.

This engagement is terminable in its entirety by either party hereto upon thirty (30) days' written notice to the other party. If PFM terminates the engagement prior to the initial Calculation there under, the initial set-up fee (if previously paid) shall be refunded to the Issuer.

PFM is being retained hereunder only to perform the services specified above. However, the Issuer may request PFM to advise the Issuer on matters not covered by such services. Should PFM undertake to provide such advice they will only do so only if specifically requested in writing by the Issuer for a separate fee based on a separate agreement.

PFM may rely upon the advice of counsel, who may be counsel to the Issuer, and upon statements of accountants, brokers and other persons believed by it in good faith to be experts in the matters upon which they are consulted. The Issuer agrees to indemnify, defend, and hold harmless PFM and its officers, directors, employees, agents, successors, and assigns from any and all losses, liabilities, damages and claims, and all related costs and expenses, including attorneys' fees and costs of investigation, litigation, settlement, judgment, interest and penalties arising from or in connection with any claim made against PFM in connection with its performance of the services to be provided by it pursuant hereto, unless arising primarily from PFM's negligence or willful misconduct.

Additional Issues may be added, from time to time, to Schedule A hereto by written notice from the Issuer to PFM, and the fees herein shall apply unless other fees are agreed to in writing.

If this engagement letter is satisfactory, please have an authorized official acknowledge below and return one copy to the undersigned.

Very truly yours,

PFM Asset Management LLC



David Reeser
Managing Director

Accepted:

Bethlehem Area School District

By: _____

Title: _____

Date: _____

EXHIBIT A

Description

1. \$55,000,000 General Obligation Bonds, Series of 2007

16. *Acceptance of Summit Management and Realty Company Agreement to Market and Sell 1815 Main Street*

INFORMATION:

The Board of School Directors has determined that they wish to sell the school district owned property located at 1815 Main Street (Monocacy Building). Subsequent to the unsuccessful attempt to sell the property through the sealed bid process they directed the administration to seek a realtor to market and sell this property. NAI Summit Management and Realty Company was contacted and has provided an Exclusive Agreement to Sell contract.

RECOMMENDATION:

The Board of School Directors accepts the attached proposal and authorizes the administration to sign it and fully execute any related documents.

President Leeson confirmed that Summit Management has a percentage rate of 6% and asked if there was no one else with a lower percentage rate to sell the building. Mrs. Morton responded that apparently there was no one. President Leeson stated that it seems to be a little bit on the high side. Mrs. Morton offered to provide the information on the other companies that were contacted to the board but that this company was the best they had found.

The administration's recommendations 15 and 16 were considered together.

EXCLUSIVE AGREEMENT TO SELL

This agreement, between the **Bethlehem Area School District**.(Owner) and NAI **Summit, 3435 Winchester Road, Suite 300, Allentown, PA, 18104**, appoints Summit Management and Realty Company to act as exclusive agent for the sale of a property located at:

NAI Summit agrees to market this property at a price acceptable to Owner.

For their services, Owner agrees to pay NAI Summit a commission of Six Percent (6%) of the total sale price. NAI Summit will actively market this property on a sale basis with other real estate agents and brokers. In the event a buyer for this property is procured through the combined efforts of any other real estate agent or broker and NAI Summit, Owner shall pay to NAI Summit a commission of Six Percent (6%) of the sale price. Commission will be due to NAI Summit at the time the property is sold, the purchase price is paid in full, and title transfers, subject to court approval. NAI Summit will be responsible for any commission with said broker. NAI Summit further acknowledges that the sale of the property must be approved by the Northampton County Court of Common Pleas, and NAI Summit shall provide to Owner, without additional charge to Owner, any appraisal or appraisals as may be required in order to submit such application for approval to the Court. NAI Summit will receive 6% commission on any monies which are paid to Buyer and become non-refundable. Payment will be due thirty days after said funds revert to seller.

This exclusive agency shall be in effect for a period Commencing on **December 15, 2009** and ending on **May 31, 2010**.

It is understood and agreed that NAI Summit is to be given the sole and exclusive privilege of displaying its "For Sale" sign on or in the vicinity of said property.

In the event said property is sold after the termination of this agreement as herein provided, which sale resulted from efforts expended by NAI Summit and providing NAI Summit had registered with Owner the name(s) of the actual purchaser within ten (10) days after the termination of this agreement, the commission provided herein shall be deemed to have been earned by NAI Summit and payment of such commission shall be made by owner forthwith provided an agreement of sale is executed by such purchaser within one hundred twenty (120) days of the termination or expiration of this agreement.

Owner agrees to disclose to NAI Summit any defect associated with the property of a zoning, environmental, liens or any other nature which Owner reasonably believes may affect the successful marketing of the property. Owner represents and warrants that it is in possession of clear title to the property and that it has no actual knowledge that there are any title issues that

would preclude settlement.

NAI Summit agrees to market said property in cooperation with other recognized real estate agents and brokers and to assist these brokers and agents in their negotiations. Owner agrees to refer all prospects for the purchase of said property to NAI Summit.

The undersigned represents that it has the legal right to enter into this Exclusive Listing Agreement for the sale of the aforementioned property.

This agreement shall be governed in accordance with the laws of the Commonwealth of Pennsylvania. It is understood that the commission and listing period have been determined as a result of negotiations between NAI Summit and the Owner.

ACCEPTED & APPROVED:

NAI Summit

BY: _____

ATTEST: _____

TITLE: _____

DATE: _____

ACCEPTED & APPROVED:

Bethlehem Area School District

BY: _____

ATTEST: _____

TITLE: _____

DATE: _____

ADDRESS: _____

TELEPHONE NO.: _____

17. *Authorization to Expend 2009 Bond Funds - Quotations for the \$5,800 - \$15,200 Cost Category*

INFORMATION:

Quotations were solicited for the Dashboard Educational Software and Hardware Component for Broughal Middle School.

The lowest responsible quotation was Lucid Design Group, 484 Lake Park Avenue, Suite 600, Oakland, California 94610 at a cost not to exceed \$6,560.

The following vendors also were contacted:

None*

*After research by district personnel, it has been ascertained that this is a proprietary item.

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

18. *Bid Award – Bids Opened November 19, 2009 – Diplomas***INFORMATION:**

Bids were received and publicly opened at noon, Thursday, November 19, 2009, for:
Diplomas

The bids have been tabulated and reviewed by the appropriate administrative and supervisory personnel. The recommendation of award is based upon the lowest responsible bidder meeting specifications. (The Tabulation of Bids is attached.)

RECOMMENDATION:

That the administration be authorized to award a three-year contract to the lowest responsible bidder meeting specifications as indicated on the attached Tabulation of Bids.

Diplomas

Herff Jones Inc.

90 Discovery Drive

Scott Township, Pennsylvania 18447

\$3.21 per unit

Cabinet Code: DE

Account Code: 10-1100617-350-000-DE-0000

Budgeted: \$25,000

Expended: - 0 -

Available: \$25,000

Cabinet Code: DE

Account Code: 10-1100617-353-000-DE-0000

Budgeted: \$20,000

Expended: - 0 -

Available: \$20,000

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

BETHLEHEM AREA SCHOOL DISTRICT
Bethlehem, Pennsylvania

Bid Opening: November 19, 2009

December 14, 2009

**TABULATION OF BIDS
FOR
DIPLOMAS**

Herff Jones, Inc.

