

November 11, 2013 Regular Board Meeting
7:00 pm – Board Room
131 W. Nittany Avenue
State College, PA 16801

IV-B1

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Ms. Fishbaine, board president, called the board meeting to order at 7:01 p.m. She welcomed and thanked all in attendance and those viewing from home. With the agenda before them, Ms. Fishbaine asked board members for any changes; there were no changes.

A copy of all materials distributed to board members for discussion and/or action is included with the official minutes, unless otherwise indicated.

Board members present: Amber Concepcion, Penni Fishbaine, David Hutchinson, Jim Leous, Ann McGlaughlin, Jim Pawelczyk, Gowen Roper, Dorothea Stahl, Laurel Zydney

Board members absent:

Board Secretary: Mary Jenn Dorman

Solicitor: Scott Etter

Superintendent: Robert O'Donnell

District Personnel: Randy Brown, Dana Ciciliot, Dotty Delafield, Scott DeShong, Mary Donnellan, Linda Eggebeen, Michael Hardy, Darla Hart, Rebecca Henry, Julie Miller, Julia Nelson, Kizzy Nicholas, Lisa Pazak, Jason Perrin, Ed Poprik, Sharon Salter, Wilda Stanfield, Nicole Steele

Guests: John Beddia, Sarah DaRich Fitzgerald, Scott Fozard, Matt Harlow, Mark Higgins, Becky Misangyi, Matt Morgan, Jeff Straub, Scott Thomas, Michael Vind

II. COMMUNICATIONS

Dr. O'Donnell wished a Happy Veteran's Day to all veterans in our area and thanked all who are serving and have served in the armed forces.

Dr. O'Donnell noted there had been two outreach efforts this past weekend to community members for the High School Project. Both were Saturday, one at Way Fruit Farm and the other at Meyer Dairy. Three more are scheduled:

- November 13 - Callao Cafe, West Aaron Drive, 8:00 - 9:00 a.m
- November 21 - Schlow Library, 1:00 - 2:00 p.m.
- November 24 - Panera's, North Atherton St.

He announced that on November 19, there is a Straight Talk scheduled, MNMS Cafeteria, 7:00 - 9:00 p.m., the topic is Teen Healthy Relationships.

The State High Thespians will be doing their fall performance at the High School Auditorium on Friday and Saturday evenings (November 15 and 16) at 8:00 p.m. and Sunday (November 17), 2:00 p.m. It is a Greek Comedy.

Ms. Fishbaine thanked all those who voted and also the students, CEAT members, and volunteers that spoke on the High School Project at the polls.

Dr. Pawelczyk noted there are 190 days until referendum.

III. ROUTINE APPROVALS

A motion to approve the listing of Routine Approvals as presented.

--October 21, 2013 Work Session Minutes and October 28, 2013 Meeting Minutes

--Accept October 25, 2013 Communications Subcommittee Notes and October 29, 2013 Communications Subcommittee Meeting Notes

--Budget Amendment for 2013-2014 School Year as listed below:

- PFMS received a PDE Special Education Performance Grant in the amount of \$5,000.
- PFE School received funding for a fourth year for the "Membership, Participation and Learning," in the amount of \$5,000.
- MNMS received a NEA Grant to support their Centre Teacher Writers project in the amount of \$5,000.
- The CTC Program received a Supplemental Equipment Grant from PDE, Career and Technical Education Department in the amount of \$21,541.86.

--District Bills for October 2013

General Fund:	\$6,830,093.49	\$6,830,093.49
Checks 1007944 through 1008582 and V102503 through V102531		
Food Service Fund:	204,375.36	204,375.36
Checks 60950 through 60991		
Athletics Fund:	53,281.19	53,281.19
Checks 46699 and 46899		
Activities Fund:	17,896.75	17,896.75
Checks 90421 through 90441		
Purchasing Cards:	76,253.66	76,253.66
(Oct. 2013) Checks 178, 415, 6992, 782		
Total All Funds:	\$7,181,900.45	\$7,181,900.45

--September 2013 Financial Reports

--Human Resource Recommendations (refer to attachment IV-F)

Dr. Pawelczyk moved and Ms. Stahl seconded to approve the Routine Approvals listing. All board members present voted aye on a roll call vote. The motion passed unanimously.

