

**Keystone School District
Knox, Pennsylvania
Special Business Meeting
October 28, 2008**

OPENING/ATTENDANCE

Mr. Slagle, President of the Keystone School District Board of Directors, called the Special Business Meeting to order on Tuesday, October 28, 2008 at 7:10 A.M. The Meeting was held in the Keystone School District Elementary School Library, 451 Huston Avenue, Knox, Pennsylvania. The Pledge of Allegiance was recited. Roll Call was taken by Mr. Vernon Lauffer with the following in attendance: Mr. Gregory A. Barrett, Ms. Terri K. Kahle, Mr. Thomas L. McCoy, Mr. Alan F. Seigworth, Mr. John R. Slagle, Mrs. Marilyn Stempeck and Mr. Kenneth L. Swartfager. Mr. James L. Beary and Mr. William L. Shaner were absent. Also present were Dr. Jean Atkin Gool and Mr. Vernon Lauffer.

CONSIDERATION OF AGENDA

Ms. Kahle made the Motion to Approve the Agenda. The voice vote is recorded as follows: Mr. Barrett--yes; Ms. Kahle--yes; Mr. McCoy--no; Mr. Seigworth--yes; Mr. Slagle--yes; Mrs. Stempeck--yes; and Mr. Swartfager--yes. Motion carried 6-1.

PUBLIC COMMENT

None.

NEW BUSINESS

Ms. Kahle made the Motion to Approve the 403(b) Vendor and Plan Documents, as per the following Resolution, pending the Solicitor's Approval:

In response to recently released IRS regulations establishing a requirement for written documentation of the 403(b) tax sheltered annuity program offered to employees of Keystone School District (the "District"), the District wishes to adopt the plan document, a copy of which is attached to this resolution. This document is based on model language released by the IRS for such purpose.

RESOLVED, that the Board does hereby adopt the 403(b) Plan Document for Public Schools (the "Plan"), which will, at all times, conform with the requirements of Section 403(b) of the Internal Revenue Service Code and applicable regulations.

FURTHER RESOLVED that it is the intention of the Board that the 403(b) program will conform with all federal and state statutory and regulatory requirements applicable to 403(b) plans, except that the program set forth above shall not be subject to the requirements of Title I of ERISA because the employer is exempted from such requirements.

FURTHER RESOLVED that the Board authorizes the Superintendent or Business Manager to act on the Board's behalf with respect to this plan, and to take any and all actions necessary or desirable to implement, maintain and administer the plan set forth above in accordance with the Board's intentions, and all applicable state and federal laws.

NEW BUSINESS (Continued)

FURTHER RESOLVED that the Board appoints Employer Admin Services, Inc. as the district's 403(b) Plan Third Party Administrator and Kades-Margolis Corporation as the district's 403(b) consulting company to assist the district in complying with the new 403(b) regulations, at no cost to the district or its employees.

The roll call vote is recorded as follows: Mr. Barrett--yes; Ms. Kahle--yes; Mr. McCoy--yes; Mr. Seigworth--yes; Mr. Slagle--yes; Mrs. Stempeck--yes; and Mr. Swartfager--yes. Motion carried 7-0.

ADJOURNMENT

With no further business, Mrs. Stempeck made the Motion to Adjourn the Meeting at 7:23 A.M.

Respectfully submitted,

Vernon F. Lauffer
Board Secretary