Jostens Inc.

per unit

per unit

2009-2010 school year

\$3.21

\$5.11

2010-2011 school year

\$3.21

\$5.11

2011-2012 school year

\$3.21

\$5.11

BID AWARD

5 specifications mailed
2 bids received

19. *Bid Award – Bids Opened December 1, 2009 – Excavating Services – Unit Price Work for Sinkhole Repair, Storm, Sanitary, and Other Site Work Repairs*

INFORMATION:

Bids were received and publicly opened at noon, Tuesday, December 1, 2009, for:

Excavating Services – Unit Price Work for Sinkhole Repair,
Storm, Sanitary, and Other Site Work Repairs

Bids have been tabulated and reviewed by the appropriate administrative and supervisory personnel. The recommendation of award is based upon the lowest responsible bidder meeting specifications. (The Tabulation of Bids is attached.)

RECOMMENDATION:

That the administration be authorized to award a one-year contract to the lowest responsible bidder meeting specifications as indicated on the attached Tabulation of Bids.

Excavating Services – Unit Price Work for Sinkhole Repair,
Storm, Sanitary, and Other Site Work Repairs

Imperial Excavating & Paving, LLC
1234 South Fifth Street
Allentown, Pennsylvania 18103

Senick Inc.
1623 Freemansburg Road
Bethlehem, Pennsylvania 18020

Cabinet Code: NF
Account Code: 10-2600430-000-000-NF-0000
Budgeted: \$110,000
Expended: 21,837
Available: 88,163

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

BETHLEHEM AREA SCHOOL DISTRICT
Bethlehem, Pennsylvania

Bid Opening: December 1, 2009

December 14, 2009

**TABULATION OF BIDS
FOR
EXCAVATING SERVICES - UNIT PRICE WORK FOR SINKHOLE REPAIR,
STORM, SANITARY, AND OTHER SITE WORK REPAIRS**

	Imperial Excavating	M.D. Hobel Excavating, Inc.	Nimaris Construction, L.P.	Senick Excavating
Backhoe w/Operator	\$78 / HR	\$110 / HR	\$89 / HR	\$70 / HR
Backhoe w/Extended Reach and Operator	\$82 / HR	\$110 / HR	\$95 / HR	\$85 / HR
Medium Hydraulic Excavator Flywheel Power 148 HP to 268 HP w/ Operator	\$120 / HR	\$220 / HR	\$195 / HR	\$130 / HR
Large Hydraulic Excavator Net Flywheel Power 380 HP to 513 HP w/ Operator	\$140 / HR	\$655 / HR	\$215 / HR	NO BID
Removal and Disposal of Clean Fill Materials Off-Site	\$9 / TON	\$15 / TON	\$38 / TON	\$4 / TON
Delivery, Installation, and Compaction of Fill Brought from Off-Site (Modified Stone)	\$35 / CY \$22.50 / TON	\$45 / CY \$30 / TON	\$62 / CY \$31 / TON	\$25 / CY \$12.50 / TON
Rate for Laborer On-Site	\$36 / HR	\$55 / HR	\$34 / HR	\$40 / HR
Triaxle and Operator On-Site	\$68 / HR	\$75 / HR	\$29 / HR	\$63 / HR
Labor and Equipment for On-Site Compaction w/ Roller	\$65 / HR	\$150 / HR	\$48 / HR	\$50 / HR
Labor and Equipment for On-Site Compaction w/ Hand Held Mechanical Tamper	\$55 / HR	\$85 / HR	\$41 / HR	\$50 / HR

Labor and Equipment for On-Site Compaction w/ Walk Behind Trench Roller	\$65 / HR	\$95 / HR	\$42 / HR	\$62 / HR
Delivery and Installation of Concrete Fill 3000 PSI	\$120 / CY	\$175 / CY	\$290 / CY	\$105 / CY
Delivery and Installation of Flowable Fill 500 PSI	\$120 / CY	\$150 / CY	\$215 / CY	\$95 / CY
Final Grading and Seeding with Equipment on Site During Repairs	\$120 / HR	\$250 / HR	\$135 / HR	\$90 / HR
Pipe Replacement: Remove/replace 4" to 6" DIP w/ 2 Fittings	\$65 / LF	\$65 / LF	\$40 / LF	\$85 / LF
Pipe Replacement: Remove/Replace 6" to 8" SDR Pipe w/ 2 Fittings	\$68 / LF	\$40 / LF	\$45 / LF	\$45 / LF
Pipe Replacement: Remove/Replace 8" to 10" HDPE Pipe w/ 2 Watertight Fittings	\$70 / LF	\$45 / LF	\$51 / LF	\$34 / LF
Pipe Replacement: Remove/Replace 10" to 12" HDPE Pipe w/ 2 Watertight Fittings	\$72 / LF	\$55 / LF	\$58 / LF	\$48 / LF
Pipe Replacement: Remove/Replace 14" to 16" HDPE Pipe w/ 2 Watertight Fittings	\$76 / LF	\$65 / LF	\$71 / LF	\$52 / LF
Pipe Replacement: Remove/Replace 18" to 24" HDPE Pipe w/ 2 Watertight Fittings	\$80 / LF	\$65 / LF	\$88 / LF	\$64 / LF
Pipe Replacement: Remove/Replace 26" to 30" HDPE Pipe w/ 2 Watertight Fittings	\$90 / LF	\$75 / LF	\$89 / LF	\$80 / LF
Pipe Replacement: Remove/Replace 32" to 36" HDPE Pipe w/ 2 Watertight Fittings	\$104 / LF	\$85 / LF	\$168 / LF	\$125 / LF
Remove and Reset 36" W x 36" D Inlet Structure	\$2,250 EACH	\$925 EACH	\$3,000 EACH	\$3,000 EACH

Remove and Reset 5' Diameter Manhole 6' Deep	\$2,250 EACH	\$925 EACH	\$3,900 EACH	\$3,500 EACH
Place 5' W x 4" Thick Concrete Sidewalk	\$26 / SF	\$65 / SF	\$13 / SF	\$12 / SF
Place 6" W x 24" High Concrete Curb	\$34 / LF	\$40 / LF	\$30 / LF	\$47 / LF
Replace Blacktop Paving w/3-1/2" BCBC Base and 1-1/2" Top Course	\$8.50 / SF	\$11 / SF	\$80 / SF	\$8 / SF
Rock Removal by Mechanical Method Including Hauling Burden Off-Site	\$220 / CY	\$275 / CY	\$180 / CY	\$65 / CY
Any Additional Costs	\$400 per Mobilization	Saw Cutting: \$3.50 / LF	None	Job Foreman: \$46.00 / HR
Any Additional Costs		Air Compressor w/ hammer and labor: \$25 / HR		
Any Additional Costs		953 Truck Loader: \$157/HR		
Any Additional Costs		963 Truck Loader: \$180/HR		

BID AWARD

11 specifications mailed
4 bids received

20. *Bid Award – Bids Opened December 1, 2009 – Gasoline and Diesel Fuel***INFORMATION:**

A bid was received and publicly opened at noon, Tuesday, December 1, 2009, for:

Gasoline and Diesel Fuel

The bid has been tabulated and reviewed by the appropriate administrative and supervisory personnel. The recommendation of award is based upon the lowest responsible bidder meeting specifications. (The Tabulation of Bids is attached.)

RECOMMENDATION:

That the administration be authorized to award a one-year contract to the lowest responsible bidder meeting specifications as indicated on the attached Tabulation of Bids subject to proper execution of contract documents and performance bond as required in the bid specifications.

