

**Northwestern Lehigh School District
6493 Rt. 309, New Tripoli PA 18066
WORKSHOP MEETING
District Board Room
Wednesday, March 1, 2017, 6:30 PM**

1. Opening Procedures

1.01 Call to Order

The March 1, 2017 Workshop Meeting of the Northwestern Lehigh School District Board of Directors was called to order at 6:30 PM by President Willard Dellicker.

1.02 Opening exercises included the Pledge of Allegiance and a moment of silence

1.03 Roll Call

PR/AB

PR	John Casciano	PR	Paul Fisher	PR	Charlene D. Rauscher, Esq.
PR	Willard Dellicker	PR	Todd Hernandez	PR	Darryl Schafer
**AB	Joseph Fatzinger	**AB	Todd Leiser	**AB	Phil Toll

** P. Toll arrived at 6:32 PM

** J. Fatzinger arrived at 6:45 PM

** T. Leiser arrived at 6:47 PM

Also Present:

Joseph Reiter, Michael Spadafora, Brian Brandis, Arthur Oakes, Leslie Frisbie, Jennifer Holman, Mary Anne Wright and Janine Partenio

1.04 Approval of Agenda

With New Business item added today for 2017/2018 School District Calendars

Moved: P. Fisher

Seconded: T. Hernandez

Vote: 6 Aye, 0 Nay

1.05 President welcomed guests

1.06 Courtesy of the Floor

None at the time

2. Curriculum / Building Issues

2.01 Curriculum / Building Informational Updates Not Requiring Board Action

None at the time

3. Policy

3.01 First Reading

007 - Distribution of Board Policy Manuals

J. Holman explained this policy would need to be updated since paper manuals are no longer distributed. She said the name would also need to be changed and a paper copy will be available in the Administration Office. P. Fisher asked if a right to know request would need to be submitted in order to view the paper copy, or if it would be readily available for someone to just come in and request to see it. J. Holman stated someone may just come in and request to view it. D. Schafer asked if the policies are available online. J. Holman said yes; however, community members who do not have internet will be available to view a paper copy.

808 - Food Services

J. Holman explained some changes needed to be made to the policy since there was an error on the policy that happened between first reading and final approval. She said on page two there was a checklist of names that should not be there and "Food Service Supervisor" should be inserted.

P. Toll asked if this was a new policy. J. Holman explained this policy was approved in June of 2016, along with a number of other policies. P. Toll stated the Board did not receive a food report in three years and he would like to get that on the agenda. He said Gorman's report stated the District lost funds and would like to get a financial report related to Food Services. J. Holman said a report would be brought to the Board and explained there will be additional Food Service Policies coming, along with new regulations.

P. Fisher questioned the term "sufficient" which was used on Page 1 in the last paragraph. He wanted to know what constituted sufficient revenues within the context of the policy. J. Holman said the nonprogram food would be the a la carte items. She said the revenues were nonspecific but it would also be specific to the item purchased. P. Fisher recommended keeping the policy to discuss with the financials of Food Service. He also questioned what the "child nutrition program account" was. L. Frisbie said she believes it is the Food Service Fund.

D. Schafer questioned Page 3 on the "Special Milk Program" and "Free Milk." He asked if it means the District is giving away free milk. J. Holman said the District is not giving away free milk, aside from the free lunch program. She was not sure the specifics of the program but knows that the District does offer water instead of milk, under certain circumstances. L. Frisbie said, at one time, there was a grant through the Special Milk Program that funded the coolers which the District uses for the milk. She does not know if that program is still in effect.

W. Dellicker said this policy will be kept on First Reading for continued discussion with A. Madochick, Food Service Supervisor.

3.02 Second Reading and Final Approval

006 - Board Meetings

J. Holman explained changes had been made to this policy to include brother and sister, in order to mirror the Ethics Act. She said Policy 006.1 was also added to this policy under Section 7 and recommended moving this item for final approval at the Board Meeting. The Board agreed to move this policy for action at the March 15, 2017 Board Meeting.

