DATE: May 1, 2017

COMMITTEE: Budget/Finance Committee

LOCATION: District Office – Board Room

TIME: 8:15 PM – 10:20 PM

CHAIRMAN: Timothy W. Stayer

ASSIGNED MEMBERS: Glenn Martin and Chris Weber

BOARD MEMBERS IN ATTENDANCE: Judy Beiler, Richard Gehman, Ted Kachel, Glenn Martin, Jenny Miller, Robert Miller, Tim Stauffer, Timothy W. Stayer and Chris Weber

OTHERS IN ATTENDANCE: Brian Troop, Superintendent, Rick Hornberger and Jacy Hess, Assistant Superintendents; Kristee Reichard, Business Manager/Board Treasurer; Kyle Robinson and Robert Weaver

BOARD ACTION ITEMS

Budget & Finance

I. Per Capita Tax Exonerations

After review and discussion the Committee endorsed the Administrative recommendation to approve the following exonerations:

<table>
<thead>
<tr>
<th>Borough</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akron Borough</td>
<td>$ 50.00</td>
</tr>
<tr>
<td>Clay Township</td>
<td>$ 70.00</td>
</tr>
<tr>
<td>Ephrata Borough</td>
<td>$150.00</td>
</tr>
<tr>
<td>Ephrata Township</td>
<td>$110.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$380.00</strong></td>
</tr>
</tbody>
</table>

II. General Fund Budgetary Transfers

After review and discussion the Committee endorsed the Administrative recommendation to approve the following 2016-2017 General Fund Budgetary transfers:

<table>
<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1164170H</td>
<td>Books</td>
<td>$ 2,400.00</td>
<td>1161170H</td>
<td>Supplies</td>
<td>$ 2,400.00</td>
</tr>
<tr>
<td>225640M</td>
<td>EMS Media Center Books</td>
<td>$ 4,462.65</td>
<td>225610M</td>
<td>EMS Media Center Supplies</td>
<td>$ 4,462.65</td>
</tr>
<tr>
<td>1161180M</td>
<td>Science Supplies</td>
<td>$ 4,772.70</td>
<td>1175180M</td>
<td>Science New Cap Equipment</td>
<td>$ 4,772.70</td>
</tr>
<tr>
<td>1104301H</td>
<td>Music Repairs</td>
<td>$ 561.00</td>
<td>11618121M</td>
<td>Software</td>
<td>$ 561.00</td>
</tr>
<tr>
<td>1104301M</td>
<td>Music Repairs</td>
<td>$ 370.53</td>
<td>11618121M</td>
<td>Software</td>
<td>$ 370.53</td>
</tr>
<tr>
<td>1161211M</td>
<td>Music Supplies</td>
<td>$ 280.86</td>
<td>11618121M</td>
<td>Software</td>
<td>$ 280.86</td>
</tr>
<tr>
<td>1106110M</td>
<td>MS Supplies</td>
<td>$ 337.56</td>
<td>11618121M</td>
<td>Software</td>
<td>$ 337.56</td>
</tr>
<tr>
<td>2258240E</td>
<td>Staff Development</td>
<td>$ 1,741.00</td>
<td>1161240E</td>
<td>Supplies</td>
<td>$ 1,741.00</td>
</tr>
<tr>
<td>2123610H</td>
<td>Testing Supplies</td>
<td>$ 130.00</td>
<td>212610H</td>
<td>Supplies</td>
<td>$ 130.00</td>
</tr>
<tr>
<td>2123610H</td>
<td>Testing Supplies</td>
<td>$ 240.00</td>
<td>212640H</td>
<td>Books</td>
<td>$ 240.00</td>
</tr>
<tr>
<td>2258240E</td>
<td>Staff Development</td>
<td>$ 1,741.00</td>
<td>1161240E</td>
<td>Supplies</td>
<td>$ 1,741.00</td>
</tr>
<tr>
<td>1110-330-160</td>
<td>World Language Subs</td>
<td>$ 34.00</td>
<td>1164160H</td>
<td>Books</td>
<td>$ 34.00</td>
</tr>
<tr>
<td>111580M</td>
<td>Field Trip Expenses</td>
<td>$ 2,892.00</td>
<td>110519M</td>
<td>Field Trip Transportation</td>
<td>$ 2,892.00</td>
</tr>
<tr>
<td>225640H</td>
<td>Books</td>
<td>$ 1,352.30</td>
<td>225751H</td>
<td>Equipment</td>
<td>$ 1,352.30</td>
</tr>
<tr>
<td>225610H</td>
<td>Supplies</td>
<td>$ 874.66</td>
<td>225751H</td>
<td>Equipment</td>
<td>$ 874.66</td>
</tr>
<tr>
<td>225430H</td>
<td>Equipment Repair</td>
<td>$ 236.04</td>
<td>225751H</td>
<td>Equipment</td>
<td>$ 236.04</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$22,426.30</strong></td>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>$22,426.30</strong></td>
<td></td>
</tr>
</tbody>
</table>
III. Depositories of Funds
After review and discussion the Committee endorsed the Administrative recommendation to appoint the following financial organizations as depositories for school funds for the 2017-2018 fiscal year:

- Ephrata National Bank
- Fulton Bank
- Wilmington Trust (Formerly M & T Bank)
- PNC Bank
- PSDLAF

IV. Agreement with Computertots/Computer Explorers
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with Computertots/Computer Explorers to supply classes for the 2017 Summer Enrichment Program. The fee for the course is covered by the participants.