Gasoline and Diesel Fuel	Fluctuating Price	
Petroleum Traders Corporation 7120 Pointe Inverness Way Fort Wayne, Indiana 46804	\$+.1000 per gallon	gasoline - Maintenance
	+.0357 per gallon	diesel fuel - with winter additive – Transportation
	+.0101 per gallon	diesel fuel - without winter additive – Transportation

Cabinet Code: NT

Account Code: 10-2720626-000-000-NT-0000

Budgeted: \$513,000

Expended: 112,102

Available: 400,898

Cabinet Code: NA

Account Code: 10-2600626-055-000-NA-0000

Budgeted: \$ 25,000

Expended: 16,337

Available: 8,663

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

BETHLEHEM AREA SCHOOL DISTRICT
Bethlehem, Pennsylvania

Bid Opening: December 1, 2009

December 14, 2009

**TABULATION OF BIDS
FOR
GASOLINE AND DIESEL FUEL**

**Petroleum
Traders
Corporation**

UNLEADED GASOLINE - MAINTENANCE GARAGE

Firm price

No Bid

Fluctuating price - Net differential to posted price

+.1000

DIESEL FUEL WITH WINTER ADDITIVE - TRANSPORTATION

Firm price

No Bid

Fluctuating price - Net differential to posted price

+.0357

DIESEL FUEL WITH WINTER ADDITIVE - MAINTENANCE DEPT.

Firm price

No Bid

Fluctuating price - Net differential to posted price

No Bid

DIESEL FUEL WITH WINTER ADDITIVE - LIBERTY GENERATOR

Firm price

No Bid

Fluctuating price - Net differential to posted price

No Bid

DIESEL FUEL WITHOUT WINTER ADDITIVE - TRANSPORTATION

Firm price

No Bid

Fluctuating price - Net differential to posted price

+.0101

BID AWARD

7 specifications mailed
1 bid received

21. *Bid Award – Bids Opened December 1, 2009 – Oil, Grease, Transmission Fluid, and Gear Lube*

INFORMATION:

Bids were received and publicly opened at noon Tuesday, December 1, 2009, for:

Oil, Grease, Transmission Fluid, and Gear Lube

The bids have been tabulated and reviewed by the appropriate administrative and supervisory. The recommendation of award is based upon the lowest responsible bidder meeting specifications. (The Tabulation of Bids is attached.)

RECOMMENDATION:

That the administration be authorized to award a one-year contract to the lowest responsible bidder meeting specifications as indicated on the attached Tabulation of Bids.

Oil, Grease, Transmission Fluid, and Gear Lube

Craft Oil Corp.
837 Cherry Street
Avoca, Pennsylvania 18641

Macmillan Oil Company
1715 East Tremont Street
Allentown, Pennsylvania 18109

Cabinet Code: NT
Account Code: 10-2720624-000-000-NT-0000
Budgeted: \$12,000
Expended: 1,886
Available: 10,114

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

BETHLEHEM AREA SCHOOL DISTRICT
Bethlehem, Pennsylvania

Bid Opening: December 1, 2009

December 14, 2009

**TABULATION OF BIDS
FOR
OIL, GREASE, TRANSMISSION FLUID, AND GEAR LUBE**

	Craft Oil Corp.*	Macmillan Oil Company
15W - 40 Engine Motor Oil - per gallon	\$5.94	\$6.25
Multi-purpose Automotive Grease - per 120 lb. Non-return drum	\$183.83	\$275.00
Automotive Transmission Fluid Type F - per 55 gal. drum	No Bid	No Bid
Automotive Transmission Fluid Dexron II - per 55 gal. drum	\$330.00	\$360.00
Synthetic Transmission Fluid Dexron III - per 55 gal. drum	\$1,227.88	\$502.00
Gear Lube 85W-140 API GL-5 - per 55 gal. drum	\$372.55	\$435.00
Gear Lube, SAE50 - Fleetrite per 30 gal. drum	\$164.40	\$450.00
Prema Lube - per 420 lb. drum	No Bid	\$1,300.00

BID AWARD

5 specifications mailed

2 bids received

* bidding 16 gallon drum for SAE50 Gear Lube

22. *Bid Award – Bids Opened December 1, 2009 – Xerographic Paper – White*

INFORMATION:

Bids were received and publicly opened at noon, Tuesday, December 1, 2009, for:

Xerographic Paper – White

The bids have been tabulated and reviewed by the appropriate administrative and supervisory personnel. The recommendation of award is based upon the lowest responsible bidder meeting specifications. (The Tabulation of Bids is attached.)

RECOMMENDATION:

That the administration be authorized to award a contract to the lowest responsible bidder meeting specifications as indicated on the attached Tabulation of Bids.

Xerographic Paper – White

RIS Paper Company
1531 Boettler Road, Suite E
Uniontown, Ohio 44685

\$60,782.40

Account Code: 10-0171000-000-000-00

Xerographic Paper is inventoried and charged to building budgets as paper is requisitioned from the maintenance warehouse.

The administration's recommendations 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22 were considered together.

BETHLEHEM AREA SCHOOL DISTRICT
Bethlehem, Pennsylvania

Bid Opening: December 1, 2009

December 14, 2009

**TABULATION OF BIDS
FOR
XEROGRAPHIC PAPER – WHITE**

Cost for
2,520 Cartons
(3 Truckloads)

Paper Mart, Inc.

\$61,765.20

RIS Paper Company

\$60,782.40

Whiteman Tower

\$71,190.00

Xerox Corporation

\$63,756.00

BID AWARD

13 specifications mailed
4 bids received

23. *Quotations for the \$5,800 - \$15,200 Cost Category – Milk Coolers – Donegan, (2) Fountain Hill, and Marvine Elementary Schools*

INFORMATION:

Quotations were solicited for:

(4) Milk Coolers – Donegan, (2) Fountain Hill, Marvine Elementary Schools

The lowest responsible quotation was Sodexo Performance Interiors, 9801 Washington Boulevard, Gaithersburg, Maryland 20878, at a cost not to exceed \$7,689.

The following vendors also were contacted:

Hubert Company	\$8,571.28
Singer Equipment Company	8,698.24

Director Dexter stated that she would like to know why coolers were needed to be replaced. She asked if this was a routine replacement on a schedule versus coolers that have failed. Mr. Washington recalled that this is actually being covered by a grant called the Fresh Fruit grant from the USDA. He noted that replacing the coolers is at no cost to the district through a grant.

24. *Quotations for the \$5,800 - \$15,200 Cost Category – Water Heater – James Buchanan Elementary School*

INFORMATION:

Quotations were solicited for:

PVI 199 Stainless Steel A-PN Natural Gas 70 Gallon Platinum Condensing Hot Water Heater – James Buchanan Elementary School

The lowest responsible quotation was Weinstein Supply, 250 Hamilton Street, Allentown, Pennsylvania 18101, at a cost not to exceed \$11,940.

The following vendors also were contacted:

Allen Supply Company	\$ 11,945.00
APR Supply Company	12,150.00

Director Cann asked what the need is to make this purchase. She noted that she did not recall it being on the capital improvement list unless it is the one that there was some piece of equipment at the old Northeast that might be able to be moved to a place that needed it. She asked if anyone could recall that this was that item. Mr. Washington commented that he could not answer that question at this time. Mr. Gilliland is unable because of a family matter and was not able to be reached. President Leeson asked for information regarding this item be gathered and provided to the board members in their packets. It was further noted that the item is for information only and that no vote was to be taken.