3.03 Rescind Policies

None at the time

3.04 Policy Informational Updates Not Requiring Board Action

W. Dellicker said there was a request for a Board Policy regarding Sexting by Atty. Rauscher. Atty. Rauscher felt this was an issue that is prevalent District-wide. She explained only one school has a sexting policy and that was Lebanon Valley. She stated there was a recent seminar on this subject through King Spry's office and she found it very eye-opening. She said she would like the Board to consider developing a policy. Dr. Wright explained some schools included sexting into their antibullying policy. J. Holman reached out to Board Docs and found information that included sexting into the bullying/cyberbullying policy.

Dr. Wright explained the procedures to follow with sexting occurrences are not included in the policy; however, procedures can be implemented into the administrative procedures. W. Dellicker said he looked at the policies already established and would like to look at incorporating sexting into four policies. He said 237 – Electronic Devices, 247 – hazing, 248 unlawful harassment and 249 – Bullying/Cyberbullying could be updated to include sexting.

Dr. Wright explained the procedure to follow with sexting instances changes constantly and must be updated annually or biannually. She said the advice has changed between different organizations and would need to be checked on a case by case basis. D. Schafer stated the District Attorney does not move forward with sexting charges but serious cases would have the charges moved to child pornography. He believes procedures should be implemented for the District and the students should know what the implications would be. J. Casciano believes there should also be a procedure in place in order to protect the administration from doing something that would be against the law. Atty. Rauscher said she would also like to protect the District with a policy.

P. Fisher mentioned there may be a conflict with the Electronic Device and Acceptable Use policies, since students are allowed to use electronic devices at school. He questioned if the District needed a separate policy or additions to existing policies. He explained that enforcement is removed from the District's hands by having it run on a case by case basis with the District Attorney. Dr. Wright said a policy's enforcement may become frustrating when dealing with differing recommended procedures from the District Attorney, the Solicitor and Human Services.

J. Holman said there is a presentation offered to students annually and this year it is in the end of March for High School and 8th Grade students. D. Schafer stated it was used as a "Scared Straight" tactic. J. Holman explained the process is forever evolving in order to provide the proper protection. She said the Acceptable Use and Electronic Device policies are in direct conflict and the Electronic Device policy would need to be updated in order to keep constant with current practices. Dr. Wright recommended starting on policy options at the next Workshop Meeting. The Board agreed.

4. Operations

4.01 Discussion on 2016-17 Bus Replacements

A. Oakes explained they are looking to purchase three buses through the National Joint Purchase Alliance (NJPA). He explained that the NJPA has nationwide bid practices. He felt they offer a comparable price and quicker delivery. He is not recommending the extended warranty for five additional years since the District has not utilized the warranty in the past. P. Toll asked if it was for a specific bus. A. Oakes explained the vendor is Brightbill and are Bluebird buses. He said the last three bus purchases made through competitive bidding have been Bluebird buses and he has had no issues with them. He said they have an Allison transmission and the District has been using those transmissions for a very long time. He said all buses are standard. The Board agreed to move this item to the March 15, 2017 Board Meeting for action.

4.02 HS Modernization Project Bid & Alternate Recommendations

A. Oakes stated there were 24 definitive bids returned and much of the work included will address a number of things on the Masters Facilities Plan. He explained he has been working with KCBA and D'HUY through the bidding process. M. Spadafora from D'HUY stated the numbers received from the contractors were very competitive. We went through all of the alternates, which most were deducts. He recommended the Board proceed with the following bids and alternates:

	Lowest Bids with Accepted Alternates	Contractor
General	\$ 5,982,000.00	Gordon H. Bayer, Inc.
HVAC	\$ 1,108,920.00	Master Mechanical
Electrical	\$ 2,312,512.00	Albarell Electric
Plumbing	\$ 635,900.00	DeWalt Plumbing, Inc.
Environmental	\$ 95,250.00	Sargent Enterprises
TOTAL BID WITH ACCEPTED ALTERNATES: \$ 10,134,582.00		

M. Spadafora explained the bids and alternates. He recommended the general contract bid to include the installation of an exterior concrete stair and railing connecting the Southeastern parking lot to the main drive at the Library entrance, as well as, include the milling and overlay of new bituminous paving on the Northeast parking lot used by contractors during construction. He explained there are some unknowns and some options and if the paving is not needed a credit change order can be done and the funds can be returned. J. Holman asked if the paving price would be maintained. M. Spadafora said yes.

