

Manitowoc Public School District
Minutes of the Joint Finance and Budget and Building and Grounds Committee Meeting
Tuesday, March 4, 2014

Building and Grounds Committee chairperson Lee Braunel called the joint Finance and Budget (F&B) Committee and Building and Grounds (B&G) Committee meeting to order at 4:02 p.m. Committee members Karen Rohrer (Chairperson of F&B), Keith Shaw, and Dave Longmeyer. Board of Education President Linda Gratz, Board member Catherine Shallue, Superintendent – Marcia Flaherty, Director of Building and Grounds - Jeff Schulz and Director of Business Services - Ken Mischler, were also present.

2014-15 Budget

Director of Building and Grounds Jeff Schulz shared information with the members of the committees. There are over \$9 million in capital projects that have 15-30 year life cycles. The list includes roofing, HVAC, flooring, lighting, windows, emergency generators, and parking lots. In addition, there are about \$12.2 million in total projects. The project list was shared with the Building and Grounds Committee previously.

Director of Business Services Ken Mischler presented information on the 2014-15 budget. He shared with the Committees some information on the revenue limit. The Manitowoc Public School District's revenue limit will be about \$48,630,000 or about \$272,000 reduction from the previous year. Mischler estimated that the state aid amount will decrease about \$250,000 because of enrollment declines. This still results in a decrease in the property tax levy.

Mischler shared with the Committees that wages and salaries are estimated to increase by \$341,726 (with no base wage/salary increase), fringe benefits increase by \$302,300, and other expenses increase by \$312,000 or a total of budgeted increase of \$946,000. The MPSD revenues are estimated to increase by \$205,000. As a result of many factors, the MPSD has an estimated 2014-15 budget shortfall of \$1,155,000. Discussion was held regarding the budget. No formal action was taken on the budget.

Mischler shifted focus to long-term debt. He shared with the committees the long-term debt schedule. The MPSD only has Fund 38 debt (non-referendum debt). The total outstanding debt as of today is \$6,185,000 and the District will be completely out of debt in seven years.

Schulz shared with the Committees a list of projects that should be completed within the next three years. The total came to over \$3,000,000. Mischler mentioned that the District could borrow the money and push the principal payout into years 2022-24. However, this does not address the problem that there are more than \$3,000,000 capital projects. It was talked about making the amount up to \$5,000,000. Discussion was held on the borrowing.

A motion was made to borrow an amount up to \$5,000,000 for capital projects by Finance and Budget Committee member Keith Shaw and seconded by Lee Braunel. The motion passed.

The meeting was adjourned at 5:14 p.m.

Respectively submitted,

Ken Mischler *Km*
Acting Secretary