25. *Budgetary Transfers – 2009-2010*

RECOMMENDATION:

That the administration be authorized to make budgetary transfers in the 2009-2010 General Fund Budget as set forth in the attachment.

BETHLEHEM AREA SCHOOL DISTRICT
Bethlehem, Pennsylvania

BUDGET TRANSFERS
2009-2010 SCHOOL YEAR
DECEMBER 2009

<u>FROM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
5900	Budgetary Reserve	20,000
TOTAL BUDGET TRANSFERS		<u>\$ 20,000</u>

<u>TO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
3200	Noninstructional Services - Student Activities	\$ 20,000
TOTAL BUDGET TRANSFERS		<u>\$ 20,000</u>

26. *Monthly Bills*

RECOMMENDATION:

That the bills, which have been reviewed as to correctness by the appropriate Business Office staff and verified by the treasurer, be approved for payment. A copy of the bill list is available in the Business Office of the Education Center, 1516 Sycamore Street, Bethlehem, Pennsylvania, for review.

27. *Budget Information*

INFORMATION:

Presented for information is the statement of the Condition of the Budget by major accounts.

2009-2010 REVENUES

Description	2009-2010				2008-2009	
	A	B	C	D	F	G
	Budget		Realized November 30, 2009	Unrealized \$ (B-A = C)	Unrealized % (C/ A = D)	Realized June, 2009
CURRENT REAL ESTATE	105,712,300	70,121,925	(35,590,375)	-33.67%	96,696,500	11,124,162
INTERIM REAL ESTATE	1,000,000	62,028	(937,972)	-93.80%	1,238,946	26,318
PUBLIC UTILITY REALTY	153,000	166,715	13,715	8.96%	153,055	153,055
PAYMENTS IN LIEU OF TAX	121,000	37,848	(83,152)	-68.72%	145,266	23,011
UNDISTRIBUTED TAXES	0	30,451,197	30,451,197	-	(62,511)	84,074,850
PER CAPITA TAX SECT 679	240,000	164,978	(75,022)	-31.26%	241,671	92,400
PER CAPITA TAX ACT 511	240,000	164,978	(75,022)	-31.26%	241,671	92,400
LOCAL SERVICES TAX	300,000	117,513	(182,487)	-60.83%	333,095	148,955
EARNED INCOME TAX	11,000,000	4,859,191	(6,140,809)	-55.83%	11,142,825	4,240,094
REAL ESTATE TRANSFER TAX	1,800,000	673,939	(1,126,061)	-62.56%	1,944,953	1,207,018
MERCANTILE TAX	2,100,000	205,118	(1,894,882)	-90.23%	3,493,726	1,373,577
DEL. REAL ESTATE	2,900,000	2,443,490	(456,510)	-15.74%	7,009,571	2,451,737
DEL. PER CAPITA SECT 679	60,000	50,848	(9,152)	-15.25%	53,635	30,510
DEL. LOCAL SERVICES TAX	350,000	219,923	(130,077)	-37.16%	666,818	572,248
DEL. MERCANTILE TAX					0	
TOTAL LOCAL TAX SOURCES	\$ 125,976,300	\$ 109,739,692	\$ (16,236,608)	-12.89%	\$ 123,299,222	\$ 105,610,335
INTEREST ON INVESTMENTS	850,000	59,509	(790,491)	-93.00%	862,053	345,866
DRIVER ED LAB FEES	-	50	50		16,850	6,450
RENTALS	10,000	23,988	13,988	139.88%	36,432	7,933
CONTRIBUTIONS	92,000	1,392	(90,608)	-98.49%	6,337	304
TUITION FROM PATRONS	375,000	75,055	(299,945)	-79.99%	594,507	186,754
SRVGS. / OTH LOC GOV UNITS	22,000	0	(22,000)	-100.00%	2,000	0
MISCELLANEOUS REVENUE	150,000	11,047	(138,953)	-92.64%	30,786	18,587
REFUNDS FROM PRIOR YEAR EXP		1,316				3,956
TOTAL OTHER LOCAL SOURCES	\$ 1,499,000	\$ 172,357	\$ (1,327,959)	-88.59%	\$ 1,548,964	\$ 569,851
TOTAL LOCAL SOURCES	\$ 127,475,300	\$ 109,912,049	\$ (17,564,567)	-13.78%	\$ 124,848,186	\$ 106,180,186

2009-2010 REVENUES

Description	2009-2010				2008-2009	
	A	B	C	D	F	G
	Budget	Realized November 30, 2009	Unrealized \$ (B-A = C)	Unrealized % (C/A = D)	Realized June, 2009	Realized November, 2008
BASIC INSTRUCTIONAL SUBSIDY	28,075,451	7,052,200	(21,023,251)	-74.88%	22,945,328	6,926,734
CHARTER SCHOOLS	1,378,200	540,800	(837,400)	-60.76%	1,463,457	446,632
TUITION : ORPHANS/CHILDREN	350,000	-	(350,000)	-100.00%	420,565	
HOMEBOUND INSTRUCTION						
VOCATIONAL EDUCATION	185,000	34,782	(150,218)	-81.20%	114,299	56,816
DRIVER EDUCATION	10,605		(10,605)	-100.00%	9,765	
MIGRATORY CHILDREN	3,520		(3,520)	-100.00%	2,320	
SPECIAL EDUCATION	6,536,961	2,941,524	(3,595,437)	-55.00%	6,559,042	2,942,364
TRANSPORTATION	2,268,600	461,212	(1,807,388)	-79.67%	2,323,714	434,403
RENTALS AND SINKING FUND	1,550,000		(1,550,000)	-100.00%	287,679	179,546
HEALTH SERVICES	400,000		(400,000)	-100.00%	372,677	372,677
PROPERTY TAX RED. ALLOCATION	4,733,333	4,733,333	(0)	0.00%	4,720,061	4,720,061
SOCIAL SECURITY	3,249,078	880,634	(2,368,444)	-72.90%	3,001,200	1,655,154
PSERS - PENSION CONTRIBUTION	2,030,142	1,235,577	(794,565)	-39.14%	2,660,533	1,038,091
IMPACT AID	50,000		(50,000)	-100.00%	88,380	
TOTAL STATE & FEDERAL SOURCES	\$ 50,820,890	\$ 17,880,062	\$ (32,940,828)	-64.82%	\$ 44,969,019	\$ 18,772,478
PROCEEDS FROM EXTENDED TERM FINANCING						
INTERFUND TRANSFERS	275,000		(275,000)	-100.00%	250,000	125,000
SALE OF FIXED ASSETS	92,000	81,447	(10,553)	-11.47%	10,470	10,470
INSURANCE RECOVERY		7,944	7,944			
TOTAL OTHER SOURCES	\$ 367,000	\$ 89,391	\$ (277,609)	-75.64%	\$ 260,470	\$ 135,470
TOTAL REVENUE	\$ 178,663,190	\$ 127,881,503	\$ (50,783,004)	-28.42%	\$ 170,077,675	\$ 125,088,134
UNRESERVED FUND BALANCE						
TOTAL FUND APPROPRIATED BALANCE	\$ -	\$ -	\$ -		\$ -	\$ -
TOTAL DISTRICT REVENUE	\$ 178,663,190	\$ 127,881,503	\$ (50,783,004)	-28.42%	\$ 170,077,675	\$ 125,088,134

