

**BARTHOLOMEW CONSOLIDATED SCHOOL CORPORATION
SCHOOL BOARD MEETING
MONDAY, SEPTEMBER 23, 2019 MINUTES**

The regular meeting of the Board of School Trustees of the Bartholomew Consolidated School Corporation was held at Clifty Creek Elementary School, 4625 E 50 N, Columbus, IN, 47203, on Monday, September 23, 2019 at 6:30 p.m., pursuant to notice having been duly given to the media and to all members of the Board in accordance with the rules of the Board.

On call of the roll, the members of the Board were shown to be present or absent as follows:

Present: Dr. Jill Shedd, President
 Mr. Richard Stenner, Vice President
 Mrs. Kathy Dayhoff-Dwyer, Secretary
 Dr. Julie Bilz, Member
 Mr. Pat Bryant, Member
 Mr. Jeff Caldwell, Member

Absent: Mr. James Persinger, Member

Administration: Dr. Jim Roberts, Superintendent
 Ms. Teresa Heiny, Assistant Superintendent for Human Resources
 Mr. Chad Phillips, Assistant Superintendent for Business Services
 Dr. Laura Hack, Director of Elementary Education
 Mr. William Jensen, Director of Secondary Education
 Dr. Brett Boezeman, Director of Operations
 Dr. Gina Pleak, Director of Title Services
 Dr. George Van Horn, Director of Special Education

School Attorney: Mr. Chris Monroe

REGULAR SESSION

Mr. Bryant shared reflections.

Following the pledge of allegiance, the meeting was called to order at 6:34 p.m.

Clifty Creek Elementary students read the mission and vision in Arabic and English.

Dr. Shedd noted the high expectation objectives.

Mr. Parsons, Clifty Creek Principal, shared that the Clifty Creek Day of Service went very well. Students and adults delivered 350 mums and cards of kindness to community

members. The school has received a lot of positive feedback, and Mr. Parsons thanked everyone for their participation, including Dr. Roberts, Dr. Hack and Dr. Pleak.

PUBLIC HEARING

- 2020 Budget (Mr. Phillips)

Dr. Shedd gaveled out of the regular meeting and opened the Public Hearing.

Mr. Phillips shared that the total 2020 budget is up just under 2% from 2019; a total advertised budget of \$117,078,581.

The largest revenue for the Education Fund is state support per student. The budget reflects a per pupil dollar amount increase from the state, but the state also reduced the funds applied to the complexity index. The budget was built on an assumption that the ADM would be down 75 students. At this point, the count is not official, but it looks as if the ADM count will be down 45 students. This would be an increase of approximately \$180,000. The February 2020 ADM count is expected to be down, mainly due to mid-term graduates, and that count funds the second semester, January 2020 through July 2020.

Mr. Phillips shared the total assumed revenues for the Education Fund to be \$79,876,452 and the total assumed expenditures with transfers to be \$79,781,791. Salary and benefits equal 97% of the expenditures in this budget. The Education Fund revenues are up about \$2 million but nearly all of this will fund the increasing health costs. The Cabinet and departments have worked hard to find savings and cuts so there might be dollars for salary increases in the budget. There has been a trend in the corporation where less is being spent on everything else except salaries and benefits. Of all the new dollars received from the state since 2009, 88.4% has gone directly into the classroom for salaries and benefits for teachers, teaching assistants, and substitute teachers.

1. Mr. Phillips shared a graph showing that, since 2009, more than 100% of new money in the General Fund has been allocated to salaries and benefits; 88.4% of this has gone into the classroom. All other General Fund category expenses have been cut to hopefully allow for salary and benefit increases.

Mr. Phillips shared that the Operations Fund is primarily supported by property taxes based on assessed valuation. The assessed value is expected to increase 4.34%, but the tax cap losses are expected to double from 2019 to \$2.5 million. This loss impacts the corporation's ability to fund transportation and capital projects. The increase in assessed valuation allows existing debt payments to have a lower impact on tax rates, giving the corporation additional capacity to bond and continue to maintain a consistent tax rate.

