

MEMORANDUM

October 17, 2014

TO: BOARD OF SCHOOL DIRECTORS

FROM: STACY M. GOBER, BOARD SECRETARY

SUBJECT: REGULAR MONTHLY MEETING – October 20, 2014

The Regular Monthly Meeting of the Board of School Directors of the Bethlehem Area School District will be held on *Monday, October 20, 2014, at 7:00 p.m. in the Auditorium of East Hills Middle School, 2005 Chester Avenue, Bethlehem, PA 18017*. The agenda is attached.

SMG:bac
Attachments
pc: Dr. Roy

BETHLEHEM AREA SCHOOL DISTRICT
Bethlehem, Pennsylvania

MISSION STATEMENT

The Bethlehem Area School District, in partnership with the home and community, is committed to providing a safe and supportive environment in which each student will attain the knowledge, skills, and attitudes necessary to become a productive citizen and lifelong learner in our technologically demanding and culturally diverse society.

A G E N D A
REGULAR MEETING – October 20, 2014

1. Roll Call
2. Pledge of Allegiance
3. Silent Meditation
4. Recognition
5. Courtesy of the Floor to Visitors (30 minutes allowed)
6. Reports of Student Representatives
7. Approval of Minutes
September 22, 2014 – Regular Board Meeting
8. Approval of Committee Minutes
May 12, 2014 – Board Human Resources Committee Meeting
June 16, 2014 – Board Human Resources Committee Meeting
July 21, 2014 – Board Curriculum Committee Meeting
August 4, 2014 – Board Human Resources Committee Meeting
September 15, 2014 – Board Human Resources Committee Meeting
October 6, 2014 – Board Curriculum Committee Meeting
October 13, 2014 – Board Finance Committee Meeting
9. Financial Report/Payment of Bills
Budgetary Transfers – Page 21
Treasurer's Report –Page 22
Monthly Bills – Page 23
Budget Information – Page 24
10. President's Communication/Special Meetings
11. Superintendent's Report/Federal Program Update
12. Unfinished Business
13. Recommendations of the Administration
14. Reports of Committees

TABLE OF CONTENTS
October 20, 2014
Recommendations of the Administration

	<u>Page</u>
<u>Facilities Items</u>	
1. LEED Commissioning Request for Proposals – Nitschmann Middle School Construction Project	1
2. Additional Utility Infrastructure Relocations – Nitschmann Middle School Construction Project	2
<u>Curriculum Items</u>	
3. Integrated Student Services Contract Between the Board of School Directors of the Bethlehem Area School District and Communities in Schools Lehigh Valley	3
4. Community Service Agencies	4
5. Student Discipline	5
6. Staff Conference	6
7. Field Trips/Athletic Trips	7
<u>Finance Items</u>	
8. Adopt Resolution for Remarketing of BASD Authority Revenue Bond Series of 2010	8
9. Construction Easement and Approvals – Farmersville Elementary School – William Penn Commons Development	9
10. Settlement Agreement and Release	10
<u>Human Resources Items</u>	
11. Agreement Between Board of School Directors and Instructional Meet and Discuss Employees	11
12. PA-ETEP Addendum	12
13. Resignations	13
14. Leaves of Absence	14-15
15. Nominations	15-18
16. Reassignments	18-19
17. Professional Employee Status for Teachers	20

1. *LEED Commissioning Request for Proposals - Nitschmann Middle School Construction Project*

INFORMATION:

As part of the LEED certification requirements for the Nitschmann Middle School project, LEED commissioning and testing, adjusting and balancing of the HVAC systems is required. The costs to perform LEED commissioning and testing, adjusting and balancing services are included within the existing project budget.

Seven proposals to perform LEED Commissioning and Testing Adjusting and Balancing services for the new Nitschmann Middle School were received on October 9, 2014. Interviews were conducted with four firms.

This information was reviewed with the Board at the October 6, 2014, Facilities Committee Meeting.

RECOMMENDATION:

That the Board of School Directors authorizes the following:

- A. That the administration engages the services of The Stone House Group, 301 Broadway, Ste. 400, Bethlehem, PA 18015 to perform LEED Commissioning services (including fundamental, enhanced, and building commissioning) for the new Nitschmann Middle School. This work will be performed at a cost of \$120,000.00.
- B. That the administration engages the services of Tri-State Balancing Company, 31 S. Commerce Way, Ste. 300, Bethlehem, PA 18017 to perform Testing, Adjusting, and Balancing services for the new Nitschmann Middle School. This work will be performed at a cost of \$60,520.00.

Account Code and Name: Capital Reserve 4600-450 Construction Services
Account Balance: \$5,007,079.16

2. *Additional Utility Infrastructure Relocations - Nitschmann Middle School Construction Project*

INFORMATION:

In order to establish the main construction entrance to the Nitschmann Middle School construction site and rebuild Genoa Street sidewalks, entrances, and parking spaces for the new Nitschmann Middle School, PPL and the various utility providers must relocate utility poles and overhead wiring from the north side of Genoa Street to the south side of Genoa Street. This relocation is necessary to maintain utility services to the existing Nitschmann Middle School and adjacent neighbors during the construction project.

In September 2014, the Board approved the cost associated with PPL relocating utility poles and overhead electrical lines on Genoa Street. The additional utility infrastructure relocations are needed for Verizon, Service Electric and RCN to move and replace their infrastructure including poles and overhead wiring to the south side of Genoa Street. The costs to perform these utility infrastructure relocations are included within the existing project budget.

This information was reviewed with the Board at the October 6, 2014, Facilities Committee Meeting.

RECOMMENDATION:

That the Board of School Directors approve the utility infrastructure and wiring relocation by Verizon, Service Electric and RCN at the following not to exceed costs:

Verizon	\$60,000.00
Service Electric	\$ 6,000.00
RCN	\$ 0.00

Account Code and Name: Capital Reserve 4600-450 Construction Services
Account Balance: \$5,007,079.16

3. ***Integrated Student Services Contract Between the Board of School Directors of the Bethlehem Area School District and Communities in Schools Lehigh Valley***

INFORMATION:

Calypso Elementary is no longer a United Way Community School. The purpose of the contract is to support the partial continuance (25 hrs. a week) of student service coordination at Calypso Elementary from July 1, 2014, and ending June 30, 2015.

This item was reviewed by the Board at the October 6, 2014, Board Curriculum Committee Meeting.

RECOMMENDATION:

That the Board of School Directors approves the contract between the Board of School Directors of the Bethlehem Area School District and Communities in Schools of the Lehigh Valley to continue student service coordination at Calypso Elementary in an amount not to exceed \$3,750.00 (included in the 2014-2015 BASD Educational Programs Budget).

**Account Code and Account Title: General Fund 3300-320 Professional Education-Community School
Account Balance: \$29,410.50**

4. *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.

This information was reviewed with the Board at the October 6, 2014, Board Curriculum Committee Meeting.

RECOMMENDATION:

That the Board of School Directors approves the community service sponsors listed below 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.

Mary's Shelter/ Cay Galgon Center
West Broad Street Business Association

5. *Student Discipline*

INFORMATION:

The Board of School Directors of the Bethlehem Area School District has received and reviewed student discipline information presented to them.

RECOMMENDATION:

That the Board of School Directors adopts the following:

- A. Waivers relating to Student Numbers 1011677 and 1014937 be approved.

- | | | | |
|----|-------------|--|----------------------------|
| 1. | Stacy Gober | March 9-13, 2015 | |
| | | Pennsylvania Association of School Business | |
| | | Officials 60 th Annual Conference | |
| | | Hershey, Pennsylvania | |
| | | Prof Ed Svs | 2836-324 = \$299.00 |
| | | Travel/Conference | 2836-581 = <u>\$634.65</u> |
| | | | \$933.65 |

	Amount	Balance
Estimated Expenses:		
Registration Prof Ed Svs 2836-324 Registration Cost = \$299.00	\$299.00	\$2,353.00
Lodging, Meals, Transportation Travel/Conference 2836-581	\$634.65	\$4,459.87
Lodging = 3/nights @ \$156.51 = \$469.53		
Meals = 2/days @ \$40/day = \$80.00		
(Registration cost does not include dinners)		
Transportation = 152/miles @ \$.56/mile = \$85.12		

7. *Field Trips/Athletic Trips*

RECOMMENDATION:

Staff Attendance

1. Michael Evans October 19-21, 2014
 (2 Freedom High School Students)
 PIAA Golf States Competition
 York, Pennsylvania

Athletics – 3250-580 = \$1,463.83

Substitute Costs = \$256.00

\$1,719.83

	Amount	Balance
Estimated Expenses:		
Lodging/Transportation/Meals	\$1,463.83	\$10,038.15
Lodging = 2/nights @ \$174.40 x		
3/rooms = \$1,046.40		
Transportation = 206.14/miles @		
\$.56/mile = \$115.44		
Meals = \$20/day x 2 days x 3 = \$120.00		
\$13.33/day x 1/day x 3 = \$39.99		
Practice Round of Golf = \$142.00		
Substitute Cost = 1/substitute x 2/days x	\$256.00	
\$128/day = \$256.00		

2. Sarah Hriniak May 1-2, 2015
 Mike Wagner (190 Nitschmann Middle School Students)
 Daniel Zettlemoyer Spring Music Trip to Washington DC
 Washington, DC
 No cost to district. All costs will be fundraised.

3. Harrison Bailey February 10-14, 2016
 Allen Frank (230 Liberty High School Students)
 Kathy Halkins LHS Grenadier Band Trip to Disney World/Epcot Center
 Fred Harris Lake Buena, Florida
 Kevin Long No cost to district. All costs will be fundraised.
 Erin Michael

4. Harrison Bailey November 20-26, 2016
 Allen Frank (300 Liberty High School Students)
 Fred Harris LHS Grenadier Band Trip to Waikiki Holiday Parade and
 Gayle Justice 75th Anniversary of Pearl Harbor
 Kevin Long Waikiki, Oahu, Hawaii

8. *Adopt Resolution for Remarketing of BASD Authority Revenue Bond Series of 2010*

INFORMATION:

At the September 15, 2014, Board Finance Committee Meeting, Mr. Shearer from Public Financial Management (PFM) discussed the BASD Authority Revenue Bond Series of 2010 Floating Rate Note (FRN) that has a Mandatory Tender Date of December 29, 2014. This FRN was issued in January 2010 with RBC Municipal Products and was remarketed on December 29, 2011, with RBC.

RBC provided a proposal based on the current market conditions for the Series 2010 School Revenue Bonds at 68% of one month LIBOR plus 60 basis points (bps) for a three year term. This pricing is 25 bps lower than the current rate of 88 bps which will provide a net savings to the District. The final pricing will not be determined until the Bonds are actually priced in the market, which is expected to occur in late October/early November.

This information was reviewed with the Board at the October 13, 2014, Board Finance Committee Meeting.

RECOMMENDATION:

The Board of School Directors adopts the Resolution to refund the Floating Rate Note related to the BASD Authority Revenue Bond Series of 2010 with RBC for a three year period.

BETHLEHEM AREA SCHOOL DISTRICT,
Northampton and Lehigh Counties, Pennsylvania

RESOLUTION

OF THE BOARD OF SCHOOL DIRECTORS OF BETHLEHEM AREA SCHOOL DISTRICT AUTHORIZING AND SECURING THE ISSUANCE OF ITS GENERAL OBLIGATION NOTE, SERIES OF 2014, IN THE MAXIMUM PRINCIPAL AMOUNT OF THIRTY-ONE MILLION DOLLARS (\$31,000,000), PURSUANT TO THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT, TO CURRENTLY REFUND THE SCHOOL **DISTRICT'S GENERAL OBLIGATION NOTE, SERIES OF 2010**, AND PAY RELATED EXPENSES; ACCEPTING A NOTE PURCHASE AGREEMENT FROM THE BETHLEHEM AREA SCHOOL DISTRICT AUTHORITY TO PURCHASE THE 2014 NOTE; SETTING FORTH THE TERMS AND SUBSTANTIAL FORM OF THE 2014 NOTE AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THIS SCHOOL DISTRICT IN SUPPORT OF THE 2014 NOTE; APPOINTING A PAYING AGENT AND A SINKING FUND DEPOSITORY; DIRECTING APPROPRIATE OFFICERS AND AGENTS OF THIS SCHOOL DISTRICT TO TAKE ACTIONS AND SIGN DOCUMENTS, INCLUDING A LOAN AGREEMENT, IN CONNECTION WITH THE ISSUANCE OF THE 2014 NOTE; AND CONTAINING RELATED PROVISIONS.

WHEREAS, Bethlehem Area School District, in Northampton and Lehigh Counties, Pennsylvania (the "School District"), is a school district of the Commonwealth of Pennsylvania (the "Commonwealth") and is governed by its Board of School Directors (the "Board"); and

WHEREAS, the School Board, by its resolution adopted on September 21, 2009 (the "2010 Note Resolution"), authorized and secured the issuance of the School District's General

Obligation Note, Series of 2010, in the original principal amount of \$30,000,000 (the “2010 Note”), on January 5, 2010, as described in the 2010 Note Resolution; and

WHEREAS, the Department of Community and Economic Development (the “Department”) of the Commonwealth approved the debt proceedings of the School District under the 2010 Note Resolution, by its Certificate of Approval No. GON-13027, dated December 22, 2009; and

WHEREAS, the School District has determined to undertake the following: (1) currently refund and redeem the 2010 Note, as described in a refunding report (the “Refunding Report”) attached hereto as Exhibit A, prepared for this School District by Public Financial Management, Inc. (the “Financial Advisor”), as financial advisor to this School District, and (2) pay related costs, fees and expenses (collectively, the “Refunding Project”), by issuing its General Obligation Note, Series of 2014, in the maximum principal amount of \$31,000,000 (the “2014 Note”) to the Bethlehem Area School District Authority (“BASDA”); and

WHEREAS, BASDA shall issue School Revenue Bonds (together with any bonds issued to refund such bonds, the “BASDA Bonds”), in aggregate principal amounts sufficient to lend the School District the funds required for the Refunding Project, and any future remarketing or reissuance of the BASDA Bonds; and

WHEREAS, the School District will repay BASDA for such loan by making the payments due under the 2014 Note, which are assigned as security for the BASDA Bonds, and the payments due under the terms of a Loan Agreement (the “2014 Loan Agreement”), between the School District and BASDA; and

WHEREAS, the Board has determined that: (1) a private sale of the 2014 Note by negotiation is in the best financial interest of the School District, and (2) the 2014 Note should be offered for sale at a price of not less than 100% of the principal amount thereof; and

WHEREAS, a Note Purchase Agreement (the "Proposal") to purchase the 2014 Note has been submitted to the School District by or on behalf of BASDA; and

WHEREAS, the Board desires to accept the Proposal, substantially in the form presented, to award the 2014 Note to BASDA pursuant to the Proposal and the 2014 Loan Agreement, in a private sale by negotiation, and to incur nonelectoral debt in the maximum principal amount of Thirty-one Million Dollars (\$31,000,000), in connection with the Refunding Project, and pursuant to the Debt Act.

NOW, THEREFORE, BE IT RESOLVED, by the Board of School Directors of Bethlehem Area School District, as follows:

SECTION 1. The School District hereby authorizes and secures the issuance of nonelectoral debt to be evidenced by the 2014 Note, as a general obligation note of the School District, pursuant to this Resolution and in accordance with the Debt Act, to provide funds to undertake the Refunding Project and to secure the BASDA Bonds. The substantial form of the 2014 Note is attached hereto as Exhibit B, and made a part hereof.

SECTION 2. The realistic, remaining useful lives of the capital facilities originally financed by the 2010 Note vary between a useful life of at least five (5) years and an useful life of at least sixteen (16) years, with the principal amounts due under the 2014 Note equal to the separate cost of each project originally refinanced by the 2010 Note being retired prior to the end of such remaining useful lives. The refunding of the 2010 Note is permitted by 53

Pa.C.S. §8241(b)(1) (reducing total debt service over the life of the series) and §8241(b)(3) (eliminating burdensome or restrictive covenants). Repayment of the principal of the 2014 Note will begin within two years from the date the 2014 Note is issued.

SECTION 3. The Board accepts the Proposal of BASDA at a purchase price of \$31,000,000 (100% of principal amount), together with accrued interest from the date of the 2014 Note to the date of delivery thereof.

SECTION 4. The principal of the 2014 Note shall be payable in the annual amounts by fiscal year not exceeding those illustrated in the schedules included in Exhibit C attached hereto and made a part hereof. The maximum interest rate payable on the 2014 Note shall not exceed 15%, per annum. Schedules illustrating the estimated and maximum payments due on the 2014 Note are included in Exhibit C.

SECTION 5. The 2014 Note shall be subject to optional and mandatory redemption on the dates and under terms described in the form of the 2014 Note and in the 2014 Loan Agreement.

SECTION 6. Manufacturers and Traders Trust Company (the "Paying Agent"), having a corporate trust office in Harrisburg, Pennsylvania and Buffalo, New York is appointed to serve as the paying agent for the 2014 Note.

SECTION 7. The 2014 Note shall be executed on behalf of the School District by the President or Vice President of the Board, and attested by the Secretary or Assistant Secretary of the Board, who shall also affix the official seal of the School District on the 2014 Note.

SECTION 8. The School District covenants to and with BASDA or other registered owner, from time to time, of the 2014 Note, that the School District: (i) shall include the

amount of the debt service for each fiscal year of the School District in which such sums are payable in its budget for that fiscal year, (ii) shall appropriate such amounts from its general revenues for the payment of such debt service, and (iii) shall duly and punctually pay or cause to be paid from the Sinking Fund (hereinafter defined) or any other of its revenues or funds the principal of the 2014 Note and the interest thereon on the dates and at the place and in the manner stated therein, according to the true intent and meaning thereof. For such budgeting, appropriation and payment, the School District pledges, irrevocably, its full faith, credit and taxing power. As provided in the Debt Act, the foregoing covenant of the School District shall be enforceable specifically.

SECTION 9. There is created by the School District, pursuant to the Debt Act, one or more sinking funds for the 2014 Note (collectively, the “Sinking Fund”), which shall be administered in accordance with the Debt Act. The Paying Agent shall serve as the sinking fund depository in connection with the Sinking Fund.

The School District covenants to make payments out of the Sinking Fund, or out of any other of its revenues or funds, at such times and in such annual amounts, as shall be sufficient for prompt and full payment of all obligations under the 2014 Note when due. Officers and agents of the School District are directed to contract with the Paying Agent for its services as sinking fund depository for the 2014 Note

SECTION 10. The President or Vice President and the Secretary or Assistant Secretary of the Board of the School District, which shall include their duly qualified successors in office, are authorized and directed, as required by the Debt Act: (a) to prepare, to certify, and to file the debt statement of the School District; (b) to prepare and to file the application with the

Department, together with a complete and accurate transcript of the proceedings relating to the incurring of nonelectoral debt represented by the 2014 Note; (c) to prepare and to file any statements or certificates which are necessary to qualify all or any portion of nonelectoral debt or lease rental debt of the School District, which is subject to exclusion as self-liquidating or subsidized debt, for exclusion from the appropriate debt limit; (d) to prepare and to file an appropriate borrowing base certificate of the School District; (e) to pay or cause to be paid to the Department all proper filing fees in connection with the foregoing; and (f) to take other required, necessary or appropriate action.

SECTION 11. The debt to be incurred hereby, together with any other outstanding indebtedness of the School District, is not in excess of any applicable limitation imposed by the Debt Act upon the incurring of debt by the School District.

SECTION 12. The officers and agents of the School District are authorized to deliver the 2014 Note, after execution and attestation thereof, to BASDA, as provided in the 2014 Loan Agreement, after the Department has certified its approval pursuant to the Debt Act or at such time when the filing authorized to be submitted to the Department shall be deemed to have been approved pursuant to the Debt Act.

SECTION 13. The officers and agents of the School District are authorized to approve and to authorize the payment by the Paying Agent, from proceeds of the 2014 Note or from other funds of the School District available for the purpose, of the costs and expenses of issuance of the 2014 Note against delivery of invoices therefor, substantially in the amounts illustrated in the schedules presented to the Board at this meeting.

SECTION 14. The School District shall enter into the 2014 Loan Agreement, including any changes thereto in the final form thereof executed by the President or Vice President and attested by the Secretary or Assistant Secretary of the Board of this School, their execution thereof to constitute conclusive evidence of such approval.

SECTION 15. The School District hereby directs the redemption of the 2010 Note within 90 days of the issuance date of the 2014 Note, in accordance with the rights and privileges reserved to the School District in the 2010 Note.

SECTION 16. In the event any provision, section, sentence, clause, or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause, or part of this Resolution, it being the intent of the School District that such remainder shall be and shall remain in full force and effect.

SECTION 17. The Secretary of the Board of this School District is hereby authorized and directed to execute and to submit to the Pennsylvania Department of Education, promptly following settlement for the 2014 Note, the appropriate application and other documents and information necessary to obtain stated reimbursement with respect to the debt service on the 2014 Note (including the filing of appropriate PLANCON Parts, as applicable).

SECTION 18. The Board of this School District hereby repeals and rescinds the resolution of this School District adopted on February 17, 2010, authorizing the issuance of general obligation bonds in the maximum aggregate principal amount of \$37,995,000.

SECTION 19. All resolutions or parts of resolutions, insofar as the same shall be inconsistent herewith, shall be and the same expressly are repealed.

SECTION 20. This Resolution shall be effective in accordance with the Debt Act.

DULY ADOPTED, by the Board of School Directors of the Bethlehem Area School District, Northampton and Lehigh Counties, Pennsylvania, in lawful session duly assembled, this 20th day of October, 2014.

BETHLEHEM AREA SCHOOL DISTRICT,
Northampton and Lehigh Counties, Pennsylvania

By: _____
(Vice) President of the Board of
School Directors

ATTEST:

(Assistant) Secretary of the Board of
School Directors

(SEAL)

EXHIBIT A
REFUNDING REPORT

EXHIBIT B

(FORM OF NOTE)

UNITED STATES OF AMERICA
COMMONWEALTH OF PENNSYLVANIA

BETHLEHEM AREA SCHOOL DISTRICT
(NORTHAMPTON AND LEHIGH COUNTIES, PENNSYLVANIA)
GENERAL OBLIGATION NOTE, SERIES OF 2014

Final Maturity Date: January 1, 2030

Date of Initial Delivery: December 29, 2014

Registered Owner: BETHLEHEM AREA SCHOOL DISTRICT AUTHORITY

Maximum Principal Amount: \$31,000,000.00

BETHLEHEM AREA SCHOOL DISTRICT, located in Northampton and Lehigh Counties, Pennsylvania (the "School District"), a school district duly organized and existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), for value received, promises to pay to the Registered Owner specified above or its registered assigns, the principal amount specified above on the Maturity Date specified above, unless this Note is called for earlier redemption and the payment of the redemption price adequately provided for, and to pay interest thereon as described herein. Principal of and interest on this Note shall be payable in such amounts and at such times so as to provide for the full and timely payment by the Bethlehem Area School District Authority (the "Issuer") of the principal of (whether at maturity, upon mandatory redemption (including any accelerated mandatory sinking fund redemptions that may be required under the Indenture or the Bonds), acceleration or otherwise) and interest, which interest includes all amounts required to be paid by the Issuer to the Counterparty (as defined in the hereinafter mentioned Loan Agreement) under the Fixed Payer Swap (as defined in the Loan Agreement), on School Revenue Bonds which may be issued, reissued and remarketed by the Issuer pursuant to the Loan Agreement (the "Bonds"), including while all or any portion of the Bonds are owned by or pledged to a Liquidity Provider (if any) (as hereinafter defined) ("Bank Bonds"), and all other Base Loan Payments payable pursuant to the Loan Agreement (hereinafter defined), after giving effect to any and all payments received by the Issuer or Manufacturers and Traders Trust Company (the "Trustee") as trustee under the Trust Indenture, dated December 29, 2014, with the Issuer, and on deposit in the Debt Service Fund (including the sinking fund established under the Resolution) to pay the Bonds, as such terms are defined in the Loan Agreement hereinafter mentioned. Any other provision of this Note or of the Loan Agreement to the contrary notwithstanding, the maximum rate of interest payable on the outstanding principal balance of this Note shall be fifteen percent (15%), per annum, for so long as the Bonds and the Fixed Payer Swap are Outstanding.

PAYMENT TERMS

The principal of and redemption premium, if any, payable upon maturity or any earlier redemption or prepayment of this Note are payable upon presentation and surrender of this Note to the Registered Owner or, at its direction, to the Trustee at its address set forth in the Loan Agreement, or its successor as paying agent and sinking fund depository with respect to this Note

(the "Paying Agent"), at its designated corporate trust office, which may be designated by the Paying Agent from time to time and written notice of which shall be sent by the Paying Agent to the Registered Owner of this Note by first class United States mail. The principal and redemption price of and interest on this Note are payable from funds deposited in the sinking fund established under the Resolution and contemplated by the Indenture, in lawful money of the United States of America.

GENERAL PROVISIONS

This Note evidences the obligation of the School District to repay the loan to be made by the Issuer to the School District under the Loan Agreement, dated December __, 2014, by and between the Issuer, as lender, and the School District, as borrower (the "Loan Agreement"). All initially capitalized terms used herein and not defined shall have the meaning set forth in the Loan Agreement, unless otherwise required by the rules of grammar or context.

