

**Northwestern Lehigh School District
6493 RT 309, New Tripoli PA 18066
WORKSHOP MEETING
District Board Room
Wednesday, May 4, 2016 at 6:30 PM**

1. Opening Procedures

1.01 Call to Order

The May 4, 2016 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

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

Also Present:

Rob Thompson, Ray Nemeth, Sandra Binder, Eunice Matos, Dianne Justesen, Arthur Oakes, Leslie Frisbie, Luann Matika, Jill Berlet, LeAnn Stitzel, Jason Zimmerman, Jennifer Holman, Mary Anne Wright and Janine Partenio

1.04 Approval of Agenda

W. Dellicker requested the approval of Agenda, with changes, adding a President's Report, moving item 5.02 to after 1.06 and moving the Circle of Seasons update to after 1.06.

Moved: P. Fisher Seconded: J. Fatzinger Vote: 7 Aye, 0 Nay

1.05 President Welcomed Guests

1.06 President Offered Courtesy of the Floor for Public Comment

E. Matos said she was there on behalf of Circle of Seasons. She thanked everyone for considering the renewal of Circle of Seasons. She explained that she loves the school and the children benefit from it. She mentioned that Northwestern Lehigh School District made history in the area by being the first public school on the East Coast to implement a Waldorf methods charter school and now others want to implement it as well.

S. Binder said she has two children in Circle of Seasons and her nieces and nephews attend Northwestern Lehigh School District. She explained that she feels so blessed to have her children in the same community as her nieces and nephews. She said her children love their school, they cry when there is a snow day and they miss school when it is not in session over the summer. She urged the Board to please allow Circle of Seasons to work out the kinks and grow from the experience. She thanked the Board.

2. Curriculum / Building Issues

2.01 Special Education Settlement

J. Holman explained this information was discussed at the brief executive session prior to the Workshop Meeting. She said a redacted special education settlement agreement and release will be attached to the agenda at the Board Meeting for approval. The Board was in consensus to move this item to the May 11, 2016 Board Meeting for approval.

2.02 Special Education Placement Authorization

J. Holman explained, years ago, the authorization was for Dr. Scott and J. Holman to sign placements until it was brought to the Board Meeting for the Board. She said this is the same except for Andrea Edmonds. She recommended moving forward with the approval for Andrea Edmonds and/or Jennifer Holman to place students into special education programs. The Board was in consensus to move this item to the May 11, 2016 Board meeting for approval.

2.03 Act 80 Days

L. Stitzel explained that Pennsylvania Law states that all public school districts must utilize 180 school days for instruction of pupils. She said there must also be hours of instruction met including 450 for half-day Kindergarten, 900 for Elementary and 990 for secondary grades. The Act 80 days allow an exception to the 180 day rule, as long as the minimum of instructional hours are still met. She recommended approval of the Act 80 Days for the 2015/2016 school year at the May 11, 2016 Board Meeting. The Board was in agreement to move this item to the May 11, 2016 Board Meeting for approval.

2.04 Innovative Reward Grant Update

Mrs. Jill Berlet and Mrs. LeAnn Stitzel - Innovation Grant Application

L. Stitzel explained the Innovative Grant Application would request funding, up to \$50,000, to implement a hybrid learning model for math, including goal planning and professional development to support the District's teachers. She said this model is based upon using a multi-modal learning structure, including a balanced mix of teacher-led instruction, group activities, and self-instruction through digital content. She said it will also require continuous and focused analysis of student data to inform instruction, resulting in more personalized learning for all students. J. Berlet explained the teachers work very hard to assist with varied learning. She stated the instruction in guided Math and hybrid learning would help. She explained that she would like to implement the hybrid learning model in Grade 4 and build on 5th Grade in the 2016/2017 school year. She explained that individualized instruction and cooperative group projects would be utilized and the chromebooks would help support the process for student success.

L. Stitzel mentioned very few companies are available. She said one is in California which would be difficult with training since it is so far away. The other is Hybrid Learning Institute (HLI), who has Dellicker Strategies as their lead consulting firm. She explained that currently, 70 different schools are working with the Hybrid Learning Institute (HLI) in Pennsylvania and since the inception of HLI in 2011, data has shown hybrid learning as been a proven method for improving student achievement.

J. Holman said she had spoken to Dellicker Strategies several years ago and the stumbling block was access to technology. She said now that the technology access has been addressed the District would be ready to implement it. She explained that other schools, like Parkland, utilize hybrid learning with great results.