P. Toll asked if item three, addressing roof replacement, was not necessary. A. Oakes said it would not be needed within the next five years.

P. Fisher said the parking lot was paved in 2011 or 2012 and asked if any preventative measures would be used to proactively protect the pavement. M. Spadafora stated blocking could be put down on the pavement or put equipment in the grass. He explained either way, the existing condition will be reviewed and recorded or the pavement should be returned to its existing condition, after the project is complete.

J. Fatzinger asked if all of the Generals bid to the year schedule. M. Spadafora said yes. P. Fisher asked if anything in red had the potential to be deducted but was not recommended. M. Spadafora said that was correct.

M. Spadafora explained the mechanical bid and the electrical bid. He recommended selecting item 13 (Provide lighting control panels by LC&D for exterior and corridor lighting fed through the lighting control panels) as an electrical deduct since it is currently utilized in the building.

M. Spadafora explained the plumbing bid and requested both alternates be selected. This included providing an inspection of the existing interior Water Storage Tanks and also providing a cost to perform relining services of the existing Interior Water Storage Tanks. He explained the condition of the lining is unknown, so he recommended the inspection and performing the re-lining if it is needed. He said if the lining is good, then the District can accept a credit for the deduct.

M. Spadafora explained the abatement bid and said there were no alternates. He explained that bid came \$9,700 under budget and Sargent Enterprises has been well known to our District, as well as many other districts.

T. Leiser questioned item 14 in the electrical bid which was deleting the service entrance equipment with existing electrical service entrance switchboard to remain. A. Oakes explained the existing service disconnect system in the Master Facilities Plan is to be replaced. He said it is part of the project as "cost control" since it must be custom built for the building. He said it could be taken from the Master Facilities plan. W. Dellicker asked how old it was. B. Brandis said about 40 years old. P. Toll asked if they could search for parts. A. Oakes said he would have to check to see if there are any available. He was concerned if it fails, it would be a big problem. P. Toll felt it would be worthwhile to pursue finding different parts for the panel. A. Oakes explained it is the variable switch part, and if it does not turn on then there is an issue.

P. Toll asked if there were any other ESCO items being replaced. A. Oakes said there was a small amount of lighting which was upgraded to LED's during the ESCO, but he has been very cautious not to do work twice.

M. Spadafora stated this would be brought to the Board at the March 15, 2017 Board Meeting for approval and a start date of April 15, 2017. A. Oakes mentioned the abatement would begin on April 7th. W. Dellicker asked if the District is on track with permits. B. Brandis said yes. He explained they have been addressing the Code Master's request, line by line, and will resubmit. He said an answer should be received by mid to late March and if there would be any other further comments, they should be minor and should not affect any pricing. The Board agreed to move this item to the March 15, 2017 Board Meeting for action.

4.03 Operational Informational Updates Not Requiring Board Action

None at the time

5. District Finances

5.01 HS Modernization Project Financing Plan

Recommended Action: *Authorization for the District to proceed to work with PFM Financial Advisors on the financing for the HS Modernization Project.

L. Frisbie discussed options for debt and millage phasing on proposed new debt associated with the HS Modernization Project to be incorporated into the parameters resolution on March 15th. She explained she has been working with D'HUY and KCBA to incorporate construction costs from the recommended bids. She reviewed the following construction costs:

	Construction Cost Estimate	REVISED Construction Cost Estimate	% Total Construction Cost Total	Change (Under)/Over
CONSTRUCTION COSTS				
Building Renovations/Addition				
General Contractor	6,528,267	5,982,000	47.54%	(546,267)
Mechanical Contractor	2,146,700	1,108,920	8.81%	(1,037,780)
Electrical Contractor	2,828,196	2,312,512	18.38%	(515,684)
Plumbing Contractor	1,071,838	635,900	5.05%	(435,938)
Asbestos Abatement Contractor	105,000	95,250	0.76%	(9,750)
CONSTRUCTION COST TOTAL	12,680,001	10,134,582	80.54%	(2,545,419)
SOFT COSTS				
Professional Fee (KCBA, Lehigh Engineering)	727,185	602,360	4.79%	(124,825)
Civil Engineer (Terraform)	65,200	92,200	0.73%	27,000
Asbestos Consultant (SSM)	-	19,200	0.15%	19,200
Construction Manager (D'Huy)	339,150	339,150	2.70%	-
Geotechnical Engineer (Earth Works)	40,000	40,000	0.32%	-
Reimbursables	10,000	10,000	0.08%	-
Building Permits	40,000	40,000	0.32%	-
Legal Fees	30,000	30,000	0.24%	-
Builder's Risk Insurance	10,000	10,000	0.08%	-
Construction Testing	50,000	50,000	0.40%	-
Utilities	30,000	30,000	0.24%	-
Financing Costs	305,000	305,000	2.42%	-
Furniture, Fixtures & Equipment	-	200,000	1.59%	200,000
Construction Contingency	681,000	681,000	5.41%	-
Design Contingency	232,384	-	0.00%	(232,384)
SOFT COST TOTAL	2,559,919	2,448,910	19.46%	(111,009)
TOTAL PROJECT COST	15,239,920	12,583,492	100.00%	(2,656,428)

L. Frisbie explained the fee structure for KCBA is a percentage of the total cost and had decreased by \$124,825. W. Dellicker asked if most of those fees had already been expended. L. Frisbie said about two-thirds had already been paid. She explained this is the structure which had been used in the past in order to track the progress of the project.

P. Toll questioned the furniture estimate saying KCBA originally estimated \$100,000. J. Holman stated L. Frisbie did not have it on the original cost estimate and had since received cost estimates ranging from \$150,000 to \$250,000.

B. Brandis questioned the cost decrease for KCBA and believed the rate was locked in. L. Frisbie asked for the document to show that since the document she reviewed did not reflect that language. P. Toll asked if the construction contingency number should come down. B. Brandis said he recommended keeping conservative estimates and the District can be reimbursed if it is not used. P. Toll said yes; however, it would be less money to borrow if the figures were more accurate.

L. Frisbie reviewed the following document:

REVISED ESTIMATED PROJECT COST				
	Original	Revised	Difference	
HS Project	\$ 15,239,920	\$ 12,583,492	\$ (2,656,428)	
MS Drainage (included in HS project)	195,000	-	\$ (195,000)	
Flashers (Included in HS Project)	38,000	-	\$ (38,000)	
	15,472,920	12,583,492	\$ (2,889,428)	

DISTRICT CASH CONTRIBUTION			
	Original	Revised	Difference
Use of GF Balance	4,000,000	4,000,000	-
Bond Issue April 2017	8,000,000	6,000,000	(2,000,000)
Bond/Bank Loan April 2018	3,770,000	2,840,000	(930,000)
	\$ 15,770,000	12,840,000	(2,930,000)

Difference due to bond proceeds vs. net cash

ESTIMATED FUND BALANCE USE			
	Original	Revised	Difference
Millage Rate Stabilization	\$ 1,604,483	1,604,483	\$ -
Energy Stabilization	575,000	575,000	\$ -
Capital Projects	820,517	820,517	\$ -
Unassigned	1,000,000	1,000,000	\$ -
	\$ 4,000,000	4,000,000	\$ -

REVISED NEW ANNUAL DEBT SERVICE OPTION 1-LEVEL

April 2017- \$6,000,000

April 2018- \$3,035,000

	2017-18	2018-19	2019-20	2020-21	2021-22	Thereafter	Total
Bond Issue-April 2017	168,550	437,260	442,067	441,040	439,465	6,612,343	8,540,725
Bond/Bank Loan- April 2018	-	198,212	196,491	199,170	201,464	3,188,520	3,983,857
	168,550	635,472	638,558	640,210	640,929	9,800,863	12,524,582
\$ Difference Compared to Original	(56,130)	(218,272)	(210,788)	(208,047)	(210,082)		
Millage Equivalent	0.1058	0.3987	0.4007	0.4017	0.4022		
Mills Difference Compared to Original	(0.0438)	(0.1694)	(0.1645)	(0.1628)	(0.1641)		
Annual Allowable Millage Assuming 2.9% Index	0.4629	0.4629	0.4629	0.4629	0.4629		