IV. DISTRICT GOAL CATEGORY: STRATEGIC PLANNING

Updated proposal: Non-PDE components

Dr. O'Donnell explained that the last time he presented the Comprehensive Plan, the Plan contained the components that are required by the state. The state also requires the document to be available to the public one month for community feedback. Tonight, the Communication and Technology Plans are added that are not PDE required and asked if board members had any questions.

Board members thanked Dr. O'Donnell for a very thorough report. One board member had a question regarding technology and how we are adapting to filters, etc. with all the devices at the high school level and the options for filtering when they go home? Ms. Steele mentioned that it could be an issue and the department continues to work on filtering. Dr. O'Donnell added that Ms. Steele has been with the district a few months and her relationship with curriculum is going very well and thanked her for keeping focused.

V. DISTRICT GOAL CATEGORY: STUDENT LEARNING and ACHIEVEMENT

Research Proposal: *Using a Student-Controlled Video-Prompting Intervention to Teach Daily Living Skills to Children with Autism Spectrum Disorders.*

Mr. Hardy, Dr. Salter, and Sarah Domire, a Doctorial Candidate in Education Psychology, Counseling and Special Education at Penn State University came to the table. Ms. Domire explained her research proposal and provided an example. Dr. Salter was in support of this study and noted it could be very helpful for autistic children. Ms. Domire would be working with students in Mount Nittany and Park Forest Elementary Schools.

Dr. Pawelczyk moved and Ms. Stahl seconded to move this item to action. All board members present voted aye with a voice vote. The motion passed.

Dr. Pawelczyk moved and Ms. Stahl seconded to approve the research proposal. All board members present voted aye with a voice vote. The motion passed. Board members noted they would be anxious to hear the results of her research.

VI. NITTANY VALLEY CHARTER SCHOOL REQUEST for ADDENDUM to CHARTER

Mr. Perrin reported the Nittany Valley Charter School was looking to amend their existing charter. Their request is to add kindergarten and reduce seventh and eighth grade classes. Mr. Perrin will be visiting the charter with Ms. Bauer and will be coming back to the board with the recommendation.

Board members discussed: what could've generated the interest, how families feel not having the seventh and eighth grades, kindergarten and five-year old birthday issue, are they phasing out seventh and eighth grades, this is one of our smallest charters, keeping the same number and maximum will remain the same, they have 36 to 50 students per year. Mr. Perrin responded that charters know what our start date is for kindergarten entrance and use the same date. This item will be brought back in December with a recommendation.

Dr. Etter left the meeting at 7:35 p.m.

VIII. DISTRICT GOAL CATEGORY: FACILITIES

Update on High School Funding Options

Mr. Brown and Mr. Vind provided a memo with materials and PowerPoint. Mr. Brown reviewed the Finance Update including variables and assumptions, the fund balance analysis, multi-year projections, and financing projections to name a few. He spoke on debt service payments and financing scenarios (estimates) using the estimated project cost of \$109 million to \$115 million:

- Upfront SCASD Budget contribution \$10 million
- Repayment schedule for 20 and 30 years
- Structures of level and wrapped
- Referendum Debt and the Tax Increase

He explained that Debt Service payments fall under an exception similar to Act 1 and the regular tax increase and Referendum tax amount are listed separately. Millage for the Referendum is not counted in the tax increase.

Board members discussed: Act 1 exceptions need to be applied for each year, this is not an Act 1 exception but is done at the same time, protections for the taxpayers, rates are going to rise and this will be a moving target, each scenario used wrapped debt, there is flexibility with the scenarios, there is no way any of the scenarios would be exact, people vote for an amount - not a tax increase, the amount to a median tax payer is approximately \$175/year for the next 30 years, if assess value grows it would go down, Mr. Brown will need feedback over the next two meetings, other projects do need completed, .75 mills is an addition for the high school, not clear on naming opportunities and how to handle year to year, how would that work in, people are aware and want the district in a strong financial status, we need to reassure and share with people, show taxpayers in a visual what to expect, this shows every possibility, should know how different levels of our contribution affects the educational possibilities, pay debt now and we deal with that, public can use the district website, not everyone will be able to use the online calculator, how it affects district and how it affects me, they can learn from CNET or newspaper, many districts have much more debt/student than we do, our facilities do not measure up with cohorts, People are looking at their annual budget, we are asking them to invest in our district, and all know that many students will benefit from this for the next 50 years.

