

ORDER OF BUSINESS

1. Call to Order; Pledge of Allegiance

President Charles Ballard called the regular meeting of the East Penn Board of School Directors to order at 7:30 p.m. in the Board Room, located at 800 Pine Street, Emmaus, PA, followed by the Pledge of Allegiance.

Board Members Present: K. Bacher, C. Ballard, L. Donches, A. Earnshaw, F. Fuller, R. Heid, M. Policano, S. Rhodes, J. Stolz

Solicitor: Marc S. Fisher, Esq., Worth, Magee & Fisher

Board Secretary: Cecilia R. Birdsell

Treasurer: Lynn Glancy

Superintendent of Schools: Dr. Thomas L. Seidenberger

Press Present: Jennifer Marangos, Editor, Emmaus.patch.com

Katrina Wehr, Morning Call reporter

Andrew Cass, East Penn Press Reporter

2. Requests to Address the Board

Pat Luftman, 1002 N. Sixth Street, Emmaus, PA thanked the Board for keeping parents informed of what was going on with Hurricane Sandy. She complained about the misbehavior on Bus 37 for Lower Macungie MS. She cited an example of an ethnic slur, as well sexually provocative conversations and racial slurs. She talked about a situation with daughter where she was asked to identify a student who was making some of these remarks. She did not want her daughter to be put in this position again and when she talked to the principal she was told that the bus driver did this without the direction of the administration at LMMS. The principal indicated she would talk to First Student. Ms. Luftman said she had not heard back from anyone since her last appearance three weeks ago.

3. Bond Refunding Scott Shearer, Managing Director, Public Financial Management

Managing Director Scott Shearer distributed and reviewed the attached Refunding Analysis for two bond issues. These refunding opportunities involved the Series of 2007 and Series of 2008 bond issues. The current fixed interest rates are lower than the outstanding rates on these bonds. The size of the issue is less than 10 million dollars and will qualify for bank qualified interest rates as well as a five year call. It is estimated that the current rates would produce approximately \$251,000 in savings. The proposed settlement date would be January 2, 2012. Mr. Shearer reviewed the summary of outstanding indebtedness, the structure of the series, and the composition of the issue. He further noted that over a ten year period the district has saved a little over 11 million dollars with bond refundings. Mr. Earnshaw asked about the five year call. Mr. Shearer responded that the five year call will give flexibility and the five year call is viewed as the standard in Pennsylvania. In answer to questions raised by Mr. Bacher, Mr. Shearer responded that the 10 million dollar limit allows for bank qualification. It is per issue per calendar year. The arbitrage yield by definition only includes bond insurance for the transaction. He explained the strategy used for determining the call date. Ms. Donches asked about the bond rating and what would impact the bond rating. Mr. Shearer explained that East Penn is in a very good situation and has a Moody's Aa2 bond rating which is in the top tier. Moody's does put in their report what will make a rating go up or down. A rating would go up if there is a substantial improvement of financial reserves and significant growth in the tax base. A rating would go down if there is an inability to maintain satisfactory financial flexibility and if there is a declining tax base. Both rating agencies (Standards & Poor's, Moody) look at four criteria: 1. Economic Strength; 2. Financial Strength in the Balance Sheets; 3. Strong management and policies in place; and 4. Debt Profile. Mr. Shearer anticipates coming back for the December 10 Board meeting but, may not be back until January.

Motion by Earnshaw, Seconded by Stolz

RESOLVED, That the East Penn Board of School Directors authorize the refunding of this School District's General Obligation Bonds, Series of 2007 and Series of 2008 in accordance with the financial report presented at this meeting by Public Financial Management (PFM), by issuing new refunding bonds, and authorizing PFM and Rhoads & Sinon LLP, as bond counsel, to prepare a resolution and other documents required to conduct a competitive sale of the refunding bonds at such time as the net savings equal at least \$250,000.

This resolution was duly adopted by the following roll call vote:

Aye: Bacher, Ballard, Donches, Earnshaw, Fuller, Heid, Policano, Rhodes, Stolz-----9

4. iTunesU Presentation

Information Technology Director Michael Mohn demonstrated the launch of the new iTunesU app for the district. The Emmaus High School newspaper, "The Stinger" is on this site. This application can literally be downloaded around the world. Mr. Mohn said the students are very excited about this new application and feel it will help make their reporting skills more professional since many more people will be able to view their writing skills. Some of the other applications include the Internet Safety Course, Edulink Call Out System, and products of students' work.

