DATE:       June 1, 2015
COMMITTEE:  Budget/Finance Committee
TIME:       7:20 PM – 7:50 PM
CHAIRMAN:   Timothy W. Stayer
ASSIGNED MEMBERS:  Kay Kurtz and Chris Weber
BOARD MEMBERS IN ATTENDANCE:  Kay Kurtz, Timothy W. Stayer and Chris Weber
OTHERS IN ATTENDANCE:  Kristee Reichard, Business Manager/Board Treasurer;

BOARD ACTION ITEMS

I.   Exonerations
After review and discussion the Committee endorsed the Administrative recommendation to approve the following real estate tax exonerations:

<table>
<thead>
<tr>
<th>Location</th>
<th>Years</th>
<th>Amount</th>
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<tr>
<td>Akron Borough</td>
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<td>Clay Township</td>
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</table>

II.  Student Activity Club Accounts

A. After review and discussion the Committee endorsed the Administrative recommendation to approve the request of the graduating Class of 2015 to commit remaining funds to the Class of 2016.

B. After review and discussion the Committee endorsed the Administrative recommendation to close the following Activity Fund Club as of June 30, 2015 at the written request of the High School Principal and Activity Fund Custodian: Class of 2015

C. After review and discussion the Committee endorsed the Administrative recommendation to establish the following Activity Fund Club as of July 1, 2015 at the written request of the High School Principal and Activity Fund Custodian: Class of 2019

III. Fund Balance Resolution (GASB 54)
After review and discussion the Committee endorsed the Administrative recommendation to approve the following Fund Balance Resolution as per GASB 54 guidelines:

EPHRATA AREA SCHOOL DISTRICT
Fund Balance Resolution
RESOLVED, by the Board of School Directors of Ephrata Area School District, as follows:

Whereas, this resolution recognizes and approves commitments of the general fund for future retirement costs, healthcare costs, future other post employments benefit costs (OPEB) and unfunded retirement costs (GASB 57).

IV. 2015-2016 GENERAL FUND BUDGET

A. Adoption of “Final” Budget for 2015-2016 General Fund Budget – June 15, 2015

1. After review and discussion the Committee endorsed the Administrative recommendation to approve the following Final Budget for General Fund Resolution:

   EPHRATA AREA SCHOOL DISTRICT

   Final Budget for General Fund Approval Resolution

   RESOLVED, by the Board of School Directors of Ephrata Area School District, as follows:

   The proposed Final Budget of the School District for the 2015-2016 fiscal year on form PDE-2028 as presented to the School Board is adopted as a Final Budget for the School District General Fund.

B. Real Estate Tax Levy for 2015-2016

1. After review and discussion the Committee endorsed the Administrative recommendation, the millage rate for the 2015-2016 General Fund “Final Budget” be approved at 19.99mills. The Final 2015-2016 General Fund Budget will be on the June 15, 2015 board agenda for approval.

2. After review and discussion the Committee recommended the Business Manager/Board Treasurer to print the 2015-2016 tax bills after board approval on Monday, June 15, 2015.

C. After review and discussion the Committee endorsed the Administrative recommendation to approve the 2015 Annual Tax Levy Resolution as follows:

   EPHRATA AREA SCHOOL DISTRICT

   2015 Annual Tax Levy Resolution

   RESOLVED, by the Board of School Directors of Ephrata Area School District, that taxes are levied for school purposes for the school year beginning July 1, 2015, subject to the provisions of the Local Tax Collection Law, as follows:

   1. Real estate tax.
Real estate tax of 19.99 mills (or $1.999 per $100 of assessment) on the assessed value of all real property taxable for school purposes in this School District. (Levied under School Code §§ 672 and 673.)

2. **Interim real estate tax.**
   Interim real estate tax of 19.99 mills (or $1.999 per $100 of assessment) on the assessed value of taxable real property, as stated in interim real estate assessment notices, that constitutes construction of a building, an improvement to a building, or other improvement to real property, not otherwise exempt from taxation. The interim real estate tax is part of the real estate tax levy, and applies to the assessed value of taxable real property not included in the initial tax duplicate used in issuing initial real estate tax notices for the school year. Tax assessors are directed to inspect and assess all taxable real property in the School District to which any improvement has been made, and to give notice of change in assessed value as required by law. The interim real estate tax applies for that proportionate part of the School District fiscal year remaining after the property was improved. (Levied under School Code § 677.1.)

3. **Per capita tax.**
   Per capita tax of five dollars ($5.00) on each individual over the age of eighteen (18) years who is a resident of this School District. The per capita tax applies to any individual who resides within the School District at any time during the school year starting July 1 and who is over the age of eighteen (18) at the time of such residence within the School District. (Levied under School Code §§ 672 and 679.)