Dr. Wright mentioned she had viewed many presentations on hybrid learning at the Women's Caucus Seminar, early in the week. She stated two of the presenters were partnered with Dellicker Strategies. She explained that no specific discussions have been made with Dellicker Strategies dealing with the details. She wanted to discuss it first with the Board for full disclosure and mentioned there is a conflict of interest with two Board Members. L. Stitzel explained the grant will spread \$920,000 across Pennsylvania. Dr. Wright added that there is no guarantee to get the grant.

P. Toll asked if a presentation could be brought in by Dellicker Strategies should the grant be approved. Dr. Wright said yes. P. Toll asked how much it would cost. Dr. Wright said she did not know the cost. She explained the service provided by Dellicker Strategies has changed over the last three years. She stated there are some funds budgeted in fund balance which could be transferred to curriculum if the next steps are needed. P. Toll asked if this would be implemented in only 4th and 5th Grades or for all grades. Dr. Wright said it could be utilized in all grades but she is not sure how it would be implemented so she recommends starting small and learning from the process.

P. Fisher asked how the hybrid learning works with the strategic plan. He said the words blended or hybrid are not in the strategic plan. Dr. Wright said she

does not believe hybrid is the key word but more so increased student achievement and differentiated learning. L. Stitzel explained how the strategic plan ties in closely with differentiated learning. She said it is the method by which the District would meet the needs and goals. P. Fisher asked if there is a long term plan since the grant would be short term. J. Holman explained the conversations with Dellicker Strategies have been very minimal so there is not much information on cost. She said she received a pilot implementation cost three years ago. She stated depending on the receipt of the grant, the needs assessment would have to be done with trained staff to be coaches. She said the first year would be the consultation from Dellicker Strategies and then the trained coaches would take over. Dr. Wright said Dellicker Strategies basically gets the District up and running then they pull out of the process.

D. Schafer explained that he is a Board Member for Northwestern Lehigh School District and he is also the Vice-President of the CLIU Board. He stated that Dr. Eib could not support Dellicker Strategies back in 2012 when hybrid learning was developed due to their business practices; therefore, he cannot support it here as well. Dr. Wright explained that this is an informational item and would not require a vote. She told the Board if the District should receive the grant, she will have Dellicker Strategies come in to give a presentation.

2.05 Baseball Booster Club

Dr. Wright explained J. Zimmerman brought this recommendation to the Board around 6-7 weeks ago and cited many reasons why. She explained that this group has many difficulties. She believes this is an action that the Board needs to take. She would not release names of people giving information due to bullying, but they explained the nature of the club acting roguely. She stated they made changes to their bylaws without complying with the regulations. She explained the new bylaws state they were distributed in December 2015; however, she was told there were no meetings in September, October, November or December of 2015, and no corresponding minutes. She said the February 2016 minutes do not reveal anything about bylaws and the March 2016 minutes approved the new bylaws and say the bylaws were discussed at the February Meeting.

Dr. Wright explained she had sent an email on April 21, 2016 to the new Booster Club President and had heard nothing until yesterday. The reply she received was a note with a telephone number to call him if it was important. She replied explaining any requests he may have should be sent to her in writing. She said she has not heard anything since. She told the Board it was the administrations recommendation to approve the disbanding of the Baseball Booster Club. The Board was in consensus to move this to the May 11, 2016 Board Meeting for approval.

2.06 Curriculum/Building Informational Updates Not Requiring Board Action

Anticipated Athletics and Student Activity Positions for the 2016/2017 School Year:

L. Matika explained the annual report for positions for the 2016/2017 school year will be posted tomorrow and will come forward with recommendations to the Board over the next few months.

DEPARTMENT HEADS

Career/Technology (gr. 9-12)	Language Arts (gr. 9-12)	Math (gr. 9-12)
Science (gr. 9-12)	Social Studies (gr. 9-12)	World Language (gr. 9-12)
Fine Arts K-12	Wellness/Fitness K-12	Special Education (gr. 9-12)

HIGH SCHOOL ADVISORS

Broadcasting Advisor	Band Director	Jazz Band Director	Assistant Band Director
Bandfront Advisor	Chorus Director	Debate Advisor	FBLA Advisor
FCCLA Advisor	National Honor Society Advisor	Student Council Advisor	Tiger Talk Advisor
Yearbook Advisor	Science Honor Society Advisor	School Drama (Fall) Director	Musical Director (Spring)
Musical Music Director (Spring)	Musical Choreographer (Spring)	Musical Art/Tech Director (Spring)	Scholastic Scrimmage Advisor
Science Olympiad Advisor	Indoor Twirling Advisor	Class Advisors: Senior (2), Junior (2), Sophomore (2), Freshmen (2)	Fine Arts Club Advisor