5. Approval of Minutes

Motion by Rhodes, Seconded by Fuller

RESOLVED, That the East Penn Board of School Directors approve the minutes for the October 22, 2012 meeting.

Ms. Donches wanted to add language to Page 5, regarding the Agreement with the Borough of Emmaus for the Firearms Range. The addition cited that in Paragraph 4, Line 2, it should read "without" instead of with.

This resolution was unanimously approved by voice vote.

6. Report of the Superintendent of Schools – Dr. Thomas L. Seidenberger

1. District Update

Dr. Seidenberger reported on the following staff accomplishments:

-Michele Comp, Art Teacher at Willow Lane School, awarded the 2012 Outstanding Innovative Classroom Practice Art Education Award from Kutztown University. The project submitted integrated art with the sciences. She was one of the original members of the STEM initiative.

-Kelly Weaver, teacher at LMMS, announced that LMMS was given a national award for best video in the Fourth Annual Competition from the Association of Middle School Education. Three students were responsible for their video on Breast Cancer Awareness.

-Claudia Risi and Jessica Babbit along with 43 students and staff members traveled to Staten Island to provide help at one of the distribution centers for victims of Hurricane Sandy.

It appears that February 15 and March 28 will be the makeup days. Districts cannot expect any help from the Department of Education on waiving the days the districts were closed due to Hurricane Sandy. Dr. Seidenberger will recommend the change in calendar at the December 10 Board Meeting. He noted that June 11, 12, and 13 will be the makeup days as stated on the school calendar.

There will be timely vignettes on the web site where EHS students will interview administrators and staff members on the various district initiatives. They will be filming the vignettes on Instructional Rounds, Daily Five, RtII, STEM, and the Autism Program. Administrators and teachers who will be interviewed are Dr. Denise Torma, Kristen Campbell, Susan Noack, Jackie Vogel and Dr. Tricia Gutman.

Dr. Seidenberger had distributed a report from PASBO-PASA on the cost cutting by districts for the second year. He also distributed information on the Act 1 Adjusted Index for Lehigh County and Carbon County School Districts. The adjusted index for East Penn for 2013-14 School Year is 1.7%. Mr. Bacher asked about the allegation that the index was not in keeping with the law. Dr. Seidenberger said there is some consternation state wide. No one has heard from the Department of Education. Mr. Bacher asked if there would be any legal action. Mr. Ballard said no one has filed a law suit yet.

The Middle States Team visit for Emmaus High School is scheduled from December 3-6, 2012. The team members will meet with available board members on Wednesday, December 5, at 7:00 a.m.

The Annual Thanksgiving Dinner for Golden Age Card holders is scheduled for Thursday, November 15, at Emmaus HS, Lower Macungie MS, and Eyer MS.

The 2013-14 budget process is starting. Business Manager Debra Surdoval will be presenting the Five Year Forecast on December 10. Referring to enrollment, Dr. Seidenberger indicated that the district has seen an increase of 53 students from this time last year. The enrollment of gifted students has increased and he may have to add an additional gifted teacher for next year.

2. Personnel

Motion by Fuller, Seconded by Stolz

RESOLVED, That the East Penn Board of School Directors approve the following personnel items:

Retirements/Resignations

- Barbara Litts, Elementary Gifted Teacher, retirement effective 12/31/12 (Exhibit 1)
- Susan Case, Librarian, Emmaus HS, retirement effective 1/22/12 (Exhibit 2)
- Thomas Gable, Head Custodian, Emmaus HS, retirement effective 12/31/12 (Exhibit 3)
- Lora Schoenly, Staff Assistant, Wescosville School, resignation effective 10/22/12 (Exhibit 4)

-Angie Aleszczyk, Part-Time Food Service Assistant at Alburts, 1 hr. breakfast position only, effective 10/26/12 (Exhibit 5)

Dr. Seidenberger mentioned that Susan Case, Librarian, at Emmaus HS will not be replaced for the rest of the school year.