4. **Utility realty used to generate electricity.**
   The real estate tax and the interim real estate tax apply to all real property taxable for school purposes, including all property listed in the definition of “utility realty” under § 8101-A(3) of the Public Utility Realty Tax Act, that was classified in such definition as “utility realty” prior to January 1, 2000, and that was removed from such definition effective January 1, 2000, because used in generating electricity. The tax applies to such property to the maximum extent permissible under the Pennsylvania Constitution and the Public Utility Realty Tax Act.

5. **Tax due date/delinquent status.**
   a. The real estate tax is due and payable on July 1, 2015, and this will be the date of the tax notice issued to the owner for real estate tax other than interim real estate tax. Unless installment payment has been elected under the Ephrata Area School District Real Estate Tax Installment Payment Plan, the real estate tax is delinquent if not paid in full within four (4) months after the date of the tax notice issued to the owner – by October 31, 2015, for tax other than interim real estate tax.

   b. The interim real estate tax is due and payable on the first day of the month after the month in which any improvement or addition to real property has been made. The interim real estate tax is delinquent if not paid in full within four (4) months after the date of the tax notice issued to the owner.

   c. The per capita tax is due and payable on January 1, 2016 for individuals subject to the tax on July 1, 2015 or thereafter prior to January 1, 2016, and this will be the date of the tax notice issued to such individual. For such individuals, the per capita tax is delinquent if not paid in full within four (4) months after the date of the tax notice issued to the taxpayer – by April 30, 2016. If a resident individual attains age eighteen (18) or an individual over age eighteen (18) becomes a resident between December 31, 2015 and July 1, 2016, the per capita tax is due and payable on the date...
when the individual becomes subject to the tax. For such individuals, the per capita tax is
delinquent if not paid in full within four (4) months after the date of the tax notice issued to the
taxpayer.

6. **Discount and penalty.**
All taxpayers are entitled to a discount of two percent (2%) from the amount of the real estate tax or
interim real estate tax or per capita tax by making payment of the entire tax amount within two (2)
months after the date of the tax notice – by August 31, 2015, for tax other than interim real estate tax,
or per capita tax. Unless installment payment has been elected under the Ephrata Area School
District Real Estate Tax Installment Payment Plan, a taxpayer will be charged a penalty of ten percent
(10%) of the tax, which penalty will be added to the tax, if the tax is not paid in full within four (4)
months after the date of the tax notice – by October 31, 2015, for tax other than interim real estate tax,
or per capita tax. (Discount and penalty rules established under Local Tax Collection Law, 72 P.S. §
5511.10.)

7. **Severability.**
The provisions of this resolution are severable and, if any section, clause, sentence, part or provision
is determined to be illegal, invalid or unconstitutional, such determination will not affect or impair any
of the remaining sections, clauses, sentences, parts or provisions of this resolution. It is declared to
be the intent of this school district that this resolution would have been adopted even if any such
illegal, invalid or unconstitutional section, clause, sentence, part or provision had not been included in
this resolution.

8. **Continuation of other taxes.**
The Board has previously imposed other taxes that do not require an annual levy. Without
modifying or amending such taxes in any manner, the Board ratifies continuation of the following
previously imposed taxes that do not require an annual levy:

a. **Real estate transfer tax.** Real estate transfer tax of 1.0%. (School District receives .5%, and
   municipalities receive .5%. Levied under the Pennsylvania Real Estate Transfer Tax Act and
   the Local Tax Enabling Act, Act 511.)

b. **Earned income and net profits tax.** Earned income and net profits tax of 1.0%. (School
   District receives .5%, and municipalities receive .5%. School District tax levied under the
   Local Tax Enabling Act, Act 511.)

c. **LTEA per capita tax.** Per capita tax of $5. This $5 per capita tax levied under Act 511 is in
   addition to the $5.00 per capita tax levied under the School Code. (Levied under the Local Tax
   Enabling Act, Act 511.)