MIDDLE SCHOOL EXTRACURRICULARS/ADVISORS

Activity Manager	Computer Coordinator	Band Director	Chorus Director
Drama Advisor	Student Council Advisor	Yearbook Advisor	Ski Club
Subject Area Contact Person: Language Arts	Subject Area Contact Person: Math	Subject Area Contact Person: Science	Subject Area Contact Person: Social Studies
Broadcasting Advisor			

HIGH SCHOOL EXTRACURRICULAR ACTIVITIES ADVISORS

Aavidum Club	FLIC Club	Friends for Life Club	Key Club
Ski Club	SADD Club	Maker Club	Drama Club

HIGH SCHOOL EXTRACURRICULAR ATHLETICS

Tiger Pride	Weight Training Summer (2)	Weight Training Fall (2)	Weight Training Winter (2)
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HIGH SCHOOL ATHLETICS

Golf Head	Cross Country	Cross Country Assistant	Event/Equipment Mgr
Boys Baseball Head	Boys Baseball Asst (2)	Boys Basketball Head	Boys Basketball Asst (3)
Boys Soccer Head	Boys Soccer Assistant	Girls Basketball Head	Girls Basketball Asst (3)
Football Head	Football Assistant (8)	Cheerleading Head	Cheerleading Assistant
Girls Soccer Head	Girls Soccer Assistant	Girls Softball Head	Girls Softball Asst (2)
Girls Track Head	Boys Track Head	Track Assistant (3)	Field Hockey Head
Wrestling Head	Wrestling Assistant (2)		Field Hockey Assistant (3)
Girls Volleyball Head	Girls Volleyball Assistant		

ELEMENTARY EXTRACURRICULARS ADVISORS

Computer Coordinator: NWE (1), WEIS (1)	Language Arts Contact Person: NWE (1), WEIS (1)	Math Contact Person: NWE (1), WEIS (1)	Band (gr. 4-5) WEIS	Band (gr. 4-5) NWE	Chorus (gr. 5) WEIS	Chorus (gr. 5) NWE
Science Contact Person: NWE (1), WEIS (1)			Social Studies Contact Person: NWE (1), WEIS (1)			

Report on Extracurricular and Athletic Participation Levels

J. Zimmerman reviewed the participation chart below:

Season	Sport	Level(s)	Participation Rates									
			7 th	8 th	9 th	10 th	11 th	12 th	15-16 Total	14-15 Totals	13-14 Totals	12-13 Totals
Fall	Football	Junior High	3	22	15				40	45	42	50
		Junior Varsity			4	8	5	0	17	13	25	20
		Varsity			1	2	9	17	29	43	44	39
Fall	Girl's Field Hockey	Middle School	15	8					23	31	41	31
		Junior Varsity			13	10	2	0	25	24	21	20
		Varsity			5	9	5	7	26	21	26	18
Fall	Boy's Soccer	Junior Varsity			7	5	5	0	17	22	26	18
		Varsity			2	5	10	8	25	36	36	32
Fall	Girl's Soccer	Junior Varsity			10	6	4	0	20	19	21	17
		Varsity			3	9	4	5	21	21	21	21
Fall	Coed Golf	Varsity			1	7	2	4	14	24	19	15
Fall	Girl's Cross Country	Varsity			4	2	3	4	13	18	20	18
Fall	Boy's Cross Country	Varsity			2	7	10	5	24	32	25	19
Fall	Coed Cross Country	Middle School	12	19					31	20	18	25
Fall	Girl's Volleyball	Junior Varsity			6	4	0	0	10	12	13	14
		Varsity			0	0	7	4	11	15	11	12
Fall	Cheerleading	Junior High	0	3	5				8	10	10	8 (JV)
		Varsity			3	6	7	2	18	15	11	11
Winter	Girl's Basketball	Middle School	14	5					19	21	16	16
		Junior High	0	8	7				15	11	14	13
		Junior Varsity			3	3	1	0	7	12	9	12
		Varsity			3	7	1	4	15	20	18	18

COS Update

Dr. Wright explained a cure letter was sent and May 22, 2016 is the end date for items to be cured. She said Circle of Seasons is working on them and the Board will review them after the deadline date. She mentioned as of right now, there are still items outstanding. She said there were hearings scheduled for May 5th, 6th and 10th but they have been continued to dates still to be determined. She explained on June 1, 2016 the Board will be having a Workshop Meeting and will be able to have an update at that time.

Dr. Wright stated she has been responding to those who have been sending letters and thanking them for their concern. She explained she has received a few requests from the Board of Trustees at Circle of Seasons to have the Board reconsider renewal of the Charter School. She said the Board will discuss this at that time and hearings

will not be scheduled before that date.