This Note is issued pursuant to a resolution duly adopted by the Board of School Directors of the School District on October 20, 2014 (the "Resolution"), and is issued in accordance with the provisions of the Pennsylvania Local Government Unit Debt Act, as amended (the "Debt Act"). The issuance of this Note by the School District and the incurrence of the indebtedness evidenced by this Note have been approved, as required by the Debt Act, by the Department of Community and Economic Development of the Commonwealth. The School District has covenanted in the Loan Agreement and hereby covenants with the holder of this Note that it shall (i) include the amount of Base Loan Payments payable for each fiscal year in which such payments are payable in its budget for that year, (ii) appropriate such amounts from its general revenues for the payment of such Base Loan Payments, and (iii) duly and punctually pay or cause to be paid from its sinking fund or any other of its revenues or funds the principal of and the interest on this Note at the dates and places and in the manner stated in this Note, according to the true intent and meaning hereof. For such budgeting, appropriation and payment, the School District has pledged, and does hereby pledge, its full faith, credit and taxing power. This covenant is specifically enforceable; subject, however, as to the enforceability of remedies, to any applicable bankruptcy, insolvency, moratorium or similar laws or equitable principles affecting the enforcement of creditors' rights generally. Nothing in this paragraph should be construed to give the School District any taxing power not granted by another provision of law.

Upon execution and delivery of the Indenture on the Issue Date, the Indenture shall provide that the Issuer has assigned to the Trustee the Issuer's right, title and interest in and to the Loan Agreement (except the Unassigned Issuer's Rights as defined therein) and this Note. Furthermore, upon the effective date of issuance, reissuance or change in the Rate Mode on the Bonds in or to the Weekly Mode (as defined in the Indenture), the School District shall cause to be delivered to the Trustee a Liquidity Facility (as defined in the Loan Agreement) to provide liquidity with respect to the Bonds upon optional or mandatory tender as more fully described in the Indenture.

No recourse under or upon any obligation, covenant, acceptance or agreement contained in the Loan Agreement, or upon this Note or under any judgment obtained against the School District or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise, or under any circumstances, shall be had against any school director or officer, as such, past, present, or future, of the School District, whether directly or through the School District, or otherwise, for the payment for or to the

School District or any receiver thereof, or for or to any holder of this Note, or otherwise, of any sum that may be due and unpaid by the School District upon this Note. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such school director or officer, as such, to respond by reason of any Debt Act or omission on his or her part, or otherwise, for, directly or indirectly, the payment for or to the School District or any receiver thereof, or for or to the owner or any holder of this Note, or otherwise, of any sum that may remain due and unpaid upon this Note, shall be deemed to be and is hereby expressly waived and released as a condition of and consideration for the execution and delivery of the Loan Agreement and the issuance of this Note.

PREPAYMENT

This Note shall be subject to prepayment prior to its stated maturity, pursuant to notice mailed to the Registered Owner by the Paying Agent, via first class United States Mail, at least 30 days (15 days in the case of a prepayment relating to Bonds bearing interest in the Weekly Mode or Index Rate Mode), prior to the stated redemption date, or such lesser notice as shall be acceptable to the Paying Agent and permits adequate notice to the holders of the Bonds under their terms, as follows:

Maturity and Mandatory Sinking Fund Prepayment. Subject to earlier payments due upon maturity or redemption described in the applicable Bonds, this Note shall be subject to maturity or mandatory prepayment, in part, at a redemption price or 100% of the principal amount paid, on the dates and in the principal amounts set forth in the attached Schedule A.

Optional Redemption. This Note shall be subject to optional prepayment (from funds other than those deposited in accordance with the mandatory sinking fund requirements under the Loan Agreement), on the dates and at a redemption price applicable to the Bonds, upon the direction of the School District described in the Indenture; provided, however, that while the Fixed Payer Swap is in effect, there shall be no optional redemption of the Bonds unless provision has been made to terminate or transfer the Fixed Payer Swap or otherwise to reduce the notional amount of the Fixed Payer Swap in proportion to the amount of the optional redemption.

REGISTRATION AND TRANSFER

The School District and any Paying Agent may deem and treat the Person in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or prepayment price hereof and interest hereon and for all other purposes, regardless of whether this Note shall be overdue, and the School District and any Paying Agent shall not be affected by any notice to the contrary. Any Paying Agent shall register the transfer of ownership of this Note upon the registration books maintained by it on behalf of the School District upon surrender of this Note to such Paying Agent, accompanied by a written instrument or instruments of assignment in form, with instructions, and with guaranty of signature satisfactory to the Paying Agent, duly executed by the registered owner of this Note or his or its attorney-in-fact or legal representative.

MISCELLANEOUS

It is certified and recited that (i) there have been performed and have happened in regular and due form, as required by law, all acts and conditions necessary to be done or performed by the School District or to have happened (A) precedent to and in the issuing of the Note in order to make it a legal, valid and binding obligation of the School District, and (B) precedent to and in

the execution and delivery of the Loan Agreement in order to make it a legal, valid and binding obligation of the School District; (ii) the full amount of the Loan evidenced by the Note has been received by the School District; and (iii) the Note does not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, the School District has caused this Note to be executed in its name by the President of the Board of School Directors, and its seal to be affixed hereto and signed by the Secretary of the Board of School Directors in attestation thereof, all as of December __, 2014.

BETHLEHEM AREA SCHOOL DISTRICT
Northampton and Lehigh Counties,
Pennsylvania

By: _____
President of the Board of School Directors

ATTEST:

Secretary of the Board of School Directors
(SEAL)

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto
_____ the
within Note and irrevocably constitutes and appoints attorney to transfer that Note on the books
kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed: _____

NOTICE: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or any change whatever.

SCHEDULE A

Mandatory (Sinking Fund) Redemption Schedule

(subject to the terms of the applicable Bonds, the Indenture and the Resolution)

Mandatory Redemption Date

Redemption Amount

EXHIBIT C

ESTIMATED AND MAXIMUM SCHEDULED PAYMENT
OBLIGATIONS UNDER THE 2014 NOTE

BETHLEHEM AREA SCHOOL DISTRICT AUTHORITY*(Bethlehem Area School District Project)**Series of 2014 Floating Rate Note***MAXIMUM RATE**

1	2	3	4	5	6
<i>Fiscal Year Ending</i>	<i>Principal Payment Date</i>	<i>Maximum Principal</i>	<i>Maximum Rate</i>	<i>Fiscal Year Interest</i>	<i>Fiscal Year Debt Service</i>
6/30/2015	1/1/2015	50,000	15.000%	2,295,973	2,345,973
6/30/2016	1/1/2016	50,000	15.000%	4,588,708	4,638,708
6/30/2017	1/1/2017	50,000	15.000%	4,583,158	4,633,158
6/30/2018	1/1/2018	50,000	15.000%	4,577,608	4,627,608
6/30/2019	1/1/2019	50,000	15.000%	4,572,058	4,622,058
6/30/2020	1/1/2020	50,000	15.000%	4,566,508	4,616,508
6/30/2021	1/1/2021	50,000	15.000%	4,560,958	4,610,958
6/30/2022	1/1/2022	50,000	15.000%	4,555,408	4,605,408
6/30/2023	1/1/2023	50,000	15.000%	4,549,858	4,599,858
6/30/2024	1/1/2024	50,000	15.000%	4,544,308	4,594,308
6/30/2025	1/1/2025	50,000	15.000%	4,538,758	4,588,758
6/30/2026	1/1/2026	50,000	15.000%	4,533,208	4,583,208
6/30/2027	1/1/2027	6,855,000	15.000%	4,103,645	10,958,645
6/30/2028	1/1/2028	7,280,000	15.000%	3,051,465	10,331,465
6/30/2029	1/1/2029	7,730,000	15.000%	1,932,510	9,662,510
6/30/2030	1/1/2030	8,535,000	15.000%	734,073	9,269,073
	TOTAL	31,000,000		62,288,198	93,288,198

BETHLEHEM AREA SCHOOL DISTRICT AUTHORITY
(Bethlehem Area School District Project)
Series of 2014 Floating Rate Note
ESTIMATED RATE

Dated: 12/1/2014
Settlement: 12/1/2014

1	2	3	4	5	6	7	8	9
<i>Fiscal Year Ending</i>	<i>Principal Payment Date</i>	<i>Estimated Principal</i>	<i>Estimated Rate</i>	<i>Fiscal Year Interest</i>	<i>Fiscal Year Debt Service</i>	<i>Less: State Aid</i>	<i>Total Local Effort</i>	<i>Local Effort Savings</i>
6/30/2015	1/1/2015	5,000	4.650%	692,898	697,898	(89,751)	608,147	34,921
6/30/2016	1/1/2016	35,000	4.650%	1,385,608	1,420,608	(182,693)	1,237,915	43,827
6/30/2017	1/1/2017	35,000	4.650%	1,385,181	1,420,181	(182,638)	1,237,543	44,133
6/30/2018	1/1/2018	35,000	4.650%	1,384,754	1,419,754	(182,583)	1,237,171	44,440
6/30/2019	1/1/2019	35,000	4.650%	1,384,327	1,419,327	(182,528)	1,236,799	44,747
6/30/2020	1/1/2020	35,000	4.650%	1,383,900	1,418,900	(182,474)	1,236,427	45,054
6/30/2021	1/1/2021	35,000	4.650%	1,383,473	1,418,473	(182,419)	1,236,054	45,360
6/30/2022	1/1/2022	35,000	4.650%	1,383,046	1,418,046	(182,364)	1,235,682	45,667
6/30/2023	1/1/2023	35,000	4.650%	1,382,619	1,417,619	(182,309)	1,235,310	45,974
6/30/2024	1/1/2024	35,000	4.650%	1,382,192	1,417,192	(182,254)	1,234,938	46,281
6/30/2025	1/1/2025	35,000	4.650%	1,381,765	1,416,765	(182,199)	1,234,566	46,587
6/30/2026	1/1/2026	35,000	4.650%	1,381,338	1,416,338	(182,144)	1,234,194	46,894
6/30/2027	1/1/2027	6,730,000	4.650%	1,250,767	7,980,767	(1,026,344)	6,954,423	44,724
6/30/2028	1/1/2028	7,155,000	4.650%	927,615	8,082,615	(1,039,441)	7,043,174	45,517
6/30/2029	1/1/2029	7,605,000	4.650%	582,930	8,187,930	(1,052,985)	7,134,945	44,987
6/30/2030	1/1/2030	8,410,000	4.650%	219,418	8,629,418	(1,109,761)	7,519,656	42,736
TOTAL		30,290,000		18,891,832	49,181,832	(6,324,888)	42,856,944	711,849
PE%	30.46% <i>(Temporary)</i>							
AR%	42.22% <i>(2014-2015)</i>							

CERTIFICATE

I, the undersigned, (Assistant) Secretary of the Board of School Directors of the Bethlehem Area School District, Northampton and Lehigh Counties, Pennsylvania (the "School District"), certify that: the foregoing is a true and correct copy of a Resolution that duly was adopted by affirmative vote of a majority of all members of the Board of School Directors of the School District at a meeting duly held on the 20th day of October, 2014, said Resolution duly has been recorded in the minute book of the Board of School Directors of the School District; a notice with respect to the intent to adopt said Resolution has been published as required by law; said Resolution was available for inspection by any interested citizen requesting the same in accordance with the requirements of the School District Debt Act of the Commonwealth of Pennsylvania and such notice; and said Resolution has not been amended, altered, modified, or repealed as of the date of this Certificate.

I further certify that the Board of School Directors of the School District met the advance notice and public comment requirements of the Sunshine Act, as amended, by advertising the time and place of said meeting, by posting prominently a notice of said meeting at the principal office of the School District or at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment at said meeting, all in accordance with said Act.

I further certify that: the total number of members of the Board of School Directors of the School District is nine (9); the vote of members of the Board of School Directors of the School District upon said Resolution was called and duly was recorded upon the minutes of said meeting; and members of the Board of School Directors of the School District voted upon said Resolution in the following manner:

Michael Faccinetto	-
Shannon Patrick	-
Basilio Bonilla, Jr.	-
Michele Cann	-
Eugene McKeon	-
Craig Neiman	-
Rogelio Ortiz	-
Angela Sinkler	-
Sudantha Vidanage	-

IN WITNESS WHEREOF, I set my hand and affix the official seal of the School District, this 20th day of October, 2014.

(Assistant) Secretary of the Board of

(SEAL)

School Directors

BETHLEHEM AREA SCHOOL DISTRICT,
Northampton and Lehigh Counties, Pennsylvania

RESOLUTION

OF THE BOARD OF SCHOOL DIRECTORS OF BETHLEHEM AREA SCHOOL DISTRICT APPROVING AN AMENDMENT TO THE QUALIFIED INTEREST RATE MANAGEMENT AGREEMENT (INTEREST RATE SWAP AGREEMENT) ORIGINALLY UNDERTAKEN IN CONNECTION WITH THE GENERAL OBLIGATION BONDS, SERIES OF 2005 OF THE SCHOOL DISTRICT, AND CURRENTLY ASSOCIATED WITH THE GENERAL OBLIGATION NOTE, SERIES OF 2010 OF THE SCHOOL DISTRICT, TO TRANSFER SUCH SWAP TO THE SCHOOL REVENUE BONDS TO BE ISSUED, REISSUED AND REMARKETED, FROM TIME TO TIME, BY THE BETHLEHEM AREA SCHOOL DISTRICT AUTHORITY AND THE RELATED GENERAL OBLIGATION NOTE, SERIES OF 2014 TO BE ISSUED BY THE SCHOOL DISTRICT TO SECURE SUCH AUTHORITY BONDS; ADOPTING A REVISED INTEREST RATE MANAGEMENT PLAN WITH RESPECT TO SUCH SWAP; SETTING FORTH THE SUBSTANTIAL FORM OF SAID AMENDMENT TO THE SWAP AGREEMENT; AND AUTHORIZING APPROPRIATE OFFICERS AND AGENTS OF THE SCHOOL DISTRICT TO TAKE RELATED ACTIONS.

WHEREAS, the Bethlehem Area School District, in Northampton and Lehigh Counties, Pennsylvania (the "School District") is a political subdivision of the Commonwealth of Pennsylvania (the "Commonwealth"), is governed by its Board of School Directors (the "Board"), and is a "Local Government Unit," as defined in the Local Government Unit Debt Act of the Commonwealth, 53 Pa. C.S. Chs. 80-82 (the "Debt Act"); and

WHEREAS, the School Board, by its resolution adopted on December 8, 2003 (the “2003 Parameters Debt Resolution”), incurred nonelectoral debt and recited the parameters of two future series of general obligation bonds for various capital projects to be undertaken by the School District over a period of several years; and

WHEREAS, the Department of Community and Economic Development (the “Department”) of the Commonwealth approved the debt proceedings of the School District under the 2003 Parameters Debt Resolution, by its Certificate of Approval No. GOB-15387, dated December 30, 2003; and

WHEREAS, the School District entered into a Qualified Interest Rate Management Agreement (“QIRMA”), as that phrase is defined in the Debt Act, dated December 23, 2003, with Morgan Stanley Capital Services Inc. (“Morgan Stanley”), under the terms of which the School District, beginning on January 5, 2005, would be obligated to pay a fixed rate of interest and Morgan Stanley would be obligated to pay a variable rate of interest until January 1, 2030, on \$55,000,000 notional amount of bonds of the School District authorized under the 2003 Parameters Debt Resolution (the “Fixed Payer Swap”); and

WHEREAS, the Fixed Payer Swap was amended on November 18, 2004, to change the formula for the variable rate payments by Morgan Stanley; and

WHEREAS, the School District issued on January 5, 2005, its General Obligation Bonds (Weekly Mode), Series of 2005, in the original aggregate principal amount of \$55,000,000 (the “2005 Bonds”), pursuant to the 2003 Parameters Debt Resolution, as variable rate demand bonds of the School District; and

WHEREAS, under the Fixed Payer Swap, as amended, the School District beginning on January 5, 2005, began paying Morgan Stanley a fixed rate of 3.90% on a notional amount equal to the principal outstanding on the 2005 Bonds, and Morgan Stanley began paying the School District a variable rate equal to 60% of one month LIBOR plus 0.345%, on the same notional amount, until the final maturity date of all outstanding 2005 Bonds; and

WHEREAS, the School Board, by its resolution adopted on September 21, 2009 (the “2010 Note Resolution”), authorized and secured the School District’s General Obligation Note, Series of 2010, in the original principal amount of \$30,000,000 (the “2010 Note”), issued on January 5, 2010, as described in the 2010 Note Resolution, to refund the 2005 Bonds (the “2005 Refunding Project”); and

WHEREAS, the Department approved the debt proceedings of the School District under the 2010 Note Resolution, by its Certificate of Approval No. GON-13027, dated December 22, 2009; and

WHEREAS, the School District, in connection with the 2005 Refunding Project, amended the Fixed Payer Swap to the extent such Fixed Payer Swap related to the 2005 Bonds by executing a new Confirmation to relate and attach the Fixed Payer Swap to the 2010 Note and to related bonds issued on January 5, 2010, by the Bethlehem Area School District Authority (“BASDA”), a municipality authority organized by the School District under the Pennsylvania Municipality Authorities Act, entitled School Lease Revenue Bonds (Bethlehem Area School District Refunding Project), Series of 2010 (the “2010 BASDA Bonds”); and

WHEREAS, the School District has requested BASDA to refund and retire the 2010 Note and the 2010 BASDA Bonds, by issuing a new series of school lease revenue bonds

(including any bonds reissued or remarketed to refund such bonds, the “2014 BASDA Bonds”), under and secured by a Trust Indenture, to be dated the date of the 2014 BASDA Bonds, between BASDA and the trustee appointed for the BASDA Bonds; and

WHEREAS, this School District, with the consent of the BASDA Board, desires to transfer the remaining Fixed Payer Swap, and reassign the annual notional amounts thereon from the 2010 Note and 2010 BASDA Bonds to the corresponding principal payments due on the 2014 Note of the School District (hereafter defined) and the 2014 BASDA Bonds; and

WHEREAS, the School District intends to make payments to or for the benefit of BASDA under a Loan Agreement (the “2014 Loan Agreement”) and under a General Obligation Note, Series of 2014 (the “2014 Note”), to be issued by the School District pursuant to separate action this date, which payments will include (1) the principal and interest due on the 2014 BASDA Bonds, (2) any payments due under the Fixed Payer Swap, and (3) other costs and expenses due under the 2014 Note in connection with the 2014 BASDA Bonds and the 2014 Loan Agreement; and

WHEREAS, the Board of the School District desires to adopt a revised Interest Rate Management Plan for the Fixed Payer Swap (the “IRMP”), as prepared by PFM Swap Advisors LLC, an Independent Financial Advisor as defined by the Debt Act (the “Financial Advisor”); and

WHEREAS, the Board of the School District desires to take all other necessary action to authorize and approve the amendment of the Swap, and to execute and deliver such documents as may be necessary to implement the intent and purpose of this Resolution; and

WHEREAS, this Resolution shall be deemed to amend and supplement the 2010 Note Resolution, as amended, the Resolution authorizing the Fixed Payer Swap, and any amendments thereto, and any other resolutions of the School District relevant to the subject matter hereof.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED, by the Board of the School District, as follows:

SECTION 1. The Board hereby authorizes and directs the transfer of all of its obligations and duties under the Fixed Payer Swap as they relate to the 2010 Note and the 2010 BASDA Bonds, to the 2014 Note and the 2014 BASDA Bonds, respectively, and authorizes the execution by the President or Vice President and the Secretary or Assistant Secretary of this School District of any documents necessary in connection therewith to amend the Fixed Payer Swap documentation, which shall be in such form as is acceptable to such officers of this School District, following consultation with the Solicitor and Bond Counsel to this School District.

SECTION 2. The form of the revised IRMP attached hereto as Exhibit A and incorporated herein by reference is approved.

SECTION 3. The Board hereby requests BASDA, in accordance with the 2014 Note Resolution, to issue the 2014 BASDA Bonds in accordance with the financing plan of this School District presented in connection with the 2014 Note Resolution. The Board hereby reaffirms the School District's payment obligations under the Fixed Payer Swap, the 2014 Loan Agreement and the 2014 Note, including providing for and securing the payment of the principal and interest due on the BASDA Bonds and the payments due under the Fixed Payer Swap.

SECTION 5. The form of the Fixed Payer Swap is incorporated herein by reference. The Board of the School District approves an amendment to such Fixed Payer Swap to the extent necessary to transfer the Fixed Payer Swap from the 2010 Note and the 2010 BASDA Bonds to the 2014 Note and the 2014 BASDA Bonds and otherwise ratifies and confirms the provisions of the Fixed Payer Swap.

SECTION 6. The maximum annual payment obligations of the School District, with respect to the 2014 BASDA Bonds and the 2014 Note, and on the Fixed Payer Swap, which shall be payable by the School District, if and as necessary, are set forth in the IRMP. As contemplated by Section 8284 of the Act, the maximum interest rate payable on the 2014 Note is 15.0% (which rate includes the payment on the Fixed Payer Swap of 3.900%).

SECTION 7. Officers and agents of the School District shall file appropriate proceedings regarding the amendment and transfer of the Fixed Payer Swap as described herein with the Department of Community and Economic Development, as may be required by the Debt Act.

SECTION 8. The prior advertisement of a public notice of intent to adopt this Resolution in one or more newspapers of general circulation in the School District is hereby ratified and confirmed, and the advertisement of a public notice of the adoption of this Resolution within 15 days following its adoption, as required by the Debt Act, is hereby authorized and directed. Proper officers of the School District are hereby authorized and directed to arrange for the advertisement of such notices or to authorize and direct the Bond Counsel of the School District to make such arrangements.

SECTION 9. Officers and agents of the School District are authorized and directed to take all other required, necessary and/or appropriate action, or to authorize all other required, necessary or appropriate action to be taken, by or on behalf of the School District, to assure the prompt issuance of the 2014 Note and the 2014 BASDA Bonds, the redemption of the 2010 Note and the 2010 BASDA Bonds, and the amendment and transfer of the Fixed Payer Swap all as described herein.

SECTION 10. Officers and agents of BASDA are directed to take all other required, necessary and/or appropriate action, or to authorize all other required necessary or appropriate action to be taken, to implement the intent and purpose of this Resolution.

SECTION 11. Any reference in this Resolution to officers of the School District shall mean the member of the Board or employee of the School District customarily responsible for such action, and shall be deemed to refer to his or her duly qualified successor in office, if applicable.

SECTION 12. This Resolution shall be effective for all purposes immediately upon its adoption.

SECTION 13. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of the School District that such remainder shall be and shall remain in full force and effect.

SECTION 14. Any Resolutions or parts of Resolutions, insofar as the same shall be inconsistent herewith, are repealed. The remaining portions of such Resolutions consistent herewith are ratified and confirmed.

DULY ENACTED, by the Board of the Bethlehem Area School District, in lawful session duly assembled, this 20th day of October, 2014.

BETHLEHEM AREA SCHOOL DISTRICT,
Northampton and Lehigh Counties, Pennsylvania

By: _____
(Vice) President

ATTEST:

Secretary

(SEAL)

EXHIBIT A

INTEREST RATE MANAGEMENT PLAN

Bethlehem Area School District Northampton and Lehigh Counties, Pennsylvania October 20, 2014 Interest Rate Management Plan

OVERVIEW OF CURRENT TRANSACTIONS

In accordance with the requirements of the Local Government Unit Debt Act, 53 Pa. C.S. Chs 80-82 ("Debt Act") this document constitutes the latest Interest Rate Management Plan (the "Plan" or the "IRMP") of the Bethlehem Area School District, Northampton and Lehigh Counties, Pennsylvania ("School District"). This Plan replaces previous interest rate management plans adopted by the School District. This Plan has been prepared by PFM Swap Advisors LLC ("Financial Advisor"), a firm which satisfies the requirements for an "independent financial advisor" as that phrase is defined in the Debt Act. The Financial Advisor was not involved with the review or preparation of any of the School District's previously adopted Interest Rate Management Plans with the exception of the versions adopted on March 16, 2009, September 21, 2009 and March 21, 2011, and August 15, 2011.

Recap

On December 23, 2003, the School District (on a future start basis) entered into an IRMA (the "2005 Fixed Payer Swap") with Morgan Stanley Capital Services Inc. ("Morgan Stanley") which was intended to manage interest rates or costs on the School District's, General Obligation Bonds, Series of 2005 (the "2005 Bonds"). The School District pays Morgan Stanley a fixed rate of 3.900%, while Morgan Stanley pays the School District 60% of 1-month LIBOR plus a fixed spread of 0.345%.

On January 5, 2010, a portion of the 2005 Bonds and related portion of the 2005 Fixed Payer Swap was refunded and terminated with proceeds of the District's fixed rate General Obligation Bonds, Series of 2010, issued in the amount of \$28,850,000. A portion of the proceeds from the 2010 Bonds terminated a portion of the 2005 Fixed Payer Swap relating to the 2011 through a portion of the 2027 maturities. The remaining portion of the 2005 Bonds was refunded with the BASD Authority School Revenue Bonds (Bethlehem Area School District Refunding Project), Series of 2010 ("2010 BASD Authority Bonds") in the principal amount of \$30,000,000.

The 2010 BASD Authority Bonds were purchased directly by RBC Capital Markets ("RBC"). The 2010 BASD Authority Bonds were issued initially in the Floating Mode, with the interest rate determined weekly equal to the Index Rate (which is SIFMA plus an Applicable Spread), in accordance with the terms of a Trust Indenture (the "Indenture") between the BASD Authority and Manufacturer's and Traders Trust Company (the "Trustee"), as trustee for the 2010 BASD Authority Bonds. The balance of the 2005 Fixed Payer Swap, not terminated by the 2010 Bonds, was transferred to the 2010 BASD Authority Bonds via a Novation Agreement. The remaining balance of the 2005 Fixed Payer Swap relating to the 2010 Note is hereinafter referred to as the "2010 Fixed Payer Swap". The 2010 Fixed Payer Swap has a final maturity date of January 1, 2030, which is the final maturity date of the 2010 BASD Authority Bonds.

On December 29, 2011 the 2010 BASD Authority Bonds were remarketed by RBC and maintained in the Floating Mode, with the interest rate determined weekly equal to the Index Rate of SIFMA plus an Applicable Spread. Following this remarketing, the 2010 BASD Authority Bonds have a Special Mandatory Tender Date of December 29, 2014.