Recommendation for North Building

Dr. O'Donnell provided an overview for doing a walk-through exercise for Fairmont Avenue building and Panorama Village building talking about what makes most sense to be at the North building. He reflected on updates to elementary schools in the master plan and noted that we need to look at programs around the district including the College Heights building as well.

Mr. Poprik noted the memo was self-explanatory and the physical plant and print shop functions would go to the North building. We would be saving the 1989 addition, which includes the boiler room and infrastructure that sits under the CTC shops. Moving these functions into the existing shops means very limited cost. It does make fiscal sense to capture the spaces and reuse with limited renovations versus moving to Panorama Village building. This plan just came on Wednesday or Thursday of this week and was not on last week's information.

Board members discussed: most printing done for high school so convenient location, better to do here instead of Panorama Village for traveling, just a new space for functions with no additional space needed, end up with more effective adaptive use, possibly all functions out of Fairmont Avenue building, renovation that does not have to occur, how would things look at Panorama building, HEARTS and STRIDES will be at Mount Nittany Elementary and Middle School, look at what would fit in North and makes sense, District-Wide Facility Master Plan – a huge undertaking, things move to the North building and it is the administrator's job to make it fit, and like the recycled shops into used space.

The board took a break from 8:37 p.m. to 8:44 p.m.

Refined Project Calendar to Referendum

Mr. Poprik provided an update on the calendar for the high school project and noted the update was minor. The Borough Council meeting went very well and he also pointed out a December 5 meeting with CRPC to provide an update and the opportunity for them to provide comment. The next Community conversation will be held February 3, 2014. Mr. Poprik asked if board members had any questions.

Board members discussed: the presentation to the Borough Council did go very well, thanks to those who participated, the vote on December 2 for the project option, the board deciding to vote on one option and allow time for people to know which one, and allow time for people to speak to us, having that prepared by November 25 meeting or having a meeting in between, there are two options on the table and one of them would garner a majority.

Board Decision Making Timeline

Ms. Fishbaine spoke to board members on what decisions need to be made and when they would feel comfortable with the timeline. She asked if they would be more comfortable with a maximum or tentative referendum amount. The board members discussed: the maximum referendum, the latest date to design question and work backwards from that date, everything flows from the decision related to the referendum, how do we get there, it can come down, and the board should not exceed the amount, we have not exceeded the amount, establish a referendum amount, this will help community understand where we are going, we need to check in with community, need more detail and go to the latest we can, we need more time to hear the maximum, people would like more information, see the value of what they are getting. not sure where the revenue will come from, waiting until January, how can they give feedback, November 25 or December 2 for a decision for the project options, needs to be done sooner than later, we could add on that we would go to the community for making decisions, be able to organize the feedback to see what the community is thinking, feel more comfortable close to the project budget as possible, how much is the project going to cost, and we have until end of December or early January. The information from the survey is a single point of time, the

number will get more accurate over time, should not really go any later than early January, need as much time as possible to communicate with public, and early December is going to be hard call. As each board member commented, he/she noted his/her preference and being comfortable with the maximum or tentative referendum amount.

It is not a bad thing to do it early, have flexibility to change the number, it can go lower, there are benefits for going early and going a little later, present concepts and see where costs are going, have a maximum cost and work within that, on December 2 we are going to get two pieces of the funding puzzle - current and yearly budget, last remaining piece is amount of the referendum, and talking about revenue side but not the architect work. Dr. O'Donnell noted that the tentative project and scope is scheduled for February 10 and interest rates will most likely change. Ms. Fishbaine added that December 2 is early and will continue to listen and come back to this.