E. Matos thanked Dr. Wright for the update and invited the Board and the Northwestern Lehigh community to attend the Circle of Seasons Knit-a-thon and Spring Faire on May 14, 2016 from 10 AM to 4 PM.

3. Policy

3.01 First Reading

249 - Bullying/Cyber bullying - J. Holman explained there were no changes made to this policy but it is up for annual review.

906.1 - Title I Public Complaints - J. Holman explained there were no changes made to this policy but it is up for annual review.

918 - Title I Parent Involvement - J. Holman explained this policy is up for annual review and one revision was suggested by parent, through parental policy review. The change was under #4 - Guidelines, the last paragraph of this section should read: Parents/Guardians may be given information regarding the progress or their child and areas for improvement. This information may also include guidance as to how they can assist at home in the education of their child.

916 - Volunteers - L. Matika said this is a new policy which addresses volunteers at the District. She stated the focus is the requirement of clearances.

L. Frisbie explained the following policies were either added or revised based on the Federal Uniform Grant Guidance (UGG):

103.1 - Nondiscrimination - Qualified Students with Disabilities (Revised)

209.1 - Food Allergy Management (New)

800 - Records Management (New)

808 - Food Services (Revised)

827 - Conflict of Interest (New)

626 - Federal Fiscal Compliance (Revised)

626.1 - Travel Reimbursement-Federal Programs (New)

L. Frisbie stated the District has not used federal funds for reimbursement for travel.

J. Holman recommended moving these policies for First Reading on May 11, 2016. The Board agreed to move this item for First Reading at the May 11, 2016 Board Meeting

3.02 Rescind Policies

L. Matika recommended rescinding the following policies at the May 11, 2016 Board Meeting:

416- Administrative Code of Ethics

517- Professional and Technical Organizations

She explained that the two policies are included in existing policies. The Board was in consensus to move this to the May 11, 2016 Board Meeting for rescinding.

3.03 Policy Informational Updates Not Requiring Board Action

None at the time

4. Operations

4.01 Master Facilities Plan for Maintenance Items

A. Oakes said the FMP committee had consensus to move this item for board approval. The plan outlined what major maintenance projects would be completed in each of the next five years. The projects along with the total cost per year were included in the presentation. He recommended the approval of the plan to implement Master Facilities Plan for maintenance items during 2016-2017 through 2020-2021 at the May 11, 2016 Board Meeting. P. Toll asked if

this was for the \$2M plan. A. Oakes said yes. P. Fisher asked why the Board would need to approve maintenance items and not curriculum items. Dr. Wright explained it was due to the many discussions with the Board and the District needs to know that the Board is behind the projects. She said it was also so the Board has input with the plan as it will be brought to the Board annually. J. Holman explained that some items are not in the budget but will be financed through budget transfers. P. Toll said the \$300,000 for gas pumps is an excellent idea as a return on investment. The Board was in consensus to move this item to the May 11, 2016 Board Meeting for approval.

4.02 Operational Informational Updates Not Requiring Board Action

Update on MFP meetings and future meetings

A. Oakes announced there will be a meeting on May 12, 2016 at 10:00 AM in the Board Room for a blueprint plan review with suggestions from Mr. Toll. He announced there will also be a meeting on May 19, 2016 at 6:00 PM to discuss the recommendation to move forward for the project. Dr. Wright said the meetings were advertised last week and invited the Board to attend as it will be a public meeting.

5. District Finances

5.01 2016-2017 Proposed Final Budget Presentation

Recommended Action: Approval of proposed final 2016-2017 General Fund budget and supporting tax levies for Northwestern Lehigh School District as follows at the May 11, 2016 Board Meeting:

a. Budget Expenditures	\$41,984,251
b. Local tax levies	
Real Estate Tax	15.9631 mills (0 mill increase)
Earned Income Tax	1% (net .5 %)
Real Estate Transfer Tax, Act 511	½ % for each of 4 townships
Local Services Tax	\$10

L. Frisbie recapped the Budget to date. She stated that on December 7, 2015 a high level budget was presented in order to provide the Board with information to adopt the resolution to stay within the Act 1 Index. On December 7, 2015, the Board adopted the resolution to stay within the Act 1 Index. Budgeting Strategies for the 2015/2016 Budget were introduced on February 3, 2016. L. Frisbie said a Budget discussion and updated assumptions were discussed on April 20, 2016.

L. Frisbie explained the Proposed Final Budget at this point has \$40,608,800 in estimated revenues and \$41,984,251 in estimated expenditures, leaving a shortfall of \$1,375,451, without an increase in millage. She said there was a \$447,000 decrease to the shortfall from April 20, 2016. Some changes from April 20th were: Increase to TIF of \$195,000 and a decrease to expenditures of \$252,000.