D. After review and discussion the Committee endorsed the Administrative recommendation to
approve the Homestead and Farmstead Exclusion Resolution as follows:

**Ephrata Area School District**

**2015 Homestead and Farmstead Exclusion Resolution**

**RESOLVED,** by the Board of School Directors of Ephrata Area School District, that homestead
and farmstead exclusion real estate tax assessment reductions are authorized for the school year
beginning July 1, 2015, under the provisions of the Homestead Property Exclusion Program Act
(part of Act 50 of 1998) and the Taxpayer Relief Act (Act 1 of 2006), as follows:
1. **Aggregate amount available for homestead and farmstead real estate tax reduction.**
The following amounts are available for homestead and farmstead real estate tax reduction for the school year beginning July 1, 2015:

a. **Gambling tax funds.** The Pennsylvania Department of Education (PDE) has notified the School District that PDE will pay to the School District during the school year pursuant to Act 1, 53 P.S. § 6926.505(b), as a property tax reduction allocation funded by gambling tax funds, the amount of $1,011,128.71.

b. **Philadelphia tax credit reimbursement funds.** PDE has notified the School District that PDE will pay to the School District during the school year pursuant to Act 1, 53 P.S. § 6926.324(3), as reimbursement for Philadelphia tax credits claimed against the School District earned income tax by School District resident taxpayers, the amount of $10,294.75.

c. **Aggregate amount available.** Adding these amounts, the aggregate amount available during the school year for real estate tax reduction is $1,021,423.46.

2. **Homestead/farmstead numbers.** Pursuant to Act 50, 54 Pa. C.S. § 8584(i), and Act 1, 53 P.S. § 6926.341(g)(3), the County has provided the School District with a certified report listing approved homesteads and approved farmsteads as follows:

a. **Homestead property number.** The number of approved homesteads within the School District is 7,894.

b. **Farmstead property number.** The number of approved farmsteads within the School District is 65.

c. **Homestead/farmstead combined number.** Adding these numbers, the aggregate number of approved homesteads and approved farmsteads is 7,959.

3. **Real estate tax reduction calculation.** The school board has decided that the homestead exclusion amount and the farmstead exclusion amount shall be equal. Dividing the paragraph 1(c) aggregate amount available during the school year for real estate tax reduction of $1,021,423.46 by the paragraph 2(c) aggregate number of approved homesteads and approved farmsteads of 7,959, the maximum real estate tax reduction amount applicable to each approved homestead and to each approved farmstead is $128.44.

4. **Homestead exclusion calculation.** Dividing the paragraph 3 maximum real estate tax reduction amount of $128.44 by the School District real estate tax rate of 19.99 mills (.01999), the maximum real estate assessed value reduction to be reflected on tax notices as a homestead exclusion for each approved homestead is $6,425.00, and the maximum real estate assessed value reduction to be reflected on tax notices as a farmstead exclusion for each approved farmstead is $6,425.00.

5. **Homestead/farmstead exclusion authorization – July 1 tax bills.** The tax notice issued to the owner of each approved homestead within the School District shall reflect a
homestead exclusion real estate assessed value reduction equal to the lesser of: (a) the County-established assessed value of the homestead, or (b) the paragraph 4 maximum real estate assessed value reduction of $6,425.00. The tax notice issued to the owner of each approved farmstead within the School District shall reflect an additional farmstead exclusion real estate assessed value reduction equal to the lesser of: (a) the County-established assessed value of the farmstead, or (b) the paragraph 4 maximum real estate assessed value reduction of $6,425.00. For purposes of this Resolution, “approved homestead” and “approved farmstead” shall mean homesteads and farmsteads listed in the report referred to in paragraph 2 above and received by the School District from the County Assessment Office on or before May 1 pursuant to Act 1, 53 P.S. § 6926.341(g)(3), based on homestead/farmstead applications filed with the County Assessment Office on or before March 1. This paragraph 5 will apply to tax notices issued based on the initial tax duplicate used in issuing initial real estate tax notices for the school year, which will be issued on or promptly after July 1, and will not apply to interim real estate tax bills.

V. Authorization to Pay Bills and Employ Staff Members to Fill Vacancies
After review and discussion the Committee endorsed the Administrative recommendation to approve authorization to the Business Manager/Board Treasurer, to pay appropriate bills as submitted for June and July 2015, and authorize the Superintendent, after consultation with the chairman of the Personnel Committee, to employ necessary staff members to fill vacancies within budgetary guidelines for the beginning of the 2015-2016 fiscal year.

VI. 2014-2015 General Fund Budgetary Transfers
After review and discussion the Committee endorsed the Administrative recommendation to approve authorization to the Business Manager/Board Treasurer to make the appropriate budgetary transfers for the 2014-2015 fiscal year as may be necessary as a result of the audit.

VII. Authorize Change Orders and Award Bids
After review and discussion the Committee endorsed the Administrative recommendation to approve authorization to the Superintendent to approve change orders and award bids during June, July and August 2015 for projects that have been approved by the Board.

VIII. Agreement with Lancaster-Lebanon IU 13 - Memorandum of Understanding Title III
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with the Lancaster-Lebanon IU 13 to act as an agent of the Federal Government for the purpose of receiving 2015-2016 Title III funding for pass through to the district.