High School Option Development - Option 2

Mr. Beddia noted he would start with the site, the cost estimate, and met the educational program. He spoke on the slope, how things work across the clusters, explained the simple analysis of how students would move through the building, noted the first scenario is best, how the slope would affect the building, and the three stories stack perfectly. They are able to repeat floor after floor, which works very efficiently.

Mr. Straub reviewed the floor plans, provided an explanation of what the different colors meant, 90 to 95% of the building will have natural daylight, the elevation of the ground being 1102 and jumps to 1116 for the first floor, and the size of the existing small auditorium at the building. Board members discussed: the day lighting, planning areas are in internal rooms, concerns for Learning Enrichment, the second and third floor levels and connectors, a two story space, biggest change is third floor, model is very schematic, corridor being enclosed or not, connectors could be glass, pedestrian route at night from HS South to HS North side, having lockdown areas, and focus on the floor plan for public to relate and understand.

Mr. Harlow showed the outside of campus and the North is very similar, He defined parking areas and access ways, still looking at circulation, still have areas near Logan Ave., South side busses have been refined over the past few weeks, 20 feet from the track and within the parking range set, and the staff has seen this conceptually. Board members discussed: parking spots and what should go into the North, comfortable with parking patterns and traffic flow, North building being larger than last time, very happy with the design and what has been addressed, and applauded the use of the slopes.

Mr. Beddia reviewed the project costs with more detail to site and roadways. The North building and South building were separated for an estimated cost of each and when added together, were slightly over the cap of \$115,000,000. The Mr. Beddia reviewed the cost analysis for Option 2 scenarios A/B/C with potential alternates and each total came under the cap with each scenario with full program implementation on the South side. Board members discussed: These being high level estimates, very conceptual and need to get to detail quickly, need to understand where we are with alternates, alternates on a project this size will grow, Option 1 no longer being viable, keeping focus on Option 2, need to move forward with the things we want to provide, open area in courtyard for Option 2, Option 1 had a contained courtyard, most positive feedback has been for Option 2, next week we should continue to work on Option 2, and we need to stay focused on this Option.

Dr. Roper left the meeting at 10:25 p.m.

IX. DISTRICT GOAL CATEGORY: FISCAL STEWARDSHIP**Budget Development FY2014-2015**

Mr. Brown began by noting the Act 1 Index for 2014-2015 is 2.1% and we would be eligible for the PSERS exception. He reviewed the revenue, expense projections, general fund balance projections, Act 1 Index history with an average tax of 2.84%, and the real estate increase history that is around 3%. If we are using the Act 1 Index, the board needs to pass a Resolution by January 30, 2014. A sample was provided and personalized for our district. The Board can decide to do one of two things: 1) Pass the Resolution or 2) Work on developing a budget. He would like feedback on this tonight so he could continue to take the next steps in the right direction.

Board members discussed: Retirement notification of December 1, changes in reallocating additions, being recommended to pass the resolution, and Ms. Fishbaine asked if board members were comfortable with the resolution and noted that knowing would help the business office plan their time. After going around the table for board members to note being comfortable with the resolution, seven members noted they were comfortable, one was not comfortable, and Dr. Roper had left the meeting. This provided direction for Mr. Brown.

Mr. Brown also noted that in April there was a refunding opportunity, but the interest rates rose and we did not pursue. A portion of the bonds, 2009 Series, would be scheduled for refinancing. At the November 25 meeting, a resolution will be brought forward. Mr. Brown will get the information out to board members as soon as he receives it from Mr. Vind since they will be asking for approval at the next meeting. It is an opportunity for savings of \$130,000 to \$140,000. The next bond transaction will provide the opportunity for an increase of our bond rating.

X. FUTURE AGENDA PLANNING

Ms. Fishbaine asked board members to look over the Future Agenda items and the following needed to be added to the November 25 meeting agenda:

- The Preliminary School Calendar for 2014-2015 School Year
- Memorial Field Update

XI. ADJOURNMENT

Ms. Stahl moved and Mr. Leous seconded to adjourn the meeting. All board members present voted aye on a voice vote. (Dr. Roper had left the meeting.) The motion passed and Ms. Fishbaine adjourned the meeting at 10:50 p.m.

Submitted by,

Mary Jenn Dorman
Board Secretary