REVISED NEW ANNUAL DEBT SERVICE OPTION 2-WRAP

April 2017- \$6,000,000

April 2018- \$3,040,000

	2017-18	2018-19	2019-20	2020-21	2021-22	Thereafter	Total
Bond Issue-April 2017	187,450	223,842	223,732	223,609	223,477	8,178,104	9,260,214
Bond/Bank Loan- April 2018	-	91,881	109,159	109,049	108,926	4,019,223	4,438,238
	187,450	315,723	332,891	332,658	332,403	12,197,327	13,698,452
\$ Difference Compared to Original	(62,339)	(104,848)	(110,856)	(110,766)	(110,856)		
Millage Equivalent	0.1176	0.1981	0.2089	0.2087	0.2086		
Mills Difference Compared to Original	(0.0486)	(0.0818)	(0.0864)	(0.0863)	(0.0864)		
Annual Allowable Millage Assuming 2.9% Index	0.4629	0.4629	0.4629	0.4629	0.4629		

L. Frisbie explained the Middle School drainage and flashers are built into the project at \$12,600. She recommended a 2-part borrowing with a bond issue in April 2017 and a Bond issue in April 2018 for the remainder of funds needed. She stated the second borrowing would be variable, dependent upon how much fund balance the Board would like to use. She said the Parameters Resolutions would allow flexibility on when and how much the District borrows. W. Dellicker asked if there would be two sets of closing costs. L. Frisbie said yes; however the price of the duplicate closing costs would still be less than the interest that would be paid in that first year. She said the second borrowing specifics can be determined at a later date. She explained it would be satisfactory up until April of 2018, but if property tax elimination goes through then the District should consider push up the borrowing.

L. Frisbie stated the Board would need to determine if they would like to proceed with a wrap or level structure in order to move forward and bring Parameters Resolutions to the Board for the March 15, 2017 Board Meeting. P. Toll mentioned using the \$4 Million in general fund to offset the tax increase and borrow \$9 - \$10 Million. L. Frisbie said that may be possible to work within the budget process. P. Toll stated \$2 Million could be used to help mitigate tax increases. L. Frisbie said or \$1 Million for mitigation and \$1 Million used to help borrow down. She explained that the first borrowing would be for \$6 Million.

P. Fisher asked what government organization would receive the Parameters Resolution. L. Frisbie said DCED. P. Fisher asked if the paperwork had specifics. L. Frisbie said yes, it would be wrap versus level and the anticipated draw schedule that Scott Shearer presents. She said the DCED approval is on the borrowing side and is not sure what they look at in the paperwork. Dr. Wright stated S. Shearer said it was not necessary to have specifics now for the second borrowing or the amount to be used through general fund. W. Dellicker, T. Leiser, T. Hernandez, J. Casciano and J. Fatzinger agreed on the wrap schedule. L. Frisbie said the Parameters Resolution with the wrap structure will be brought to the March 15, 2017 Board Meeting for action.

P. Fisher shared his thoughts on the project. He said the District has had four construction projects and each has had an "Achilles heel." He wished he could go back and do things differently. He stated the logo in the terrazzo and the name on the building does not add educational value. He said the digital wall would be \$7,400 and that area could be utilized for students' artwork. He said it could be a total of around \$14,000 in savings to the District and to the taxpayer in the long run. W. Dellicker said the logo is a sense of pride to the students, employees and the community. T. Leiser said he heard a phrase: "Perfect is the enemy of done." He felt it was better to be "a diamond with a flaw, then a perfect pebble." He said he saw Pottsgrove's digital wall and thought it was very nice. He also said the wall could be used for the District's history.

P. Fisher asked if the two-thirds of the professional fee had been paid out of general fund. L. Frisbie said it was paid out of the capital reserve fund. P. Fisher asked if that needed Board approval. L. Frisbie said it was Board approved through the bill payments. P. Fisher asked how it would be handled if the project would not go through. L. Frisbie said the capital reserve fund would be reimbursed by the general fund.