IX. Philhaven Linkage/Referral Agreement
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with Philhaven Child/Adolescent Day Treatment Program, Lancaster, PA. This agreement is intended to facilitate continuity of care, confidentiality, referral of clients and collaboration between Philhaven Child/Adolescent Day Treatment Program.

X. Pennsylvania Counseling Services (SAP) Agreement
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with PA Counseling Services, Lebanon, PA for Student Assistance Program (SAP) for the 2015-2016 fiscal year. SAP services are an unfunded mandate by PDE. The total cost for the services are $31,140.00.
XI. **Contract Agreement – Individual Reading Instruction**
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with Jean Semder, Lancaster, PA, for individual reading instruction for students who require an explicit systematic instructional approach for reading during the 2015-2016 school year. The cost to the district shall be at a rate of $50.00 per hour plus the cost of travel. Total hours shall not exceed 10 hours weekly. The district will be invoiced monthly.

XII. **T. W. Ponessa and Associates Counseling Services, Inc. Agreement**
After review and discussion the Committee endorsed the Administrative recommendation to approve a Group sessions agreement with T.W. Ponessa & Associates Counseling Services, Inc., Lancaster, PA to provide the following Social Skills Groups for students placed in Emotional Support for the 2015-2016 school year:

A. Two High School Social Skills Groups at a maximum cost of $6080.00.
B. Two Middle School Social Skills Groups at a maximum cost of $6080.00.

XIII. **Teachscape Agreement**
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with Teachscape, Inc., San Francisco, CA 94105. Teachscape is a system of observation and evaluation tools designed to assist principals and supervisors in the observation/evaluation process. The focus of these tools is aimed at connecting observation data and professional development so that teachers are able to continually improve instructional practice. The annual cost is $7,511.00.

XIV. **PremierComm, LLC Agreement**
After review and discussion the Committee endorsed the Administrative recommendation to approve a maintenance agreement with Premiercomm, LLC, Lancaster, PA on Mitel, SWA and ESNA equipment for the 2015-2016 fiscal year in the amount of $16,711.00.

XV. **Blackboard Connect Agreement**
After review and discussion the Committee endorsed the Administrative recommendation to approve a renewal agreement with Blackboard Services. This includes Blackboard Connect communication system for attendance and emergency automated calling ($10,646.25) and Website Hosting ($5,940.40). 2015-2016 amount is $16,586.65.

XVI. **Direct Energy Agreement**
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with Direct Energy Business Marketing, LLC for natural gas at a rate of $4.548/Dth for the farm property at 189 S. Market Street, Ephrata for the 2015-2016 fiscal year.

XVII. **Schoology Contract**
After review and discussion the Committee endorsed the Administrative recommendation to renew contract agreement with IU13 for Schoology Learning Management System this includes 7th-12th grade student and the expansion of option. $12,500.00.

XVIII. **Bid Awards**
After review and discussion the Committee endorsed the Administrative recommendation to approve the 2015-2016 Lancaster-Lebanon Public Schools Joint Purchasing Board Bid Awards:

### Custodial Supplies

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<th>Vendor Name</th>
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<td>2 LJC Distributors</td>
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<td>4 Penn Valley Chemical</td>
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<td>5 Quaker City Paper</td>
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### Instructional Supplies - Classroom/Office

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<td>4 Kurtz Brothers</td>
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<td>6 National Art &amp; School Supply</td>
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<tr>
<td>7 Office Basics</td>
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<td>8 Pyramid School Products Inc</td>
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<tr>
<td>3 MJ Earl Inc.</td>
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<td>4 Xpedx-Harrisburg</td>
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<td><strong>Total</strong></td>
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I. **Eastern Lancaster County – Program Costs**
The Administration informed the Committee, Eastern Lancaster County has released the program costs for support services for the 2015-2016 school year. ELANCO will be sending the agreements for board approval in June.

II. **Konica Minolta Addendum**
The Administration informed the Committee an addendum to the current 5 year agreement with Konica Minolta for 20 new copiers to replace printers throughout the district is forthcoming. This agreement with this addendum is set to expire June 30, 2018. The cost and addendum will be added to the June 15, 2015 board agenda.

III. **Casper Agreement**
The Administration informed the Committee, they anticipate a renewal agreement with IU13 Casper iPad management software for all district owned iPads.

IV. **Donation Acknowledgement**
The Committee acknowledged receipt of two recumbent exercise bikes for use at Clay Elementary School. The equipment was donated by Nicole Zucchi and valued at $300.00 for the pair.