New Action

On or after December 1, 2014 the School District intends to refund and retire the 2010 BASD Authority Bonds with proceeds from the issuance of Bethlehem Area School District Authority School Revenues Bonds (Bethlehem Area School District Refunding Project), Series of 2014 ("2014 BASD Authority Bonds") in the maximum amount of \$31,000,000 (estimated amount of \$30,290,000). The 2010 Fixed Payer Swap will remain outstanding and will be transferred to the 2014 BASD Authority Bonds. The 2014A Bonds will have a final maturity of January 1, 2030 which coincides with the termination date of the 2011 Fixed Payer Swap.

DRAFT

10/20/2014 Board Meeting

Through an amendment to the Confirmation and Schedule to the Master Agreement of the 2010 Fixed Payer Swap in the definition of "Bonds", the 2010 Fixed Payer Swap will now be related to the 2014 BASD Authority Bonds until the termination date of the 2014 Fixed Payer Swap and final maturity of the 2014A Bonds on January 1, 2030. The 2010 Fixed Payer Swap will hereinafter be referred to as the "2014 Fixed Payer Swap".

The terms and conditions of the 2014 Fixed Payer Swap will be identical to the terms and conditions as they were originally adopted in December 2003, and amended in November 2004 and September 2009 with only the definition of Bonds being amended from the 2010 BASD Authority Bonds to the 2014 BASD Authority Bonds.

I. Debt Outstanding and Proposed New Debt

Following the refunding and retirement of the 2010 BASD Authority Bonds and the issuance of the 2014 BASD Authority Bonds, the District will have total direct debt outstanding of \$259,650,000, consisting of \$158,925,000 or 61.21% fixed rate debt and \$100,725,000 or 38.79% variable rate debt.

Schedules of currently outstanding debt issues, expected annual debt service and, for variable-rate debt, estimated and maximum annual debt service is shown in Schedule 1A and 1B, attached hereto and incorporated herein by this reference.

II. Swaps Outstanding

The District will continue to be obligated under two other IRMAs following the conclusion of the transactions described above. They are described in Schedule 2.

III. Swap Fees Paid or Payable

The amounts of all consulting, advisory, brokerage or similar fees payable directly by the School District, or by BASDA, Morgan Stanley or any other party in connection with the transfer of the 2014 Fixed Payer Swap are listed on Schedule 3.

IV. Scheduled Periodic Payments

Schedules of estimated and maximum periodic scheduled annual payments to be paid by the District directly or through BASDA, following the current transactions, are shown in Schedules 4A and 4B attached hereto and incorporated herein by this reference.

V. Risk Analysis – 2014 Fixed Payer Swap

Schedule 5A contains a summary of the risks inherent to the 2014 Fixed Payer, paid by or through the District. Schedules 5B, 5C, and 5D illustrate various scenarios for termination and tax risk, respectively.

Schedules of estimated and maximum net payments of debt service and scheduled periodic net payments are also shown in Schedule 5E and 5F attached hereto and incorporated herein by this reference.

VI. Risk Analysis – IRMAs Outstanding

As set forth on Schedule 2, the School District will have two IRMAs remaining after the current transactions are consummated. For the purposes of the Risk Analysis, the schedules illustrating the applicable risk scenarios for the two remaining IRMAs besides the 2014 Fixed Payer Swap, are as follows:

Chart	2011 Fixed Payer Swap	2011A Fixed Payer Swap
Estimated Swap Payments	Schedule 6A	Schedule 7A
Maximum Swap Payments	Schedule 6B	Schedule 7B
Summary of Risks	Schedule 6C	Schedule 7C
Termination Risk	Schedule 6D	Schedule 7D
Tax Risk – Present Value	Schedule 6E	Schedule 7E
Cash Flow Risk	Schedule 6F	Schedule 7F
Estimated Total Net Payments*	Schedule 6G	Schedule 7G
Maximum Total Net Payments*	Schedule 6H	Schedule 7H

* Including payments on the District's related bond issues

VII. Monitoring of 2014 Fixed Payer Swap

The Debt Act requires the School District to monitor risks and market (termination) values associated with its remaining IRMAs.

A written report providing the status of all interest rate swap agreements entered into by the School District will be prepared by or on behalf of the School District and provided to the Chief Financial Officer of the School District at least on an annual basis (or other basis, if so directed by the Chief Financial Officer and/or the Board of Directors).

VIII. Conformance to Dodd Frank

It is the intent of the School District to conform this Plan to the requirements relating to recent legislation and regulations for over-the-counter derivatives transactions under the Wall Street Transparency and Accountability Act of 2010, as supplemented and amended from time to time (herein collectively referred to as "Dodd-Frank"), enacted in response to the financial markets crisis of 2008. Pursuant to such intent, it is the intent of the School District that: (i) the Swap Advisor will act as the designated qualified independent representative ("QIR") and agrees to meet and meets the requirements specified in Commodity Futures Trading Commission Regulation 23.450(b)(1) or any successor regulation thereto (herein referred to as the "Representative Regulation"); (ii) the designated QIR has provided a written certification to the School District to the effect that such designated QIR agrees to meet and meets the requirements specified in the Representative Regulation; (iii) School District staff monitor the performance of the designated QIR consistent with the requirements specified in the Representative Regulation; (iv) School District staff exercise independent judgment in consultation with the School District's designated QIR in evaluating all recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this Plan; and (v) School District staff rely on the advice of the School District's designated QIR with respect to transactions authorized pursuant to this Plan and do not rely on recommendations, if any, presented by any counterparty with respect to transactions authorized pursuant to this Plan.

DRAFT

10/20/2014 Board Meeting

Schedule 1A Current Estimated Debt Service Outstanding Bonds

1	2	3	4	5	6	7	8	9	10	11	12	13
Fiscal Year Ended	FIXED RATE							VARIABLE RATE (WITH FIXED PAY SWAPS)				Total Debt Service
	G.O. Bonds Series A of 2007	G.O. Bonds Series A of 2009	G.O. Bonds Series AA of 2009	G.O. Bonds Series B of 2009	G.O. Bonds Series of 2010	G.O. Bonds Series of 2011	G.O. Bonds Series of 2012	G.O. Note Series of 2010 [1]	G.O. Note Series of 2011 [2]	G.O. Note Series A of 2011 [3]	G.O. Note Series of 2014 [4]	
6/30/2015	8,817,875	4,187,106	580,400	840,338	1,398,650	1,292,476	601,538	733,005	1,739,488	1,378,786	697,898	22,267,559
6/30/2016	8,820,625	4,189,931	580,400	836,819	1,403,400	1,292,413	601,388		1,739,272	1,378,733	1,420,608	22,263,588
6/30/2017	1,060,875	11,495,331	580,400	841,526	1,392,988	1,292,336	995,788		1,739,056	1,378,681	1,420,181	22,197,161
6/30/2018		12,502,456	580,400	839,434	1,392,838	1,292,244	1,042,888		1,738,840	1,378,628	1,419,754	22,187,481
6/30/2019		9,562,581	3,523,400	840,439	1,392,673	1,292,138	1,035,300		1,738,623	1,378,576	1,419,327	22,183,056
6/30/2020		7,309,956	6,748,200	839,369	1,392,498	1,292,019			1,738,407	1,378,523	1,418,900	22,117,872
6/30/2021		8,955,081	5,105,000	841,294	1,392,298	1,291,888			1,738,191	1,378,471	1,418,473	22,120,695
6/30/2022		14,056,525		836,575	1,407,098	1,291,744			1,737,975	1,378,418	1,418,046	22,126,380
6/30/2023		2,411,544		839,869	6,916,298	5,140,497			2,987,264	1,378,366	1,417,619	21,091,456
6/30/2024		1,775,122		826,006	7,629,038	5,131,234			2,922,169	1,378,313	1,417,192	21,079,074
6/30/2025				805,769	9,013,850	5,144,819			3,351,290	1,378,261	1,416,765	21,110,753
6/30/2026				794,000	9,056,763	5,122,744			3,299,497	1,378,208	1,416,338	21,067,550
6/30/2027				780,419		5,064,900			5,890,278	1,378,156	7,980,767	21,094,519
6/30/2028				765,419		5,033,206			5,920,997	1,378,103	8,082,615	21,180,340
6/30/2029				753,834		5,004,806			5,944,234	1,378,051	8,187,930	21,268,856
6/30/2030						2,944,503			6,483,553	3,438,972	8,629,418	21,496,446
6/30/2031									6,568,440	14,571,063		21,139,503
6/30/2032									6,728,213	14,543,723		21,271,936
6/30/2033												
6/30/2034												
6/30/2035												
TOTAL	18,699,375	76,445,634	17,698,200	12,281,108	43,788,388	48,923,966	4,276,900	733,005	64,005,787	53,230,030	49,181,832	389,264,224
Principal *: 	9,590,000	60,365,000	14,410,000	8,450,000	28,815,000	33,320,000	3,975,000	0	40,450,000	29,985,000	30,290,000	259,650,000

[1] Interest Rate assumed at 4.930%, which includes 3.900% Fixed Swap Rate + 88 bps FRN spread and 15 bps miscellaneous.

[2] Interest Rate assumed at 4.324%, which includes 3.774% Fixed Swap Rate + 55 bps FRN spread.

[3] Interest Rate assumed at 4.695%, which includes 4.145% Fixed Swap Rate + 55 bps FRN spread.

[4] Interest rate assumed at 4.650%, which includes 3.900% Fixed Swap Rate + 60 bps FRN spread and 15 bps miscellaneous.

* Outstanding as of October 16, 2014

DRAFT

10/20/2014 Board Meeting

Schedule 1B Current Maximum Debt Service Outstanding Bonds

1	2	3	4	5	6	7	8	9	10	11	12	13
Fiscal Year Ended	FIXED RATE							VARIABLE RATE (WITH FIXED PAY SWAPS)				Total Debt Service
	G.O. Bonds Series A of 2007	G.O. Bonds Series A of 2009	G.O. Bonds Series AA of 2009	G.O. Bonds Series B of 2009	G.O. Bonds Series of 2010	G.O. Bonds Series of 2011	G.O. Bonds Series of 2012	G.O. Note Series of 2010	G.O. Note Series of 2011 [1]	G.O. Note Series A of 2011 [2]	G.O. Note Series of 2014 [3]	
6/30/2015	8,817,875	4,187,106	580,400	840,338	1,398,650	1,292,476	601,538	733,005	1,739,488	1,378,786	2,045,965	23,615,626
6/30/2016	8,820,625	4,189,931	580,400	836,819	1,403,400	1,292,413	601,388		1,739,272	1,378,733	4,115,388	24,958,368
6/30/2017	1,060,875	11,495,331	580,400	841,526	1,392,988	1,292,336	995,788		1,739,056	1,378,681	4,111,888	24,888,868
6/30/2018		12,502,456	580,400	839,434	1,392,838	1,292,244	1,042,888		1,738,840	1,378,628	4,108,388	24,876,115
6/30/2019		9,562,581	3,523,400	840,439	1,392,673	1,292,138	1,035,300		1,738,623	1,378,576	4,104,888	24,868,617
6/30/2020		7,309,956	6,748,200	839,369	1,392,498	1,292,019			1,738,407	1,378,523	4,101,388	24,800,360
6/30/2021		8,955,081	5,105,000	841,294	1,392,298	1,291,888			1,738,191	1,378,471	4,097,888	24,800,110
6/30/2022		14,056,525		836,575	1,407,098	1,291,744			1,737,975	1,378,418	4,094,388	24,802,722
6/30/2023		2,411,544		839,869	6,916,298	5,140,497			2,987,264	1,378,366	4,090,888	23,764,725
6/30/2024		1,775,122		826,006	7,629,038	5,131,234			2,922,169	1,378,313	4,087,388	23,749,270
6/30/2025				805,769	9,013,850	5,144,819			3,351,290	1,378,261	4,083,888	23,777,876
6/30/2026				794,000	9,056,763	5,122,744			3,299,497	1,378,208	4,080,388	23,731,600
6/30/2027				780,419		5,064,900			5,890,278	1,378,156	10,393,316	23,507,069
6/30/2028				765,419		5,033,206			5,920,997	1,378,103	9,880,017	22,977,742
6/30/2029				753,834		5,004,806			5,944,234	1,378,051	9,331,363	22,412,289
6/30/2030						2,944,503			6,483,553	3,438,972	9,065,965	21,932,993
6/30/2031									6,568,440	14,571,063		21,139,503
6/30/2032									6,728,213	14,543,723		21,271,936
6/30/2033												
6/30/2034												
6/30/2035												
TOTAL	18,699,375	76,445,634	17,698,200	12,281,108	43,788,388	48,923,966	4,276,900	733,005	64,005,787	53,230,030	85,793,395	425,875,788
Principal *: 9,590,000	60,365,000	14,410,000	8,450,000	28,815,000	33,320,000	3,975,000		0	40,450,000	29,985,000	30,290,000	259,650,000

[1] Assumes a maximum rate of 25% for the 2011 Bonds

[2] Assumes a maximum rate of 25% for the 2011A Bonds

[3] Assumes a maximum rate of 10% for the 2014 Bonds

* Outstanding as of October 16, 2014

DRAFT

10/20/2014 Board Meeting

Schedule 2 Outstanding Qualified Interest Rate Management Agreements

"2011 Fixed Payer Swap"

On November 22, 2005, through the Shippensburg Borough Authority ("SBA"), the School District (on a future start basis) entered into an "interest rate management agreement" ("IRMA"), as defined in the Debt Act, with JP Morgan Chase Bank, N.A. ("JP Morgan"), hereinafter referred to as the "2007 SBA Fixed Payer Swap". The terms of the 2007 SBA Fixed Payer Swap called for the District, under a General Obligation Note Series of 2007 ("2007 Note") issued to SBA, to pay to JP Morgan a fixed rate of 3.774% and for JP Morgan to pay to the District a variable rate of 68% of 1 Month LIBOR. The 2007 SBA Fixed Payer Swap was intended by the District to manage interest rates and costs associated with the \$40,000,000 Variable Rate Demand Revenue Bonds (Bethlehem Area School District Project), Series of 2007 (the "2007 SBA Bonds") issued by the SBA.

On May 1, 2009, the District, through the BASD Authority, incorporated by the District, refunded and retired the 2007 SBA Bonds with the School Revenue Bonds (Bethlehem Area School District Refunding Project), Series of 2009 ("2009 BASD Authority Bonds") in the amount of \$40,280,000. The 2007 SBA Fixed Payer Swap was assigned to the BASD Authority under the terms of a Novation Agreement.

On April 28, 2011, the District, through the BASD Authority, refunded and retired the 2009 BASD Authority Bonds with its School Revenue Bonds (Bethlehem Area School District Refunding Project), Series of 2011 ("2011 BASD Authority Bonds") in the principal amount of \$40,470,000. The 2007 SBA Fixed Payer Swap, under the terms of an amendment to the IRMA Confirmation, became associated with the 2011 BASD Authority Bonds and will hereinafter be referred to as the "2011 Fixed Payer Swap". JP Morgan will still pay to the District a variable rate of 68% of 1 Month LIBOR and the District will pay to JP Morgan a fixed rate of 3.774%. The 2011 Fixed Payer Swap currently has an outstanding notional amount of \$39,965,000 and has a final maturity date of July 1, 2031 which is the final maturity date of the 2011 BASD Authority Bonds.

On April 1, 2014 the 2011 BASD Authority Bonds were remarketed by Wells Fargo and maintained in the Floating Mode, with the interest rate determined weekly equal to the Index Rate of 68% of 1 Month LIBOR plus an Applicable Spread. Following this remarketing, the 2011 BASD Authority Bonds have a Special Mandatory Tender Date of April 1, 2017.

"2011A Fixed Payer Swap"

On December 18, 2003, the School District (on a future start basis) entered into an "interest rate management agreement" ("IRMA"), as defined in the Debt Act, with JP Morgan Chase Bank, N.A. ("JP Morgan"), hereinafter referred to as the "2007 Fixed Payer Swap". The terms of the 2007 Fixed Payer Swap called for the District to pay to JP Morgan a fixed rate of 4.145% and for JP Morgan to pay to the District a variable rate of 60% of 1 Month LIBOR plus 0.346%. The 2007 Fixed Payer Swap was intended by the District to manage interest rates and costs associated with the \$55,000,000 Variable Rate Demand Bonds, Series of 2007 (the "2007 Bonds"), issued by the School District on January 4, 2007.

The School District refunded and retired a portion of the 2007 Bonds with new fixed rate General Obligation Bonds, Series of 2011 ("2011 Bonds") in principal amount is \$33,330,000. A portion of the proceeds of the 2011 Bonds was used to refund and retire a portion of the 2007 Bonds (the "Fixed Refunded 2007 Bonds"). A portion of the proceeds of the 2011 Bonds was used to pay the termination payment required to terminate a portion of the Fixed Payer Swap related to the Fixed Refunded 2007 Bonds, as permitted by the Debt Act. Any termination payments due under the Fixed Payer Swap would be subordinate in payment to the debt service and periodic payments, as described in the Debt Act.

The School District, through the Bethlehem Area School District Authority (the "BASD Authority"), refunded and retired a portion of the 2007 Bonds (the "Variable Refunded 2007 Bonds") with School Revenue Bonds (Bethlehem Area School District Refunding Project), Series A of 2011 ("2011A BASD Authority Bonds") in the principal amount of \$30,000,000. The amount of the Variable Refunded 2007 Bonds being refunding by the 2011A BASD Authority Bonds represents the balance of the 2007 Bonds not refunded from proceeds from the School District's 2011 Bonds.

The 2011A BASD Authority Bonds were purchased directly by Wells Fargo Bank, N.A. ("Wells Fargo"). The 2011A BASD Authority Bonds were initially in the Floating Mode, with the interest rate determined monthly equal to the Index Rate (which is 68% of 1 Month LIBOR plus an Applicable Spread), in accordance with the terms of a Trust Indenture (the "Indenture")

DRAFT

10/20/2014 Board Meeting

between the BASD Authority and Manufacturer's and Traders Trust Company (the "Trustee"), as trustee for the 2011A BASD Authority Bonds. The initial Floating Rate Period ends on a date approximately 3 years later, which will constitute a Special Mandatory Tender Date when the Bonds are subject to mandatory tender, conversion and remarketing to another purchaser and Rate Mode, including the Weekly Mode, the Fixed Mode or another Floating Mode.

Under the terms of a Novation Agreement and an amendment to the 2007 Fixed Payer Swap Confirmation, the portion of the Fixed Payer Swap which was associated with the Variable Refunded 2007 Bonds became associated with the 2011A BASD Authority Bonds and will hereinafter be referred to as the "2011A Fixed Payer Swap". JP Morgan still pays the District a variable rate of 60% of 1 Month LIBOR plus 0.346% and the District will pay to JP Morgan a fixed rate of 4.145% on the reduced notional amount. The 2011A Fixed Payer Swap has an outstanding notional amount of \$29,830,000 and has a termination date of January 1, 2032, which is the final maturity of the 2011A BASD Authority Bonds.

On April 1, 2014 the 2011A BASD Authority Bonds were remarketed by Wells Fargo and maintained in the Floating Mode, with the interest rate determined weekly equal to the Index Rate of 68% of 1 Month LIBOR plus an Applicable Spread. Following this remarketing, the 2011 BASD Authority Bonds have a Special Mandatory Tender Date of April 1, 2017.

DRAFT

10/20/2014 Board Meeting

Schedule 3 Summary of Fees Paid in Connection with the Transfer of the 2014 Fixed Payer Swap

In connection with the transfer of the 2014 Fixed Payer Swap, the School District will pay estimated fees as shown below. We are not aware of any other fees payable by the Issuer. The 2014 Fixed Payer Swap Counterparty, to the best of our knowledge, has paid any related finder's fees, consulting fees, or brokerage fees. The Issuer may contract for services related to GASB reporting or future updates to the interest rate management plan.

	Fees Paid
PFM Swap Advisors LLC <i>Swap Advisor</i>	\$10,000
Rhoads & Sinon LLP <i>Swap Counsel</i>	\$6,500
King, Spry, Herman, Freund & Faul LLC <i>Swap Solicitor</i>	\$3,250

DRAFT

10/20/2014 Board Meeting

Schedule 4A 2014 Fixed Payer Swap Estimated Periodic Scheduled Payments

1	2	3	4	5	6
Fiscal Year <u>Ending</u>	Principal <u>Date</u>	<u>Notional</u>	Receive	Pay	Fiscal Year <u>Total</u>
			60% of 1-Month	Fixed	
			<u>LIBOR + 0.345%</u> (1)	<u>Swap Rate</u> (2)	
			2.250%	3.900%	
6/30/2015	1/1/2015	29,630,000	(388,893.75)	674,082.50	285,188.75
6/30/2016	1/1/2016	29,630,000	(666,675.00)	1,155,570.00	488,895.00
6/30/2017	1/1/2017	29,630,000	(666,675.00)	1,155,570.00	488,895.00
6/30/2018	1/1/2018	29,630,000	(666,675.00)	1,155,570.00	488,895.00
6/30/2019	1/1/2019	29,630,000	(666,675.00)	1,155,570.00	488,895.00
6/30/2020	1/1/2020	29,630,000	(666,675.00)	1,155,570.00	488,895.00
6/30/2021	1/1/2021	29,630,000	(666,675.00)	1,155,570.00	488,895.00
6/30/2022	1/1/2022	29,630,000	(666,675.00)	1,155,570.00	488,895.00
6/30/2023	1/1/2023	29,630,000	(666,675.00)	1,155,570.00	488,895.00
6/30/2024	1/1/2024	29,630,000	(666,675.00)	1,155,570.00	488,895.00
6/30/2025	1/1/2025	29,630,000	(666,675.00)	1,155,570.00	488,895.00
6/30/2026	1/1/2026	29,630,000	(666,675.00)	1,155,570.00	488,895.00
6/30/2027	1/1/2027	29,630,000	(591,018.75)	1,024,432.50	433,413.75
6/30/2028	1/1/2028	22,905,000	(433,237.50)	750,945.00	317,707.50
6/30/2029	1/1/2029	15,605,000	(265,275.00)	459,810.00	194,535.00
6/30/2030	1/1/2030	7,975,000	(89,718.75)	155,512.50	65,793.75
TOTALS			(9,101,568.75)	15,776,052.50	6,674,483.75

(1) For these purposes, 60% of 1-Month LIBOR + 0.345% assumed at 2.250%, received monthly

(2) For these purposes, Fixed Swap Rate assumed at 3.900%, paid monthly

Note: Assumes payments made after December 1, 2014

DRAFT

10/20/2014 Board Meeting

Schedule 4B 2014 Fixed Payer Swap Maximum Periodic Scheduled Payments

1	2	3	4	5	6
Fiscal Year Ending	Principal Date	Notional	Receive	Pay	Fiscal Year Total
			60% of 1-Month	Fixed	
			LIBOR + 0.345% (1) 0.345%	Swap Rate (2) 3.900%	
6/30/2015	1/1/2015	29,630,000	(59,630.38)	674,082.50	614,452.13
6/30/2016	1/1/2016	29,630,000	(102,223.50)	1,155,570.00	1,053,346.50
6/30/2017	1/1/2017	29,630,000	(102,223.50)	1,155,570.00	1,053,346.50
6/30/2018	1/1/2018	29,630,000	(102,223.50)	1,155,570.00	1,053,346.50
6/30/2019	1/1/2019	29,630,000	(102,223.50)	1,155,570.00	1,053,346.50
6/30/2020	1/1/2020	29,630,000	(102,223.50)	1,155,570.00	1,053,346.50
6/30/2021	1/1/2021	29,630,000	(102,223.50)	1,155,570.00	1,053,346.50
6/30/2022	1/1/2022	29,630,000	(102,223.50)	1,155,570.00	1,053,346.50
6/30/2023	1/1/2023	29,630,000	(102,223.50)	1,155,570.00	1,053,346.50
6/30/2024	1/1/2024	29,630,000	(102,223.50)	1,155,570.00	1,053,346.50
6/30/2025	1/1/2025	29,630,000	(102,223.50)	1,155,570.00	1,053,346.50
6/30/2026	1/1/2026	29,630,000	(102,223.50)	1,155,570.00	1,053,346.50
6/30/2027	1/1/2027	29,630,000	(90,622.88)	1,024,432.50	933,809.63
6/30/2028	1/1/2028	22,905,000	(66,429.75)	750,945.00	684,515.25
6/30/2029	1/1/2029	15,605,000	(40,675.50)	459,810.00	419,134.50
6/30/2030	1/1/2030	7,975,000	(13,756.88)	155,512.50	141,755.63
TOTALS			(1,395,573.88)	15,776,052.50	14,380,478.63

(1) For these purposes, 60% of 1-Month LIBOR + 0.345% assumed at 0.345%, received monthly

(2) For these purposes, Fixed Swap Rate assumed at 3.900%, paid monthly

Note: Assumes payments made after December 1, 2014

DRAFT

10/20/2014 Board Meeting

Schedule 5A Risk Summary for 2014 Fixed Payer Swap

	Brief Definition/Explanation	Risk Analysis	Example	Mitigation
1) Termination Risk*	Risk that the School District is forced to liquidate the Fixed Payer Swaps when it owes a termination payment to the Counterparty.	Would require a payment default, or bankruptcy by the School District, or a reduction in the School District's credit rating below threshold as defined in ISDA document. See Schedule 5B for the potential termination payments owed.	See Schedule 5B for the potential termination payments owed.	Good financial management, Monitor
2) Basis Risk**	Shortfall between the interest rate paid on underlying variable rate bonds and the floating rate received on the 2014 Fixed Payer Swap.	Could result in a realized fixed rate on the 2014 Fixed Payer Swap that is higher than the nominal rate in the contract.	School District's variable rate bonds may trade at a higher rate received on the 2014 Fixed Payer Swap.	Good financial management, budget contingency (i.e. Budget to a higher all-in fixed rate), and a Rate Stabilization and Improvement Fund.
3) Tax Risk**	Shortfall between the rate received on the 2014 Fixed Payer Swap and the rate paid caused by a reduction in or elimination of the benefit of the tax- exemption of municipal bonds, e.g. a tax cut.	Could result in a realized fixed rate on the 2014 Fixed Payer Swap that is higher than the nominal rate in the contract.	See Schedule 5C and 5D.	Good financial management, budget contingency (i.e. Budget to a higher all-in fixed rate), and a Rate Stabilization and Improvement Fund.
4) Counterparty Credit (Default) Risk	Risk of a payment default on the 2014 Fixed Payer Swap by the Counterparty which results in an economic loss to the School District.	Exposure that diminishes with passage of time; requires monitoring of Counterparty credit ratings.	See Schedule 5B for the potential payments owed.	Selected Counterparty with high credit ratings and continually monitor those, Interest Rate Management Plan / Monitor
5) Liquidity Risk	Inability to procure Liquidity Bank or that the liquidity fees will increase in the future.	Replacement Liquidity Bank can generally be located, but price may increase.	Could increase overall cost of administrative fees.	Prudently manage the School District's finances to maintain credit rating.
6) Legislative Risk	Risk that a legislative change to existing law would require the School District to terminate the swap.	Would require a change to existing law by legislative action. See Schedules 6 the potential payments owed.	See Schedule 5B for the potential termination payments owed.	Good financial management