L. Frisbie explained the increase or decrease over the prior year revenues. Local revenue had an increase of \$575,151, State had an increase of \$437,203, Federal had a decrease of \$3,303. She stated the total change was an increase to revenues of \$1,009,050 since last year.

L. Frisbie reviewed the change variances in revenue. She stated the total local variance was a \$575,000 increase from the prior year. The total state variance was an increase of \$437,000 from the prior year and the total federal variance was an increase of \$3,000.

L. Frisbie reviewed the millage rate history and explained how Northwestern Lehigh School District underwent reassessment in the 2013/2014 school year. The estimated value of 1 Mill had greatly increased which led to a drop in millage. She explained that since this time, the District had maintained the millage rate at 15.9631 without an increase. She presented the Board the overall Lehigh County Millage rates to show that Northwestern Lehigh School District is in the mid-range of millage.

L. Frisbie reviewed expenditure changes. These include: Salaries increase of \$977,000; Benefits increase of \$937,000; Professional & Tech Services decrease of \$52,000; Property Services decrease of \$174,000; Other Service increase of \$179,000, Supplies increase of \$92,000, Property increase of \$167,000 and Other Financing Uses decrease of \$3,653,000. She stated this was a total decrease to expenditures in the amount of \$1,527,000.

L. Frisbie explained the salaries have been updated to reflect the settlement of the Collective Bargaining Agreement and changes to budgeted hours are based on historical trends. She reviewed the projected staffing needs with a total of 72 in the High School, 66 in the Middle School, 54 in Northwestern Elementary, 53 in Weisenberg and 132 District-wide Staff; for a total of 377 employees.

Dr. Wright reviewed the elementary classroom predictions versus the actual for the 2015/2016 school year. She explained that the projections were very close to the actual. She reviewed Kindergarten enrollment in April versus August and based on the trend, she is predicting an additional seven Kindergarten students to enroll by August 2016. D. Schafer asked how the numbers coincide with Decision Insite's figures. Dr. Wright stated the actual numbers are higher than Decision Insite's projections. She reviewed the comparison of end of Kindergarten versus beginning of 1st Grade and based on the trend, she is anticipating an additional six Kindergarten students in each building. She reviewed the elementary students by grade and determined with the movement of students staffing would be even in both buildings. D. Schafer questioned all-day Kindergarten. Dr. Wright said she is not recommending it for this year but may be an option in the future. Dr. Wright reviewed the Middle School classroom recommendations and noted they were down in one class in 6th Grade but up in one class in 7th Grade so they would be even with appropriate class sizes.

L. Frisbie explained there would be a 1.5% increase to benefit premiums for medical and prescription and that the PSERS rate had increased to 30.03%. In Contracted Professional Services, she anticipates an increase to special education services and a decrease for negotiation related expenditures. She reviewed Purchased Professional Services and stated there would be a decrease for the elimination of contracted snow plowing and a decrease in electricity based on reduction in utilization.

L. Frisbie reviewed Other Purchased Services and noted a decrease to contracted transportation and an increase to cyber/charter tuition payments. She also stated there would be a decrease to district-wide travel based on historical trends. She noted an increase to supplies for instructional and technology bases.

L. Frisbie explained the use of Fund Balance for the estimated shortfall of \$1,375,451 as of May 11, 2016. She stated the District would utilize the following committed funds: \$150,000 of EBP Stabilization, \$95,407 of OPEB, \$365,044 PSERS Stabilization, \$125,000 Millage Stabilization. She said the following would come from assigned funds: \$100,000 Curriculum Textbooks/Materials, \$50,000 Technology, \$90,000. She said the remainder would come from unassigned Budgetary Reserve in the amount of \$400,000.

P. Toll asked why the District is not using fund balance to cover benefit increases. Dr. Wright said if the District was not able to utilize the funds as shown then it could be readdressed. She said it could be recommitted in the future if it is desired. L. Frisbie stated there is no Plancon money to record in the 2015/2016 school year which would have been \$350,000. She said a TIF schedule was attached to the agenda which included 5-year projections with updates to the 2016/2017 budget numbers. The Board appreciated the work done by L. Frisbie and was in consensus to move the 2016/2017 proposed budget to the May 11, 2016 Board Meeting for approval.

5.02 Insurance Renewal

L. Frisbie explained the District has had a very positive experience in the transition to EHD. She introduced R. Thompson from EHD to the Board. R. Thompson thanked the Board and said he was here last year for the first year. He explained the Renewal Summary as well as some basic information about EHD. He said EHD is a private firm which was founded in 1896 and they have four office locations in Pennsylvania. He explained their offices offer commercial insurance, employee benefits, in-house risk control and claim tech services. He mentioned EHD manages over \$250M in client premiums and is a partner in Assurex Global with representation in all 50 states and 72 countries.