5.02 State Budget Update

L. Frisbie explained the following updates with the state budget:

		1415	1516	1617	1617	1718	1718	1718	1718
		Actual	Actual	Budget	Actual	Budget Jan 2017	Gov's Proposal Feb 2017	Budget Difference	Difference to PY
7110	Basic Education Funding *	5,418,348	5,504,641	5,733,738	5,637,582	5,733,738	5,699,784	(33,954)	62,202
7271	Special Education Funding *	1,296,951	1,326,334	1,390,779	1,343,198	1,390,779	1,367,075	(23,704)	23,877
7320	Transportation	1,001,372	1,167,213	1,000,000	?	1,000,000	1,001,372	1,372	?
7505	Ready to Learn	179,523	230,490	-	230,490	-	?	?	?
		7,896,194	8,228,678	8,124,517	7,211,270	8,124,517	8,068,231	(56,286)	86,079
* As of February 2017, 2016-17 allocation for BEF and Special Education is stated above. Amounts are subject to change prior to June 30th.									

She stated the Governor's Proposal for the Ready to Learn Grant in 2017/2018 is actually the same as last year and \$230,490 should be carried over into the chart. She said the 2016/2017 numbers are not solid and there is not a huge difference but there is still a change. D. Schafer said he attended the winter town hall with PSBA and shared some information that he received about Governor Wolf's budget. He said there is a \$50 Million decrease for transportation and PSERS is about \$1,400 per student with \$240 Million increase to state contributions. He passed out handouts to the Board and said PSBA's State Budget information could be found at their website as a PDF.

5.03 BeneChoice Enrollment Solutions & Technology, Inc.

L. Frisbie led a discussion about implementing an online healthcare open enrollment software with BeneChoice Enrollment Solutions & Technology, Inc for healthcare benefits at an estimated cost of \$8,000 annually with a \$500 implementation fee in the first year and rollout of optional employee paid benefits such as life insurance and short term disability. She said there are six different groups of open enrollment and she is looking to streamline the process.

L. Frisbie mentioned three different open enrollment programs were demonstrated and BeneChoice was the preferred option. She explained there is a self-service portal which integrates with carriers. Changes are then approved and sent to the carrier. She said they offer other options for employees, such as, Short Term Disability and Optional Life Insurance at no cost to the District. She said the cost is for approximately 250 people and mentioned there was a significant savings by bringing payroll back in-house. She mentioned there are two open enrollments per year because the District runs on a July through June calendar and an optional enrollment can be utilized in January for a regular calendar year. DR. Wright explained an employee may switch onto a spouses insurance if their employment has a January Open Enrollment.

P. Toll had a question about the contract and L. Frisbie said she would get the answer for the March Board Meeting. P. Toll said the Solicitor does not review the contracts from a business perspective. L. Frisbie explained she does review the contracts before they go to the Solicitor and sometimes it is recommended not to spend time addressing certain items as the company would be resistant to negotiating those terms.

P. Toll asked who in Lehigh County is using this technology. L. Frisbie said no one. She explained most Districts are utilizing paper and they have the same plans offered to all employees compared to our offerings. P. Toll asked if they are considering HSA's. L. Frisbie said the District does not qualify for enrollment of HSA's because we do not have qualified, high-deductible health plans.

P. Fisher asked if there was a possibility the healthcare open enrollment tool would become part of a developed consortium. L. Frisbie mentioned if the District uses it, then other districts may jump on board and eventually offer it through a consortium. She explained they have a step by step enrollment and feels it is a great tool for employees.

T. Leiser asked where the savings is coming from. L. Frisbie said right now the District is running dual payroll systems and we have a new payroll person. She explained payroll will be done in house. The savings would come from the discontinuation of Jetpay and the time that the paper process takes. T. Hernandez said there would also be savings by employees switching in the first year. L. Frisbie recommended the approval of the implementation of this open enrollment software. The Board agreed to move this item to the March 15, 2017 Board Meeting for action.