**Any termination payment or swap cash outflows may need to fit under an inflationary index as defined in Act 1 that would restrict real estate tax increases.*

*** Note: Under the initial Index Mode of the 2014 BASD Authority Bonds, the District will be paying 68% of 1 Month LIBOR plus an Applicable Spread, which would eliminate Tax Risk and mitigate Basis Risk as it relates to the 2014 Fixed Payer Swap and 2014 BASD Authority Bonds. If the 2014 BASD Authority Bonds are remarketed into a different mode or type of Floating Mode (i.e. SIFMA instead of LIBOR), then the District would retain Tax Risk and Basis Risk.*

DRAFT

10/20/2014 Board Meeting

**Schedule 5B
Termination Values
2014 Fixed Payer Swap**

Effective Date 10/15/2014
Swap Maturity 1/1/2030
Contract Swap Rate 3.900%
Discount Rate 2.51%

AMORTIZATION SCHEDULE		TERMINATION PAYMENT AMOUNT						
Outstanding Notional		Change in Swap Rates						
Date	\$29,630,000	-1.50%	-1.00%	-0.50%	0.00%	0.50%	1.00%	1.50%
10/15/2014	\$29,630,000	(\$14,942,908)	(\$12,211,920)	(\$9,743,654)	(\$7,510,000)	(\$5,486,025)	(\$3,649,594)	(\$1,981,046)
1/1/2015	\$29,630,000	(\$14,714,138)	(\$12,035,505)	(\$9,611,024)	(\$7,413,826)	(\$5,420,036)	(\$3,608,432)	(\$1,960,137)
1/1/2016	\$29,630,000	(\$13,630,409)	(\$11,194,314)	(\$8,974,078)	(\$6,948,300)	(\$5,097,822)	(\$3,405,486)	(\$1,855,916)
1/1/2017	\$29,630,000	(\$12,546,571)	(\$10,346,014)	(\$8,326,408)	(\$6,471,016)	(\$4,764,745)	(\$3,193,976)	(\$1,746,408)
1/1/2018	\$29,630,000	(\$11,462,625)	(\$9,490,545)	(\$7,667,832)	(\$5,981,677)	(\$4,420,440)	(\$2,973,538)	(\$1,631,345)
1/1/2019	\$29,630,000	(\$10,378,570)	(\$8,627,847)	(\$6,998,169)	(\$5,479,979)	(\$4,064,527)	(\$2,743,798)	(\$1,510,445)
1/1/2020	\$29,630,000	(\$9,294,407)	(\$7,757,858)	(\$6,317,230)	(\$4,965,609)	(\$3,696,616)	(\$2,504,362)	(\$1,383,412)
1/1/2021	\$29,630,000	(\$8,210,136)	(\$6,880,516)	(\$5,624,826)	(\$4,438,247)	(\$3,316,301)	(\$2,254,821)	(\$1,249,935)
1/1/2022	\$29,630,000	(\$7,125,756)	(\$5,995,760)	(\$4,920,765)	(\$3,897,566)	(\$2,923,164)	(\$1,994,749)	(\$1,109,687)
1/1/2023	\$29,630,000	(\$6,041,268)	(\$5,103,527)	(\$4,204,849)	(\$3,343,228)	(\$2,516,774)	(\$1,723,701)	(\$962,325)
1/1/2024	\$29,630,000	(\$4,956,671)	(\$4,203,753)	(\$3,476,879)	(\$2,774,889)	(\$2,096,683)	(\$1,441,214)	(\$807,487)
1/1/2025	\$29,630,000	(\$3,871,966)	(\$3,296,376)	(\$2,736,653)	(\$2,192,196)	(\$1,662,430)	(\$1,146,806)	(\$644,795)
1/1/2026	\$29,630,000	(\$2,787,153)	(\$2,381,330)	(\$1,983,963)	(\$1,594,785)	(\$1,213,537)	(\$839,972)	(\$473,850)
1/1/2027	\$22,905,000	(\$1,702,231)	(\$1,458,551)	(\$1,218,600)	(\$982,284)	(\$749,511)	(\$520,189)	(\$294,233)
1/1/2028	\$15,605,000	(\$863,504)	(\$741,980)	(\$621,644)	(\$502,473)	(\$384,444)	(\$267,536)	(\$151,728)
1/1/2029	\$7,975,000	(\$292,056)	(\$251,659)	(\$211,430)	(\$171,369)	(\$131,473)	(\$91,740)	(\$52,168)
1/1/2030	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The mid-market value of the 2014 Fixed Payer Swap as of October 14, 2014 is approximately (\$7,510,000)

DRAFT

10/20/2014 Board Meeting

Schedule 5C Tax Risk: Present Value Analysis 2014 Fixed Payer Swap

PV Sensitivity Analysis for % of LIBOR Swap:	
Date	10/15/2014
Maturity	1/1/2030
Swap Floating % of LIBOR	60.0%
Fixed Spread	0.345%
Expected PV Savings	\$1,190,962
Discount Rate	2.51%

Outstanding Notional		PRESENT VALUE SAVINGS AT EFFECTIVE DATE				
		Variable Bond Rate/LIBOR Ratio				
		S&P Worst Case				
Year Tax Change Effective		58.0%	68.0%	75.5%	85.0%	100.0%
10/15/2014	\$29,630,000	\$1,368,391	\$481,248	(\$184,110)	(\$1,026,896)	(\$2,357,611)
1/1/2015	\$29,630,000	\$1,363,087	\$502,463	(\$143,006)	(\$960,599)	(\$2,251,536)
1/1/2016	\$29,630,000	\$1,352,279	\$545,695	(\$59,244)	(\$825,499)	(\$2,035,376)
1/1/2017	\$29,630,000	\$1,341,198	\$590,018	\$26,634	(\$686,987)	(\$1,813,757)
1/1/2018	\$29,630,000	\$1,329,837	\$635,462	\$114,680	(\$544,976)	(\$1,586,540)
1/1/2019	\$29,630,000	\$1,318,190	\$682,053	\$204,951	(\$399,379)	(\$1,353,583)
1/1/2020	\$29,630,000	\$1,306,248	\$729,821	\$297,501	(\$250,104)	(\$1,114,744)
1/1/2021	\$29,630,000	\$1,294,004	\$778,796	\$392,389	(\$97,059)	(\$869,871)
1/1/2022	\$29,630,000	\$1,281,451	\$829,007	\$489,674	\$59,852	(\$618,814)
1/1/2023	\$29,630,000	\$1,268,581	\$880,487	\$589,416	\$220,726	(\$361,416)
1/1/2024	\$29,630,000	\$1,255,386	\$933,267	\$691,677	\$385,663	(\$97,516)
1/1/2025	\$29,630,000	\$1,241,858	\$987,380	\$796,521	\$554,767	\$173,049
1/1/2026	\$29,630,000	\$1,227,988	\$1,042,859	\$904,013	\$728,141	\$450,448
1/1/2027	\$22,905,000	\$1,213,768	\$1,099,740	\$1,014,220	\$905,894	\$734,853
1/1/2028	\$15,605,000	\$1,202,628	\$1,144,299	\$1,100,552	\$1,045,140	\$957,646
1/1/2029	\$7,975,000	\$1,194,941	\$1,175,048	\$1,160,128	\$1,141,229	\$1,111,389
1/1/2030	\$0	\$1,190,962	\$1,190,962	\$1,190,962	\$1,190,962	\$1,190,962

DRAFT

10/20/2014 Board Meeting

Schedule 5D Tax Risk: Annual Cash Flows 2014 Fixed Payer Swap

Notional Amount **\$29,630,000**

Contract LIBOR Ratio 60.0%

20-Yr Fixed Margin 0.345%

Annual Swap Cashflow Sensitivity*

<u>Actual SIFMA/LIBOR Ratio</u>					
<u>LIBOR</u>					
<u>Rate**</u>	<u>67.0%</u>	<u>68.0%</u>	<u>75.5%</u>	<u>85.0%</u>	<u>100.0%</u>
1.00%	81,483	78,520	56,297	28,149	(16,297)
2.00%	60,742	54,816	10,371	(45,927)	(134,817)
3.00%	40,000	31,111	(35,556)	(120,002)	(253,337)
4.00%	19,259	7,407	(81,483)	(194,077)	(371,857)
5.00%	(1,482)	(16,297)	(127,409)	(268,152)	(490,377)
6.00%	(22,223)	(40,001)	(173,336)	(342,227)	(608,897)
7.00%	(42,964)	(63,705)	(219,262)	(416,302)	(727,417)
8.00%	(63,705)	(87,409)	(265,189)	(490,377)	(845,937)

Cashflows = 1-Month LIBOR(Contract LIBOR Ratio - Actual SIFMA/LIBOR Ratio)*Notional Amount

**1-Month LIBOR

***Assumes related bonds trade at 68% of LIBOR. Any outperformance or underperformance will effect net cashflows on the transaction.

DRAFT

10/20/2014 Board Meeting

Schedule 5E
2014 Fixed Payer Swap and the 2014 BASD Authority Bonds
Estimated Periodic Scheduled Payments

1	2	3		4	5		6	7	8
Fiscal Year <u>Ending</u>	Principal <u>Date</u>	2014 BASD Authority Bonds			2014 Fixed Payer Swap				Fiscal Year <u>Total</u>
		Pay	Pay		Receive		Pay		
		Estimated	68% of 1 Month		60% of 1-Month		Fixed		
		<u>Principal</u>	<u>LIBOR + Spread</u> (1)		<u>Notional</u>	<u>LIBOR + 0.345%</u> (2)	<u>Swap Rate</u> (3)		
			2.750%			2.250%	3.900%		
6/30/2015	1/1/2015	5,000	416,430.21		29,630,000	(333,337.50)	577,785.00		665,877.71
6/30/2016	1/1/2016	35,000	832,436.46		29,630,000	(666,675.00)	1,155,570.00		1,356,331.46
6/30/2017	1/1/2017	35,000	831,473.96		29,630,000	(666,675.00)	1,155,570.00		1,355,368.96
6/30/2018	1/1/2018	35,000	830,511.46		29,630,000	(666,675.00)	1,155,570.00		1,354,406.46
6/30/2019	1/1/2019	35,000	829,548.96		29,630,000	(666,675.00)	1,155,570.00		1,353,443.96
6/30/2020	1/1/2020	35,000	828,586.46		29,630,000	(666,675.00)	1,155,570.00		1,352,481.46
6/30/2021	1/1/2021	35,000	827,623.96		29,630,000	(666,675.00)	1,155,570.00		1,351,518.96
6/30/2022	1/1/2022	35,000	826,661.46		29,630,000	(666,675.00)	1,155,570.00		1,350,556.46
6/30/2023	1/1/2023	35,000	825,698.96		29,630,000	(666,675.00)	1,155,570.00		1,349,593.96
6/30/2024	1/1/2024	35,000	824,736.46		29,630,000	(666,675.00)	1,155,570.00		1,348,631.46
6/30/2025	1/1/2025	35,000	823,773.96		29,630,000	(666,675.00)	1,155,570.00		1,347,668.96
6/30/2026	1/1/2026	35,000	822,811.46		29,630,000	(666,675.00)	1,155,570.00		1,346,706.46
6/30/2027	1/1/2027	6,730,000	745,135.42		29,630,000	(603,628.13)	1,046,288.75		7,917,796.04
6/30/2028	1/1/2028	7,155,000	555,190.63		22,905,000	(446,925.00)	774,670.00		8,037,935.63
6/30/2029	1/1/2029	7,605,000	353,271.88		15,605,000	(279,581.25)	484,607.50		8,163,298.13
6/30/2030	1/1/2030	8,410,000	134,910.42		7,975,000	(104,671.88)	181,431.25		8,621,669.79
TOTALS		30,290,000	11,308,802.08			(9,101,568.75)	15,776,052.50		48,273,285.83

(1) For these purposes, 68% of 1 Month LIBOR + Spread assumed at 2.750%, paid monthly

(2) For these purposes, 60% of 1-Month LIBOR + 0.345% assumed at 2.250%, received monthly

(3) For these purposes, Fixed Swap Rate assumed at 3.900%, paid monthly

Note: Assumes payments made after December 1, 2014

DRAFT

10/20/2014 Board Meeting

Schedule 5F 2014 Fixed Payer Swap and the 2014 BASD Authority Bonds Maximum Periodic Scheduled Payments

1	2	3	4	5	6	7	8
		2014 BASD Authority Bonds		2014 Fixed Payer Swap			
		Pay	Pay				
Fiscal Year	Principal	Estimated	68% of 1 Month		Receive	Pay	Fiscal Year
<u>Ending</u>	<u>Date</u>	<u>Principal</u>	<u>LIBOR + Spread</u> (1)	<u>Notional</u>	<u>LIBOR + 0.345%</u> (2)	<u>Swap Rate</u> (3)	<u>Total</u>
			10.000%		0.345%	3.900%	
6/30/2015	1/1/2015	5,000	1,514,291.67	29,630,000	(51,111.75)	577,785.00	2,045,964.92
6/30/2016	1/1/2016	35,000	3,027,041.67	29,630,000	(102,223.50)	1,155,570.00	4,115,388.17
6/30/2017	1/1/2017	35,000	3,023,541.67	29,630,000	(102,223.50)	1,155,570.00	4,111,888.17
6/30/2018	1/1/2018	35,000	3,020,041.67	29,630,000	(102,223.50)	1,155,570.00	4,108,388.17
6/30/2019	1/1/2019	35,000	3,016,541.67	29,630,000	(102,223.50)	1,155,570.00	4,104,888.17
6/30/2020	1/1/2020	35,000	3,013,041.67	29,630,000	(102,223.50)	1,155,570.00	4,101,388.17
6/30/2021	1/1/2021	35,000	3,009,541.67	29,630,000	(102,223.50)	1,155,570.00	4,097,888.17
6/30/2022	1/1/2022	35,000	3,006,041.67	29,630,000	(102,223.50)	1,155,570.00	4,094,388.17
6/30/2023	1/1/2023	35,000	3,002,541.67	29,630,000	(102,223.50)	1,155,570.00	4,090,888.17
6/30/2024	1/1/2024	35,000	2,999,041.67	29,630,000	(102,223.50)	1,155,570.00	4,087,388.17
6/30/2025	1/1/2025	35,000	2,995,541.67	29,630,000	(102,223.50)	1,155,570.00	4,083,888.17
6/30/2026	1/1/2026	35,000	2,992,041.67	29,630,000	(102,223.50)	1,155,570.00	4,080,388.17
6/30/2027	1/1/2027	6,730,000	2,709,583.33	29,630,000	(92,556.31)	1,046,288.75	10,393,315.77
6/30/2028	1/1/2028	7,155,000	2,018,875.00	22,905,000	(68,528.50)	774,670.00	9,880,016.50
6/30/2029	1/1/2029	7,605,000	1,284,625.00	15,605,000	(42,869.13)	484,607.50	9,331,363.38
6/30/2030	1/1/2030	8,410,000	490,583.33	7,975,000	(16,049.69)	181,431.25	9,065,964.90
TOTALS		30,290,000	41,122,916.67		(1,395,573.88)	15,776,052.50	85,793,395.29

(1) For these purposes, 68% of 1 Month LIBOR + Spread assumed at 10.000%, paid monthly

(2) For these purposes, 60% of 1-Month LIBOR + 0.345% assumed at 0.345%, received monthly

(3) For these purposes, Fixed Swap Rate assumed at 3.900%, paid monthly

Note: Assumes payments made after December 1, 2014

DRAFT

10/20/2014 Board Meeting

2011 Fixed Payer Swap

DRAFT

10/20/2014 Board Meeting

Schedule 6A 2011 Fixed Payer Swap Estimated Periodic Scheduled Payments

1	2	3	4	5	6
Fiscal Year	Principal		Receive	Pay	Fiscal Year
<u>Ending</u>	<u>Date</u>	<u>Notional</u>	68% of 1 <u>Month LIBOR</u> (1)	Fixed <u>Swap Rate</u> (2)	<u>Total</u>
			2.150%	3.774%	
6/30/2015	7/1/2014	39,970,000	(429,623.75)	754,139.55	324,515.80
6/30/2016	7/1/2015	39,965,000	(859,148.96)	1,508,184.75	649,035.79
6/30/2017	7/1/2016	39,960,000	(859,041.46)	1,507,996.05	648,954.59
6/30/2018	7/1/2017	39,955,000	(858,933.96)	1,507,807.35	648,873.39
6/30/2019	7/1/2018	39,950,000	(858,826.46)	1,507,618.65	648,792.19
6/30/2020	7/1/2019	39,945,000	(858,718.96)	1,507,429.95	648,710.99
6/30/2021	7/1/2020	39,940,000	(858,611.46)	1,507,241.25	648,629.79
6/30/2022	7/1/2021	39,935,000	(858,503.96)	1,507,052.55	648,548.59
6/30/2023	7/1/2022	39,930,000	(792,767.71)	1,444,026.75	651,259.04
6/30/2024	7/1/2023	36,595,000	(718,503.13)	1,315,710.75	597,207.63
6/30/2025	7/1/2024	33,130,000	(641,246.46)	1,182,299.85	541,053.39
6/30/2026	7/1/2025	29,525,000	(560,881.25)	1,043,511.00	482,629.75
6/30/2027	7/1/2026	25,775,000	(477,398.54)	899,249.85	421,851.31
6/30/2028	7/1/2027	21,880,000	(390,601.25)	749,327.70	358,726.45
6/30/2029	7/1/2028	17,830,000	(300,471.46)	593,555.85	293,084.39
6/30/2030	7/1/2029	13,625,000	(206,812.08)	431,745.60	224,933.52
6/30/2031	7/1/2030	9,255,000	(109,506.67)	263,613.90	154,107.23
6/30/2032	7/1/2031	4,715,000	(8,447.71)	88,972.05	80,524.34
TOTALS			(10,648,045.21)	19,319,483.40	8,671,438.19

(1) For these purposes, 68% of 1 Month LIBOR assumed at 2.150%, received monthly

(2) For these purposes, Fixed Swap Rate assumed at 3.774%, paid semi-annually

Note: Assumes payments made after December 1, 2014

DRAFT

10/20/2014 Board Meeting

Schedule 6B 2011 Fixed Payer Swap Maximum Periodic Scheduled Payments

1	2	3	4	5	6
Fiscal Year Ending	Principal Date	Notional	Receive	Pay	Fiscal Year Total
			68% of 1	Fixed	
			Month LIBOR (1)	Swap Rate (2)	
			0.000%	3.774%	
6/30/2015	7/1/2014	39,970,000	0.00	754,139.55	754,139.55
6/30/2016	7/1/2015	39,965,000	0.00	1,508,184.75	1,508,184.75
6/30/2017	7/1/2016	39,960,000	0.00	1,507,996.05	1,507,996.05
6/30/2018	7/1/2017	39,955,000	0.00	1,507,807.35	1,507,807.35
6/30/2019	7/1/2018	39,950,000	0.00	1,507,618.65	1,507,618.65
6/30/2020	7/1/2019	39,945,000	0.00	1,507,429.95	1,507,429.95
6/30/2021	7/1/2020	39,940,000	0.00	1,507,241.25	1,507,241.25
6/30/2022	7/1/2021	39,935,000	0.00	1,507,052.55	1,507,052.55
6/30/2023	7/1/2022	39,930,000	0.00	1,444,026.75	1,444,026.75
6/30/2024	7/1/2023	36,595,000	0.00	1,315,710.75	1,315,710.75
6/30/2025	7/1/2024	33,130,000	0.00	1,182,299.85	1,182,299.85
6/30/2026	7/1/2025	29,525,000	0.00	1,043,511.00	1,043,511.00
6/30/2027	7/1/2026	25,775,000	0.00	899,249.85	899,249.85
6/30/2028	7/1/2027	21,880,000	0.00	749,327.70	749,327.70
6/30/2029	7/1/2028	17,830,000	0.00	593,555.85	593,555.85
6/30/2030	7/1/2029	13,625,000	0.00	431,745.60	431,745.60
6/30/2031	7/1/2030	9,255,000	0.00	263,613.90	263,613.90
6/30/2032	7/1/2031	4,715,000	0.00	88,972.05	88,972.05
TOTALS			0.00	19,319,483.40	19,319,483.40

(1) For these purposes, 68% of 1 Month LIBOR assumed at 0.000%, received monthly

(2) For these purposes, Fixed Swap Rate assumed at 3.774%, paid semi-annually

Note: Assumes payments made after December 1, 2014

DRAFT

10/20/2014 Board Meeting

Schedule 6C Risk Summary 2011 Fixed Payer Swap

	Brief Definition/Explanation	Risk Analysis	Example	Mitigation
1) Termination Risk*	Risk that the School District is forced to liquidate the Fixed Payer Swaps when it owes a termination payment to the Counterparty.	Would require a payment default, or bankruptcy by the School District, or a reduction in the School District's credit rating below threshold as defined in ISDA document. See Schedule 6D for the potential termination payments owed.	See Schedule 6D for the potential termination payments owed.	Good financial management, Monitor
2) Basis Risk**	Shortfall between the interest rate paid on underlying variable rate bonds and the floating rate received on the 2011 Fixed Payer Swap.	Could result in a realized fixed rate on the 2011 Fixed Payer Swap that is higher than the nominal rate in the contract.	School District's variable rate bonds may trade at a higher rate received on the 2011 Fixed Payer Swap.	Good financial management, budget contingency (i.e. Budget to a higher all-in fixed rate), and a Rate Stabilization and Improvement Fund.
3) Tax Risk**	Shortfall between the rate received on the 2011 Fixed Payer Swap and the rate paid caused by a reduction in or elimination of the benefit of the tax- exemption of municipal bonds, e.g. a tax cut.	Could result in a realized fixed rate on the 2011 Fixed Payer Swap that is higher than the nominal rate in the contract.	See Schedule 6E and 6F.	Good financial management, budget contingency (i.e. Budget to a higher all-in fixed rate), and a Rate Stabilization and Improvement Fund.
4) Counterparty Credit (Default) Risk	Risk of a payment default on the 2011 Fixed Payer Swap by the Counterparty which results in an economic loss to the School District.	Exposure that diminishes with passage of time; requires monitoring of Counterparty credit ratings.	See Schedule 6D for the potential payments owed.	Selected Counterparty with high credit ratings and continually monitor those, Interest Rate Management Plan / Monitor
5) Liquidity Risk	Inability to procure Liquidity Bank or that the liquidity fees will increase in the future.	Replacement Liquidity Bank can generally be located, but price may increase.	Could increase overall cost of administrative fees.	Prudently manage the School District's finances to maintain credit rating.
6) Legislative Risk	Risk that a legislative change to existing law would require the School District to terminate the swap.	Would require a change to existing law by legislative action. See Schedules 6 the potential payments owed.	See Schedules 6D for the potential payments owed.	Good financial management

*Any termination payment or swap cash outflows may need to fit under an inflationary index as defined in Act 1 that would restrict real estate tax increases.

** Note: Under the initial Index Mode of the 2011 BASD Authority Bonds, the District will be paying 68% of 1 Month LIBOR plus an Applicable Spread, which would eliminate Tax Risk and mitigate Basis Risk as it relates to the 2011 Fixed Payer Swap and 2011 BASD Authority Bonds. If the 2011 BASD Authority Bonds are remarketed into a different mode or type of Floating Mode (i.e. SIFMA instead of LIBOR), then the District would retain Tax Risk and Basis Risk.