2009-2010 EXPENDITURES BY PROGRAM

Includes Year-To-Date November 2009 Information

PROGRAM		PROGRAM CODE	2009-2010				2008-2009		2008-2009	
			Responsible Office	A 2009-2010 APPROVED BUDGET	B 2009-2010 AMENDED BUDGET	F 2009-2010 EXPENDED BUDGET INCLUDING ENCUMBRANCES as of November, 2009	G 2008-2009 EXPENDED BUDGET INCLUDING ENCUMBRANCES as of November, 2008	H 2008-2009 EXPENDED BUDGET ACTUAL EXPENDITURES as of June, 2009		
BUILDING ALLOCATION	100	PRIN	1,375,330	1,410,330	780,012	823,793	1,204,571			
BOARD	AA	SUPT	399,050	399,050	148,250	153,818	583,978			
CABINET	AB	SUPT	1,027,005	1,027,005	437,311	435,448	1,070,301			
BUDGETARY RESERVE	AC	SUPT	2,075,377	2,075,377	0	0	0			
SUPT OFFICE-EQUIPMENT REPLACEMENT RESERVE	AD	SUPT	0	0	0	0	0			
SUPERINTENDENT'S OFFICE	AE	SUPT	149,500	149,500	8,786	23,841	76,769			
BUILDING STAFF	AF	SUPT	6,437,036	6,437,036	2,390,597	2,323,436	6,236,933			
PUBLIC RELATIONS	AN	SUPT	29,500	29,500	20,199	21,433	18,153			
STAFFING-TEACHERS	CA	HR	58,279,215	58,279,215	13,887,536	13,434,361	57,907,504			
CHILD ACCOUNTING DEPARTMENT	CD	HR	246,384	246,384	101,700	81,586	221,789			
STAFFING-TEACHER ASSISTANTS	CE	HR	2,877,483	2,877,483	698,742	717,027	2,598,635			
STAFFING-SUBSTITUTES	CG	HR	1,273,000	1,273,000	287,149	349,862	1,290,742			
HUMAN RESOURCES DEPARTMENT	CK	HR	365,239	365,239	103,765	153,793	329,523			
STUDENT ACTIVITIES	D1	C&I	127,198	127,198	23,799	104,155	282,523			
CREDIT ACQUISITION PROGRAM	D2	C&I	52,500	52,500	7,144	17,461	56,901			
CURRICULUM ENRICHMENT ACTIVITIES	D3	C&I	18,000	18,000	15,651	38,311	71,024			

2009-2010 EXPENDITURES BY PROGRAM

Includes Year-To-Date November 2009 Information

		2009-2010		2008-2009		2008-2009	
PROGRAM <u>PROGRAM CODE</u>	Responsible Office	A	B	F	G	H	
		2009-2010 APPROVED BUDGET	2009-2010 AMENDED BUDGET	2009-2010 EXPENDED BUDGET INCLUDING ENCUMBRANCES as of November, 2009	2008-2009 EXPENDED BUDGET INCLUDING ENCUMBRANCES as of November, 2008	2008-2009 EXPENDED BUDGET ACTUAL EXPENDITURES as of June, 2009	
CAREER ACADEMY/RAS/ALTERNATIVE EDUCATION	D4	C&I 278,351	278,351	15,306	178,839	711,337	
TESTING - K-12	D5	C&I 30,000	30,000	0	0	0	
ACADEMIC INTERVENTIONS	DA	C&I 100,000	100,000	419	60,159	102,010	
MUSICAL INSTRUMENT REPAIR	DD	C&I 37,000	2,000	6,014	22,403	25,649	
DEPARTMENT OF INSTRUCTION	DE	C&I 224,000	224,000	25,501	78,777	162,860	
READING SUPPORT	DF	C&I 23,500	23,500	17,814	8,362	16,166	
INSTRUCTIONAL MTLs RESERVE	DG	C&I 500,000	500,000	317,999	402,327	451,037	
EQUIPMENT REPAIR	DM	C&I 13,000	13,000	10,132	12,601	10,544	
PLANETARIUM	DO	C&I 2,444	2,444	0	0	2,498	
SUMMER SCHOOL - SECONDARY	DQ	C&I 25,000	25,000	60,266	56,584	57,668	
DRIVER EDUCATION	DS	C&I 10,000	10,000	0	0	40,290	
ASST SUPERINTENDENT FOR CUJR & INSTRUCT	DT	C&I 384,807	384,807	114,526	189,257	259,234	
INTERSCHOLASTIC ATHLETICS	DU	C&I 1,410,529	1,410,529	0	479,805	1,372,503	
INTRAMURALS	DV	C&I 18,477	18,477	1,534	15,504	46,802	
ATTENDANCE SERVICES	E4	STD SVCS 71,191	71,191	22,377	24,067	80,974	

2009-2010 EXPENDITURES BY PROGRAM

Includes Year-To-Date November 2009 Information

PROGRAM	PROGRAM CODE	Responsible Office	2009-2010		2008-2009		2008-2009
			A 2009-2010 APPROVED BUDGET	B 2009-2010 AMENDED BUDGET	F 2009-2010 EXPENDED BUDGET INCLUDING ENCUMBRANCES as of November, 2009	G 2008-2009 EXPENDED BUDGET INCLUDING ENCUMBRANCES as of November, 2008	H 2008-2009 EXPENDED BUDGET ACTUAL EXPENDITURES as of June, 2009
MINORITY AFFAIRS/GOV. PROGRAMS/GRANTS	EB	STD SVCS	29,799	29,799	10,772	10,915	26,797
SPARK - EARLY CHILDHOOD/SUMMER	EC	STD SVCS	0	0	13,426	149,167	623,433
SCHOOL RESOURCE OFFICERS	EF	STD SVCS	262,000	262,000	0	0	218,624
HOMEBOUND INSTRUCT/REGULAR ED.	EG	STD SVCS	155,000	155,000	27,120	30,869	165,337
HEALTH SERVICES - MEDICAL	EH	STD SVCS	51,480	51,480	6,243	18,693	42,186
HEALTH SERVICES - DENTAL	EJ	STD SVCS	10,364	10,364	0	707	10,033
STUDENT SERVICES	EK	STD SVCS	160,631	160,631	74,288	19,079	159,220
GUIDANCE (SUMMER)	ET	STD SVCS	35,000	35,000	31,981	33,229	39,702
ENGLISH ACQUISITION	EY	STD SVCS	236,439	236,439	70,035	95,666	241,190
BUSINESS DEPT-ACCOUNTS PAYABLE	GA	F&A	939,073	939,073	310,107	503,880	984,340
BUSINESS DEPT-ACCOUNTS RECEIVABLE	GB	F&A	1,003,687	1,003,687	331,474	296,465	-392,860
DEBT SERVICE	GC	F&A	22,791,340	22,791,340	8,957,594	12,622,235	21,704,098
EMPLOYEE BENEFITS	GD	F&A	30,646,020	30,646,020	3,426,364	2,986,127	27,461,609
INSURANCE	GE	F&A	583,500	583,500	565,345	2,824	465,024
INTERSYSTEM PAYMENTS	GF	F&A	22,712,285	22,712,285	8,406,613	13,133,291	20,478,291

