

SCHOOL BOARD MINUTES

- (1) The Board of School Directors of the Lebanon School District met as a committee-of-the-whole on Monday, October 8, 2012, at 7:00 p.m. in the board conference room of the senior high school as advertised in the Daily News on December 15, 2011.
- (2) President Thomas L. Schaffer called the meeting to order at 7:00 p.m.
- (3) On roll call by the secretary, the following board members were present: Mrs. Debra L. Bowman, Dr. Anne V. Dall, Mrs. Rose Marie R. Kotay, Mr. Michael J. Kuhn, Mr. Richard Mase, Sr., Mr. Peter N. Pyles, Jr., Mr. Thomas L. Schaffer, Mr. Paul Topping and Mr. Cornell Wilson. Also present were Dr. Marianne T. Bartley, superintendent of schools; Mrs. Mary A. Harrell, secretary; and Mr. Curtis O. Richards, business manager and treasurer.
- (4) Also present were Mr. Chris Danz, assistant to the superintendent for HR and pupil services; Mr. Mike Murphy, assistant to the superintendent for assessment & accountability; Mr. Craig Boltz, director of buildings and grounds; Mr. Brian Hartman, assistant director of buildings and grounds; Mr. Ted Graeff, chief information officer; Mr. Fred Shattls, director of ESOL; Mr. Charlie Fairchild, renovation project manager; Mr. George Horn, district resident; and Mr. John Latimer of the Lebanon Daily News.
- (5) Mrs. Kotay announced that board members would find in their packet, hearing reports for the following recently conducted disciplinary hearings:

Case 2012-2013 – 01
Case 2012-2013 - 02
- (6) Mrs. Kotay, chairperson of the Board Committee on Suspension and Expulsion of Students, stated a recommendation is included from the committee on suspension and expulsion of students on the hearing reports. A copy of the hearing reports is included with these minutes.
- (7) RESOLUTION #14804 – It was moved by Mrs. Kotay and seconded by Mr. Mase to accept the committee’s recommendation as set forth in the hearing reports. The motion passed with a unanimous vote.
- (8) In updating the board about the high school renovations project, Dr. Bartley stated that Charlie Fairchild is here tonight to inform the board about a delay in the project. Mr. Fairchild stated that the construction crew experienced some set backs that will delay the opening of the cafeteria and

gymnasium by about two weeks. The overall estimate of when all the work will be complete is on schedule.

- (9) Attorney Reed gave an update on Sandberg Fire Protection, the company that went out of business. He shared that the insurance carrier is obligated to provide another contractor to complete the project. Adjustments will need to be made and the insurance company will absorb the cost.
- (10) Mr. Brian Hartman reported on the excessive water that entered Henry Houck through a storm drain. Brian stated that corrective action was taken by capping the drain.
- (11) Dr. Bartley shared information about SB1400 and HB1776. The Independent Fiscal Office issued an analysis of tax reform legislation that would replace property taxes with state-funded distributions derived from revenue generated from expanded state sales and income taxes, finding that the revenues provided by the plan would be insufficient to replace the school property taxes it eliminates.

According to the IFO analysis, the revenues provided by the proposal would generate a shortfall of \$1.5 billion in fiscal year 2013-2014 that would grow to \$2.02 billion in 2017-2018. Under the proposal, school districts would lose the ability to levy property taxes and districts would instead receive distributions from a new Education Stabilization Fund. The ESF would be funded by an expansion of the state sales and use tax, state personal income tax and a redirection of certain monies transmitted to districts through the Property Tax Relief Fund.

Retired homeowners would realize the greatest decrease in their total tax liability, with a 37.5% reduction, while working renters would see their overall tax burden increase by 10.6%. Businesses that own more real estate, like manufacturers, would benefit substantially from the shift in tax collection, while smaller businesses, retailers, firms close to the state border and firms that compete with online sales could see their overall liabilities increase. Further, because sales tax payments cannot be deducted from federal income tax filings the way property and income taxes can, Pennsylvania residents and businesses would pay out approximately \$550 million more in federal taxes.

Dr. Bartley feels that the way these bills are written they are not in the best interest of our students and our community. Discussion followed.

- (12) In updating the board about the budget, Dr. Bartley shared that she invited Senator Folmer, Representative Gingrich, Representative Swanger, Mayor Capello, county commissioners, members of city council, and Mr.

Papson from the Hershey Foundation to next week's board meeting. Dr. Bartley feels that it is important that we share information about where we are currently and that now we have Northwest Elementary issues on the horizon.

- (13) Dr. Bartley shared that our enrollment is at 4,823 as of this month. In 2001-2002 our enrollment was 3,947. This is quite an amount of growth. Our PEL Report predicted an increase of 10% over ten years --- it appears it's happening sooner. In 2007-2008 we added our full day K5.
- (14) Dr. Bartley and the board members discussed the remaining items on the agenda, but no official action was taken.
- (15) President Schaffer stated that an executive session is needed to discuss personnel matters, a litigation update and a possible litigation matter.
- (16) With no further business to come before the board at this time, a motion was made by Mr. Mase and seconded by Mrs. Kotay that the meeting adjourn. All members voiced consent and President Schaffer declared the meeting adjourned at 8:00 p.m.

Respectfully submitted,

Mary A. Harrell
Secretary of the Board