5.04 BCIU Service Level Agreement

L. Frisbie said this is a routine item for tax bill printing. She explained BCIU provides services associated with Real Estate Tax Collection including coordination with Lehigh County Assessment Office, bill printing, mailings, delinquent notices, and software tracking. The BCIU agreement is negotiated by the Lehigh County Business Manager Group and is currently also used by the district's four townships. She stated the agreement is for a term of April 1, 2017-June 30, 2019 (Tax years 2017 and 2018). She said the fee structure has roughly been unchanged in the last five years and the rates have been reasonable. She said four tax collectors use this software and find it to be user friendly. She mentioned if the Property Tax Elimination Bill goes through, the cost would be the same since tax bills would still need to be issued for debt service, it would just be at a higher percentage of tax collections.

5.05 Scholarship Report

L. Frisbie explained the following anticipated awards from the District-maintained Scholarship Fund:

		ANTICIPATED	TOTAL
	NUMBER	AWARD	AWARD
SCHOLARSHIP	OF AWARDS	AMOUNT	AMOUNT
GENERAL (MORTON)	2	200.00	400.00
BETZ	1	50.00	50.00
KOHLER	1	50.00	50.00
ALUMNI (see note)	2	100.00	200.00
CLASS OF 2004 (BLOSE)	1	50.00	50.00
LEAR AWARD	*	-	-
JUSTIN HUMMEL	*	-	-
ROTH	1	100.00	100.00
FALLINGER	1	50.00	50.00
RESH	1	500.00	500.00
NEMES/FISHER	2	50.00	100.00
GUSTAFSON	1	100.00	100.00

ALUMNI- combines funds from the Class of 1990,1996,1998,2000,**2003,2006**,2007, and 2008 (2003 & 2006 do not maintain principal)

* Recommendation to not give this award until the TOTAL AWARD MONIES is \$50

She said awards are determined by the High School for the spring senior awards.

5.06 2016-2017 Budget Transfers

L. Frisbie explained the following Budget Transfers:

<u>TO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1200	Special Programs	\$ 16,398
2100	Support Pupil Personnel	3,277
2200	Support Instructional	4,245
2300	Support Administration	5,899
2400	Support Pupil Health	272
2600	Support Operation/Maintenance	4,127
2700	Transportation	3,329
2800	Support Central	38,682
2900	Other Support	494
		<u>\$ 76,723</u>

<u>FROM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1100	Regular Programs	\$ (32,293)
2500	Business	(15,642)
5200	Fund Transfers	(1,783)
5900	Budgetary Reserve	(27,005)
		<u>\$ (76,723)</u>

Budgetary Reserve as of February 2017	\$ 400,000
Less Current Months Transfers	(27,005)
Total Budgetary Reserve Remaining	<u>\$ 372,995</u>

P. Fisher recommended that L. Frisbie stay with a summarized version of the transfers, in order to streamline the process and avoid redundancy of spreadsheets. L. Frisbie recommended formal Board Approval of this item at the Board Meeting. The Board agreed to move this item to the March 15, 2017 Board Meeting for action.

5.07 Student Activity Contracts

1. *Dialed Action Sports Team, LLC, Lincoln Park, NJ for performance at Weisenberg Elementary school assembly on March 23, 2017 in the amount of \$ 1600.*

L. Frisbie explained how she saw that this agreement had some questionable terms and she proactively worked with the insurance company in order to add additional liability prior to bringing this agreement to the Workshop Meeting for discussion.

2. *DJ Jimbo Entertainment, Trexlertown, PA for Weisenberg Elementary positive behavior assembly on March 24, 2017 in the amount of \$250.*

L. Frisbie explained these are routine items and recommended approval of the contracts at the Board Meeting. The Board agreed to move the Student Activity Contracts to the March 15, 2017 Board Meeting for action.

5.08 Reports

Recommended Action: Receive the following Reports for January Recommendation to receive the reports listed below on March 15, 2017.

1. Budget Report
2. Revenues Report
3. Treasurer's Report

Fund 10 General Fund with a beginning balance of \$32,140,269.23, receipts of \$762,639.98, and disbursements of \$2,355,002.67, leaving a balance of \$30,547,906.54.

Fund 22 Capital Reserve Fund with a beginning balance of \$1,721,617.55, receipts of \$782.01, disbursements of \$114,249.81, leaving a balance of \$1,608,149.75.

Fund 50 Food Service Fund with a beginning balance of -\$1,639.15, receipts of \$64,625.10, disbursements of \$63,526.47, leaving a balance of -\$540.52.