2009-2010 EXPENDITURES BY PROGRAM

Includes Year-To-Date November 2009 Information

		2009-2010		2008-2009		2008-2009	
PROGRAM <u>PROGRAM</u> <u>CODE</u>	Responsible Office	A	B	F	G	H	
		2009-2010 APPROVED BUDGET	2009-2010 AMENDED BUDGET	2009-2010 EXPENDED BUDGET INCLUDING ENCUMBRANCES as of November, 2009	2008-2009 EXPENDED BUDGET INCLUDING ENCUMBRANCES as of November, 2008	2008-2009 EXPENDED BUDGET ACTUAL EXPENDITURES as of June, 2009	
PHOTOCOPIERS	GP	587,692	587,692	194,468	174,646	572,815	
SPECIAL EDUCATION	LF	445,512	445,512	212,579	270,860	623,686	
HOMEBOUND INSTRUCTION / SPECIAL ED.	LG	30,000	30,000	4,181	5,652	49,610	
MAINTENANCE / CUSTODIAL DEPARTMENT	NA	10,901,889	10,901,889	3,098,795	3,034,759	9,502,537	
MAINTENANCE DEPT - SUPPLIES	NE	490,000	490,000	262,978	260,745	480,498	
MAINTENANCE DEPT - CONTRACTED SERVICES	NF	1,023,118	1,023,118	755,487	708,367	878,056	
TRANSPORTATION DEPARTMENT	NT	4,730,292	4,730,292	1,079,803	1,801,652	4,447,763	
TECHNICAL SERVICES	TK	674,585	674,585	668,140	588,616	948,141	
INFO & COMMUNICATIONS TECHNOLOGY DEPT.	TL	1,436,858	1,436,858	1,008,160	1,476,793	1,939,366	
DATA PROCESSING DEPARTMENT	TN	866,510	866,510	458,960	397,345	789,903	
TOTALS		\$178,663,190	\$178,663,190	\$49,477,444	\$58,829,602	\$167,748,319	

Director Burkhardt moved to accept the administration's recommendations 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22. Director Follweiler seconded the motion. The question was called with roll call as follows: Yea, Directors Burkhardt, Cann, Dexter, Faccinetto, Follweiler, McKeon, and Leeson. Director Ortiz voted yea on all items except item #4. She voted no on item #4.

ROLL CALL –
RECOMMENDATIONS
1, 2, 3, 4, 5, 6, 7, 8, 9,
10, 11, 12, 13, 14, 18,
19, 20, 21, and 22

The motion passed with a vote of 8 – 0 on items 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 19, 20, 21, and 22. The motion passed with a vote of 7 – 1 on item 4.

President Leeson called for a vote on items 15 and 16. The question was called with roll call as follows: Yea, Directors Burkhardt, Cann, Dexter, Faccinetto, Follweiler, McKeon, Ortiz and Leeson.

ROLL CALL –
RECOMMENDATIONS
15 and 16

The motion passed with a vote of 8 – 0.

SUPERINTENDENT SEARCH – Director Follweiler reported that they have PA People Solutions to be the consultant in the superintendent search. She noted that they have had one executive session to discuss the personnel issue of hiring a superintendent. As the Human Resource chairman, Director Leeson will be reporting to the board and the public at every regular board meeting. She continued that she will be reporting during the Human Resource committee meeting. She noted that she will report more often if necessary. She said that each time she gives a report she will also give it to the administration to be posted on the district website probably within a day or two of her giving the verbal and written report to the board.

**COMMITTEE
REPORTS**

Director Follweiler continued to read the first report that was posted on the website as of December 1st.

“The board has approved the hire of PA People Solutions as our consultant to help in the process of searching for a new superintendent. PA People Solutions will be meeting with our stakeholders throughout December and January to compile input on desired traits of the superintendent. The consultants are beginning to contact some of the school base groups and will be setting dates in January for the general community input.”

To keep clear communication, Director Follweiler will be preparing this report. She noted that this is what was posted on the website. She continued with tonight's report. She noted that the meetings with the school base groups, the people who work within the school district, have begun. She stated that PA People Solutions worked very diligently and they received assistance from the superintendent's team in the office to help set these groups up. She continued that they have begun within the month of December. She stated that they are looking for community volunteers to act in the community group. She continued that 20 – 25 volunteers would become available to sign up and attend one of two sessions that are scheduled for the public. She noted that if they have more volunteers wishing to register they will add another session. She commented that the group size of 20 – 25 members was suggested by the consultants as a very good workable group and continued that this meeting would be more of a roundtable-type discussion where they consultants will have questions and the community people will be able to speak freely and frankly with the consultants.

She announced that any individual interested in participating in the group or any representatives of community groups that are interested in involvement should go to the website where they can sign up. She continued that people will need to be a resident of the school district which is the only requirement. They will need to supply their name, phone number and address and if they are there as a representative of another group, they would need to indicate they group. She noted that the sessions are scheduled for January 7th at the Education Center and January 11th at Broughal Middle School. Both sessions will begin at 6:30pm and last approximately 2 hours depending on how the discussion is going within the group. She reiterated that the meetings are to be between the consultants and the volunteers, no board members or members of the administration will be in attendance at these meetings. She noted that it is something that the board wants the community to be able to freely speak to the consultants on their concerns that they have for the desired traits for a superintendent. She offered contact information and hard copies if anyone would like to take them tonight and they should see Barbara Clymer who has volunteered to take the names and phone numbers and addresses of people who are interested within the school district but this can also be done via the website.

She continued that in addition to that the board will be meeting with PA People Solutions on December 21st for an executive session. She noted that their solicitor has reviewed the agenda and has agreed that the sensitiveness of the issues that will be discussed that evening are personnel issues and do warrant executive session.

Director Follweiler offered a very brief timeline that has been outlined by the consultants is that they will be interviewing in December and January. They will start to advertize for the superintendent in the January – February timeframe. Continuing she stated that they will look for hopeful candidates and begin interviews in the February – March timeframe. Hopefully they will find a successful candidate around April and hope to have a new superintendent by July. She noted that this is a very loose timeline because they have to see how everything goes once the consultants get rolling.

Director Follweiler restated that she will be giving an update report during the January Human Resource committee meeting. President Leeson questioned the timeline from the consultants and was concerned that they might not be on that timeline. Director Follweiler stated that the consultant provided her with an email containing a very vague timeline and that this is the “expected” timeline, not hard and fast. President Leeson stated that she did not want anyone to expect that the process may be going exactly according to that schedule because she knows that as they progress things could happen. Director Follweiler reassured that she agrees with President Leeson and that this is flexible and everything is subject to change depending on what input they get from applicants, advertisements, anything can affect the timeline. She noted that this is a general target.

COLONIAL INTERMEDIATE UNIT 20 – Director Dexter reported that the IU met on December 9th and the main item on the agenda was discussion of the proposed 2010-11 general operating budget. She noted the budget proposal highlights are an increase to the 13 school districts with an increase of \$1,673.52 for the Bethlehem Area School District. She further noted that some districts will

pay less but that the amount is determined by the size of each district and their utilization, etc. She continued that some of the items that are driving the increase contain the administrative salaries that are budgeted as a 3.6% increase, support staff salaries and other salary increases by contract, a retirement budget at an 8.4% and a few other changes like an anticipated budgetary reserve decrease because this year they have used some of the budgetary reserve and the legal services were budgeted at a 4% increase. She continued that there was very little discussion about the budget and that most of the members who represent the 13 districts felt that the increase was reasonable and rather modest in light of a number of things that have taken place in the economy that includes increase electrical costs, increase in healthcare cost, increase in salaries per contracts that have been long negotiated, etc.