Requests for General Leaves of Absence –Board Policy 539, General Leave

Employee	Assignment	Effective
Brenda Koch	Staff Assistant, Eyer MS	10/29/12-10/28/13
Dorothy Grois	Staff Assistant, Emmaus HS	12/2/12-12/14/12
Catherine Courrier	Instructional Assistant, LMMS	10/16/12-10/15/13
Sharon Squire	Instructional Assistant, Jefferson	11/19/12-11/18/13

Leave as per Collective Bargaining Agreement

Lauren Krause	Grade 1, Shoemaker School	12/4/12-1/23/13 (Extension)
Marybeth Long	Special Education, Macungie	12/17/12-2/4/13

Appointment of Full-Time Substitute Teacher

Name/Address: Jennifer Cudzil  
5128 Foxcroft Drive, Schnecksville 18078  
Education Level: B. S. Degree (2008)  
Undergraduate School: Bloomsburg University  
Certification: Instructional I, Elementary, Special Education  
Assignment: Autistic Support, Wescosville School  
Opening created by L. Oswald leave  
Effective: November 13, 2012  
Experience: 8/2009-6/2012: Easton Area SD  
Salary: \$45,185 (Year 1, Col. B)

Name/Address: Tabatha Murante  
741 Woodside Avenue, Mertztown 19539  
Education Level: B. S. Degree (2010)  
Undergraduate School: Cedar Crest College  
Certification: Instructional I, Elementary, Early Childhood  
Assignment: Grade 1, Macungie School  
Opening created by K. Bruckner leave  
Effective: November 13, 2012  
Experience: 8/2012-Present: East Penn SD  
Salary: \$45,185 (Year 1, Col. B)

Appointment of Confidential Assistant

Name/Address: Melissa Mineweaser  
6568 Carmel Drive, Macungie  
Assignment: Confidential Assistant, Payroll  
Vacancy created by L. Shankweiler retirement, subsequent transfers  
Effective: November 15, 2012  
Salary: \$34,000, 35 hrs./wk.

Appointment of Instructional Assistant/Health Room Assistant

Employee	Assignment	Effective
Amy Brown 144 N. Second Street Emmaus	Instructional Assistant, Macungie Vacancy created by A. Zulli resignation	11/13/12
Brittany Vanderhoef 319 N. Franklin Street Fleetwood 19522	Instructional Assistant, Eyer MS (New position – one-on-one)	12/17/2012

Darla Stoeckmann Health Room Assistant, Willow Lane 11/13/12  
5455 Norberth Blvd. Vacancy created by A. Nebel resignation  
Northampton 18067

Co-Curricular Advisors

See Exhibit 6

Additions to the 2012-13 List of Per Diem Substitutes

Ann Popule	Instructional/Staff
Peter Downes	French/Spanish
Tracy Hammond	Elementary

Change in Employment Status

Employee	From	To
Warren Buss	District Groundskeeper	Head Custodian, LMMS
Joe Siekonic	2 <sup>nd</sup> Shift Custodian, LMMS	District Groundskeeper
Scott Schoenly	2 <sup>nd</sup> Shift Custodian, Jefferson	2 <sup>nd</sup> Shift Custodian, LMMS
William Buchman	2 <sup>nd</sup> Shift Custodian, Eyer MS	2 <sup>nd</sup> Shift Custodian, Jefferson
Dawn Kohler	12.5 hrs./wk. Wescosville	16 hrs./wk. Wescosville

Educational Conferences – Exhibit 7

That the East Penn Board of School Directors approve the expenses for the individuals attending the educational conferences listed on Exhibit 7.

This resolution was duly adopted by the following roll call vote:  
Aye: Bacher, Ballard, Donches, Earnshaw, Fuller, Heid, Policano, Rhodes, Stolz-----9

7. Business Operations

1. Approval of Bill List

Motion by Donches, Seconded by Stolz  
RESOLVED, That the East Penn Board of School Directors approve the attached bill list, including the addendum (if any), and that the Treasurer be authorized to issue checks and vouchers in the amounts indicated.

Disbursement of Funds – Exhibit 8

RESOLVED, That the East Penn Board of School Directors authorize the disbursement of funds from the 33-2010 Series A GOB as listed on Exhibit 8.

These resolutions were duly adopted by the following roll call vote:  
Aye: Bacher, Ballard, Donches, Earnshaw, Fuller, Heid, Policano, Rhodes, Stolz-----9

2. Approval of Investment

Motion by Earnshaw, Seconded by Donches  
RESOLVED, That the East Penn Board of School Directors approve the following investment of funds:

Investment Vehicle:	PLGIT CD-Program
Date Purchased:	10/26/12
Date of Maturity:	4/24/13
Term:	180 days
Rate:	0.33%
Amount:	\$496,000.00

