

SCHOOL DISTRICT OF LANCASTER SCHOOL BOARD
Lancaster, Pennsylvania

Special Meeting – Adoption of 2010-2011 Preliminary Budget
February 16, 2010

The School District of Lancaster School Board held a special meeting for the purpose of adopting a preliminary budget for the 2010-2011 fiscal year on Tuesday, February 16, 2010 at 7:00 p.m. in Room B-123 at the McCaskey East High School, 1051 Lehigh Ave., Lancaster, Pennsylvania. The following members of the Board were present:

Mrs. Linda Troublefield Owens, President
Mr. Richard Caplan, Vice President
Mrs. Barbara Boben
Mr. Charlie Crystle
Mr. Todd Heath
Mrs. Stacey Marten
Mr. Harvey Miller
Mr. Michael Rowen
Ms. Janelle M. Simms

Officers: Mr. Pedro Rivera, Superintendent
Mr. Matt Przywara, Treasurer
Mrs. Rita Balogh, Secretary

Legal Counsel: Mr. Robert Frankhouser, Solicitor

2/16/2010: CALL TO ORDER: The meeting was called to order at 7:04 p.m. by President Owens. Roll call was answered by: *Directors Boben, Caplan, Crystle, Heath, Marten, Miller, Owens, Rowen, and Simms – 9; Absent – 0.*

2/16/2010: PUBLIC COMMENTS: None

2/16/2010: ADOPTION OF 2010-2011 PROPOSED FINAL BUDGET: Matt Przywara, Chief Financial Officer, provided an update on the budget. He has revised the proposed budget presented in January based on the Governor’s budget address and its increase in funding from the state. Historically, what the Governor proposes is what we get, although this year was different due to stimulus funding in the initial proposal that was not received. Mr. Przywara noted not all funds have been determined, such as the allocation for charter schools and other issues. Based on the revised proposed state funding, the Administration recommends a 6.27% tax increase to cover the \$3.4 million shortfall required to balance the budget and maintain a 3% fund balance. Because this amount is \$1.1 million higher than the Act 1 index, it is his recommendation to approve Option 1 to allow the District to apply for exceptions. Tomorrow is the deadline to approve a preliminary budget and submit it to the Pennsylvania Department of Education.

Mr. Przywara responded to Director Rowen’s request to review the PSERS exception by noting the only two exceptions the District qualifies for that would allow an increase in taxes above the 4.1% Act 1 index are for debt service and for PSERS contributions. The percentage difference between the current year’s payment and the previous year’s payment is an increase above the index. Currently the rates are

CALL TO ORDER

PUBLIC COMMENTS

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projected to increase from 4.78% to 8.22%, but the percentages will change soon since PSERS is in the process of a new actuarial study.

Director Crystle suggested as a next step the Finance Committee will act as a task force to work with Administration to look at possible reductions in expenditures.

In response to Director Caplan's question as to what percentage of the budget is discretionary, Mr. Przywara asked him to define "discretionary." If you want to define it as any non-mandated program or item, it is roughly 20% of the budget.

Director Rowen reminded the Board that we can't just cut back on teachers; we can only cut programs.

Director Crystle noted the Finance and Education Committees must combine on these decisions and suggested members of the Education Committee should come to the next Finance Committee meeting on March 3rd at Ross Elementary School.

Director Heath made a motion to adopt a preliminary 2010-2011 budget with a 6.72% increase (1.458 mills to 24.718 millage rate) as proposed by the Administration, which would allow the District to apply for exceptions to the Act 1 index. The motion was seconded by Director Rowen. The motion was approved as follows: *Aye: Directors Boben, Caplan, Crystle, Heath, Marten, Miller, Owens, Rowen, and Simms – 9; Nay – 0.*

2/16/2010: ADJOURNMENT: President Owens adjourned the meeting at 7:22 p.m.

Attest:

Rita Balogh
Board Secretary

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(cont.)**

ADJOURNMENT