BETHLEHEM AREA VOCATIONAL-TECHNICAL SCHOOL – Direct McKeon reported that they met on Tuesday, December 1st. He noted that one meeting was the board reorganization and that Mrs. Sharon Stack is the president of the board and Mr. Gogel from Northampton School District is vice-president of the board this year. He continued that they had a very interesting discussion on the learning walks.

NORTHAMPTON COMMUNITY COLLEGE BOARD OF TRUSTEES– President Leeson reported that the college agreed to an early bird settlement. She stated that the early bird settlement includes an approximately 3.9% increase each year for the next three years. She noted that everyone agreed to it except for the Bethlehem representatives. She noted that all of the representatives felt that they had an obligation to Bethlehem, not agree to that high of an increase because of the financial concerns in Bethlehem as well the overall economy in the community. She further noted that all four members were the only ones who voted against it.

BETHLEHEM PARKS AND RECREATION COMMISSION – President Leeson reported that they met on November 19th. She noted that the ice rink is now open, basketball teams are in full swing with one division of 13 teams that plays at Broughal, and Music in the Park continues throughout the holiday season with strolling musicians down Main Street. She noted that there is a pad near Clearview Elementary School where the city will be placing a pavilion which would probably be a nice addition in the spring time. She reported that there was a breach in the canal in Allentown between the state hospital and the canal park because of an uprooted tree resulting in the canal being dry. A member present stated that it is no longer dry in spite of the anticipated repair date being some time in January.

President Leeson brought the item of the Tax Incentive Financing as an item for new business. She reported that earlier this evening the board received a copy of a proposed resolution. She summarized the resolution to give the background on the Tax Incentive Financing and read the last paragraph as follows:

“Now therefore, be it resolved that the Bethlehem Area School District requests the City of Bethlehem and the Redevelopment Authority of the City of Bethlehem to postpone further construction with TIF funds and the closing of any contemplated bond issue so that the taxing authorities have the opportunity to review and discuss the use of the incremental tax funds.”

Director McKeon asked if the area in question is in the area of the casino development. It was confirmed that it is in the casino area and adjacent areas. He asked why this has to come before the district and other taxing authorities again since it had been agreed to a number of years ago. President Leeson responded that there is some question as to how the funds are being used. She continued that they board is not sure at this time and is asking to have the opportunity to review it before everything moves forward but that there is an understanding at this point that they may be looking at building a visitor's center and a band shell. She recalled that a band shell was just torn down on the Moravian property. She added that there are questions as to whether the purpose of the TIF is for items like that. She continued that it is really an opportunity to review it. She noted that they are not sure what information is fact at this point and they would like to find out what is fact. She stated that before something takes places the three taxing entities have an opportunity to review it.

Director Burkhardt noted that he understands that Northampton County has made a similar request. He asked if the City of Bethlehem is going to make a similar request. President Leeson noted that it is the City of Bethlehem that is moving forward with these proposals so she thinks that it is the County and the School District who are asking to review what the City is doing. Director Burkhardt asked if this resolution has any power. President Leeson responded that it is a request.

Mr. Spry added that he was asked by the president to draft this for the board's consideration but noted that this is a tax incremental financing plan and essentially ten years ago this plan was executed for a 20 year period of time. It stated that the taxes at that time the district would continue to receive but any increase taxes for that 20 year period would be paid for infrastructure. He noted that the County has raised questions that at the time that the plan was adopted there were thoughts of a museum and some other entities going into that brown field however, since then the casino has gone in and paid for its own infrastructure. He noted that the question has been raised as to whether the continued funds in the infrastructure is consistent with the original agreement. He stated that this is what the County has asserted. He noted that there is a meeting scheduled on December 18th between the City, the County and himself representing the school district. He noted that the County has actually authorized a preliminary injunction to prevent a bond issue which was contemplated. He explained that the Redevelopment Authority floats a bond that is used to pay for the infrastructure and then the bond payments are made by this incremental tax revenue. He stated that this resolution has no binding effect but that the County has authorized its solicitor to file a preliminary injunction to prevent anything

more from happening until there is an opportunity to discuss it.

President Leeson stated that the board has the opportunity to instruct the solicitor to file an injunction but noted that this is at least a first step. Director Follweiler asked if the board votes on the resolution and the City rejects it would their next step be to file an injunction. Mr. Spry responded that if the County files an injunction the district would not have to because if the injunction were granted by the court it would stop any one of the three parties from continuing. Director Follweiler asked how infrastructure is defined. Mr. Spry responded that this will be discussed at the meeting on December 18th. Director Follweiler confirmed that the resolution is in accordance with what Mr. Spry is doing at that meeting. Mr. Spry replied affirmatively and added that the solicitors for Northampton County Council, Northampton County administration and the school district and the City and the Redevelopment Authority are all meeting with the Philadelphia law firm that originally set up the plan. He indicated that they are supposed to be getting answers at this meeting that will be brought back to the respective taxing bodies.

Director Follweiler stated that her concern is that there are 10 more years left into the TIF and would the bonds that they are discussing right now increase or decrease their chance of revenue. Mr. Spry indicated that they don't know all the answers yet but if this bond is issued the plan continues for another 10 years and the bond payments would be paid from the incremental taxes. He continued that what the County has asked is that a preliminary injunction be entered by the court to prevent the bond from being issued until there is a chance to discuss these issues. He advised that he does not feel it necessary for the school board to also spend the money for a preliminary injunction because if an injunction is issued it is going to be binding against the City and the Redevelopment Authority.

President Leeson asked if the bond issue that they are currently looking at is going to be a 10 year bond issue. Mr. Spry responded that he does not know. President Leeson stated that she had been hearing that it might be a 20 year bond issue with only 10 years of funding. Mr. Spry stated that is why they are meeting.

Director Burkhardt commented that if this is publicly funded bond issue for the kind of things being discussed is it not reasonable to assume that those will be tax exempt. He continued stating that if they are going to build buildings that are for the betterment of the community often times that stuff is tax exempt so they are using some of that land and have it never return tax money possibly. Mr. Spry commented that all of these questions will be on the table and that they really don't know.

President Leeson stated that one of her concerns is that the incremental tax at the Sands casino could be in the range of \$4 million, the heavy half of that is the school districts and it seems kind of odd if they are having to cut programs while a band shell is being built. She commented that it does not seem to make sense within our community either so they really need to get a better feel for what is happening with the TIF.

Director Cann asked why the resolution is only asking to postpone until there has been discussion and not until they have the approval of the other entities. President Leeson responded that there is a possibility that they don't need the

districts approval and they don't know that at this point. Mr. Spry responded that if in fact they are in compliance with the original plan then the district is bound by contract and the City would not need the districts approval. He continued that part of what the real questions is whether or not the plan contemplates what has occurred which is the casino and whether or not these additional funds generated by the casino and what is already there should be utilized for additional infrastructure. He continued that if it is ultimately determined that that is part of the plan then he believes that all taxing authorities are bound by the plan so they don't need the districts continued approval. Director Cann noted that they would then not need to hold off pending discussion either. Mr. Spry added that is true and that since the County has already authorized a request for a preliminary injunction which of course the court may or may not grant but since the County has already authorized that he does not think that the school board has to go any further than this resolution.