DRAFT

10/20/2014 Board Meeting

**Schedule 6D
Termination Values
2011 Fixed Payer Swap**

Effective Date 10/15/2014
Swap Maturity 7/1/2031
Contract Swap Rate 3.774%
Discount Rate 2.45%

AMORTIZATION SCHEDULE		TERMINATION PAYMENT AMOUNT						
Outstanding Notional		Change in Swap Rates						
Date	\$39,965,000	-1.50%	-1.00%	-0.50%	0.00%	0.50%	1.00%	1.50%
10/15/2014	\$39,965,000	(\$18,219,260)	(\$15,051,321)	(\$12,143,045)	(\$9,470,000)	(\$7,010,232)	(\$4,744,001)	(\$2,653,541)
7/1/2015	\$39,960,000	(\$17,198,560)	(\$14,242,493)	(\$11,517,384)	(\$9,002,365)	(\$6,678,605)	(\$4,529,100)	(\$2,538,486)
7/1/2016	\$39,955,000	(\$15,760,229)	(\$13,095,090)	(\$10,623,781)	(\$8,329,835)	(\$6,198,303)	(\$4,215,606)	(\$2,369,403)
7/1/2017	\$39,950,000	(\$14,318,569)	(\$11,936,582)	(\$9,714,926)	(\$7,640,838)	(\$5,702,666)	(\$3,889,763)	(\$2,192,392)
7/1/2018	\$39,945,000	(\$12,873,572)	(\$10,766,861)	(\$8,790,556)	(\$6,934,970)	(\$5,191,204)	(\$3,551,081)	(\$2,007,079)
7/1/2019	\$39,940,000	(\$11,425,232)	(\$9,585,817)	(\$7,850,405)	(\$6,211,814)	(\$4,663,407)	(\$3,199,052)	(\$1,813,075)
7/1/2020	\$39,935,000	(\$9,973,538)	(\$8,393,338)	(\$6,894,201)	(\$5,470,944)	(\$4,118,752)	(\$2,833,148)	(\$1,609,968)
7/1/2021	\$39,930,000	(\$8,518,484)	(\$7,189,313)	(\$5,921,667)	(\$4,711,923)	(\$3,556,696)	(\$2,452,819)	(\$1,397,332)
7/1/2022	\$36,595,000	(\$7,060,061)	(\$5,973,627)	(\$4,932,522)	(\$3,934,305)	(\$2,976,681)	(\$2,057,495)	(\$1,174,716)
7/1/2023	\$33,130,000	(\$5,721,623)	(\$4,853,437)	(\$4,017,475)	(\$3,212,167)	(\$2,436,026)	(\$1,687,648)	(\$965,704)
7/1/2024	\$29,525,000	(\$4,508,278)	(\$3,833,866)	(\$3,181,354)	(\$2,549,786)	(\$1,938,253)	(\$1,345,891)	(\$771,878)
7/1/2025	\$25,775,000	(\$3,425,519)	(\$2,920,414)	(\$2,429,344)	(\$1,951,769)	(\$1,487,173)	(\$1,035,061)	(\$594,962)
7/1/2026	\$21,880,000	(\$2,479,036)	(\$2,118,793)	(\$1,766,856)	(\$1,422,949)	(\$1,086,807)	(\$758,173)	(\$436,802)
7/1/2027	\$17,830,000	(\$1,674,534)	(\$1,434,772)	(\$1,199,394)	(\$968,277)	(\$741,303)	(\$518,356)	(\$299,327)
7/1/2028	\$13,625,000	(\$1,018,101)	(\$874,498)	(\$732,829)	(\$593,050)	(\$455,118)	(\$318,992)	(\$184,632)
7/1/2029	\$9,255,000	(\$515,841)	(\$444,180)	(\$373,135)	(\$302,695)	(\$232,851)	(\$163,592)	(\$94,909)
7/1/2030	\$4,715,000	(\$174,244)	(\$150,408)	(\$126,660)	(\$102,999)	(\$79,423)	(\$55,933)	(\$32,526)
7/1/2031	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The mid-market value of the 2011 Fixed Payer Swap as of October 14, 2014 is approximately (\$9,470,000)

DRAFT

10/20/2014 Board Meeting

Schedule 6E Tax Risk: Present Value Analysis 2011 Fixed Payer Swap

PV Sensitivity Analysis for % of LIBOR Swap:		
	Date	10/15/2014
	Maturity	7/1/2031
Swap Floating % of LIBOR		68.0%
Annual Savings vs. SIFMA Swap		0.000%
Expected PV Savings		\$0
Discount Rate		2.45%

		PRESENT VALUE SAVINGS AT EFFECTIVE DATE				
		Variable Bond Rate/LIBOR Ratio				0 exemption
Outstanding Notional		S&P Worst Case				
Year Tax Change	Effective	58.0%	68.0%	75.5%	85.0%	100.0%
10/15/2014	\$39,965,000	\$1,076,725	\$0	(\$807,544)	(\$1,830,432)	(\$3,445,520)
7/1/2015	\$39,960,000	\$1,003,545	\$0	(\$752,659)	(\$1,706,027)	(\$3,211,346)
7/1/2016	\$39,955,000	\$928,575	\$0	(\$696,431)	(\$1,578,577)	(\$2,971,439)
7/1/2017	\$39,950,000	\$851,768	\$0	(\$638,826)	(\$1,448,006)	(\$2,725,658)
7/1/2018	\$39,945,000	\$773,081	\$0	(\$579,811)	(\$1,314,238)	(\$2,473,859)
7/1/2019	\$39,940,000	\$692,467	\$0	(\$519,350)	(\$1,177,193)	(\$2,215,893)
7/1/2020	\$39,935,000	\$609,878	\$0	(\$457,408)	(\$1,036,792)	(\$1,951,608)
7/1/2021	\$39,930,000	\$525,265	\$0	(\$393,949)	(\$892,951)	(\$1,680,849)
7/1/2022	\$36,595,000	\$438,580	\$0	(\$328,935)	(\$745,585)	(\$1,403,455)
7/1/2023	\$33,130,000	\$358,079	\$0	(\$268,559)	(\$608,734)	(\$1,145,852)
7/1/2024	\$29,525,000	\$284,239	\$0	(\$213,179)	(\$483,207)	(\$909,566)
7/1/2025	\$25,775,000	\$217,575	\$0	(\$163,181)	(\$369,877)	(\$696,240)
7/1/2026	\$21,880,000	\$158,624	\$0	(\$118,968)	(\$269,661)	(\$507,598)
7/1/2027	\$17,830,000	\$107,939	\$0	(\$80,955)	(\$183,497)	(\$345,406)
7/1/2028	\$13,625,000	\$66,111	\$0	(\$49,583)	(\$112,388)	(\$211,554)
7/1/2029	\$9,255,000	\$33,743	\$0	(\$25,307)	(\$57,363)	(\$107,978)
7/1/2030	\$4,715,000	\$11,482	\$0	(\$8,611)	(\$19,519)	(\$36,742)
7/1/2031	\$0	\$0	\$0	\$0	\$0	\$0

DRAFT

10/20/2014 Board Meeting

Schedule 6F Tax Risk: Annual Cash Flows 2011 Fixed Payer Swap

Notional Amount **\$39,965,000**

Contract LIBOR Ratio 68.0%

20-Yr Fixed Margin 0.000%

Annual Swap Cashflow Sensitivity*

<u>Actual SIFMA/LIBOR Ratio</u>					
LIBOR					
<u>Rate**</u>	<u>58.0%</u>	<u>68.0%</u>	<u>75.5%</u>	<u>85.0%</u>	<u>100.0%</u>
1.00%	39,965	0	(29,974)	(67,941)	(127,888)
2.00%	79,930	0	(59,948)	(135,881)	(255,776)
3.00%	119,895	0	(89,921)	(203,822)	(383,664)
4.00%	159,860	0	(119,895)	(271,762)	(511,552)
5.00%	199,825	0	(149,869)	(339,703)	(639,440)
6.00%	239,790	0	(179,843)	(407,643)	(767,328)
7.00%	279,755	0	(209,816)	(475,584)	(895,216)
8.00%	319,720	0	(239,790)	(543,524)	(1,023,104)

Cashflows = 1-Month LIBOR(Contract LIBOR Ratio - Actual SIFMA/LIBOR Ratio)*Notional Amount

**1-Month LIBOR

***Assumes related bonds trade at 68% of LIBOR. Any outperformance or underperformance will effect net cashflows on the transaction.

DRAFT

10/20/2014 Board Meeting

Schedule 6G 2011 Fixed Payer Swap and 2011 BASD Authority Bonds Estimated Periodic Scheduled Payments

1	2	3	4	5	6	7	8
		2011 BASD Authority Bonds		2011 Fixed Payer Swap			
Fiscal Year	Principal	Pay	Pay		Receive	Pay	Fiscal Year
<u>Ending</u>	<u>Date</u>	<u>Principal</u>	68% of 1 Month <u>LIBOR + Spread</u> (1) 2.700%	<u>Notional</u>	68% of 1 <u>Month LIBOR</u> (2) 2.150%	Fixed <u>Swap Rate</u> (3) 3.774%	<u>Total</u>
6/30/2015	7/1/2014		546,075.00	39,970,000	(429,623.75)	754,139.55	870,590.80
6/30/2016	7/1/2015	5,000	1,092,026.25	39,965,000	(859,148.96)	1,508,184.75	1,746,062.04
6/30/2017	7/1/2016	5,000	1,091,891.25	39,960,000	(859,041.46)	1,507,996.05	1,745,845.84
6/30/2018	7/1/2017	5,000	1,091,756.25	39,955,000	(858,933.96)	1,507,807.35	1,745,629.64
6/30/2019	7/1/2018	5,000	1,091,621.25	39,950,000	(858,826.46)	1,507,618.65	1,745,413.44
6/30/2020	7/1/2019	5,000	1,091,486.25	39,945,000	(858,718.96)	1,507,429.95	1,745,197.24
6/30/2021	7/1/2020	5,000	1,091,351.25	39,940,000	(858,611.46)	1,507,241.25	1,744,981.04
6/30/2022	7/1/2021	5,000	1,091,216.25	39,935,000	(858,503.96)	1,507,052.55	1,744,764.84
6/30/2023	7/1/2022	1,310,000	1,058,782.50	39,930,000	(792,767.71)	1,444,026.75	3,020,041.54
6/30/2024	7/1/2023	1,365,000	1,022,051.25	36,595,000	(718,503.13)	1,315,710.75	2,984,258.88
6/30/2025	7/1/2024	1,925,000	971,336.25	33,130,000	(641,246.46)	1,182,299.85	3,437,389.64
6/30/2026	7/1/2025	2,010,000	917,257.50	29,525,000	(560,881.25)	1,043,511.00	3,409,887.25
6/30/2027	7/1/2026	4,775,000	794,553.75	25,775,000	(477,398.54)	899,249.85	5,991,405.06
6/30/2028	7/1/2027	4,990,000	660,307.50	21,880,000	(390,601.25)	749,327.70	6,009,033.95
6/30/2029	7/1/2028	5,205,000	520,256.25	17,830,000	(300,471.46)	593,555.85	6,018,340.64
6/30/2030	7/1/2029	5,950,000	361,282.50	13,625,000	(206,812.08)	431,745.60	6,536,216.02
6/30/2031	7/1/2030	6,250,000	193,207.50	9,255,000	(109,506.67)	263,613.90	6,597,314.73
6/30/2032	7/1/2031	6,635,000	14,928.75	4,715,000	(8,447.71)	88,972.05	6,730,453.09
TOTALS		40,450,000	14,701,387.50		(10,648,045.21)	19,319,483.40	63,822,825.69

(1) For these purposes, 68% of 1 Month LIBOR + Spread assumed at 2.700%, paid monthly

(2) For these purposes, 68% of 1 Month LIBOR assumed at 2.150%, received monthly

(3) For these purposes, Fixed Swap Rate assumed at 3.774%, paid semi-annually

Note: Assumes payments made after December 1, 2014

DRAFT

10/20/2014 Board Meeting

Schedule 6H 2011 Fixed Payer Swap and 2011 BASD Authority Bonds Maximum Periodic Scheduled Payments

1	2	3	4	5	6	7	8
		2011 BASD Authority Bonds		2011 Fixed Payer Swap			
Fiscal Year	Principal	Pay	Pay		Receive	Pay	Fiscal Year
<u>Ending</u>	<u>Date</u>	<u>Principal</u>	68% of 1 Month <u>LIBOR + Spread</u> (1) 25.000%	<u>Notional</u>	68% of 1 <u>Month LIBOR</u> (2) 0.000%	Fixed <u>Swap Rate</u> (3) 3.774%	<u>Total</u>
6/30/2015	7/1/2014		5,056,250.00	39,970,000	0.00	754,139.55	5,810,389.55
6/30/2016	7/1/2015	5,000	10,111,354.17	39,965,000	0.00	1,508,184.75	11,624,538.92
6/30/2017	7/1/2016	5,000	10,110,104.17	39,960,000	0.00	1,507,996.05	11,623,100.22
6/30/2018	7/1/2017	5,000	10,108,854.17	39,955,000	0.00	1,507,807.35	11,621,661.52
6/30/2019	7/1/2018	5,000	10,107,604.17	39,950,000	0.00	1,507,618.65	11,620,222.82
6/30/2020	7/1/2019	5,000	10,106,354.17	39,945,000	0.00	1,507,429.95	11,618,784.12
6/30/2021	7/1/2020	5,000	10,105,104.17	39,940,000	0.00	1,507,241.25	11,617,345.42
6/30/2022	7/1/2021	5,000	10,103,854.17	39,935,000	0.00	1,507,052.55	11,615,906.72
6/30/2023	7/1/2022	1,310,000	9,803,541.67	39,930,000	0.00	1,444,026.75	12,557,568.42
6/30/2024	7/1/2023	1,365,000	9,463,437.50	36,595,000	0.00	1,315,710.75	12,144,148.25
6/30/2025	7/1/2024	1,925,000	8,993,854.17	33,130,000	0.00	1,182,299.85	12,101,154.02
6/30/2026	7/1/2025	2,010,000	8,493,125.00	29,525,000	0.00	1,043,511.00	11,546,636.00
6/30/2027	7/1/2026	4,775,000	7,356,979.17	25,775,000	0.00	899,249.85	13,031,229.02
6/30/2028	7/1/2027	4,990,000	6,113,958.33	21,880,000	0.00	749,327.70	11,853,286.03
6/30/2029	7/1/2028	5,205,000	4,817,187.50	17,830,000	0.00	593,555.85	10,615,743.35
6/30/2030	7/1/2029	5,950,000	3,345,208.33	13,625,000	0.00	431,745.60	9,726,953.93
6/30/2031	7/1/2030	6,250,000	1,788,958.33	9,255,000	0.00	263,613.90	8,302,572.23
6/30/2032	7/1/2031	6,635,000	138,229.17	4,715,000	0.00	88,972.05	6,862,201.22
TOTALS		40,450,000	136,123,958.33		0.00	19,319,483.40	195,893,441.73

(1) For these purposes, 68% of 1 Month LIBOR + Spread assumed at 25.000%, paid monthly

(2) For these purposes, 68% of 1 Month LIBOR assumed at 0.000%, received monthly

(3) For these purposes, Fixed Swap Rate assumed at 3.774%, paid semi-annually

Note: Assumes payments made after December 1, 2014

DRAFT

10/20/2014 Board Meeting

2011A Fixed Payer Swap

DRAFT

10/20/2014 Board Meeting

Schedule 7A 2011A Fixed Payer Swap Estimated Periodic Scheduled Payments

1	2	3	4	5	6
Fiscal Year Ending	Principal Date	Notional	Receive	Pay	Fiscal Year Total
			60% of 1-Month LIBOR + 0.346% (1)	Fixed Swap Rate (2)	
			2.250%	4.145%	
6/30/2015	1/1/2015	29,830,000	(391,518.75)	721,264.54	329,745.79
6/30/2016	1/1/2016	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2017	1/1/2017	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2018	1/1/2018	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2019	1/1/2019	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2020	1/1/2020	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2021	1/1/2021	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2022	1/1/2022	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2023	1/1/2023	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2024	1/1/2024	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2025	1/1/2025	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2026	1/1/2026	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2027	1/1/2027	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2028	1/1/2028	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2029	1/1/2029	29,830,000	(671,175.00)	1,236,453.50	565,278.50
6/30/2030	1/1/2030	29,830,000	(629,550.00)	1,159,771.00	530,221.00
6/30/2031	1/1/2031	26,130,000	(444,375.00)	818,637.50	374,262.50
6/30/2032	1/1/2032	13,370,000	(150,412.50)	277,093.25	126,680.75
TOTALS			(11,012,306.25)	20,287,115.29	9,274,809.04

(1) For these purposes, 60% of 1-Month LIBOR + 0.346% assumed at 2.250%, received monthly

(2) For these purposes, Fixed Swap Rate assumed at 4.145%, paid monthly

Note: Assumes payments made after December 1, 2014

DRAFT

10/20/2014 Board Meeting

Schedule 7B 2011A Fixed Payer Swap Maximum Periodic Scheduled Payments

1	2	3	4	5	6
Fiscal Year Ending	Principal Date	Notional	Receive	Pay	Fiscal Year Total
			60% of 1-Month LIBOR + 0.346% (1)	Fixed Swap Rate (2)	
			0.346%	4.145%	
6/30/2015	1/1/2015	29,830,000	(60,206.88)	721,264.54	661,057.66
6/30/2016	1/1/2016	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2017	1/1/2017	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2018	1/1/2018	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2019	1/1/2019	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2020	1/1/2020	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2021	1/1/2021	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2022	1/1/2022	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2023	1/1/2023	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2024	1/1/2024	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2025	1/1/2025	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2026	1/1/2026	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2027	1/1/2027	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2028	1/1/2028	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2029	1/1/2029	29,830,000	(103,211.80)	1,236,453.50	1,133,241.70
6/30/2030	1/1/2030	29,830,000	(96,810.80)	1,159,771.00	1,062,960.20
6/30/2031	1/1/2031	26,130,000	(68,335.00)	818,637.50	750,302.50
6/30/2032	1/1/2032	13,370,000	(23,130.10)	277,093.25	253,963.15
TOTALS			(1,693,447.98)	20,287,115.29	18,593,667.31

(1) For these purposes, 60% of 1-Month LIBOR + 0.346% assumed at 0.346%, received monthly

(2) For these purposes, Fixed Swap Rate assumed at 4.145%, paid monthly

Note: Assumes payments made after December 1, 2014

DRAFT

10/20/2014 Board Meeting

Schedule 7C Risk Summary 2011A Fixed Payer Swap

	Brief Definition/Explanation	Risk Analysis	Example	Mitigation
1) Termination Risk*	Risk that the School District is forced to liquidate the Fixed Payer Swaps when it owes a termination payment to the Counterparty.	Would require a payment default, or bankruptcy by the School District, or a reduction in the School District's credit rating below threshold as defined in ISDA document. See Schedule 7D for the potential termination payments owed.	See Schedule 7D for the potential termination payments owed.	Good financial management, Monitor
2) Basis Risk**	Shortfall between the interest rate paid on underlying variable rate bonds and the floating rate received on the 2011A Fixed Payer Swap.	Could result in a realized fixed rate on the 2011A Fixed Payer Swap that is higher than the nominal rate in the contract.	School District's variable rate bonds may trade at a higher rate received on the 2011A Fixed Payer Swap.	Good financial management, budget contingency (i.e. Budget to a higher all-in fixed rate), and a Rate Stabilization and Improvement Fund.
3) Tax Risk**	Shortfall between the rate received on the 2011A Fixed Payer Swap and the rate paid caused by a reduction in or elimination of the benefit of the tax- exemption of municipal bonds, e.g. a tax cut.	Could result in a realized fixed rate on the 2011A Fixed Payer Swap that is higher than the nominal rate in the contract.	See Schedule 7E and 7F.	Good financial management, budget contingency (i.e. Budget to a higher all-in fixed rate), and a Rate Stabilization and Improvement Fund.
4) Counterparty Credit (Default) Risk	Risk of a payment default on the 2011A Fixed Payer Swap by the Counterparty which results in an economic loss to the School District.	Exposure that diminishes with passage of time; requires monitoring of Counterparty credit ratings.	See Schedule 7D for the potential payments owed.	Selected Counterparty with high credit ratings and continually monitor those, Interest Rate Management Plan / Monitor
5) Liquidity Risk	Inability to procure Liquidity Bank or that the liquidity fees will increase in the future.	Replacement Liquidity Bank can generally be located, but price may increase.	Could increase overall cost of administrative fees.	Prudently manage the School District's finances to maintain credit rating.
6) Legislative Risk	Risk that a legislative change to existing law would require the School District to terminate the swap.	Would require a change to existing law by legislative action. See Schedules 7D the potential payments owed.	See Schedules 7D for the potential payments owed.	Good financial management

*Any termination payment or swap cash outflows may need to fit under an inflationary index as defined in Act 1 that would restrict real estate tax increases.

** Note: Under the initial Index Mode of the 2011A BASD Authority Bonds, the District will be paying 68% of 1 Month LIBOR plus an Applicable Spread, which would eliminate Tax Risk and mitigate Basis Risk as it relates to the 2011A Fixed Payer Swap and 2011A BASD Authority Bonds. If the 2011A BASD Authority Bonds are remarketed into a different mode or type of Floating Mode (i.e. SIFMA instead of LIBOR), then the District would retain Tax Risk and Basis Risk.

DRAFT

10/20/2014 Board Meeting

**Schedule 7D
Termination Values
2011A Fixed Payer Swap**

Effective Date 10/15/2014
Swap Maturity 1/1/2032
Contract Swap Rate 4.145%
Discount Rate 2.62%

AMORTIZATION SCHEDULE		TERMINATION PAYMENT AMOUNT						
Outstanding Notional		Change in Swap Rates						
Date	\$29,840,000	-1.50%	-1.00%	-0.50%	0.00%	0.50%	1.00%	1.50%
10/15/2014	\$29,840,000	(\$18,692,723)	(\$15,215,361)	(\$12,127,159)	(\$9,380,000)	(\$6,932,020)	(\$4,746,762)	(\$2,792,452)
1/1/2015	\$29,840,000	(\$18,456,428)	(\$15,036,090)	(\$11,994,255)	(\$9,284,596)	(\$6,866,740)	(\$4,705,483)	(\$2,770,091)
1/1/2016	\$29,840,000	(\$17,336,120)	(\$14,180,436)	(\$11,355,146)	(\$8,821,918)	(\$6,547,098)	(\$4,501,114)	(\$2,657,965)
1/1/2017	\$29,840,000	(\$16,214,468)	(\$13,316,605)	(\$10,704,566)	(\$8,347,038)	(\$6,216,321)	(\$4,287,892)	(\$2,540,024)
1/1/2018	\$29,840,000	(\$15,091,470)	(\$12,444,519)	(\$10,042,311)	(\$7,859,636)	(\$5,874,024)	(\$4,065,431)	(\$2,415,968)
1/1/2019	\$29,840,000	(\$13,967,124)	(\$11,564,100)	(\$9,368,170)	(\$7,359,380)	(\$5,519,803)	(\$3,833,332)	(\$2,285,479)
1/1/2020	\$29,840,000	(\$12,841,428)	(\$10,675,267)	(\$8,681,931)	(\$6,845,931)	(\$5,153,245)	(\$3,591,177)	(\$2,148,223)
1/1/2021	\$29,840,000	(\$11,714,380)	(\$9,777,941)	(\$7,983,377)	(\$6,318,942)	(\$4,773,919)	(\$3,338,530)	(\$2,003,850)
1/1/2022	\$29,840,000	(\$10,585,980)	(\$8,872,039)	(\$7,272,286)	(\$5,778,055)	(\$4,381,380)	(\$3,074,938)	(\$1,851,990)
1/1/2023	\$29,840,000	(\$9,456,225)	(\$7,957,481)	(\$6,548,434)	(\$5,222,904)	(\$3,975,168)	(\$2,799,924)	(\$1,692,255)
1/1/2024	\$29,840,000	(\$8,325,115)	(\$7,034,183)	(\$5,811,590)	(\$4,653,113)	(\$3,554,808)	(\$2,512,996)	(\$1,524,237)
1/1/2025	\$29,840,000	(\$7,192,646)	(\$6,102,063)	(\$5,061,524)	(\$4,068,295)	(\$3,119,806)	(\$2,213,636)	(\$1,347,507)
1/1/2026	\$29,840,000	(\$6,058,818)	(\$5,161,034)	(\$4,297,996)	(\$3,468,055)	(\$2,669,652)	(\$1,901,306)	(\$1,161,612)
1/1/2027	\$29,840,000	(\$4,923,630)	(\$4,211,014)	(\$3,520,765)	(\$2,851,986)	(\$2,203,819)	(\$1,575,444)	(\$966,078)
1/1/2028	\$29,840,000	(\$3,787,078)	(\$3,251,914)	(\$2,729,586)	(\$2,219,670)	(\$1,721,760)	(\$1,235,463)	(\$760,404)
1/1/2029	\$29,840,000	(\$2,649,162)	(\$2,283,650)	(\$1,924,208)	(\$1,570,679)	(\$1,222,910)	(\$880,753)	(\$544,065)
1/1/2030	\$26,130,000	(\$1,509,881)	(\$1,306,133)	(\$1,104,376)	(\$904,573)	(\$706,684)	(\$510,674)	(\$316,508)
1/1/2031	\$13,370,000	(\$511,273)	(\$443,522)	(\$376,055)	(\$308,867)	(\$241,956)	(\$175,318)	(\$108,950)
1/1/2032	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

The mid-market value of the 2011A Fixed Payer Swap as of October 14, 2014 is approximately (\$9,380,000)

DRAFT

10/20/2014 Board Meeting

Schedule 7E Tax Risk: Present Value Analysis 2011A Fixed Payer Swap

PV Sensitivity Analysis for % of LIBOR Swap:	
Date	10/15/2014
Maturity	1/1/2032
Swap Floating % of LIBOR	60.0%
Fixed Spread	0.346%
Expected PV Savings	\$1,387,188
Discount Rate	2.62%

Outstanding Notional		PRESENT VALUE SAVINGS AT EFFECTIVE DATE				
		Variable Bond Rate/LIBOR Ratio				0 exemption
		S&P Worst Case				
Year Tax Change Effective		58.0%	68.0%	75.5%	85.0%	100.0%
10/15/2014	\$29,840,000	\$1,601,537	\$529,792	(\$274,017)	(\$1,292,175)	(\$2,899,793)
1/1/2015	\$29,840,000	\$1,596,424	\$550,242	(\$234,395)	(\$1,228,268)	(\$2,797,542)
1/1/2016	\$29,840,000	\$1,585,997	\$591,949	(\$153,587)	(\$1,097,933)	(\$2,589,005)
1/1/2017	\$29,840,000	\$1,575,296	\$634,756	(\$70,648)	(\$964,160)	(\$2,374,969)
1/1/2018	\$29,840,000	\$1,564,312	\$678,693	\$14,478	(\$826,860)	(\$2,155,288)
1/1/2019	\$29,840,000	\$1,553,038	\$723,787	\$101,850	(\$685,938)	(\$1,929,814)
1/1/2020	\$29,840,000	\$1,541,467	\$770,072	\$191,525	(\$541,300)	(\$1,698,393)
1/1/2021	\$29,840,000	\$1,529,591	\$817,576	\$283,565	(\$392,848)	(\$1,460,870)
1/1/2022	\$29,840,000	\$1,517,401	\$866,334	\$378,033	(\$240,481)	(\$1,217,083)
1/1/2023	\$29,840,000	\$1,504,890	\$916,377	\$474,992	(\$84,096)	(\$966,867)
1/1/2024	\$29,840,000	\$1,492,050	\$967,740	\$574,507	\$76,413	(\$710,052)
1/1/2025	\$29,840,000	\$1,478,870	\$1,020,457	\$676,648	\$241,155	(\$446,464)
1/1/2026	\$29,840,000	\$1,465,343	\$1,074,565	\$781,481	\$410,242	(\$175,926)
1/1/2027	\$29,840,000	\$1,451,460	\$1,130,100	\$889,080	\$583,788	\$101,748
1/1/2028	\$29,840,000	\$1,437,210	\$1,187,099	\$999,516	\$761,910	\$386,744
1/1/2029	\$29,840,000	\$1,422,584	\$1,245,601	\$1,112,864	\$944,730	\$679,255
1/1/2030	\$26,130,000	\$1,407,573	\$1,305,646	\$1,229,201	\$1,132,371	\$979,481
1/1/2031	\$13,370,000	\$1,394,148	\$1,359,345	\$1,333,243	\$1,300,180	\$1,247,976
1/1/2032	\$0	\$1,387,188	\$1,387,188	\$1,387,188	\$1,387,188	\$1,387,188

DRAFT

10/20/2014 Board Meeting

Schedule 7F
Tax Risk: Annual Cash Flows
2011A Fixed Payer Swap

Notional Amount **\$29,840,000**

Contract LIBOR Ratio 60.0%

20-Yr Fixed Margin 0.346%

Annual Swap Cashflow Sensitivity*

Actual SIFMA/LIBOR Ratio					
LIBOR					
Rate**	<u>58.0%</u>	<u>68.0%</u>	<u>75.5%</u>	<u>85.0%</u>	<u>100.0%</u>
1.00%	109,214	79,374	56,994	28,646	(16,114)
2.00%	115,182	55,502	10,742	(45,954)	(135,474)
3.00%	121,150	31,630	(35,510)	(120,554)	(254,834)
4.00%	127,118	7,758	(81,762)	(195,154)	(374,194)
5.00%	133,086	(16,114)	(128,014)	(269,754)	(493,554)
6.00%	139,054	(39,986)	(174,266)	(344,354)	(612,914)
7.00%	145,022	(63,858)	(220,518)	(418,954)	(732,274)
8.00%	150,990	(87,730)	(266,770)	(493,554)	(851,634)

Cashflows = 1-Month LIBOR(Contract LIBOR Ratio - Actual
SIFMA/LIBOR Ratio)*Notional Amount

**1-Month LIBOR

***Assumes related bonds trade at 68% of LIBOR. Any outperformance or
underperformance will effect net cashflows on the transaction.