R. Thompson explained that EHD is committed to working with their clients by reducing total business costs. He said when dealing with risk management and claims management many times the indirect costs involved are actually much larger than the premiums. EHD is committed to reduce these costs by working with the District on risk and claims management and are able to retain around 97% of their commercial clients each year.

R. Thompson explained EHD manages the programs for every public school entity in Monroe and Pike Counties as well as many schools in Carbon, Berks and Montgomery Counties. He explained EHD has very good experience with school districts located in rural areas and feels EHD is able to deliver better results because of this.

R. Thompson explained to the Board that the Commercial P+C Insurance market for public schools is extremely limited and there are currently only four providers in Pennsylvania which offer package and auto programs to over 99% of Pennsylvania's public schools. He stated that Workers' Comp, School Board Legal, Excess Coverage and Student Accident Coverage have only one or two other programs available that offer appropriate coverage. Rate increases have averaged around 5-10% for Pennsylvania public schools.

R. Thompson stated he went to the marketplace and received quotes from carriers. Workers Compensation was offered through the State Workers Insurance fund (SWIF) at \$335,000 and Key Risk, who the District is currently using, at \$173,749. He stated he is still waiting on quotes from Highmark and UPMC, who he believes may be competitive. The Package, Auto, and Excess Liability Program is offered through PSBA at a premium of \$164,760 and Wright/Caitlin, who is a new entrant into the marketplace, at \$162,997. R. Thompson explained the Student/Sports Accident Program with AG Administrators is offered at \$28,890 and is awaiting one more premium quote from Bollinger this week.

R. Thompson reviewed the premium comparison from last year and noted a 4% decrease in insurance cost. He noted the significant decrease in Workers Compensation. P. Fisher questioned if the Mod rating is based on a three year period. R. Thompson said yes, it is a rolling three year period. He said losses drive the premium and this year is for 2011, 2012 and 2013. He stated next year a year will fall off and will be favorable. L. Frisbie said she was waiting for the mod to come down to move to another carrier. She explained she is very pleased with Key Risk. L. Matika said she is very pleased with them also since they speak directly to employees.

R. Thompson reviewed additional coverage as well as some changes from the PSBA program. He said the District's property is now insured to 100% of its value compared to 90% which was done previously. An Earthquake policy of \$100M was added and the Sewer and Drain back-up policy covers up to full property values. He explained the Umbrella (Excess Liability) package tripled excess limits to \$30M. A Forgery/Fraud policy covers up to \$1M in damage. He said there is a Builder's Risk policy built in which covers up to \$1M and Law Enforcement Liability with excess limits extending to a total of \$11M. R. Thompson commended the Safety Committee presence and safety training at the District.

R. Thompson explained that large rural property schedules with limited access to public water/fire and sprinklers have limited exposure to carriers. P. Toll asked if Weisenberg can be treated differently since it has water locally. R. Thompson explained there are designated zones (about 30 or 40) and insurance companies give credit to areas with a paid fire department or fire hydrant. He said the costs are higher the further you are from fire containment access. He stated a protection class 9 or 10 is always penalized.

R. Thompson recommended utilizing PSBA vs Wright/Caitlin. He explained PSBA includes law enforcement liability with excess limits totaling \$11,000,000. Wright/Caitlin has none. He stated PSBA has earthquake limits of \$100,000,000 vs. \$5,000,000 with Wright/Caitlin. He mentioned sewer and drain back-up limits to full policy values with PSBA and does not with Wright/Caitlin. He mentioned excess limits is \$30,000,000 vs \$10,000,000 with Wright/Caitlin. He also said appraisal service is included with PSBA. D. Schafer explained that PSBA is selling their equities to Church Mutual. He asked if R. Thompson had any thoughts of them moving in with rates. R. Thompson said he is familiar with them but is concerned that the program will be sold to a for-profit company. He wonders if the treatment and coverage will change. He said it is good to be part of a large group, PSBA works with AIG and is cautiously optimistic. He said he will keep an eye out next year.

R. Thompson discussed a new coverage for active shooter. He explained it is designed to cover a district's financial exposure to third party litigation and crisis management in the event of an active shooter. He said there is a \$1,000,000 limit and the annual cost is \$12,081 and would be a supplement to the general liability policy. He said security experts fly in and evaluate the district for an additional premium, but he realizes that the state police does that right now for the district. He explained the Board may not be interested in it but asked to keep their eyes on it.