At the last meeting, Ms. Donches questioned the practice of approving the investment after it had already been made. In answer to her question about where the funds are taken from, Business Manager Debra Surdoval explained that the funds are coming from a cash account in the General Fund. She explained further that the Fund Balance is just part of the district's cash investments. Ms. Donches asked her how often she checks interest rates. Mrs. Surdoval responded that many times the financial institutions contact her with investment opportunities. Ms. Donches commented on offering the Board the opportunity to have a provisional vote for approval for funds that are to be invested rather than doing it after the fact. Mr. Bacher pointed that tax

money is generally front loaded and expenses are paid as they come in so technically funds could be invested until they are needed. If the Board would decide that the money should not be invested, the money could be withdrawn with an interest penalty. Mrs. Surdoval further noted that rates change all the time and in many cases the investment must be made by noon of the day that she is called. Mr. Earnshaw commented on expecting the Board to be involved in the decision making process of investments and trying to either do the job or micromanage the staff. He noted that no one knows where interest rates are going to go and by investing these funds the district receives additional income from the interest. Mr. Ballard said these investments are an example of having employees proactively managing the funds of the district. They invest the funds and report back to the Board. He said that in no way would he have the Board involved in deciding the day-to-day investment of cash and second-guessing the employees who are employed full time and are experts in financial matters. There is a Business Office staff whose job is to maximize the return on investments and our cash expenditures. He said having the idea that the Board should be doing the day-to-day investment decisions is ridiculous. Mr. Stolz said he was sure this investment was safe and sound but he liked the idea of a provisional approval. He questioned whether this investment was already "in the pipeline" since it occurred four days after the last board meeting. Mrs. Surdoval retorted that she was called the morning after the Board Meeting and the decision had to be made by noon. Mr. Stolz talked about casting a present vote which was a term not familiar to either the Board President or Solicitor. Solicitor Fisher told him that he could cast an abstention. Ms. Donches said she looked forward to the day when she can ask a question to better understand her fiduciary responsibilities and not be criticized or have it looked as a conspiracy. Mr. Policano felt that Ms. Donches was just asking for information. Mr. Earnshaw said she asked questions and then suggested the Board should be involved in approving these investments before the district makes an investment. He noted that the Board does not have the flexibility to make these decisions in the time given. He reiterated that a majority of the district's revenue comes in during the first third of the year. The personnel then has flexibility to invest those funds until the cash is needed. The personnel is in a position to know how much will be needed over a three to six month period. For a board member to insinuate that they should be involved in the decision is micro managing the district's effectiveness. Mr. Earnshaw further pointed out that the Board does approve the designation of depositories before the end of the school year. In essence, the Board has given provisional approval to invest with those agencies. Ms. Donches concluded that she was providing oversight and not micromanaging.

This resolution was duly adopted by the following roll call vote:  
 Aye: Bacher, Ballard, Donches, Earnshaw, Fuller, Heid, Policano, Rhodes-----8  
 Abstention: Stolz-----1

8. Announcements

Ms. Fuller complimented LMMS for an excellent Veterans' Day Program. She also commented on the public turn out. Mr. Ballard complimented the actors in Macbeth who gave a very professional performance of a very difficult play. Ms. Donches said she attended both events and complimented the participants.

Ms. Donches raised questions on a recent article in the PSBA edition of The School Leaders News. She noted that only one connection for an audio conference will be allowed under the Value Pass and any additional connections will cost \$99.00/connection. Mr. Ballard explained that some of their web casts are done on a limited basis and, generally, the district can arrange for one connection in the district if there are multiple requests to view a presentation. Ms. Donches commented that two checks from the August 13 and August 27 check summary were missing. Dr. Seidenberger said the administration would look into it. Ms. Donches wanted to know the percent that insurance agents get for being on the Insurance Advisory Council. Mr. Glancy indicated the information had been forwarded to her but the commission was around 4%. She asked about the Indian Creek Storage Rentals. Mr. Glancy indicated that this is storage for additional furniture for the buildings and items that are being stored for a future auction. In response to her question about the sheds that had been bid, Mr. Glancy said there would be a discussion about that in the next few months when facilities are discussed. Ms. Donches brought up that the Act 1 Index information that was distributed did not have a date or where the document originated which was a complaint she had a few weeks ago.

Monday, November 12	7:00 p.m.-Executive Session (Litigation; Negotiations)
	7:30 p.m.-Board Room
Thursday, November 15	Golden Age Card Thanksgiving Lunch-Eyer MS; LMMS; Emmaus HS
November 15, 16, 17	7:30 p.m. - LMMS Fall Comedy – "Heroes in my Head"
Monday, December 3	7:30 p.m.-Reorganization Meeting
Monday, December 10	7:30 p.m.-Board Meeting

9. Adjourn

There being no further business to come before the Board, the meeting was adjourned, upon motion, at 8:40 p.m.

Cecilia R. Birdsell, Board Secretary