

# Board



# Minutes

Board Budget and Finance Committee Meeting Minutes

Littlestown Area School District

Wednesday, April 5, 2017

6:00 a.m.

## MEETING CALLED TO ORDER

The Littlestown Area School District Budget and Finance Committee met on Wednesday, April 5, 2017 at 6:00 a.m. in the District Office, 162 Newark Street, Littlestown, PA 17340. Meeting was called to order by Mr. Randy Mosebrook.

## ATTENDANCE

Those present were Mr. Randy Mosebrook and Mr. Bob Hahn. Absent: Mr. Larry Behrendt. Others present: Mr. Christopher Bigger, Dolores Nester, Mr. Michael Statler, and Carolyn Rhodes.

## PUBLIC COMMENT

None

## BUDGETING PRINCIPLES

The Presentation for this committee meeting can be viewed on our website at:  
<http://www.lasd.k12.pa.us/finance/documents/FinanceCommitteeMeeting-April.pdf>

Mr. Statler gave the committee a copy of the budget principles. We want to use these principles for creating the budget and making financial decisions. Mr. Mosebrook would like to add two considerations to say what is the impact to the community and second, add some measure of cost reduction. These should be the first two principles to consider; what can we cut and what can we give back.

## 2017-2018 BUDGET

Mr. Statler reported that at the March 1<sup>st</sup> budget presentation, the district had a deficit of \$793,977 for the 2017-18 school year. Since March, we have an additional \$15,000 in interest revenue and an additional Plancon reimbursement of \$105,875; with a small adjustment of a summer student worker, our deficit is now at \$677,128.

Mr. Statler noted that our utility cost has decreased over 40% since 2011 and we secured natural gas for the next 2 years at \$4.17 per unit compared to \$4.68 per unit. The district is below average (PA and LIU) in revenue and real estate revenue per student and our district rates 120<sup>th</sup> in 5 year median household income and 287<sup>th</sup> in local taxing effort. The district has decreased staffing as the enrollment has decreased over the past 12 year. The building budgets have decreased an average of 50% over the last 8 years.

Mrs. Statler presented a savings plan to the committee for a new middle school in the 10 year plan. A 0.175 Mill increase (1.54% tax increase) per year starting in 2017-18 through 2024 would create a reserve for us of \$7.5M by 2023-24. Another thing to consider would be our bond rating that is currently an A but with the \$7.5M in reserve we would save on bond insurance with a rating of AA.

## ACES/ATHLETIC PROJECT UPDATE

Available funds for the athletic project as of today is \$2.5M. Some variables will be the cost of the data center move, Rolling Acres demolition, and other minor decisions on furniture, paving, etc. The funds needed for Phase I – stadium project is \$3,500,000. The funds available are \$2,534,023 with fundraising \$400,000, we will still need to pull \$565,977 from Fund Balance. The committee discussed making the turf field, lights, and fieldhouse alternates on bid day and if there isn't enough funds, to pull those items off the project. The committee also discussed the possible \$300K savings that could remain from the Alloway Creek project. This money could be used to patch paving, outfit new furniture or it could be moved to help fund Phase I of the athletic project. After discussion, the committee would like to review the

project and have conversation with the full board to review the plan for the athletic project. This will be reviewed at the April 10<sup>th</sup> board meeting.

#### FUTURE MEETING DATES

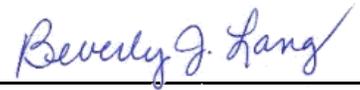
Mr. Statler reported that will be a budget update/discussion on April 24<sup>th</sup> during the regular meeting then the proposed final budget on May 8<sup>th</sup> during the work session, with another finance committee meeting on May 3<sup>rd</sup>.

#### OTHER BUSINESS

Mr. Mosebrook asked what are the next steps for tax incentives to get new small businesses in Littlestown? Mr. Statler will research and get back to him.

#### ADJOURNMENT

Meeting adjourned at 6:48 AM.



Board Secretary/Recording Secretary