

SCHOOL DISTRICT OF LANCASTER SCHOOL BOARD
Lancaster, Pennsylvania

Special Meeting – Adoption of 2010-2011 Proposed Final Budget
May 26, 2010

The School District of Lancaster School Board held a special meeting for the purpose of adopting a proposed final budget for the 2010-2011 fiscal year on Wednesday, May 26, 2010 at 5:00 p.m. in Board Room at the Scheffey Administrative Services Center, 1020 Lehigh Ave., Lancaster, Pennsylvania. Attendance of the Board is shown below:

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

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

Legal Counsel: Mr. Robert Frankhouser, Solicitor

5/26/2010: CALL TO ORDER: The meeting was called to order at 5:04 p.m. by President Owens. Roll call was answered by: *Directors Caplan, Crystle, Heath, Miller, Owens, and Simms – 6; Absent: Directors Boben, Marten and Rowen – 3.*

President Owens announced the Board of School Directors met in Executive Session on May 24, 2010 for the purpose of discussing matters involving employment, appointment, termination of employment, terms and conditions of employment, evaluation of performance, promotion, or disciplining of specific or prospective officers or employees.

5/26/2010: PUBLIC COMMENTS:

Anna Smith, Springhouse Rd., noted her objection to several items related to the budget: paying an ex-Superintendent for work on Board Policies, revisions to the contract for the Assistant Superintendent, inclusion of Carter and MacRae renovations in Phase II of the Capital Improvement Program, leadership positions that other districts pay a stipend for similar work, and the tax impact of Mill Race residents becoming part of Penn Manor School District. Mrs. Smith also stated Board members who send their children to private schools shouldn't vote on the budget.

Don Slick, New Holland Avenue, stated there is no budget information available for inspection. Although it will be available after this meeting, there should be something for the public to review now. His concern for the future led him to encourage the Board to tax at an appropriate level to keep their options open if appropriations are less than anticipated when the state budget is approved.

CALL TO ORDER

PUBLIC COMMENTS

Superintendent Rivera noted the budget is open for public inspection after today's meeting for a period of twenty days. Approval of the final budget is required by June 30.

5/26/2010: ADOPTION OF PROPOSED FINAL 2010-2011 BUDGET: Matt Przywara, Chief Financial Officer, recapped the proposed final budget which was detailed in a 2½ hour presentation two weeks ago. There are opportunities to make adjustments before final approval. Expenses will increase by 5.5% to \$171,279,018, offset by a proposed 4.1% tax increase. The current fund balance would be reduced by \$3,907,835 to cover the remaining shortfall, leaving a remaining fund balance of only 1.4%. Taxes on the average home assessed at \$100,000 would increase by \$95.30 under the new millage rate of 24.213.

Director Caplan commented we are in an anticipatory cycle with the underfunding of PSERS and other expenses such as medical costs that ratchet up over time. If taxes are not raised, we couldn't meet our expenses, forcing us to go bankrupt or make drastic cuts to programs. It is essential to keep the programs alive, so over the next thirty days we'll look to find additional cuts for the fund balance to be restored to a reasonable level.

Director Miller stated a vote of approval is required to meet the deadline, but the Board will meet next Wednesday and Thursday to review the budget in detail.

Director Crystle reiterated this budget reflects the values of the Board, but it is not the Board's budget. It is getting late in the game, but we still haven't established goals, to allow the budget to align with those goals. Additionally, the Board hasn't done a rigorous review of discretionary spending to determine if there are possible cuts beyond what has been presented. There are approximately 35 days left for that work, and this is a "rubber stamp" vote.

Director Simms made a motion to adopt a proposed final 2010-2011 budget with a 4.1% tax increase (0.9530 mills to 24.213 millage rate). The motion was seconded by Director Caplan and approved as follows: *Aye: Directors Caplan, Heath, Miller, Owens and Simms – 5; Nay: Director Crystle – 1.*

5/26/2010: ADJOURNMENT: President Owens announced there will be community presentations on the budget prior to final approval. She adjourned the meeting at 5:18 p.m.

Attest:

Rita Balogh
Board Secretary

PUBLIC COMMENTS
(cont.)

**ADOPTION OF
PROPOSED FINAL
2010-2011 BUDGET**

ADJOURNMENT