R. Thompson thanked everyone for their time and for choosing to work with EHD. He said he hopes to continue the partnership for many years. L. Frisbie explained she is still waiting on pending figures from insurance carriers and recommended approval of the District's Insurance Renewal Agreement with EHD at either the May 11, 2016 Board Meeting or the June 15, 2016 Board meeting depending when those numbers come in. The Board was in agreement to move the item to either meeting for approval.

5.03 Student Activity Contracts

L. Frisbie recommended approval of the following contracts to be paid from the Student Activities Fund at the May 11, 2016 Board Meeting:

1. Kauffman's Bar-B-Que Chicken, Inc, Bethel, PA for Science Team Fundraiser.
2. Dan's Camera City, Allentown, PA for Class of 2016 Prom on May 29, 2016 in the amount of \$649.99.
3. Northampton Memorial Co., Northampton, PA for MS flagpole memorial stone in the amount of \$750.

P. Toll questioned how Kauffman's Bar-B-Que Chicken is preparing food and if any credentials are needed. L. Frisbie said it will be on site and the District requires a copy of their insurance and a copy of their license. The Board was in consensus to move this item to the May 11, 2016 Board Meeting for approval.

5.04 CLIU Technology in Education Legal Counsel Consortium

J. Holman explained this consortium specializes in technology and aides in policies relating to technology. She recommended approval of agreement with CLIU to participate in the Technology in Education Legal Counsel Consortium for the 2016-2017 school year at the May 11, 2016 Board Meeting. She said the rate will be determined by the number of schools participating as noted in the attached agreement. The Board was in consensus to move this to the May 11, 2016 Board Meeting for approval.

5.05 PSBA Membership

Dr. Wright said the Board received a notice of renewal. She explained the Board currently utilizes an all-access package and recommended approving the renewal of the PSBA Membership with Option 1, the all-access package, for a total of \$13,514.86. L. Frisbie said it was a \$200.00 increase from last year. Dr. Wright said it is still a better deal with the services that are utilized by the Board. The Board was in consensus to move this to the May 11, 2016 Board Meeting for approval. D. Schafer commented that the PSBA merger with Church Mutual and Desale is planning on putting funds in a trust to fully fund membership in the future.

5.06 15-16 Budget Transfers

L. Frisbie explained the transfers saying sometimes items are budgeted in one area and then spent in another. She said these transfer funds across account codes. She recommended the approval of the 2015-2016 Budget Transfers at the May 11, 2016 Board Meeting. C. Rauscher asked if the special programs transfer is charter school related. L. Frisbie said yes, it is for special education cyber or charter. C. Rauscher wondered why the number was high. W. Dellicker said it is not something that can always be budgeted for because it is based on enrollments of students. The Board was in agreement to move this to the May 11, 2016 Board Meeting for approval.

<u>TO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
1100	Regular Programs	\$ 28,150
1200	Special Programs	39,688
2100	Support Pupil Personnel	1,000
2300	Support Administration	7,641
2600	Support Operation/Maintenance	13,275
5100	Other Expenditures and Financing Uses	1,503
		<u>\$ 91,257</u>

<u>FROM</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
2200	Support Instructional Staff	\$ (3,262)
2800	Support Central	(1,496)
5200	Fund Transfers	(14,751)
5900	Budgetary Reserve	(71,748)
		<u>\$ (91,257)</u>

Budgetary Reserve as of April 2016	\$ 366,781
Less Current Months Transfers	(71,748)
Total Budgetary Reserve Remaining	<u>\$ 295,033</u>

5.07 Reports

L. Frisbie recommended receiving the following Reports for March at the May 11, 2016 Board Meeting:

Budget Report

Revenues Report

Treasurer's Report

Fund 10 General Fund with a beginning balance of \$ 25, 658,577.44, receipts of \$1,766,194.80, and disbursements of \$4,594,986.22, leaving a balance of \$22,829,786.02.

Fund 22 Capital Reserve Fund with a beginning balance of \$2,102,496.35, receipts of \$365.12, disbursements of \$51,613.62, leaving a balance of \$2,051,247.85.

Fund 50 Food Service Fund with a beginning balance of (-\$186.92), receipts of \$86,241.80, disbursements of \$85,354.88, leaving a balance of \$700.00.

EIT Report

Activity Fund Report

Comparison of Prior Year to Current Year Budget to Actual Expenditures by Object Report

L. Frisbie stated that Berkheimer will be attending the June Workshop Meeting and offered a tour of the facilities to any Board Member who is interested. The Board was in consensus to receive the reports at the May 11, 2016 Board Meeting.

5.08 Financial Informational Updates Not Requiring Board Action

Senior Citizen Tax Rebate Program Update

L. Frisbie explained the forms are now available on the website. She noticed one glitch on the form which was an incorrect telephone number to reach the State. She said it was updated and at the end of summer or beginning of fall she would have more information.