V. Agreement with Science Explorers
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with Science Explorers to supply classes for the 2017 Summer Enrichment Program. The fee for the course is covered by the participants.

VI. Agreement with Lancaster-Lebanon IU 13 for Technology Legal Consortium
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement for Technology Legal Consortium with the Legal Firm of Sweet, Stevens, Katz & Williams. The legal firm will provide all members of participating school districts and IU 13 with an open, unlimited email forum for posting question/answers related to technology legal matters for the 2017-2018 fiscal year at a maximum cost of $1,300 per fiscal year.

VII. Agreement with Blackboard Connect
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 and website hosting for 2017-2018. The amount is $16,586.65.

VIII. Agreement with K-12 Systems
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with K-12 Systems for Sapphire Subscription and Support Services at a cost of $71,030.00 for the 2017-2018 fiscal year

IX. Agreement with Netwire & Associates
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with Netwire & Associates, LLC. The services Netwire & Associates provide are online backup. The cost is $6,800 for the 2017-2018 fiscal year

X. Agreement with Tyler Technologies – Versa Trans
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with Tyler Technologies for Versa Trans SIF Subscription and Extended Support for the 2017-2018 fiscal year. These services are for transportation routing for District students, the cost for these services are $3,323.44 for Subscription and $5,317.51 Extended Support.

XI. Agreement with Kimono LLC
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with Kimono LLC. This subscription is the tool that connects information between multiple systems. The cost for the 2017-2018 fiscal year is $9,030.00.
XII. Agreement with Ecomm Networks
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with Ecomm Networks. This is a maintenance agreement for Mitel, SWA, ESNA equipment and software. The cost for the 2017-2018 fiscal year is $16,711.00.

XIII. Agreement with Substitute Teacher Services, Inc.
A. After review and discussion the Committee endorsed the Administrative recommendation to approve a two-year agreement beginning July 1, 2017 through June 30, 2019 with Substitute Teacher Service, Inc., Media, PA, for substitute teacher services. The agreement includes a zero (0) percent increase the rates are as follows:

<table>
<thead>
<tr>
<th>Position</th>
<th>Full Day</th>
<th>Half Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Diem Substitute Teacher</td>
<td>$148.23</td>
<td>$74.12</td>
</tr>
<tr>
<td>Per Diem Sub 31+ Consecutive Days</td>
<td>$241.82</td>
<td>$120.91</td>
</tr>
<tr>
<td>Homebound Instruction Teacher</td>
<td>$43.12 per hour</td>
<td></td>
</tr>
</tbody>
</table>

B. After review and discussion the Committee endorsed the Administrative recommendation to approve a two-year agreement beginning July 1, 2017 through June 30, 2019 with Substitute Teacher Service, Inc., Media, PA, for support staff substitute services. All hourly support staff substitutes will be billed at 34.75 percent, a zero (0) percent increase.

XIV. Direct Tax Collector Appointment Resolution
After review and discussion the Committee endorsed the Administrative recommendation to approve the following Direct Tax Collector Appointment Resolution:

Direct Tax Collection
Tax Collector Appointment Resolution

Background. Those persons elected to the offices of tax collector within the school district have declined responsibility for collection of school district taxes or have deputized the school district to collect school district taxes. The school district must have a system for the collection of school taxes, and Holly Albert, the Assistant Business Manager, is able to resume responsibility for the collection of school taxes as a part of her regular duties as assistant business manager. School Code § 6-683 authorizes the board of school directors to appoint a tax collector for the collection of school taxes where no elected tax collector is responsible for collecting school taxes. School Code § 6-684 authorizes the board to fix the amount of the bond of an appointed tax collector. The board believes the following action allows for efficient and cost effective tax collection, and therefore, the following action is in the school district's best interest.

RESOLVED, by the board of school directors, as follows:

1. The school district shall collect school taxes directly through the school district’s business office, and Holly Albert shall have responsibility for the collection of such taxes under the supervision of the Business Manager of the school district. This shall apply to the collection of all school taxes other than the earned income tax and the realty transfer tax.

2. All such school taxes collected shall be payable directly to the school district and shall be deposited directly in a school district bank account.

3. Holly Albert is appointed tax collector for the school district for a term of one year commencing July 1, 2017, and ending June 30, 2018, and until her successor is appointed and accepts.