DRAFT

10/20/2014 Board Meeting

Schedule 7G 2011A Fixed Payer Swap and 2011A BASD Authority Bonds Estimated Periodic Scheduled Payments

1	2	3		4	5		6	7	8
Fiscal Year <u>Ending</u>	Principal <u>Date</u>	2011A BASD Authority Bonds			2011A Fixed Payer Swap				Fiscal Year <u>Total</u>
		Pay	Pay		Receive		Pay		
		Estimated	68% of 1 Month		60% of 1-Month		Fixed		
		<u>Principal</u>	<u>LIBOR + Spread</u> (1)		<u>Notional</u>	<u>LIBOR + 0.346%</u> (2)	<u>Swap Rate</u> (3)		
			2.700%			2.250%	4.145%		
6/30/2015	1/1/2015	5,000	404,741.25		29,830,000	(335,587.50)	618,226.75		692,380.50
6/30/2016	1/1/2016	5,000	809,403.75		29,830,000	(671,175.00)	1,236,453.50		1,379,682.25
6/30/2017	1/1/2017	5,000	809,268.75		29,830,000	(671,175.00)	1,236,453.50		1,379,547.25
6/30/2018	1/1/2018	5,000	809,133.75		29,830,000	(671,175.00)	1,236,453.50		1,379,412.25
6/30/2019	1/1/2019	5,000	808,998.75		29,830,000	(671,175.00)	1,236,453.50		1,379,277.25
6/30/2020	1/1/2020	5,000	808,863.75		29,830,000	(671,175.00)	1,236,453.50		1,379,142.25
6/30/2021	1/1/2021	5,000	808,728.75		29,830,000	(671,175.00)	1,236,453.50		1,379,007.25
6/30/2022	1/1/2022	5,000	808,593.75		29,830,000	(671,175.00)	1,236,453.50		1,378,872.25
6/30/2023	1/1/2023	5,000	808,458.75		29,830,000	(671,175.00)	1,236,453.50		1,378,737.25
6/30/2024	1/1/2024	5,000	808,323.75		29,830,000	(671,175.00)	1,236,453.50		1,378,602.25
6/30/2025	1/1/2025	5,000	808,188.75		29,830,000	(671,175.00)	1,236,453.50		1,378,467.25
6/30/2026	1/1/2026	5,000	808,053.75		29,830,000	(671,175.00)	1,236,453.50		1,378,332.25
6/30/2027	1/1/2027	5,000	807,918.75		29,830,000	(671,175.00)	1,236,453.50		1,378,197.25
6/30/2028	1/1/2028	5,000	807,783.75		29,830,000	(671,175.00)	1,236,453.50		1,378,062.25
6/30/2029	1/1/2029	5,000	807,648.75		29,830,000	(671,175.00)	1,236,453.50		1,377,927.25
6/30/2030	1/1/2030	2,130,000	783,607.50		29,830,000	(636,487.50)	1,172,551.42		3,449,671.42
6/30/2031	1/1/2031	13,600,000	597,060.00		26,130,000	(468,300.00)	862,712.67		14,591,472.67
6/30/2032	1/1/2032	14,180,000	223,335.00		13,370,000	(175,481.25)	323,275.46		14,551,129.21
TOTALS		29,985,000	13,328,111.25		(11,012,306.25)		20,287,115.29		52,587,920.29

(1) For these purposes, 68% of 1 Month LIBOR + Spread assumed at 2.700%, paid monthly

(2) For these purposes, 60% of 1-Month LIBOR + 0.346% assumed at 2.250%, received monthly

(3) For these purposes, Fixed Swap Rate assumed at 4.145%, paid monthly

Note: Assumes payments made after December 1, 2014

DRAFT

10/20/2014 Board Meeting

Schedule 7H 2011A Fixed Payer Swap and 2011A BASD Authority Bonds Maximum Periodic Scheduled Payments

1	2	3		4	5	6		7	8
Fiscal Year Ending	Principal Date	2011A BASD Authority Bonds			2011A Fixed Payer Swap				
		Pay	Pay		Receive	Pay			
		Estimated	68% of 1 Month		60% of 1-Month	Fixed			
		<u>Principal</u>	<u>LIBOR + Spread</u> (1)		<u>Notional</u>	<u>LIBOR + 0.346%</u> (2)	<u>Swap Rate</u> (3)	<u>Total</u>	
			25.000%		0.346%	4.145%			
6/30/2015	1/1/2015	5,000	3,747,604.17	29,830,000	(51,605.90)	618,226.75	4,319,225.02		
6/30/2016	1/1/2016	5,000	7,494,479.17	29,830,000	(103,211.80)	1,236,453.50	8,632,720.87		
6/30/2017	1/1/2017	5,000	7,493,229.17	29,830,000	(103,211.80)	1,236,453.50	8,631,470.87		
6/30/2018	1/1/2018	5,000	7,491,979.17	29,830,000	(103,211.80)	1,236,453.50	8,630,220.87		
6/30/2019	1/1/2019	5,000	7,490,729.17	29,830,000	(103,211.80)	1,236,453.50	8,628,970.87		
6/30/2020	1/1/2020	5,000	7,489,479.17	29,830,000	(103,211.80)	1,236,453.50	8,627,720.87		
6/30/2021	1/1/2021	5,000	7,488,229.17	29,830,000	(103,211.80)	1,236,453.50	8,626,470.87		
6/30/2022	1/1/2022	5,000	7,486,979.17	29,830,000	(103,211.80)	1,236,453.50	8,625,220.87		
6/30/2023	1/1/2023	5,000	7,485,729.17	29,830,000	(103,211.80)	1,236,453.50	8,623,970.87		
6/30/2024	1/1/2024	5,000	7,484,479.17	29,830,000	(103,211.80)	1,236,453.50	8,622,720.87		
6/30/2025	1/1/2025	5,000	7,483,229.17	29,830,000	(103,211.80)	1,236,453.50	8,621,470.87		
6/30/2026	1/1/2026	5,000	7,481,979.17	29,830,000	(103,211.80)	1,236,453.50	8,620,220.87		
6/30/2027	1/1/2027	5,000	7,480,729.17	29,830,000	(103,211.80)	1,236,453.50	8,618,970.87		
6/30/2028	1/1/2028	5,000	7,479,479.17	29,830,000	(103,211.80)	1,236,453.50	8,617,720.87		
6/30/2029	1/1/2029	5,000	7,478,229.17	29,830,000	(103,211.80)	1,236,453.50	8,616,470.87		
6/30/2030	1/1/2030	2,130,000	7,255,625.00	29,830,000	(97,877.63)	1,172,551.42	10,460,298.78		
6/30/2031	1/1/2031	13,600,000	5,528,333.33	26,130,000	(72,014.13)	862,712.67	19,919,031.87		
6/30/2032	1/1/2032	14,180,000	2,067,916.67	13,370,000	(26,985.12)	323,275.46	16,544,207.01		
TOTALS		29,985,000	123,408,437.50		(1,693,447.98)	20,287,115.29	171,987,104.81		

(1) For these purposes, 68% of 1 Month LIBOR + Spread assumed at 25.000%, paid monthly

(2) For these purposes, 60% of 1-Month LIBOR + 0.346% assumed at 0.346%, received monthly

(3) For these purposes, Fixed Swap Rate assumed at 4.145%, paid monthly

Note: Assumes payments made after December 1, 2014

CERTIFICATE

I, the undersigned, (Assistant) Secretary of the Board of School Directors of the Bethlehem Area School District, Northampton and Lehigh Counties, Pennsylvania (the "School District"), certify that: the foregoing is a true and correct copy of a Resolution that duly was adopted by affirmative vote of a majority of all members of the Board of School Directors of the School District at a meeting duly held on the 20th day of October, 2014, said Resolution duly has been recorded in the minute book of the Board of School Directors of the School District; a notice with respect to the intent to adopt said Resolution has been published as required by law; said Resolution was available for inspection by any interested citizen requesting the same in accordance with the requirements of the School District Debt Act of the Commonwealth of Pennsylvania and such notice; and said Resolution has not been amended, altered, modified, or repealed as of the date of this Certificate.

I further certify that the Board of School Directors of the School District met the advance notice and public comment requirements of the Sunshine Act, as amended, by advertising the time and place of said meeting, by posting prominently a notice of said meeting at the principal office of the School District or at the public building in which said meeting was held, and by providing a reasonable opportunity for public comment at said meeting, all in accordance with said Act.

I further certify that: the total number of members of the Board of School Directors of the School District is nine (9); the vote of members of the Board of School Directors of the School District upon said Resolution was called and duly was recorded upon the minutes of said meeting; and members of the Board of School Directors of the School District voted upon said Resolution in the following manner:

Michael Faccinetto	-
Shannon Patrick	-
Basilio Bonilla, Jr.	-
Michele Cann	-
Eugene McKeon	-
Craig Neiman	-
Rogelio Ortiz	-
Angela Sinkler	-
Sudantha Vidanage	-

IN WITNESS WHEREOF, I set my hand and affix the official seal of the School District, this 20th day of October, 2014.

(Assistant) Secretary of the Board of
School Directors

(SEAL)

9. *Construction Easement and Approvals – Farmersville Elementary School – William Penn Commons Development*

INFORMATION:

At the June 27, 2011, Regular Board Meeting, the Administration and D'Huy Engineering were authorized to work with the William Penn Commons developers to finalize details of improvements at Farmersville Elementary School. The improvements include realigning the Farmersville driveway with a new proposed traffic light and providing a new exit driveway on school property to align with the new traffic light. D'Huy Engineering provided the developer and PennDOT with the traffic concerns at Farmersville and worked with the developer's engineer to review the proposed improvements that affect school operations.

The Administration and D'Huy Engineering have reviewed the current plans and support the planned improvements on the Farmersville Elementary School property.

This information was reviewed with the Board at the October 13, 2014, Board Finance Committee Meeting.

RECOMMENDATION:

That the Board of School Directors authorizes the following:

- A. That the Superintendent executes a construction easement for underground storm water pipe construction on the Farmersville Elementary School property adjacent to William Penn Highway subject to District engineer and solicitor review.
- B. That the Administration executes all PennDOT paperwork necessary for the new driveway opening, traffic work and any required associated applications at Farmersville Elementary School.

10. *Settlement Agreement and Release***INFORMATION:**

Bethlehem Area School District filed a Federal case against a parent who used due process procedures for improper purposes. The case was instituted against Diana Zhou by the District to stop meritless claims. This lawsuit is the first in Pennsylvania under a federal law, which permits a school district to file a complaint against a parent who abuses the system. A Federal Court judge ruled in favor of the District and a jury found in favor of Ms. Zhou on one of her claims. The District and Zhou each demanded payment of counsel fees from the other. Zhou's counsel fees are greater than the District's since her lawyers were located in Philadelphia and charged higher rates than the District's lawyers charged in Bethlehem. A settlement has been negotiated to avoid further litigation and fees.

RECOMMENDATION:

That the Board of School Directors approves the Settlement Agreement and Release.

11. *Agreement Between Board of School Directors and Instructional Meet and Discuss Employees*

INFORMATION:

The Agreement between the Board of School Directors and the Instructional Meet and Discuss personnel expired on June 30, 2014.

This item was reviewed with the Board at Executive Session on October 13, 2014.

RECOMMENDATION:

That the Board of School Directors approves the Instructional Meet and Discuss Agreement for July 1, 2014, through June 30, 2017.

12. *PA-ETEP Addendum*

INFORMATION:

BASD entered into an agreement with EduLink, Inc. in 2013 to provide a software program to support administrators and teachers with the implementation of the Educator Effectiveness System, as legislated by PA Act 82 of 2012.

EduLink has developed a module to assist districts in managing the state mandated Student Learning Objectives (SLOs). The administration would like to add this module to our PA-ETEP package. By purchasing this module, we will also receive access to the Principal Effectiveness module and the module for observing and evaluating the non-teaching professional staff (NTPs).

SLOs, NTPs, and Principal Effectiveness are all required for this school year.

RECOMMENDATION:

That the Board of School Directors approves the addendum to the agreement between EduLink and the Bethlehem Area School District at a cost of \$5,120.

13. Resignations**RECOMMENDATION:*****A. Instructional***

	NAME	ASSIGNMENT	REASON	EFFECTIVE
1.	Berkenstock, Susan	Fountain Hill Art Teacher	Retirement	December 23, 2014
2.	Tate, Gerald	East Hills Grade 6 Teacher	Retirement	January 23, 2015
3.	Wertman-Stambaugh, Courtney	Nitschmann Grade 6 Teacher	Resignation	On or before November 17, 2014

B. Noninstructional

	NAME	ASSIGNMENT	REASON	EFFECTIVE
1.	Kaur, Sukhwinder	Liberty General Kitchen Help	Resignation	September 26, 2014
2.	Caldero, Nilda	Freemansburg General Kitchen Help	Retirement	October 31, 2014
3.	Luther, Elsa	Northeast/Thomas Jefferson General Kitchen Help	Resignation	September 29, 2014
4.	Miller, Christine	Freedom Cook	Resignation	October 31, 2014
5.	Moyer, Rebecca	East Hills General Kitchen Help	Resignation	October 14, 2014
6.	Rancke, Martha	Freedom General Kitchen Help	Retirement	January 23, 2015
7.	Shinko, Donna	Farmersville General Kitchen Help	Resignation	September 12, 2014

C. Miscellaneous

	NAME	ASSIGNMENT	REASON	EFFECTIVE
1.	Wertman-Stambaugh, Courtney	Nitschmann Team Leader Grade 6 - 5 person	Resignation	September 30, 2014

14. *Leaves of Absence*

RECOMMENDATION:

A. Instructional

	NAME	ASSIGNMENT	REASON	EFFECTIVE
1.	Ayre, Caitlin	East Hills Science Teacher	Family Medical/ Childrearing Leave of Absence	Family Medical Leave of Absence to begin November 12, 2014, until the end of the day on February 23, 2015 Childrearing Leave of Absence to begin February 24, 2015, until the end of the 2014-2015 school year
2.	Blocker, Evonne	Spring Garden Special Education Teacher	Childrearing Leave of Absence	November 14, 2014, until the end of the 2014-2015 school year
3.	Latham, Laurie	Donegan Prekindergarten Teacher	Family Medical Leave of Absence	September 22, 2014, intermittently, until the end of the day on March 20, 2015
4.	Llewellyn, Jan	Liberty English Teacher	Family Medical Leave of Absence	October 28, 2014, until the end of the day on December 19, 2014
5.	Micolochick, Sharon	East Hills Grade 6 Teacher	Family Medical Leave of Absence	September 3, 2014, intermittently, until the end of the day on September 3, 2015
6.	Patti, Nicole	East Hills Mathematics Teacher	Family Medical/ Childrearing Leave of Absence	Family Medical Leave of Absence to begin September 3, 2014, until the end of the day on December 2, 2014 Childrearing Leave of Absence to begin December 3, 2014, until the end of the day on January 2, 2015 <i>Correction from September 22, 2014</i>

14. Leaves of Absence**RECOMMENDATION:*****A. Instructional (continued)***

	NAME	ASSIGNMENT	REASON	EFFECTIVE
7.	VanBlargan, Connie	William Penn ESOL Teacher	Family Medical Leave of Absence	September 11, 2014, intermittently, until the end of the day on December 11, 2014

B. Noninstructional

	NAME	ASSIGNMENT	REASON	EFFECTIVE
1.	Barron, Kathleen	Child Care Assistant Center Supervisor	Family Medical Leave of Absence	October 7, 2014, until the end of the day on October 22, 2015
2.	de la Rosa, Adnery	Liberty Teacher Assistant	Family Medical Leave of Absence	September 24, 2014, intermittently, until the end of the day on September 24, 2015

15. Nominations**RECOMMENDATION:*****A. Instructional***

	NAME	ASSIGNMENT	SALARY	EFFECTIVE
1.	Dowches, Melissa	Spring Garden Grade 3 Teacher <i>Long-term Substitute</i>	\$44,355, prorated Bachelor's, Step 1	October 21, 2014, terminating at the end of the 2014- 2015 school year, or upon the return of A. Skrapits, whichever occurs first
2.	Elliott, Rachel	East Hills Science Teacher <i>Long-term Substitute</i>	\$44,355, prorated Bachelor's, Step 1	October 21, 2014, terminating at the end of the 2014- 2015 school year, or upon the return of C. Ayre, whichever occurs first

15. Nominations**RECOMMENDATION:*****A. Instructional (continued)***

	NAME	ASSIGNMENT	SALARY	EFFECTIVE
3.	Lanzetta, Angela	Nitschmann Grade 6 Teacher <i>Professional Employee</i>	\$50,732, prorated Master's, Step 5	On or after October 21, 2014
4.	O'Connor, Erin	Liberty English Teacher <i>Long-term Substitute</i>	\$44,355, prorated Bachelor's, Step 1	September 23, 2014, terminating at the end of the 2014- 2015 school year, or upon the return of A. Wakeman, which- ever occurs first
5.	Price, Emily	Spring Garden Special Education Teacher <i>Long-term Substitute</i>	\$44,355, prorated Bachelor's, Step 1	October 21, 2014, terminating at the end of the 2014- 2015 school year or upon the return of E. Blocker, whichever occurs first

B. Noninstructional

	NAME	ASSIGNMENT	SALARY	EFFECTIVE
1.	Dougherty, Teresa	James Buchanan Teacher Assistant General Duty, 3 hours daily	\$15.08 per hour	October 21, 2014
2.	Killeen, Brian Miller, Frederick Rosado, Arlene Sarafino, Andrew	Part-time Bus Drivers	\$17.27 per hour	To be determined upon completion of training/testing
3.	Giammarinaro, Jana	Part-time Bus Monitor	\$12.02 per hour	October 9, 2014
4.	Maxwell, Pauline	Farmersville General Kitchen Help 3 hours daily, lunch	\$13.93 per hour	September 29, 2014 <i>Recall from furlough</i>

15. Nominations**RECOMMENDATION:*****B. Noninstructional (continued)***

	NAME	ASSIGNMENT	SALARY	EFFECTIVE
5.	Morales, Sonia	Fountain Hill Teacher Assistant General Duty, 3 hours daily	\$15.08 per hour	October 21, 2014

C. Miscellaneous

	NAME	ASSIGNMENT	SALARY
1.		Coaches <i>Freedom</i>	
	Innarella, Charis	Head Girls Lacrosse	\$5,507
	Rold, Paul	Assistant Girls Lacrosse	3,580
		<i>Liberty</i>	
	Barnhart, Jamison	(.5) Assistant Boys Basketball	2,203
	VanAckeren, Trevor	Assistant Boys Basketball	<i>Volunteer</i>
	Maxwell, Megan	Assistant Cheerleading	<i>Volunteer</i>
	Ruth, Lindsay	Assistant Cheerleading	<i>Volunteer</i>
	Giannantonio, Amy	Assistant Cross Country	<i>Volunteer</i>
	Schaffer, Fred	Assistant Football	<i>Volunteer</i>
	Minarik, Linda	Assistant Girls Tennis	<i>Volunteer</i>
	Dredge, Thomas	Assistant Wrestling	<i>Volunteer</i>
2.		Content Area Leader <i>Broughal</i>	
	Reed, Christine	ESOL – 3 person	\$748
3.		Extracurricular Activity Advisors <i>Donegan</i>	
	Rivera, Angel	Choir	\$349
	West, Kathy	Donegan Dashers	349
	Lopez, Aracelys	Play	349
4.		Extracurricular Activity Advisor <i>Northeast</i>	
	Fink, Diane	Treasurer	\$1,710 <i>stipend correction from September 22, 2014</i>

15. Nominations**RECOMMENDATION:*****C. Miscellaneous (continued)***

	NAME	ASSIGNMENT	SALARY
5.	Inductees Sommers, Hanna Walke, Heather	Support Teachers Klaric, Colleen Ramsey, Elizabeth	Support Teacher Stipend \$656 656
6.	Loupos, Theodora	Team Leader <i>Nitschmann</i> Grade 6 – 5 person	\$1,468, prorated <i>Effective:</i> <i>October 1, 2014</i>

D. Substitutes

NONINSTRUCTIONAL	
Adams, Robert	Esposito, Judy
Bast, Amanda	Mazural, Leila

16. Reassignments**RECOMMENDATION:*****A. Administrative***

	NAME	FROM/TO	SALARY	EFFECTIVE
1.	Leeson, Maureen	From: Liberty Physics Teacher To: Freedom Temporary Dean of Students	\$56,770, prorated	To be determined, terminating at the end of the day on June 30, 2015

16. Reassignments**RECOMMENDATION:*****B. Instructional***

	NAME	FROM/TO	SALARY	EFFECTIVE
1.	Kapral, Stephen	From: Liberty (.7) Mathematics Teacher To: Liberty 1.0 Mathematics Teacher	\$44,355, prorated Bachelor's, Step 1	October 13, 2014
2.	Stella, Carol	From: Liberty (.8) English Teacher To: Liberty 1.0 English Teacher	\$62,577, prorated Master's, Step 12	First day of the second semester of the 2014-2015 school year

C. Noninstructional

	NAME	FROM/TO	SALARY	EFFECTIVE
1.	Csrenko, Joseph	From: East Hills C-3 Custodian To: Maintenance M-1 General Maintenance	\$23.98 per hour	October 21, 2014
2.	Grullon, Maria	From: Freedom General Kitchen Help 3.5 hours daily, lunch To: Freedom General Kitchen Help 3.5 hours daily, lunch Fountain Hill General Kitchen Help 1 hour daily, breakfast	\$13.93 per hour	October 21, 2014

17. *Professional Employee Status for Teachers*

RECOMMENDATION:

That the following teachers, 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: September 28, 2013

Groh, Jacqueline

Liberty, Family & Consumer Science Teacher

EFFECTIVE: September 27, 2014

Limpar, Gina

East Hills, Guidance Counselor

Budgetary Transfers

RECOMMENDATION:

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

**Bethlehem Area School District
2014-15 BUDGET TRANSFERS**

October, 2014

<u>FROM ACCOUNT</u>	<u>ACCT DESCRIPTION</u>	<u>TO ACCOUNT</u>	<u>ACCT DESCRIPTION</u>	<u>AMOUNT</u>	<u>REASON/ITEM PURCHASED</u>
10-2380-751-000-30-353-000-530-0000	Principal-Equip Non Cap	10-1100-751-000-30-353-000-530-0000	Instr-Equip Non Cap	\$ 1,492.74	Whiteboards & Screens
10-1100-610-000-30-353-180-530-0000	Instr-Science Supplies	10-1100-751-000-30-353-180-530-0000	Instr-Science Equip Non Cap	\$ 1,982.32	Science Equipment
10-2380-751-000-30-353-000-530-0000	Principal-Equip Non Cap	10-1100-757-000-30-353-153-530-0000	Instr-ESOL Hrdwr/Sftwr	\$ 565.00	Projector
10-1100-610-000-30-353-180-530-0000	Instr-Science Supplies	10-1100-757-000-30-353-180-530-0000	Instr-Science Hrdwr/Sftwr	\$ 165.00	LCD Projector
10-2220-650-000-30-353-535-530-0000	Tech Sprt Svcs-Tech Supplies	10-1100-757-000-30-353-180-530-0000	Instr-Science Hrdwr/Sftwr	\$ 400.00	LCD Projector
10-1100-650-000-30-353-160-530-0000	Instr-World Lang Tech Supplies	10-1100-767-000-30-353-160-530-0000	Instr-World Lang Hrdwr/Sftwr Rplc	\$ 165.00	LCD Projector
10-2220-650-000-30-353-535-530-0000	Tech Sprt Svcs-Tech Supplies	10-1100-767-000-30-353-160-530-0000	Instr-World Lang Hrdwr/Sftwr Rplc	\$ 400.00	LCD Projector
10-1100-640-000-10-104-000-040-0000	Instr-Books/Periodicals	10-1100-767-000-10-104-535-040-0000	Instr-Hrdwr/Sftwr Rplc	\$ 2,000.00	Projectors & Doc Camera
10-1100-640-000-30-350-000-500-0000	Instr-Books/Periodicals	10-1340-610-000-30-350-000-500-0000	Home Ec-Supplies	\$ 1,000.00	Realign Budget to actual
10-1340-761-000-30-353-000-530-0000	Home Ec-Rplc Equip	10-1340-640-000-30-353-000-530-0000	Home Ec-Books/Periodicals	\$ 152.73	Home Ec Books
10-1360-640-000-30-353-000-530-0000	Bus Ed-Books/Periodicals	10-1360-767-000-30-353-535-530-0000	Bus Ed-Hrdwr/Sftwr Rplc	\$ 138.30	Camcorders & Tripods
10-1420-582-000-00-000-153-EY0-0000	Sumer School-Field Trip Travel	10-1420-627-000-00-000-153-EY0-0000	Summer School-Field Trip Mileage	1 \$ 486.15	Knobles Mileage
10-2220-610-000-20-242-535-420-0000	Tech Sprt Svcs-General Supplies	10-1420-627-000-20-242-000-420-0000	Summer School-Field Trip Mileage	1 \$ 54.60	Summer School Trip Mileage
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-1420-635-432-10-125-000-000-2014	Summer School-Meals/Refreshments	1 \$ 244.74	Realign Budget to Actual
10-1100-640-000-00-000-153-EY0-0000	Instr-Books/Periodicals	10-1420-894-000-00-000-153-EY0-0000	Summer School-Student Fees	2 \$ 2,120.00	Knobles Entrance Fees
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-1420-894-416-20-242-000-000-2014	Summer School-Student Fees	2 \$ 142.50	Franklin Institute
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-1420-894-432-10-125-000-000-2014	Summer School-Student Fees	2 \$ 1,171.50	Art Museum; Da Vinci Center
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-1420-894-432-10-129-000-000-2014	Summer School-Student Fees	2 \$ 1,271.00	Da Vinci Center
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-1801-810-217-10-038-000-000-0000	Pre-K Instr Sprrt-Dues & Fees	3 \$ 500.00	NAEYC Dues
10-1801-580-217-10-125-000-000-0000	Pre-K Instr- Travel	10-1801-894-217-10-038-217-000-0000	Pre-K-Student Fees	\$ 176.85	Ice Cream Lab
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-1801-894-217-10-102-000-000-0000	Pre-K-Student Fees	\$ 500.00	Pre-K Field Trips
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-1801-894-217-10-105-000-000-0000	Pre-K-Student Fees	\$ 1,000.00	Pre-K Field Trips
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-1801-894-217-10-116-000-000-0000	Pre-K-Student Fees	\$ 500.00	Pre-K Field Trips
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-1802-810-217-10-038-000-000-0000	Pre-K Non Instr Sprrt-Dues & Fees	\$ 516.00	NAEYC Dues

**Bethlehem Area School District
2014-15 BUDGET TRANSFERS**

October, 2014

<u>FROM ACCOUNT</u>	<u>ACCT DESCRIPTION</u>	<u>TO ACCOUNT</u>	<u>ACCT DESCRIPTION</u>		<u>AMOUNT</u>	<u>REASON/ITEM PURCHASED</u>
10-2380-810-000-00-000-000-0000	Principal-Dues & Fees	10-2110-810-000-00-000-000-SS0-0000	Student Svcs-Dues & Fees		\$ 595.00	PAESSP Membership
10-2380-810-000-00-000-000-0000	Principal-Dues & Fees	10-2110-810-000-00-000-110-EB0-0000	Student Svcs-Dues & Fees	4	\$ 595.00	PAESSP Membership
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-2160-810-871-10-116-000-000-0000	Social Work Svcs-Dues & Fees		\$ 1,500.00	Parent As Teachers Renewal
10-2240-610-000-00-000-535-TE0-0000	Cmptr-Asst Instr-General Supplies	10-2240-757-000-00-000-535-TE0-0000	Cmptr-Asst Instr-Hrdwr Equip		\$ 1,259.70	Service Desk Headsets
10-2380-810-000-00-000-000-000-0000	Principal-Dues & Fees	10-2240-810-000-00-000-535-TE0-0000	Cmptr-Asst Instr-Dues & Fees		\$ 595.00	PAESSP Membership
10-2380-810-000-00-000-000-000-0000	Principal-Dues & Fees	10-2260-810-000-00-000-000-EY0-0000	C & I-Dues & Fees		\$ 595.00	PAESSP Membership
10-2380-810-000-00-000-000-000-0000	Principal-Dues & Fees	10-2269-810-000-00-000-119-LF0-0000	Special Ed-Dues & Fees		\$ 595.00	PAESSP Membership
10-2380-810-000-00-000-000-000-0000	Principal-Dues & Fees	10-2269-810-000-10-100-119-LF0-0000	Special Ed-Dues & Fees		\$ 595.00	PAESSP Membership
10-2380-810-000-00-000-000-000-0000	Principal-Dues & Fees	10-2269-810-000-20-200-119-LF0-0000	Special Ed-Dues & Fees		\$ 595.00	PAESSP Membership
10-2380-810-000-00-000-000-000-0000	Principal-Dues & Fees	10-2269-810-000-30-300-119-LF0-0000	Special Ed-Dues & Fees		\$ 595.00	PAESSP Membership
10-2834-324-000-30-353-000-530-0000	Staff Dev Non Instr-Registration	10-2271-324-000-30-353-000-530-0000	Instr Staff Dev-Registration		\$ 350.00	Red Cross Certification
10-2271-581-000-00-000-119-LF0-0000	Instr Staff Dev-Travel/Conf-ACCESS	10-2271-324-891-10-100-119-LF0-0000	Instr Staff Dev-Train/Dev-ACCESS		\$ 3,998.00	Autism Disorders Training
10-2120-650-000-30-353-535-530-0000	Guidance-Tech Supplies	10-2271-581-000-30-353-000-530-0000	Instr Staff Dev-Conference Travel		\$ 88.48	Counselor Workshop
10-1290-820-000-00-000-119-AA0-0000	Special Ed-Claims & Judgements	10-2310-820-000-00-030-704-AA0-9587	Board Svcs-Claims & Judgments	5	\$ 40,000.00	Court Settlement
10-5900-840-000-00-000-000-000-0000	Budgetary Reserve-Contingency	10-2310-820-000-00-030-704-AA0-9587	Board Svcs-Claims & Judgments	5	\$ 112,778.00	Court Settlement
10-1211-610-000-10-121-119-210-0000	Life Skills-General Supplies	10-2440-610-000-10-121-119-210-0000	Nursing Svcs-Spec Ed Supplies		\$ 600.00	Special Ed Nursing Supplies
10-2500-530-000-00-000-000-GA0-0000	Business Office-Postage	10-2500-610-000-00-000-000-GA0-0000	Business Office-General Supplies	6	\$12,500.00	Office Supplies
10-2500-767-000-00-000-535-GA0-0000	Business Office-Sftwr Equip	10-2500-610-000-00-000-115-GA0-0000	Business Office-General Supplies	6	\$8,400.00	District Copy Paper
10-2710-610-000-00-000-000-NT0-0000	Transp Spvrt-General Supplies	10-2710-751-000-00-000-000-NT0-0000	Transp Spvrt-Equip Non Cap	8	\$ 1,131.98	Bulletin Boards
10-2710-618-000-00-000-646-NT0-0000	Transp Spvrt-Admin Licenses	10-2720-348-000-00-000-000-NT0-0000	Transp Svcs-Tech Svcs Spvt LEA's	7	\$ 45,465.97	Zonar GPS Tracking Service
10-2740-610-000-00-000-670-NT0-0000	Vehicle Maint-Repair Parts	10-2720-761-000-00-000-000-NT0-0000	Vehicle Oper-Equip Rplc	8	\$ 4,071.60	Chairs
10-5900-840-000-00-000-000-000-0000	Budgetary Reserve-Contingency	10-2818-758-000-00-000-535-TE0-0000	Sys-Wide Tech Svcs-Cap Hrdwr/Sftwr	10	\$ 112,300.00	Web Filter
10-1360-767-000-30-300-535-TE0-0000	Bus Ed-Hrdwr/Sftwr Rplc	10-2818-788-000-00-000-535-TE0-0000	Sys-Wide Tech Svcs-Infrastructure	10	\$ 15,710.52	Virtualization Server Consolidation
10-2240-610-000-00-000-535-TE0-0000	Cmptr-Asst Instr-General Supplies	10-2818-788-000-00-000-535-TE0-0000	Sys-Wide Tech Svcs-Infrastructure	10	\$ 11,781.75	Virtualization Server Consolidation

**Bethlehem Area School District
2014-15 BUDGET TRANSFERS**

October, 2014

<u>FROM ACCOUNT</u>	<u>ACCT DESCRIPTION</u>	<u>TO ACCOUNT</u>	<u>ACCT DESCRIPTION</u>		<u>AMOUNT</u>	<u>REASON/ITEM PURCHASED</u>
10-2600-757-000-00-000-535-TE0-0000	Facilities-Hrdwr/Sftwr	10-2818-788-000-00-000-535-TE0-0000	Sys-Wide Tech Svcs-Infrastructure	10	\$ 4,355.87	Virtualization Server Consolidation
10-1360-767-000-30-300-535-TE0-0000	Bus Ed-Hrdwr/Sftwr Rplc	10-2818-788-000-30-300-535-TE0-0000	Sys-Wide Tech Svcs-Infrastructure	10	\$ 96,789.48	Virtualization Desktops
10-2830-610-000-00-000-000-CK0-0000	Staff Svcs-General Supplies	10-2830-761-000-00-000-000-CK0-0000	Staff Svcs-Equip Rplc		\$ 1,464.00	Office Chairs
10-2834-324-000-00-000-000-AE0-0000	Staff Dev-Non CE-Train/Dev	10-2836-324-000-00-000-000-AE0-0000	Staff Dev-Train/Dev		\$ 228.00	Elements of Communications
10-2710-610-000-00-000-000-NT0-0000	Super Trnspt-General Supplies	10-2836-324-000-00-000-000-NT0-0000	Staff Dev-Train/Dev		\$ 450.00	Facilities Mgmt/Transportation
10-2840-610-000-00-000-535-AMG-0000	Data Proc-General Supplies	10-2840-153-000-00-000-535-AMG-0000	Data Proc-Clerical Over Time		\$3,000.00	Overtime-Salary
10-2840-610-000-00-000-535-AMG-0000	Data Proc-General Supplies	10-2840-220-000-00-000-535-AMG-0000	Data Proc-FICA		\$230.00	Overtime-FICA
10-2840-610-000-00-000-535-AMG-0000	Data Proc-General Supplies	10-2840-230-000-00-000-535-AMG-0000	Data Proc-Retirement		\$642.00	Overtime-Retirement
10-2840-438-000-00-000-535-AMG-0000	Data Proc-Tech Maint	10-2840-618-000-00-000-535-AMG-0000	Data Proc-Admin Sftwr/License	9	\$53,185.98	IU 16 Annual Subscription
10-2834-324-000-30-353-000-530-0000	Staff Dev Non Instr-Registration	10-3210-582-000-30-353-000-530-0000	Student Act-Field Trip Travel		\$ 99.00	Chaperone Band Trip
10-2834-581-000-30-353-000-530-0000	Staff Dev Non Instr-Conference Travel	10-3210-582-000-30-353-000-530-0000	Student Act-Field Trip Travel		\$ 1,300.00	Chaperone Band Trip
10-2380-810-000-00-000-000-000-0000	Principal-Dues & Fees	10-3250-810-000-30-300-900-DU0-0000	Athletics-Dues & Fees		\$ 1,190.00	PAESSP Membership
10-5900-840-290-00-000-000-000-0000	Budgetary Reserve-Contingency	10-3300-173-017-10-105-000-000-0000	Community Svcs- Driver Extra Duty	11	\$ 183.95	Da Vinci Center Trip
10-5900-840-290-00-000-000-000-0000	Budgetary Reserve-Contingency	10-3300-220-017-10-105-000-000-0000	Community Svcs- Driver FICA	12	\$ 14.06	Da Vinci Center Trip
10-5900-840-290-00-000-000-000-0000	Budgetary Reserve-Contingency	10-3300-230-017-10-105-000-000-0000	Community Svcs- Driver Retire	12	\$ 39.36	Da Vinci Center Trip
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-3300-610-411-10-112-000-000-0000	Community Svcs-Title I Supplies	13	\$ 126.49	Kdg Orientation
10-2260-580-000-00-000-000-DT0-0000	C & I-Travel	10-3300-635-000-00-000-000-DT0-0000	Community Svcs-Food		\$ 59.25	Community Organization
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-3300-635-411-10-112-000-000-0000	Community Svcs-Title I Food		\$ 272.00	Kdg Orientation
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-3300-635-411-10-114-000-000-0000	Community Svcs-Title I Food		\$ 209.88	Grandparents Day
10-1801-610-217-10-038-000-000-0000	Pre-K Instr-General Supplies	10-3300-635-411-20-240-000-000-0000	Community Svcs-Title I Food		\$575.32	Back to Sch Night Refreshments

Treasurer's Reports

RECOMMENDATION:

That the Board of School Directors approves the attached Treasurer's Reports.

**Bethlehem Area School District
Treasurer's Report
September 30, 2014**

Fund	Beginning Balance August 31, 2014	Receipts	Disbursements	Ending Balance September 30, 2014
10 - General	35,203,283.03	44,034,535.30	56,571,329.71	22,666,488.62
32 - Capital Reserve	157,110.51	3,900,282.52	3,913,013.51	144,379.52
30 - Bond Fund	405,611.37	3.35	380,120.64	25,494.08
50 - Food Service	352,796.86	323,037.07	502,793.25	173,040.68
52 - Daycare	775,027.87	223,643.02	196,163.21	802,507.68
70 - Scholarships	259,351.96	106.48	150.00	259,308.44
71 - Self Insurance	5,655,292.39	2,575,725.91	2,242,270.88	5,988,747.42
81 - Student Activity	576,405.64	67,075.89	54,735.83	588,745.70
	\$ 43,384,879.63	\$ 51,124,409.54	\$ 63,860,577.03	\$ 30,648,712.14

Summary of Receipts									
	10 - General	32 - Capital Reserve	30 - Bond Fund	50 - Food Services	52 - Day Care	70 - Scholarship	71 - Self Insurance	81 - Student Activity	Total
Federal	435,618.69	-	-	109,460.50	-	-	-	-	545,079.19
State	3,975,336.45	-	-	-	-	-	-	-	3,975,336.45
Local*	39,620,610.94	3,900,000.00	-	213,572.81	223,623.70	100.00	2,575,230.32	67,063.19	46,600,200.96
Interest Earned	2,969.22	282.52	3.35	3.76	19.32	6.48	495.59	12.70	3,792.94
Total	44,034,535.30	3,900,282.52	3.35	323,037.07	223,643.02	106.48	2,575,725.91	67,075.89	\$ 51,124,409.54

Summary of Disbursements									
	10 - General	32 - Capital Reserve	30 - Bond Fund	50 - Food Services	52 - Day Care	70 - Scholarship	71 - Self Insurance	81 - Student Activity	Total
Payroll/Benefits	11,388,730.29	-	-	171,236.63	190,820.97	-	-	-	11,750,787.89
Operating Expenditures**	44,903,805.19	3,913,013.51	380,120.64	331,556.62	5,342.24	150.00	2,242,270.88	54,735.83	51,830,994.91
Debt Service	278,794.23	-	-	-	-	-	-	-	278,794.23
Total	56,571,329.71	3,913,013.51	380,120.64	502,793.25	196,163.21	150.00	2,242,270.88	54,735.83	\$ 63,860,577.03

*Maturity of \$400K in CDs in Capital Reserve

**Purchase of \$50M in CDs in General Fund

Report of Depositories						
	Wells Fargo	PSDLAF	PA INVEST	PLGIT	KNBT	BTFCU
10 - General	25,517.25	18,307,679.53	2,209,215.41	2,124,076.43		
32 - Capital Reserve		144,379.52				
30 - Bond Fund		25,494.08				
50 - Food Service		173,040.68				
52 - Daycare		802,507.68				
70 - Scholarships		259,308.44				
71 - Self Insurance		5,988,747.42				
81 - Student Activity		494,570.16			94,175.54	
	25,517.25	26,195,727.51	2,209,215.41	2,124,076.43	94,175.54	-
						\$ 30,648,712.14

This report represents the monthly cash balances and transactions by fund as represented in the various bank accounts. Budgetary position is not reflected here but on the Condition of the Budget Report where fiscal year position and encumbrances are shown.

**Outstanding Investment Summary
September 30, 2014**

<u>Fund</u>	<u>Bank or Institution</u>	<u>Type</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Investment Term</u>	<u>Principal Invested</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Market Yield</u>	<u>Interest Receivable</u>
General	PSDLAF	CD PSDLAF Collateralized CD Pool Term	09/23/14	12/16/14	84	\$101,000,000.00	\$101,000,000.00	0.100%		\$23,243.8
	PSDLAF	CD PSDLAF Collateralized CD Pool Term	09/25/14	06/30/15	278	\$5,000,000.00	\$5,000,000.00	0.200%		\$7,616.4
General Fund Total						\$106,000,000.00	\$106,000,000.00			\$7,616.4
Capital Reserve	PSDLAF	CD PSDLAF Collateralized CD Pool Term	09/23/14	12/16/14	84	\$3,100,000.00	\$3,100,000.00	0.100%		\$713.4
Capital Reserve Total						\$3,100,000.00	\$3,100,000.00			\$713.4
Self-Insurance	PSDLAF	CD PSDLAF Collateralized CD Pool Term	09/23/14	12/16/14	84	\$4,500,000.00	\$4,500,000.00	0.100%		\$1,035.6
Self-Insurance Total						\$4,500,000.00	\$4,500,000.00			\$1,035.6

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.

Budget Information

INFORMATION:

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

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
1100 INSTRUCTION - REG PROG ELEM/SECONDARY						
100 SALARY	49,067,696.00	3,787,865.23	3,820,800.92	0.00	7.78	45,246,895.08
200 EMPLOYEE BENEFITS	30,987,268.00	2,272,898.48	4,975,491.97	0.00	16.05	26,011,776.03
300 PURCHASED PROF & TECH	1,712,022.00	240,712.36	240,712.36	0.00	14.06	1,471,309.64
400 PURCHASED PROPERTY SVC	300,258.00	21,882.08	42,340.16	16,741.00	19.67	241,176.84
500 OTHER PURCHASED SVCS	17,255,174.00	1,196,263.76	2,671,589.85	0.00	15.48	14,583,584.15
600 SUPPLIES	1,778,260.00	1,012,167.46	1,098,096.97	139,019.22	69.56	541,143.81
700 PROPERTY	294,191.00	87,215.98	88,644.26	39,404.59	43.52	166,142.15
800 OTHER OBJECTS	43,043.00	0.00	441.00	143.00	1.35	42,459.00
Total	101,437,912.00	8,619,005.35	12,938,117.49	195,307.81	12.94	88,304,486.70
1200 INSTRUCTION - SPEC PROG ELEMEN/SECOND						
100 SALARY	11,057,588.00	774,176.52	867,237.22	0.00	7.84	10,190,350.78
200 EMPLOYEE BENEFITS	6,885,169.00	518,933.65	1,164,269.91	0.00	16.90	5,720,899.09
300 PURCHASED PROF & TECH	7,093,753.00	303,041.33	881,437.87	0.00	12.42	6,212,315.13
400 PURCHASED PROPERTY SVC	15,535.00	1,294.34	2,431.29	337.39	17.82	12,766.32
500 OTHER PURCHASED SVCS	3,702,927.00	233,410.42	460,181.11	450.00	12.43	3,242,295.89
600 SUPPLIES	161,978.00	14,262.70	24,121.92	11,414.30	21.93	126,441.78
700 PROPERTY	16,500.00	3,905.25	3,905.25	2,351.50	37.91	10,243.25
800 OTHER OBJECTS	58,500.00	0.00	0.00	0.00	0.00	58,500.00
Total	28,991,950.00	1,849,024.21	3,403,584.57	14,553.19	11.79	25,573,812.24
1300 INSTRUCTION - VOCATIONAL EDUCATION						
100 SALARY	2,805,171.00	193,291.30	196,711.30	0.00	7.01	2,608,459.70
200 EMPLOYEE BENEFITS	1,473,773.00	109,163.40	218,603.96	0.00	14.83	1,255,169.04
300 PURCHASED PROF & TECH	41,296.00	2,579.20	2,579.20	0.00	6.24	38,716.80
400 PURCHASED PROPERTY SVC	14,106.00	8,033.97	8,121.94	0.00	57.57	5,984.06
500 OTHER PURCHASED SVCS	6,673,562.00	888,609.65	2,158,716.65	4,445,379.00	98.95	69,466.35
600 SUPPLIES	67,722.00	24,595.62	24,974.54	39,186.12	94.74	3,561.34
700 PROPERTY	115,410.00	1,005.76	1,005.76	3,612.78	4.00	110,791.46
Total	11,191,040.00	1,227,278.90	2,610,713.35	4,488,177.90	63.43	4,092,148.75

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
1400 INSTRUCTION - OTHER INSTRUCTION PROG						
100 SALARY	362,695.00	13,214.94	188,066.54	0.00	51.85	174,628.46
200 EMPLOYEE BENEFITS	89,652.00	3,825.72	53,842.97	0.00	60.05	35,809.03
300 PURCHASED PROF & TECH	1,747,368.00	185,122.22	186,422.22	0.00	10.66	1,560,945.78
400 PURCHASED PROPERTY SVC	0.00	0.00	0.00	0.00	0.00	0.00
500 OTHER PURCHASED SVCS	521,500.00	0.00	0.00	0.00	0.00	521,500.00
600 SUPPLIES	1,500.00	948.90	2,034.68	0.00	135.64	(1) -534.68
700 PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00
800 OTHER OBJECTS	0.00	0.00	4,705.00	0.00	0.00	(2) -4,705.00
Total	2,722,715.00	203,111.78	435,071.41	0.00	15.97	2,287,643.59
1500 INSTRUCTION - NONPUBLIC SCHOOL PGMS						
100 SALARY	21,950.00	0.00	0.00	0.00	0.00	21,950.00
200 EMPLOYEE BENEFITS	6,554.00	2.51	7.53	0.00	0.11	6,546.47
300 PURCHASED PROF & TECH	0.00	0.00	0.00	0.00	0.00	0.00
600 SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00
700 PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00
Total	28,504.00	2.51	7.53	0.00	0.02	28,496.47
1600 INSTRUCTION - ADULT EDUCATION PROGRAM						
100 SALARY	0.00	0.00	0.00	0.00	0.00	0.00
200 EMPLOYEE BENEFITS	0.00	0.00	0.00	0.00	0.00	0.00
300 PURCHASED PROF & TECH	1,000.00	0.00	0.00	0.00	0.00	1,000.00
500 OTHER PURCHASED SVCS	0.00	0.00	0.00	0.00	0.00	0.00
600 SUPPLIES	3,000.00	0.00	0.00	0.00	0.00	3,000.00
Total	4,000.00	0.00	0.00	0.00	0.00	4,000.00
1700 INSTRUCTION - COMMUNITY/JR COLLEGE ED						
500 OTHER PURCHASED SVCS	2,294,708.00	186,129.41	619,543.23	1,675,164.77	100.00	0.00
600 SUPPLIES	1,000.00	0.00	0.00	0.00	0.00	1,000.00
Total	2,295,708.00	186,129.41	619,543.23	1,675,164.77	99.95	1,000.00

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
1800 INSTRUCTION - PRE-K						
100 SALARY	405,783.00	26,419.80	29,805.90	0.00	7.34	375,977.10
200 EMPLOYEE BENEFITS	281,509.00	19,732.21	48,936.35	0.00	17.38	232,572.65
300 PURCHASED PROF & TECH	0.00	0.00	0.00	0.00	0.00	0.00
400 PURCHASED PROPERTY SVC	0.00	0.00	0.00	0.00	0.00	0.00
500 OTHER PURCHASED SVCS	15,000.00	33.97	70.05	0.00	0.46	14,929.95
600 SUPPLIES	34,000.00	2,876.60	2,876.60	3,924.38	20.00	27,199.02
700 PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00
800 OTHER OBJECTS	0.00	176.85	176.85	0.00	0.00	(3) -176.85
Total	736,292.00	49,239.43	81,865.75	3,924.38	11.65	650,501.87

Function 1000 - INSTRUCTION						
Total Expenditure	147,408,121.00	12,133,791.59	20,088,903.33	6,377,128.05	17.95	120,942,089.62
Total Other Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Revenue	0.00	0.00	0.00	0.00	0.00	0.00
	147,408,121.00	12,133,791.59	20,088,903.33	6,377,128.05	17.95	120,942,089.62

