DATE: March 11, 2019

COMMITTEE: Budget/Finance Committee

TIME: 7:10 PM – 8:18 PM

CHAIRMAN: Timothy W. Stayer

ASSIGNED MEMBERS: Glenn Martin and Chris Weber

BOARD MEMBERS IN ATTENDANCE: Judy Beiler, Philip L Eby, Richard Gehman, Glenn Martin, Tim Stauffer, Timothy W. Stayer, Chris Weber and David Wissler

BOARD MEMBERS ABSENT: Ted Kachel

OTHERS IN ATTENDANCE: Dennis Dankenbring, Dr. Jacy Hess, Rick Hornberger, Kristee Reichard, Gregg Shulenberger, Richard Stauffer, and Dr. Brian Troop

ACTION ITEMS
Budget & Finance

I. Exonerations
After review and discussion, the Committee endorsed the Administrative recommendation to approve the following Per Capita Exonerations:

- Akron Borough 2018-2019 $480.00
- Clay Township 2018-2019 $870.00
- Ephrata Borough 2018-2019 $1,970.00
- Ephrata Township 2018-2019 $1,510.00
- Total $4,830.00

II. General Fund Budget Transfers
After review and discussion, the Committee endorsed the Administrative recommendation to approve the following 2018-2019 General Fund Budgetary:

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<thead>
<tr>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
<th>Account</th>
<th>Description</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>1175121M</td>
<td>Non-Cap Music Equipment</td>
<td>$200.00</td>
<td>1161121M</td>
<td>Music Supplies</td>
<td>$200.00</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>$200.00</td>
<td></td>
<td>TOTAL</td>
<td>$200.00</td>
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III. Cardiac Life Products, Inc. Agreement
After review and discussion, the Committee endorsed the Administrative recommendation to approve a two-year agreement with Cardiac Life Products, Inc. to conduct on-site inspections of AED units. The cost for these services is $2,025.00.

IV. Messiah College Affiliation Agreement
After review and discussion, the Committee endorsed the Administrative recommendation to approve an affiliation agreement with Messiah College on behalf of a Messiah student who is planning to pursue an internship at the Ephrata Intermediate School during the fall of 2019.
V. **Addendum to Contract with Austill’s Rehabilitation Services, Inc.**
After review and discussion, the Committee endorsed the Administrative recommendation to approve an addendum to the current contract with Austill’s Rehabilitation Services. The addendum will include the following services and rates:

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<tr>
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<tbody>
<tr>
<td>OTR and PT per hour</td>
<td>$61.07</td>
<td>$61.99</td>
<td>$62.92</td>
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<tr>
<td>OTA and PTA per hour</td>
<td>$50.24</td>
<td>$50.99</td>
<td>$51.76</td>
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VI. **Lancaster-Lebanon IU 13 Private Cloud Services and Service Level Agreement**
After review and discussion, the Committee endorsed the Administrative recommendation to approve an agreement with Lancaster-Lebanon IU13 for Private Cloud Services and Customer support for August 1, 2019 through July 31, 2020. An annual cost of approximately $33,031.00.

VII. **Transportation Contract Additions**
After review and discussion, the Committee endorsed the Administrative recommendation to approve an aide for Boyo Transportation for the 2018-2019 school year:
- Shirley Gehr

VIII. **Agreement with Kimono**
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 2019-2020 fiscal year is $9,030.00.

IX. **Gaggle Agreement**
After review and discussion, the Committee endorsed the Administrative recommendation to approve an agreement with Gaggle for safety monitoring for Office 365. The cost for 2019-2020 is $11,528.00.

X. **Sapphire Agreement**
After review and discussion, the Committee endorsed the Administrative recommendation to approve an agreement with Sapphire for the School Nurse Health System. The cost for 2019-2020 is $17,700.00.

**Property**

I. **UGI Utilities, Inc. Agreement**
After review and discussion, the Committee endorsed the Administrative recommendation to approve a Natural Gas Service Agreement with UGI Utilities, Inc., Reading, PA, to extend its natural gas facilities to Fulton Elementary. The District is responsible for the Contribution in Aid of Construction for Main Extension in the amount of $86,500. The gas main extension and conversion will be completed prior to June 30, 2019; the District must make the conversion to natural gas by June 30, 2019.

Based on historical data, Highland burns 22,500 gallons of oil a year.
- 22,500 gallons/7.438 gallons = 3,000 mcf a year
- Yearly savings = $33,900.00
- Payback will be 4.07 years
DISCUSSION ITEMS

Budget & Finance

I. State Budget Update
The Committee was updated on the following Governor’s budget
- Basic Education Funding - Proposed increase of $441 million
  - $166 Million NEW money
  - $262 million from Ready to Learn Grant
  - $13.8 million from teacher salary increase minimum
  - 5% of total BEF runs through new formula
    - if all monies went through Ephrata increase estimated $1.3 million
  - Increase for Ephrata $293,862 estimated
- Special Education Funding - Proposed increase of $50 million
  - 12.7% of total SE runs through new formula
  - Increase for Ephrata $124,493 estimated
- Transportation Subsidy- level funded
- School Safety & Security Fund - $45 million
  - Grant or BEF??
- Plan Con - level funded
- School Health Services - level funded
- Minimum Wage Increase - $12 then 50 cents per year until 2025 $15
- CTC's Level funded
- Early Childhood - $50 million increase - Head Start & Pre-K Counts

Act 5 Updates
- Effective 7/1/19 for new employees - gives option of a Defined Contribution/ Defined Benefit Plans
- Does NOT lower employer rate

The governor’s proposed budget is only an estimate.

II. Moody’s Investor Services Report
The Moody’s credit overview for the Ephrata Area School District states that EASD has a strong credit position, and its Aa3 is equivalent to the median rating of Aa3 for school districts nationwide. The key credit factors include a robust financial position, light debt burden and mid ranged pension liability. The credit position also reflects a healthy wealth and income profile and a sizable tax base.

Property

I. Facilities Update – Dennis Dankenbring
A Summer Project list for 2019 was presented to the Committee by Dennis Dankenbring, Maintenance Director

II. Future Project Updates
Middle School Media Center
A layout of the project was discussed. The estimated cost from the architects was $900,000. The project will go out to bid on March 20. The architects will do a Board presentation after the board meeting on March 25.

Music/Washington/District Office