4. The Tax Collector shall have all the authority and power now vested by law in collectors of local taxes for the collection of such taxes and shall comply with all laws, regulations and resolutions applicable to tax collectors in the school district.
5. Because all taxes collected will be deposited directly into a bank account maintained in the school district's name, the Tax Collector will not receive or handle tax payments in the normal course of the tax collection procedures, and Holly Albert is serving as tax collector as part of her regular duties as assistant business manager, the school district has determined a bond of $500,000 to be appropriate for as tax collector.

6. In compliance with or in lieu of the requirements of the Local Tax Collection Law §§ 25 and 26, the following requirements will apply to the appointed tax collector:
   a. The tax collector will keep an ongoing account of all taxes collected to date, designating the amount of taxes paid by each taxpayer, discounts granted and penalties applied, and the date of payment.
   b. The tax collector will include, as a part of a monthly report to the school board of all taxes collected during the preceding month.
   c. The independent certified public accounting firm retained by the school district to audit the accounts of the school district will as a part of its annual audit, audit the tax collector's final report, monthly reports, and other records, all in relation to the tax duplicate and according to generally accepted accounting principles and as determined appropriate by the independent certified public accounting firm.

XV. 2017 - 2018 General Fund Budget

A. The 2017-2018 General Fund Budget was presented to the board with detailed discussions on the various pieces of the budget; index revenues, expenditures, and fund balances. The Board looked at various scenarios from 3.1% to 0%. The presentation for the Board meeting will be done with a 3.1% tax increase.

B. After review and discussion the Committee endorsed the Administrative recommendation to approve the attached resolution and advertisement notice authorizing Proposed Final Budget. The final General Fund Budget to be adopted June 19, 2017.

Resolution Authorizing Proposed Final Budget
Display and Advertising | and Per Capita Tax Notice

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

1. The proposed Final Budget of the School District for the 2017-2018 fiscal year on form PDE 2028 as presented to the School Board shall be considered the proposed Final Budget of the School District for the 2017-2018 fiscal year and shall be made available for public inspection after this date.

2. At least ten (10) days before the date scheduled for adoption of the Final Budget, the Secretary shall advertise Final Budget Notice and Per Capita Tax Notice in substantially the form as presented to the School Board. The Notice shall be advertised once in a newspaper of general circulation and shall be posted conspicuously at the School District offices.

Final Budget Notice and Per Capita Tax Notice

NOTICE is given that the Proposed Final Budget for the General Fund of Ephrata Area School District for the 2017-2018 fiscal year in its most recent form is available for public inspection at the school district offices, 803 Oak Blvd., Ephrata, Pennsylvania, and will be presented for adoption as a Final Budget at a school board meeting to be held in the Board Room of the Ephrata Area School District, 803 Oak Blvd., Ephrata, Pennsylvania at 7:00 p.m. on June 19, 2017. The budget may be amended before final adoption.
NOTICE is also hereby given that persons eighteen (18) years of age or over who become residents or inhabitants of this school district and persons attaining the age of eighteen (18) years while a resident or inhabitant of this school district are required by law within twelve (12) months thereafter to notify Ephrata Area School District Business Manager, Ephrata, Pennsylvania 717-721-1513, of their having become residents or inhabitants or their attainment of age. This notice is given in connection with the per capita tax levied by Ephrata Area School District, and any person failing to comply with the requirements of this notice will be liable, in addition to the tax, for a penalty equal to the tax.

Property
I. Agreement with Community Action Program
After review and discussion the Committee endorsed the Administrative recommendation to approve an agreement with Community Action Program Headstart, Lancaster, PA, to rent one classroom and one office at Highland Elementary School and one classroom and one office at Clay Elementary School for their Headstart program for the period of July 1, 2017-June 30, 2018 as follows:

A. Headstart shall pay a monthly rental fee of $1.00.
B. Headstart shall pay a monthly utility fee of $835.00.

The Community Act Program agreed, if during the fiscal year they receive COLA increase in funds they will contact the District to renegotiate.

II. Agreement with Kingsway Realty Rental Division
After review and discussion the Committee endorsed the Administrative recommendation to approve a contract with Kingsway Realty Rental Division. The District is currently in a contract with Quality First Rentals for property management of the District rental property (house) located at 185 S. Market Street, Ephrata. The company name will change to Kingsway Realty Rental Division effective May 1, 2017. The management fee will increase from six (6) percent to seven (7) percent; this would be an increase of $9.50 per month.

INFORMATION / DISCUSSION ITEMS
Budget & Finance
I. HandiVangelism Ministries International
An executive meeting was held with solicitor for legal discussion. The District Solicitor will be contacting HandiVangelism Ministries International for more information and clarification of the proposal.

Property
I. District Lead Testing Update
The Committee was updated on the 2nd round of lead testing, of the 72 lines that were flush tested 13 tested high. These 13 have been shut off and maintenance is looking to repair the lines. The remaining 59 lines will get new faucets.