The Capital Projects Fund (CPF) budget is a part of the Operations Fund and is now made up of mostly employee salaries and benefits. The CPF will most likely be reduced by the Department of Local Government Finance (DLGF) due to pension bond neutralization and tax

cap losses. The CPF includes salaries and benefits for custodial staff and skilled trades with an increase of \$250,000 in health premiums compared to the 2019 budget. The equipment budget had to be cut drastically and the emergency facility needs allocation was increased since the budget no longer includes facility improvements. Large facility projects will be bonded. There is an increase in the utility line item; savings are expected from the LED lighting and solar projects, but Duke Energy had informed the corporation of a large rate increase. It was noted that the new property and liability insurance carrier had been helpful to the budget, giving a savings of over \$250,000. The advertised 2020 capital projects portion of the Operations Fund is increased 5%, but will likely be reduced by the DLGF.

Mr. Phillips noted that the transportation portion of the Operations Fund is flat for 2020. This fund was also hit hard by health cost premium increases so nearly every category was reduced except for salaries and benefits. The assumed budget was reported to be \$6,189,052.

The Bus Replacement Plan is to replace ten buses at a cost of \$1.2 million, but with the Pension Bond neutralization and tax cap losses, the number of buses purchased will likely be reduced to six.

Mr. Phillips shared a 2020 Operations Budget Summary noting an increase of 2.9%, but this will be reduced by the DLGF. He also noted that health costs will take the vast majority of all the new revenue.

Mr. Phillips shared that money between the Education Fund and the Operation Fund moves in both directions. The net reduction in the Education Fund is an equivalent net increase in the Operations budget of \$5.9 million. This is 7.7% of the Education Budget and is well below the guideline legislators set at 15%.

Mr. Phillips shared the Debt Service Fund budget for 2020 to be \$12,355,707. There were two Technology General Obligation Bonds paid off in 2019. There is an increase in the Debt Service, but the assessed value growth, lower operation balances, and a decrease in the Referendum Debt Fund budget will allow the corporation to maintain a stable total tax rate for 2020. The recently approved Technology Bond will be paid off in two payments in 2020 with minimal interest.

The Pension Debt Fund was reported to be \$313,452. This payment has to be offset by reductions to other budgets so that it is tax neutral. This payment will automatically reduce the Operations Budget, and due to this neutralization fewer buses will be purchased.

The Referendum Debt Fund budget was reported to be \$6,271,100. This reduced payment allowed the corporation to increase the budget for the Debt Service Fund. The decrease in the annual payment is due to the complex “crossover” refunding at the end of 2017. This reduced the payment and created capacity to bond building projects, such as the soccer complex, Columbus East auditorium, roof replacements and the energy efficiency projects. The DLGF restricts the use of these funds, and they cannot be used for salaries, but must be used for capital improvements to facilities.

Mr. Phillips shared that he expects reserves to decrease in 2019 due to health premium increases and there will be an additional appropriation request at a future meeting. Mr. Phillips shared the very rough estimates of year-end reserves for 2019 to be: Education Fund \$1,900,000; Rainy Day fund \$4,874,348; Operations Fund \$3,100,000. These are healthy but not excessive cash balances; the Education/Rainy Day Fund and Operations reserves would fund approximately two payrolls each.

The tax rate history was shared and the advertised rate for 2020 was \$.9034. The final tax rate will likely stay consistent with the average of the past 5 years at approximately \$.85 - \$.86. The corporation tax rate is below the average of the bordering school corporations. Mr. Phillips also shared tax rate graphs that compared BCSC to schools with a comparable budget and comparable assessed value.

The board will be requested to adopt the 2020 budget at the October 21 school board meeting.

The following information was shared in response to questions from the board.

The complexity index reduction from the state will reduce the revenue a total of \$689,000 in the Education Fund. It is thought that the state is moving in the direction of eliminating the complexity index.