Director Burkhardt moved the resolution. Director Ortiz seconded the motion. The question was called with roll call as follows: Yea, Directors Burkhardt, Cann, Dexter, Faccinetto, Follweiler, McKeon, Ortiz and Leeson.

ROLL CALL –
RESOLUTION

The motion passed 8 – 0.

Director Follweiler commented that President Leeson had distributed a letter to the board from someone wanting the board to look into the assessment at the casinos. She asked what action by the board was appropriate concerning the letter. President Leeson commented that she believed that it was basically the same issue as the TIF. Director Follweiler concurred but wanted to acknowledge receipt of the letter.

Director Dexter commented that in response to President Leeson's comment about cutting music programs and building a band shell that to her recollection there has been no decision on any budget cuts. President Lesson responded that there has been no decision on any cuts.

Director Dexter requested that Dr. Persing address the Race to the Top. She recalled that when she was at the IU meeting this week they were informed that on Friday of this week there was a deadline. Any school district that was going to be possibly interested in participating in the Race to the Top funds should send a letter of intent by this Friday. She asked for the status of that and what is the next round of deadline by which they are told that the board and the union and the superintendent all must sign the document indicating they support the program that requires certain criteria to be met for participation in Race to the Top.

Dr. Persing responded that Race to the Top is a fund that is coming from the federal government. He stated that it would appear that Pennsylvania will be in a good position to receive \$400 million as a one-time grant. He noted that there are two or three phases the first of which is that there are school districts which are called "turn around" schools, 150 of them with 31 schools. He stated that they are not part of that. He stated that the second part of which they are a part will be everything that would result in 1. He needs to sign a letter to the secretary of education stating that they are interested in becoming part of the discussion.

He said that means that there will be funds to the school districts that will be in excess of \$200 million. He noted that the state will keep somewhere between \$200 – 400 million for itself but they have been told that the amount of money released to school districts will be in excess of \$200 million. He stated that the second part is that when and if they become more serious about it as more information becomes available it will then be required that the president of the board, the president of the union and the superintendent get together and come up with a memorandum of understanding if we become part of that grant. He noted that there are many hurdles to jump over, many regulations, very tight timelines and as that progresses and they get more information they will pass it along to the community and of course through the board of school directors.

Director Follweiler returned to the item of the groups sizes requested by the consultant and noted that if each session becomes full they will move to the next step and see if they are available on more dates. She asked anyone who is interested to sign up as soon as possible and that she will have a form up on the website by Wednesday.

Director Faccinetto commented that he appreciated the time taken by other board members to meet with him and Director Ortiz to teach them how to be a school board member. He noted that it has been very informative and wanted to thank the board publicly for their time. President Leeson stated that both Director Faccinetto and Director Ortiz have been taking a great deal of their time coming up to speed and it shows. She noted that they have stepped right in already and are doing a fine job.

1. Stephen Antalics – 737 Ridge Road – Bethlehem –

COURTESY OF THE
FLOOR TO VISITORS

Mr. Antalics referred to Director Burkhardt's comment. He stated that he simplified a very complicated problem. He noted going back to step one, pre-casino way back when, Bethlehem Steel was still in business and they had a massive brown field and thought of the idea of BethWorks. Then they sold the City on a carte blanche rezoning and the carrot on the stick to developers was "Look you guys, we know it is a bad deal. You come in. We will give you a TIF. You will get a bond from us which you don't have to pay on until it is developed and once it is developed the taxes that will come from the reassessments will pay off the bond and then after 20 years you will be home free with lots of money." He stated that has changes and that Director Burkhardt is absolutely right. He noted that the casinos are already in and the City is trying to put into that area in contradiction to the original plan non-profit agencies like ArtsQuest. So once these agencies are up to speed 100% and the bond is paid off, the three agencies, the county, the city and the school district, will get zero dollars. He stated that is really the problem and they are trying to sneak this in before the end of the year. He called it dirty politics and that carrot on the stick had backfired. He stated that this will really negatively impact the school district because the district as a taxing agency will get the majority of the monies from the taxes but they won't be there.

2. Anne Morton – Assistant Director of Business Affairs –

Mrs. Morton stated that she has a concern regarding two of the employees that the board pulled from the agenda. She noted that both of the existing employees will not be in their seats come the beginning of January so that leaves her with two employees to pay in excess of 2,200 employees for the month of January until the board meets again. She asked the board if they could bring one of them back on the agenda so they can start. She noted that she is concerned and wanted it voiced out there that she wants to be able to pay all those employees come January. President Leeson noted that the agenda had already been voted and moved. Mrs. Morton stated that there was no opportunity because they were pulled after the first courtesy of the floor to voice her concern before now.

3. Marylou Hatcher – 925 Prospect Avenue – Bethlehem –

Mrs. Hatcher addressed the board regarding the report about the search firm and the focus groups. She thanked the board for their attention to in house and community focus groups in this process. She noted that she brought for the committee something that she found called “Core Principles for Public Engagement” which she thought would be a good resource. She stated that she offers it not in the spirit of trying to tell anyone else how to do their job but just in the spirit of as she has sat through a few board meetings the last year it is incredible to her how many things they need to be an expert in. She commented that she does not know how they come up to speed on all of those matters. She said that it is as a resource and she hopes that people in the community are looking for resources and passing them along to the board. She presented a few thoughts about the focus groups. She noted that they did not mention and was unsure if Spanish interpreters will be available at the focus groups so if there are not English first language folks they have an opportunity. She wondered about ways to inform people of the availability of information about signing up for a focus group. She wondered if there will be any active recruitment of volunteers into the focus groups from the community of principle stakeholders from significant community leadership like folks at universities in the education departments, United Way, Rotary that has been so involved. She commented that lots of community stakeholders have been involved with our school district and may well appreciate being invited to be part of a focus group in that way. She also wondered whether the leadership profile that the board will develop to use for a new superintendent will be presented to the community for a look before it actually goes out for some reflection and so the community knows what is the leadership profile that is going to be used before it becomes public to candidates. She also wondered what items at this stage of the game in December would make a closed door executive session necessary or whether the community couldn’t be aware of discussions about the school board’s search and what we are looking for and that be a more open door process until actual names are floated and that becomes more confidential.

4. Jim Lavery – 5105 Long Drive – Bethlehem – Concerned Citizens in Bethlehem Area School District.

Mr. Lavery stated that while he was trying to follow the proceedings at tonight's meeting there were three items that he missed. He asked for clarification on these items. The first item was directed toward Director Dexter and was concerning the meeting to which she referred. Mr. Lavery asked which meeting it was and what the nature of the increase was because he just missed it. The second item he recalled one of the motions was regarding asking the superintendent to find funds not from the GOB. He asked for clarification on if they talk about proceeds from the existing derivatives that they still have in place is that considered part of the GOB or not. The third item refers to the grant discussion. He asked to have someone restate the name of the grant.

President Leeson responded that the first item on Mr. Lavery's list was the Intermediate Unit meeting that Director Dexter was referring to. She offered additional information after the meeting. She said that the second one regarding the funds not from the GOB and that there is not any thought that they are looking at the derivatives but there will be additional discussion on that issue when the administration brings it to the board in the finance meeting. The grant discussion was on PA Pact money. She offered to discuss the list after the meeting.

President Leeson requested a motion for adjournment. Directors McKeon and Burkhardt moved to adjourn the meeting. The meeting was adjourned at 8:55p.m.

ADJOURNMENT

Attest,

Thomas K. Washington
Assistant Board Secretary

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