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
2100 SUPPORT SERVICES - SUPPORT SVCS-STUDENTS						
100 SALARY	5,447,168.00	438,599.62	620,754.59	0.00	11.39	4,826,413.41
200 EMPLOYEE BENEFITS	3,011,769.00	233,513.92	516,767.80	0.00	17.15	2,495,001.20
300 PURCHASED PROF & TECH	279,771.00	3,121.28	3,916.88	0.00	1.40	275,854.12
400 PURCHASED PROPERTY SVC	16,491.00	1,258.98	2,517.96	0.00	15.26	13,973.04
500 OTHER PURCHASED SVCS	10,563.00	185.56	293.70	0.00	2.78	10,269.30
600 SUPPLIES	132,610.00	14,378.40	14,702.74	21,689.24	27.44	96,218.02
700 PROPERTY	6,600.00	512.13	512.13	0.00	7.75	6,087.87
800 OTHER OBJECTS	1,200.00	1,190.00	1,190.00	58.34	104.02	(4) -48.34
Total	8,906,172.00	692,759.89	1,160,655.80	21,747.58	13.27	7,723,768.62
2200 SUPPORT SERVICES - SUPPORT SERVICES-INSTRU						
100 SALARY	3,524,395.00	306,602.03	561,443.34	0.00	15.93	2,962,951.66
200 EMPLOYEE BENEFITS	1,963,523.00	160,504.75	380,006.46	0.00	19.35	1,583,516.54
300 PURCHASED PROF & TECH	202,158.00	60,798.50	68,644.50	0.00	33.95	133,513.50
400 PURCHASED PROPERTY SVC	16,457.00	1,371.10	3,060.20	5,000.00	48.97	8,396.80
500 OTHER PURCHASED SVCS	35,518.00	2,271.91	3,079.24	0.00	8.66	32,438.76
600 SUPPLIES	339,102.00	82,462.02	119,123.22	66,779.05	54.82	153,199.73
700 PROPERTY	43,500.00	1,920.00	2,399.70	4,739.14	16.41	36,361.16
800 OTHER OBJECTS	11,035.00	9,115.00	9,115.00	0.00	82.60	1,920.00
Total	6,135,688.00	625,045.31	1,146,871.66	76,518.19	19.93	4,912,298.15
2300 SUPPORT SERVICES - SUPPORT SERVICES-ADMIN						
100 SALARY	5,966,764.00	488,552.93	1,310,093.92	0.00	21.95	4,656,670.08
200 EMPLOYEE BENEFITS	3,113,020.00	241,986.90	705,622.81	0.00	22.66	2,407,397.19
300 PURCHASED PROF & TECH	1,364,814.00	117,316.08	139,682.59	0.00	10.23	1,225,131.41
400 PURCHASED PROPERTY SVC	153,806.00	20,808.82	19,949.90	0.00	12.97	133,856.10
500 OTHER PURCHASED SVCS	160,081.00	1,783.24	89,995.92	5,954.97	59.93	64,130.11
600 SUPPLIES	53,833.00	14,061.47	16,937.33	2,448.84	36.01	34,446.83
700 PROPERTY	19,500.00	1,066.98	1,066.98	247.94	6.74	18,185.08
800 OTHER OBJECTS	91,999.00	94,391.22	111,671.22	0.00	121.38	(5) -19,672.22

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description		Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
Total		10,923,817.00	979,967.64	2,395,020.67	8,651.75	22.00	8,520,144.58
2400	SUPPORT SERVICES - SUPP SVC-PUBLIC HEALTH						
100	SALARY	1,287,342.00	86,296.39	92,611.64	0.00	7.19	1,194,730.36
200	EMPLOYEE BENEFITS	873,618.00	66,103.46	150,050.12	0.00	17.17	723,567.88
300	PURCHASED PROF & TECH	20,872.00	0.00	0.00	0.00	0.00	20,872.00
400	PURCHASED PROPERTY SVC	4,871.00	114.19	228.38	0.00	4.68	4,642.62
500	OTHER PURCHASED SVCS	10,800.00	0.00	0.00	0.00	0.00	10,800.00
600	SUPPLIES	32,710.00	8,433.43	8,433.43	2,934.79	34.75	21,341.78
700	PROPERTY	10,500.00	0.00	-1,501.16	1,501.16	0.00	10,500.00
800	OTHER OBJECTS	0.00	0.00	0.00	0.00	0.00	0.00
Total		2,240,713.00	160,947.47	249,822.41	4,435.95	11.34	1,986,454.64
2500	SUPPORT SERVICES - SUPP SERVICES-BUSINESS						
100	SALARY	817,532.00	61,843.28	180,804.86	0.00	22.11	636,727.14
200	EMPLOYEE BENEFITS	491,997.00	38,003.28	113,278.35	0.00	23.02	378,718.65
300	PURCHASED PROF & TECH	12,575.00	3,024.00	8,024.00	0.00	63.80	4,551.00
400	PURCHASED PROPERTY SVC	321,633.00	25,216.90	52,503.72	6,209.76	18.25	262,919.52
500	OTHER PURCHASED SVCS	73,700.00	1,903.85	15,242.17	8,893.73	32.74	49,564.10
600	SUPPLIES	4,400.00	4,552.37	18,733.06	2,000.00	471.20 (6)	-16,333.06
700	PROPERTY	36,710.00	0.00	0.00	0.00	0.00	36,710.00
800	OTHER OBJECTS	21,660.00	32.50	262.50	0.00	1.21	21,397.50
Total		1,780,207.00	134,576.18	388,848.66	17,103.49	22.80	1,374,254.85
2600	SUPPORT SERVICES - OP/MAINT PLANT SVCS						
100	SALARY	6,804,686.00	515,810.39	1,362,941.87	0.00	20.02	5,441,744.13
200	EMPLOYEE BENEFITS	4,461,081.00	330,593.91	977,210.37	0.00	21.90	3,483,870.63
300	PURCHASED PROF & TECH	535,300.00	38,785.30	53,574.30	38,378.00	17.17	443,347.70
400	PURCHASED PROPERTY SVC	3,639,050.00	307,616.12	587,676.82	314,248.58	24.78	2,737,124.60
500	OTHER PURCHASED SVCS	650,270.00	101,265.94	297,399.76	0.00	45.73	352,870.24
600	SUPPLIES	1,914,258.00	108,868.99	227,101.35	17,924.00	12.80	1,669,232.65
700	PROPERTY	245,966.00	74,738.44	79,198.65	146,440.41	91.73	20,326.94

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description		Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
800	OTHER OBJECTS	8,000.00	1,677.25	2,405.25	0.00	30.06	5,594.75
Total		18,258,611.00	1,479,356.34	3,587,508.37	516,990.99	22.47	14,154,111.64
2700	SUPPORT SERVICES - STUDENT TRANSP SERVICES						
100	SALARY	2,993,773.00	167,114.44	265,794.04	0.00	8.87	2,727,978.96
200	EMPLOYEE BENEFITS	2,133,865.00	142,044.48	359,698.43	0.00	16.85	1,774,166.57
300	PURCHASED PROF & TECH	17,500.00	0.00	45,465.97	0.00	259.80 (7)	-27,965.97
400	PURCHASED PROPERTY SVC	68,038.00	23,964.68	28,875.05	0.00	42.43	39,162.95
500	OTHER PURCHASED SVCS	913,374.00	35,729.11	71,593.08	0.00	7.83	841,780.92
600	SUPPLIES	1,013,100.00	44,735.76	63,451.84	8.10	6.26	949,640.06
700	PROPERTY	0.00	1,131.98	1,131.98	4,071.60	0.00 (8)	-5,203.58
800	OTHER OBJECTS	400.00	0.00	0.00	0.00	0.00	400.00
Total		7,140,050.00	414,720.45	836,010.39	4,079.70	11.76	6,299,959.91
2800	SUPPORT SERVICES - SUPPORT SVCS-CENTRAL						
100	SALARY	1,549,245.00	118,073.21	335,574.85	0.00	21.66	1,213,670.15
200	EMPLOYEE BENEFITS	1,215,259.00	108,481.88	334,086.49	0.00	27.49	881,172.51
300	PURCHASED PROF & TECH	209,332.00	109,481.25	131,294.25	1,950.00	63.65	76,087.75
400	PURCHASED PROPERTY SVC	295,690.00	12,654.93	146,256.64	3,842.00	50.76	145,591.36
500	OTHER PURCHASED SVCS	366,138.00	25,903.35	74,889.40	0.00	20.45	291,248.60
600	SUPPLIES	54,118.00	58,999.77	75,084.88	2,030.81	142.49 (9)	-22,997.69
700	PROPERTY	91,900.00	131,371.33	231,566.99	23,830.00	277.90 (10)	-163,496.99
800	OTHER OBJECTS	1,550.00	16.25	451.25	116.66	36.63	982.09
Total		3,783,232.00	564,981.97	1,329,204.75	31,769.47	35.97	2,422,257.78
2900	SUPPORT SERVICES - OTHER SUPPORT SERVICES						
500	OTHER PURCHASED SVCS	102,548.00	0.00	0.00	0.00	0.00	102,548.00
Total		102,548.00	0.00	0.00	0.00	0.00	102,548.00

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

fabrdco4

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
Function 2000 - SUPPORT SERVICES						
Total Expenditure	59,271,038.00	5,052,355.25	11,093,942.71	681,297.12	19.86	47,495,798.17
Total Other Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Revenue	0.00	0.00	0.00	0.00	0.00	0.00
	59,271,038.00	5,052,355.25	11,093,942.71	681,297.12	19.86	47,495,798.17

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
3200 NON INSTRUCTIONAL - STUDENT ACTIVITIES						
100 SALARY	1,522,212.00	32,622.40	70,300.04	0.00	4.61	1,451,911.96
200 EMPLOYEE BENEFITS	471,879.00	14,837.64	37,095.64	0.00	7.86	434,783.36
300 PURCHASED PROF & TECH	181,450.00	20,000.00	40,000.00	0.00	22.04	141,450.00
400 PURCHASED PROPERTY SVC	38,956.00	9,430.36	9,918.32	0.00	25.46	29,037.68
500 OTHER PURCHASED SVCS	129,050.00	1,696.25	90,770.40	0.00	70.33	38,279.60
600 SUPPLIES	191,200.00	25,028.24	47,586.88	89,385.49	71.63	54,227.63
700 PROPERTY	125,000.00	637.44	1,397.66	1,949.15	2.67	121,653.19
800 OTHER OBJECTS	24,920.00	9,640.00	10,940.00	0.00	43.90	13,980.00
Total	2,684,667.00	113,892.33	308,008.94	91,334.64	14.87	2,285,323.42
3300 NON INSTRUCTIONAL - COMMUNITY SERVICES						
100 SALARY	0.00	0.00	183.95	0.00	0.00 (11)	-183.95
200 EMPLOYEE BENEFITS	0.00	0.00	53.42	0.00	0.00 (12)	-53.42
300 PURCHASED PROF & TECH	64,548.00	0.00	0.00	0.00	0.00	64,548.00
400 PURCHASED PROPERTY SVC	0.00	0.00	0.00	0.00	0.00	0.00
500 OTHER PURCHASED SVCS	238,000.00	0.00	0.00	0.00	0.00	238,000.00
600 SUPPLIES	0.00	855.97	855.97	0.00	0.00 (13)	-855.97
Total	302,548.00	855.97	1,093.34	0.00	0.36	301,454.66
3400 NON INSTRUCTIONAL - SCHOLARSHIPS AND AWARDS						
600 SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00

Function 3000 - NON INSTRUCTIONAL						
Total Expenditure	2,987,215.00	114,748.30	309,102.28	91,334.64	13.40	2,586,778.08
Total Other Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Revenue	0.00	0.00	0.00	0.00	0.00	0.00
	2,987,215.00	114,748.30	309,102.28	91,334.64	13.40	2,586,778.08

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
4400 FACILITY IMPROVEMENTS - ARCH & ENGINEER IMPROVE						
300 PURCHASED PROF & TECH	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00
4600 FACILITY IMPROVEMENTS - EXISTING BLDG IMPROVE						
300 PURCHASED PROF & TECH	0.00	0.00	0.00	0.00	0.00	0.00
400 PURCHASED PROPERTY SVC	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00
Function 4000 - FACILITY IMPROVEMENTS						
Total Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Revenue	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description		Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
5100	DEBT SVC & TRANSFERS - DEBT SERVICE						
800	OTHER OBJECTS	12,082,854.00	336,844.78	2,041,759.96	31,778.83	17.16	10,009,315.21
900	OTHER USES OF FUNDS	11,565,945.00	0.00	8,710,128.80	416,654.55	78.91	2,439,161.65
	Total	23,648,799.00	336,844.78	10,751,888.76	448,433.38	47.36	12,448,476.86
5200	DEBT SVC & TRANSFERS - INTERFUND TRANSFERS-OUT						
900	OTHER USES OF FUNDS	200,000.00	0.00	0.00	0.00	0.00	200,000.00
	Total	200,000.00	0.00	0.00	0.00	0.00	200,000.00
5900	DEBT SVC & TRANSFERS - BUDGETARY RESERVE						
800	OTHER OBJECTS	3,000,000.00	0.00	0.00	0.00	0.00	3,000,000.00
	Total	3,000,000.00	0.00	0.00	0.00	0.00	3,000,000.00
Function 5000 - DEBT SVC & TRANSFERS							
	Total Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
	Total Other Expenditure	26,848,799.00	336,844.78	10,751,888.76	448,433.38	41.71	15,648,476.86
	Total Revenue	0.00	0.00	0.00	0.00	0.00	0.00
	Total Other Revenue	0.00	0.00	0.00	0.00	0.00	0.00
		26,848,799.00	336,844.78	10,751,888.76	448,433.38	41.71	15,648,476.86

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
6000 LOCAL REVENUE						
6111 CURRENT REAL ESTATE TAX	-140,524,351.00	-37,886,372.13	-126,646,603.48	0.00	90.12	-13,877,747.52
6112 INTERIM REAL EXTATE TAX	-1,600,000.00	-144,798.14	-144,798.14	0.00	9.04	-1,455,201.86
6113 PUBLIC UTILITY REALTY	-180,000.00	0.00	0.00	0.00	0.00	-180,000.00
6114 PAY IN LIEU -ST/LOCAL	-220,000.00	-38,496.00	-68,140.82	0.00	30.97	-151,859.18
6120 CURRENT PER CAP 679	-200,000.00	-55,651.79	-185,023.01	0.00	92.51	-14,976.99
6141 CURR ACT 511 PC FLAT	-200,000.00	-55,651.77	-185,022.99	0.00	92.51	-14,977.01
6143 CURRENT 511 - LST	-310,000.00	-8,539.56	-74,923.09	0.00	24.16	-235,076.91
6151 CURRENT ACT 511 EIT	-12,900,000.00	-881,166.64	-3,181,445.83	0.00	24.66	-9,718,554.17
6153 CURR ACT 511 REAL EST	-2,000,000.00	-158,070.80	-406,972.12	0.00	20.34	-1,593,027.88
6157 CURRENT 511 MERCANTILE	-2,860,000.00	0.00	0.00	0.00	0.00	-2,860,000.00
6211 DISC TAKEN CURR RE TAX	4,300,000.00	653,042.87	2,327,539.76	0.00	54.12	1,972,460.24
6212 DISC TAKEN INTERIM RE	0.00	1,026.60	1,026.60	0.00	0.00	-1,026.60
6311 PENALTIES & INT REAL ES	0.00	-18,348.14	-30,865.41	0.00	0.00	30,865.41
6312 PENALTIES & INT INTERIM	0.00	-374.02	-374.02	0.00	0.00	374.02
6411 DELINQUENT REAL ESTATE	-5,052,000.00	-230,550.83	-230,550.83	0.00	4.56	-4,821,449.17
6420 DELINQUENT PC SECT 679	-77,000.00	-14,905.34	-31,491.24	0.00	40.89	-45,508.76
6457 DEL ACT 511 MERC TAXES	-460,000.00	-100,825.11	-295,353.17	0.00	64.20	-164,646.83
6510 INTEREST ON INVESTMENTS	-105,000.00	-2,969.22	-7,010.35	0.00	6.67	-97,989.65
6530 GAINS OR LOSSES ON SALE	0.00	0.00	0.00	0.00	0.00	0.00
6620 DAILY SALES-NON-REIMBUR	0.00	0.00	0.00	0.00	0.00	0.00
6631 SPECIAL FUNCTIONS	0.00	0.00	0.00	0.00	0.00	0.00
6710 ADMISSIONS	0.00	-35,343.00	-50,763.00	0.00	0.00	50,763.00
6740 FEES	-105,000.00	0.00	0.00	0.00	0.00	-105,000.00
6750 DISTRICT ACTIVITY-SPECI	-3,000.00	0.00	0.00	0.00	0.00	-3,000.00
6790 OTHER DIST ACTIVITY	0.00	0.00	0.00	0.00	0.00	0.00
6810 REV FROM LOCAL GOV	-25,000.00	0.00	0.00	0.00	0.00	-25,000.00
6821 STATE REV RECEIVED SCH	-13,000.00	0.00	0.00	0.00	0.00	-13,000.00
6829 STATE REV RECEIVED INTR	0.00	0.00	0.00	0.00	0.00	0.00
6831 FED REV RECEIVED OTHER	-12,000.00	0.00	0.00	0.00	0.00	-12,000.00
6832 FED PASS THRU IDEA FUND	-1,732,088.00	0.00	0.00	0.00	0.00	-1,732,088.00
6839 FED REV OTHER INTER	0.00	0.00	0.00	0.00	0.00	0.00

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
6910 LEASE RENTAL INCOME	-277,500.00	-24,658.84	-61,751.35	-126,643.31	67.89	-89,105.34
6920 CONTRIBUTION & DONATION	-230,440.00	-16,907.84	-66,420.64	-518.00	29.04	-163,501.36
6941 REGULAR SCH TUITION	-180,000.00	0.00	0.00	0.00	0.00	-180,000.00
6942 SUMMER SCHOOL TUITION	-126,000.00	-210.00	-57,272.00	-1,795.00	46.87	-66,933.00
6943 ADULT EDUCATION TUITION	-2,600.00	0.00	0.00	0.00	0.00	-2,600.00
6944 RECEIPTS OTHER LEAs IN	-356,000.00	-482.94	12,341.80	-12,341.80	0.00	-356,000.00
6970 SVC PROVIDED OTHER FUND	0.00	-1,800.29	559.08	-984.33	0.00	425.25
6980 REV FROM COMMUNITY SERV	-5,000.00	0.00	0.00	0.00	0.00	-5,000.00
6981 Advertising	-3,400.00	0.00	-1,525.00	0.00	44.85	-1,875.00
6990 MISCELLANEOUS REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
6991 REFUNDS OF PRIOR YR EXP	-560,000.00	-7,956.21	-9,671.44	0.00	1.72	-550,328.56
6992 Energy Effic Incentives	-15,000.00	0.00	0.00	0.00	0.00	-15,000.00
6999 OTHER REV	-174,918.00	-11,188.47	-30,374.06	-30,370.40	34.72	-114,173.54
Total	-166,209,297.00	-39,041,197.61	-129,424,884.75	-172,652.84	77.97	-36,611,759.41

Function 6000 - LOCAL REVENUE

Total Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	-166,209,297.00	-39,041,197.61	-129,424,884.75	-172,652.84	77.97	-36,611,759.41
Total Other Revenue	0.00	0.00	0.00	0.00	0.00	0.00
	-166,209,297.00	-39,041,197.61	-129,424,884.75	-172,652.84	77.97	-36,611,759.41

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
7000 REVENUE STATE SOURCE						
7110 BASIC EDUCATION	-27,803,331.00	0.00	-3,996,032.00	0.00	14.37	-23,807,299.00
7160 TUITION ORPHANS & CHILD	-275,000.00	0.00	0.00	0.00	0.00	-275,000.00
7220 VOCATIONAL EDUCATION	0.00	0.00	0.00	0.00	0.00	0.00
7250 MIGRATORY CHILDREN	-2,000.00	0.00	0.00	0.00	0.00	-2,000.00
7271 SPECIAL ED SCHOOL AGED	-6,584,843.00	-1,007,821.00	-2,015,642.00	0.00	30.61	-4,569,201.00
7290 OTHER PROGRAM SUBSIDIES	0.00	0.00	0.00	0.00	0.00	0.00
7292 PRE-K COUNTS	-786,000.00	-49,780.00	-149,340.00	0.00	19.00	-636,660.00
7310 TRANSPORT (REG & ADDTL)	-2,326,844.00	0.00	-141,155.00	0.00	6.06	-2,185,689.00
7320 RENT & SINK FUND PYMT	-1,867,573.00	-269,588.48	-269,588.48	0.00	14.43	-1,597,984.52
7330 HEALTH SERVICES ACT 25	-330,000.00	0.00	0.00	0.00	0.00	-330,000.00
7340 ST PROP TAX REDUCTION	-4,733,948.00	0.00	-2,371,881.00	0.00	50.10	-2,362,067.00
7360 SAFE SCHOOLS	0.00	0.00	0.00	0.00	0.00	0.00
7501 PA ACCOUNTABILITY GRANT	0.00	0.00	0.00	0.00	0.00	0.00
7505 Ready to Learn -222 src	-2,427,263.00	0.00	0.00	0.00	0.00	-2,427,263.00
7599 OTH STATE REV	-1,150,484.00	0.00	0.00	0.00	0.00	-1,150,484.00
7810 STATE SHARE SS & MED	-3,595,536.00	0.00	-573,382.00	0.00	15.94	-3,022,154.00
7820 STATE SHARE RETIRE CONT	-10,284,515.00	-2,568,855.53	-2,568,855.53	0.00	24.97	-7,715,659.47
Total	-62,167,337.00	-3,896,045.01	-12,085,876.01	0.00	19.44	-50,081,460.99

Function 7000 - REVENUE STATE SOURCE						
Total Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	-62,167,337.00	-3,896,045.01	-12,085,876.01	0.00	19.44	-50,081,460.99
Total Other Revenue	0.00	0.00	0.00	0.00	0.00	0.00
	-62,167,337.00	-3,896,045.01	-12,085,876.01	0.00	19.44	-50,081,460.99

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
8000 FEDERAL REVENUE						
8110 PAYMENTS FED IMPACTED	-53,000.00	0.00	0.00	0.00	0.00	-53,000.00
8200 UNRESTRICT GRANT-IN-AID	0.00	0.00	0.00	0.00	0.00	0.00
8514 NCLB - TITLE I	-3,817,038.00	-273,955.11	-453,741.07	0.00	11.88	-3,363,296.93
8515 NCLB - TITLE II	-720,361.00	0.00	-14,581.91	0.00	2.02	-705,779.09
8516 NCLB - TITLE III	-260,179.00	0.00	0.00	0.00	0.00	-260,179.00
8517 NCLB - TITLE IV-21ST CE	0.00	-87,658.65	-87,658.65	0.00	0.00	87,658.65
8580 CHILD CARE & DEV GRANT	-170,290.00	0.00	0.00	0.00	0.00	-170,290.00
8810 SBAP	-500,000.00	0.00	0.00	0.00	0.00	-500,000.00
8820 MED ASSIST REIMB ADM	-70,000.00	0.00	0.00	0.00	0.00	-70,000.00
Total	-5,590,868.00	-361,613.76	-555,981.63	0.00	9.94	-5,034,886.37

Function 8000 - FEDERAL REVENUE						
Total Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	-5,590,868.00	-361,613.76	-555,981.63	0.00	9.94	-5,034,886.37
Total Other Revenue	0.00	0.00	0.00	0.00	0.00	0.00
	-5,590,868.00	-361,613.76	-555,981.63	0.00	9.94	-5,034,886.37

Condensed IV Board Summary Report

From 09/01/2014 To 09/30/2014

Account Description	Current Budget	Period To Date Exp/Rcvd	Year To Date Exp/Rcvd	Year To Date Encumbrances	% Used	Available Funds
9000 OTHER REVENUE						
9200 PROCEEDS EXT TERM FINAN	0.00	0.00	0.00	0.00	0.00	0.00
9310 GENERAL FUND TRANSFERS	0.00	0.00	0.00	0.00	0.00	0.00
9400 SALE OF FIXED ASSETS	-20,000.00	0.00	0.00	0.00	0.00	-20,000.00
9910 OTH FIN SOURCES	-2,517,671.00	0.00	0.00	0.00	0.00	-2,517,671.00
9990 INSURANCE RECOVERIES	-10,000.00	0.00	0.00	0.00	0.00	-10,000.00
Total	-2,547,671.00	0.00	0.00	0.00	0.00	-2,547,671.00

Function 9000 - OTHER REVENUE

Total Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Expenditure	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Revenue	-2,547,671.00	0.00	0.00	0.00	0.00	-2,547,671.00
	-2,547,671.00	0.00	0.00	0.00	0.00	-2,547,671.00

Grand Totals

Total Expenditure	209,666,374.00	17,448,849.69	31,643,041.38	7,150,444.53	18.50	170,872,888.09
Total Other Expenditure	26,848,799.00	336,844.78	10,751,888.76	448,433.38	41.71	15,648,476.86
Total All Expenditures	236,515,173.00	17,785,694.47	42,394,930.14	7,598,877.91	21.13	186,521,364.95
Total Revenue	-233,967,502.00	-43,299,175.65	-142,067,061.66	-177,543.76	60.79	-91,722,896.58
Total Other Revenue	-2,547,671.00	0.00	0.00	0.00	0.00	-2,547,671.00
Total All Revenues	-236,515,173.00	-43,299,175.65	-142,067,061.66	-177,543.76	60.14	-94,270,567.58
	0.00	-25,513,481.18	-99,672,131.52	7,421,334.15	0.00	92,250,797.37

RECOMMENDATIONS OF THE ADMINISTRATION – October 20, 2014

Nominations

RECOMMENDATION:

A. Noninstructional

	NAME	ASSIGNMENT	SALARY	EFFECTIVE
1.	Coy, Jeanne	Financial Operations Supervisor	\$70,063, prorated Noninstructional Meet and Discuss Category B, Step 11	To be determined