

Lakeview Community Schools

Achieving Quality Education for all Learners Through Teamwork



July 25, 2012 – 3rd Meeting
Bond Steering Committee Minutes

1. Introductions of new attendees (if any): Mark Higgins, Tanya Ringlever, and Jeff Kurtze were first time attendees.
2. Mark Higgins, Business Manager
 - a. Budget Review: Mr. Higgins reviewed the most recent budget for Lakeview Schools. The board approved the district budget on June 28, 2012.
 - b. Mark shared district history for maintenance expense. Maintenance has received as high as 9.77% of the district budget and a low of 9.10%. Overall, maintenance has received a consistent percentage of the overall general fund budget since 2005.
 - c. The overall budget has gone down; therefore, maintenance receives less as well.
 - d. Older buildings and increased utility cost have impacted maintenance expenditures.
3. Brad Hemmes
 - a. Building Costs: Brad presented several cost options for bond projects. The projected costs include anticipated prevailing wage increases, materials, etc.
 - b. Brad gave the committee a review of his findings from doing walk throughs.
 - i. Lakeview Elementary was built during a time of cheap structures. If you start remodeling, you need to bring everything up to code. For the cost of bringing LES to code, you could add rooms to BSE for less and be modern and state-of-the art. The other concern is you have to make this building last another 20 years due to a mortgage.
 - ii. Lakeview Middle is in decent shape. The east wing needs some work
 - iii. Lakeview High School and Bright Start are in great condition
 - iv. Brad went over a variety of site improvements. Security, interior improvements, roof, and efficiency were all discussed.
 - v. The options include:
 1. doing nothing
 2. outlining a plan to drop to two buildings

3. Making limited improvements at LMS, upgrading areas at LHS, adding rooms to BSE, and shutting down LES
 - c. Financial information: Brad reviewed bond options for Lakeview
 - i. Do nothing
 - ii. A 0 mill increase for 6 million
 - iii. A .3 mill increase for 8 million
 - iv. A .55 mill increase for 12 million
 - v. Brad estimated that every .1 increase represents a \$5 increase for stakeholder taxes.
4. Discussion:
- a. Questions about busing. Brad's figures do not include busing. Brad said he did not include bus figures. Mr. Hamlin and Mr. Higgins shared that they had just signed an agreement to lease 4 buses. The purchase price of a new bus runs from \$78,000 - \$82,000.
 - b. Mick Baird: Shared he believed technology was not the priority. Buses, boilers, and other facilities needs should trump technology.
 - c. Mr. Hamlin: Discussed the budget absorbing as much as it can. Declining enrollment, rising health costs, rising retirement costs, and declining funding from the state has made it impossible to build a necessary contingency fund. District employees have agreed to a high deductible plan and have switched to a much lower priced insurance. This has saved the district approximately \$500,000.
 - d. Paul Main: Asked if a 9% budget can sustain the district needs. Mr. Kain stated there are many things we can't afford to do and spend most of our money on maintaining and preventative.
 - e. Tim Erspamer, Paul Main, Jeff Kurtze, Gary Jensen, and Mick Baird: The committee should not be looking at any Lakeview Elementary improvements.
 - f. Brad Hemmes: Shared that the list of improvements does not have to be done all at once.
 - g. Jeff Kurtze: If the long range plan is to drop down to two buildings, spending a large amount on LMS makes little sense.
 - h. Mick Baird: We need to outline a long range plan so the community can see the reasons and logic behind what we are asking from them.
 - i. Daryl Johnson: Brad gave us numbers. Now we need to tell him what to do.
 - j. Paul Main: Has concerns over our enrollment. Can we wait until it stabilizes? Does not believe we can go for a .55 mill increase for 12 million. Does not think it will be supported.
5. Committee recommendation: Proceed with a bond request. Brad was asked to come with options for a no mill to .3 mill option. We will be meeting August 15, 2012 at 7:00 p.m. to further outline our bond strategy.