CSIU16 Fuel Bid Results

L. Frisbie gave an update for the CSIU16 fuel bid results:

NORTHWESTERN LEHIGH SCHOOL DISTRICT
SUMMARY OF 2016-2017 FUEL BIDS
MAY 11, 2016

Bid	% Total Gallons	Fuel	Year	Vendor	Gallons	Price Per Gallon	Total Budget Dollars **
District	75%	Heating Oil	July 1, 2016-June 30, 2018 *	Lehigh Fuels	75,000	\$ 1.79	\$ 134,250
CSIU16	25%	Heating Oil	July 1, 2016-June 30, 2017	Talley Petroleum	25,000	\$ 1.46	\$ 36,593
					<u>100,000</u>		<u>\$ 170,843</u>
Diesel	75%	Diesel	July 1, 2016-June 30, 2017	Lehigh Fuels	52,500	\$ 1.89	\$ 99,078
CSIU16	25%	Diesel	July 1, 2016-June 30, 2017	Talley Petroleum	22,500	\$ 1.48	\$ 33,329
					<u>75,000</u>		<u>\$ 132,407</u>

* Firm pricing held through June 30, 2018. Total gallons budgeted each year 75,000

** Proposed Final Budget May 11, 2016 includes a rate per gallon of \$2.00 for CSIU16 gallons. Final Budget June 15, 2016 will be updated with the CSIU16 firm pricing amounts.

TIF Update

L. Frisbie explained this article was posted on the website:

WEST HILLS BUSINESS CENTER TAX INCREMENTAL FINANCING (TIF)

WEISENBERG TOWNSHIP

The District approved a Tax Incremental Financing (TIF) in August 2011 to partner with Hillwood Investment Properties, Lehigh County and Weisenberg Township and the Lehigh County Industrial Development Authority to form the West Hill Business Center TIF. As part of the TIF, the three taxing authorities pledged 50% of new tax revenues generated by the project to pay for debt service over a 20 year period. By pledging the tax revenue, the district in conjunction with the county and township will assist in paying for infrastructure upgrades to the Lehigh County Authority Wastewater Treatment Plant, and traffic improvements including replacement of the bridge and ramps over I-78 at the New Smithville interchange. These infrastructure upgrades were necessary to allow for the commercial development of West Hill Business Center where Ocean Spray is currently located. The land West Hills Business Center developed was previously farmland in the PA Clean & Green Act 319/515 which generated approximately \$13,000 of tax revenue annually. Once the project is completed, it is estimated to have a total assessed value of \$105,325,255 and generate approximately \$1.7 million in annual real estate taxes. After the 20 year TIF is complete, the district will realize 100% of the real estate taxes.

Quick Stats:

- TIF pays for the infrastructure **upgrades to the bridge, ramp, and wastewater treatment plant** in Weisenberg Township located at the **I-78 New Smithville interchange**
- Previous tax revenue generated from the TIF property was \$13,000
- District pledged 50% of new tax revenues associated with the West Hills Business Center to help fund the infrastructure upgrades for a period of 20 years
- **Current tax revenues** generated from West Hills Business Center for 2016-2017 approximately \$1.5 million, of which **\$747,000 goes to support the educational programs** of the district
- Future tax revenues expected to increase to \$1.7 million
- Once debt is paid off 100% of revenues will come to the district as annual real estate taxes
- **One-time rollback tax revenue** from sale of farmland of approximately **\$50,000**
- **One-time Real Estate transfer taxes** from the sales of the buildings of approximately **\$720,000**

6. Old Business

None at this time.

7. New Business

7.01 Ballot for CLIU Board of Directors

Dr. Wright explained the CLIU ballots are for the Board Members to fill out for the CLIU Board of Directors. She recommended the Board complete and submit ballot by the May 11, 2016 Board Meeting, where they will then be sent back to the IU.

7.02 Election of Board Treasurer

W. Dellicker said appointment of a Board Treasurer will be needed for a one year term beginning July 1, 2016 until June 30, 2017. He asked if P. Toll would be interested in continuing the position. He said yes. Dr. Wright said to let W. Dellicker know by Friday so the appropriate language may be listed on the Agenda for the May 11, 2016 Board Meeting.

8. Communications

8.01 Courtesy of the Floor

R. Nemeth asked what class the District is. W. Dellicker said it will be researched and will let him know that information.

9. Adjournment

Upon motion by P. Fisher, seconded by P. Toll, the meeting was adjourned at 9:23 PM.

Respectfully submitted,

Todd Hernandez, Secretary
By J. Partenio, Recording Secretary