Some line items in the Transportation budget were reduced due to the renovation of the Transportation & Maintenance building as new equipment would be added.

There are 20 individuals teaching on an emergency license.

The Education Fund supports most things connected with a school and with curriculum such as teachers, secretaries, principals, assistant principals, people in the curriculum departments etc. and supplies for the classrooms and school buildings. The Operations Fund supports some central office administrators and their staff; this is a small group. It mostly supports the custodians, and skilled trades' personnel. Bus drivers are paid through the Transportation budget in the Operations Fund.

Dr. Shedd asked for questions or comments from the public.

A reporter, Mr. Quick, asked for verification on the Department of Local Government Finance (DLGF) having the final say on the budget. Mr. Phillips confirmed this to be true.

Dr. Shedd added that we need to be reminded that the corporation is an amazing people business and that a large majority of the money is spent on people while buildings are kept in reasonable shape with a small percentage of the budget.

President Shedd gaveled out of the Public Hearing at 7:08 p.m. and re-opened the regular board meeting.

PUBLIC COMMENTS

There were no public comments.

WHAT

1) Board Commendations:

Mr. Stenner commended Smith Elementary for their 50th Birthday and the corporation for hosting a future robotics competition. He also commended the high school students that were a part of Exhibit Columbus. Shelby Thomas, *The Republic*, was thanked for the work on the news articles that highlighted the corporation.

2) School Board Member Reports:

Dr. Shedd attended the Corporation Continuous Improvement Council (CCIC) meeting where they reviewed targets and measures for the Plan on a Page discussing if there is clear alignment. There was discussion around the possible adjustments in regards to parent perspective, student engagement and developmental assets. The challenge is to make the Plan on a Page reflect BCSC as The District of Choice.

3) Cabinet Reports

- Preliminary ADM (Mr. Phillips)

Mr. Phillips shared that the preliminary ADM student count is showing a reduction of 45 students from the prior year. The initial thought was that there would be 75 fewer students. After the 2020 census data is available, the corporation plans to conduct a demographic study.

HOW

4) Requests for Approval: (Dr. Roberts)

Dr. Roberts reviewed the following items for the Board.

- a. Minutes of the Regular School Board Meeting of September 9, 2019
- b. Supplemental Contracts (Dr. Hack/Mr. Jensen)
- c. Field Trips/Professional Leaves (Dr. Hack/Mr. Jensen)
- d. School Fundraisers (Dr. Hack/Mr. Jensen)
- e. Claims and Payroll (Mr. Phillips)
- f. Adopt the Technology Preliminary Bond Resolution (Mr. Monroe/Mr. Phillips)
- g. Adopt the Technology Reimbursement Resolution (Mr. Monroe/Mr. Phillips)

- h. Award Bids for the Soccer Complex (Dr. Boezeman)
- i. Award Bids for the Transportation & Maintenance Building Renovation (Dr. Boezeman)

Dr. Roberts shared additional information on the requests for approval. He requested approval of Items 4) a-i.

Mr. Caldwell made a motion to approve the reviewed items, and Mrs. Dayhoff-Dwyer seconded the motion.

The following information was shared in response to questions from the board.

The combination bid for the Soccer Complex and the Transportation & Maintenance Building Renovation was awarded to Maxwell Construction.

Mr. Phillips noted that the claims and payroll requests had been reviewed and were in order.

Upon a call for the vote, the motion was carried unanimously to approve Items 4) a-i.

5) Request for Approval of Human Resources Recommendations (Ms. Heiny)

Ms. Heiny requested approval of the Human Resources recommendations.

Dr. Bilz made a motion to approve the Human Resources recommendations, and Mrs. Dayhoff-Dwyer seconded the motion.

Upon a call for the vote, the motion was carried unanimously.

BOARD INPUT/REVIEW

Dr. Shedd reported that the next school board meeting would be October 21, 6:30 p.m. at Mt. Healthy Elementary School.

There being no further business, the meeting adjourned at 7:21 p.m.

_____ Secretary

Attest: _____ President