4. EIT Report
5. Activity Fund Report
6. Comparison of Prior Year to Current Year Budget to Actual Expenditures by Object Report

5.09 Financial Informational Updates Not Requiring Board Action

Discussion on annual bids/RFP for 2018-19:

- *Trash*
L. Frisbie explained Waste Management agreed to extend the terms and hold the pricing for the District. The consensus of the Board was to stay with Waste Management.
- *Fuel (100% diesel, 25% heating oil committed to CSIU16 fuel bid)*
L. Frisbie explained this is just an update for what the District committed to for the fuel bid.
- *Brandywine Transportation*
L. Frisbie stated she is anticipating a 3% increase to rates and recommends extending the contract. She thought the rate was \$229 per bus run and there are three bus runs. She said the rates are competitive and there are only a handful of bus runs by Brandywine. She pulled the current contract and the current rates were actually \$234.09 per bus, \$192.47 per van and Sports runs are \$2.09 per mile and \$21.42 per hour. A. Oakes said they reached out to other companies and they were not willing to give pricing because of the few amount of runs.

Earned Income Tax (EIT) Report

P. Fisher thanked L. Frisbie for putting the data together. He explained EIT is the leading indicator of the economic health of the District. He said in 2011/2012 there was a big jump and does not know why. He assumed people were earning more. He explained the chart showed the increases and decreases of the EIT and much of the information mirrored the information given by Tom Seidenberger during the presentation on Basic Education Funding, at the February Workshop Meeting.

P. Fisher discussed the increase of the poverty percentage and T. Leiser asked if it was due to a level shift. P. Fisher was not sure but believed that high wage earners may drive the EIT. L. Frisbie said 10 households in the District have wage earners over \$1 Million in income and in 2014 there were 11 households over \$1 Million as reported to Berkheimer. She mentioned the total number without EIT could be retirees. P. Fisher questioned if the higher earners are moving in and out of geographic locations. L. Frisbie said Berkheimer attributes the spike in 2013/2014 to Act 32.

PSERS Fund Balance

L. Frisbie provided a PSERS updated spreadsheets for the Board just for information purposes due to an error that was on the last spreadsheet presented. P. Toll asked why the payroll goes down. L. Frisbie the sheets have payroll assumptions of 3%, 2.5% and 2% as scenarios for subsequent years and that 2017-2018 reflects current budget amounts. P. Fisher explained projections out beyond 2021/2022 have not been published and recent projections have been higher. L. Frisbie will update those projections when the data is released.

6. Old Business

6.01 Communications

Dr. Wright shared her concern with a shared Google Doc for Board Member questions and the timeliness to get that completed as well as the need for members to withhold dialogue. She felt the best and most direct way to communicate would be to copy all Board Members in an e-mail. She said she wanted to address the Board about this suggestion and make sure they were comfortable with this before sharing any Board Members' e-mails. W. Dellicker asked if this is for all e-mails. Dr. Wright stated just for questions on agendas. She said if anything has interest by other Board Members she will ask to forward it. The Board agreed with this method of communication.

7. New Business

Dr. Wright mentioned the 2017/2018 School District Calendars will need to go to the Administrators for any adjustments, especially for the early dismissal days. She wanted to share the preliminary Calendars so Board Members knew they would be coming for approval. She said the format of the weather make-up days has been changed and the winter break has been aligned with other Districts. The Board agreed to move this item to the March 15, 2017 Board Meeting for action.

8. Communications

8.01 Courtesy of the Floor

J. Reiter stated the Northwestern Press had a police report listed explaining bathroom stall was damaged in the High School by a student. He recommended the student pay the restitution. He asked the Board to keep their eye on the change orders during the High School Modernization Project and recommended the \$14,000 saved by the omitted terrazzo logo and exterior design would be great for the Lacrosse budget.

W. Dellicker announced an executive session for Personnel related items would be held in the conference room immediately following the Workshop Meeting.

9. Adjournment

Upon motion by P. Fisher, seconded by J. Fatzinger, the meeting was adjourned at 9:25 PM.

Respectfully submitted,

Todd Hernandez, Secretary
By J. Partenio, Assistant Secretary