

OREGON-DAVIS SCHOOL CORPORATION

Thursday, October 11, 2018
School Board Work Session Meeting, 6:00 PM

Oregon-Davis Jr./Sr. High School, Room 202, 5990 North 750 East, Hamlet, IN 46532

The Board of School Trustees of the Oregon-Davis School Corporation met in a special Work Session on Thursday evening, October 15, 2018 at 6:30 PM in Room 202 of the Jr/Sr High School, 5990 North 750 East, Hamlet, IN 46532

1.0 Call to Order

1.01 Welcome - by Mrs. McIntosh

1.02 Pledge of Allegiance

1.03 Roll Call - Andrea McIntosh, Chris Lawrence, Shirley Budka, Annette Ferch, absent, Kurt Hayes.

2.0 Other Business

2.01 Work Session to discuss 2019 Budget

The purpose of the meeting was to go over the 2019 budget that Dr. Harman will be asking the School Board to approve and adopt on October 15th.

The first item passed out was a handout explaining where to go on the state DLGF site to get budget information for Oregon-Davis.

Gateway Access for the public: www.in.gov/dlfg/

Right side budgetnotices.in.gov - online budget notices

Click on learn more

Search by county

Find county and click search

Scroll to unit - click on school name

Click on view budget notice

Form 3

To find out past certified budget, levy, cnav, tax rate by fund: www.in.gov/dlfg/

Left side - Reports and Data click on +

Select reports

Toward the top of the page.

Click on the year you want to see.

At this time Dr. Harman turned the time over to Mrs. Salazar to go through the budget information the Board Members had received previously. The following is a summary of the information Mrs. Salazar presented.

Financial worksheet

This is a picture of the corporation's 2018 finances. Numbers were collected from the June 30 fund report, revenue report and our current budget order. The numbers carry over to Form 4b.

Debt worksheet

This is a picture of the corporation's debt payments from July 2018 thru January 2021. There are three lease rental payments. Currently the corporation is paying interest only on the 2009a lease agreement. Payments on principal will start again on June 30, 2025. This will be paid off with the December 30, 2026 payment. The corporation is paying one principal payment and two interest payments a year on the 2009b lease agreement. The last payment on that lease rental is December 30, 2024. These are both construction bonds. The corporation is paying two principal and two interest payments a year on the 2012 lease agreement. The last payment on this agreement will be June 30, 2013. This was a refinance.

Form 1

This is a picture of estimated expenses for 2019. Figures have been cushioned to set our "ceiling" high, knowing we are going to have to trim it down to stay within the revenue we receive from the state and/or taxpayers. We strive to be fiscally responsible while trying to maintain and increase the educational value for our students. The education fund replaces our general fund. The education fund is the "bucket" for educational expenses that bases its revenue on student count. Whereas before, general fund encompassed all expenses except pupil transportation, the education fund only allows expenditures allocated to student instruction and learning. Any overhead, such as administrators, maintenance, utilities, etc. now becomes part of the operations fund. We have to take a little over a million dollars that used to be state supported and shift it to the operations fund which is tax supported because of changes made by the state. At this time, the state is allowing us to transfer money from the education fund to the operation fund to make up the difference. The operations fund is the previous CPF, Transportation, and Bus Replacement funds. Debt service is based off the payments due in 2019. The referendum fund is our extra-curricular and a few other positions that would come out of the education fund if we did not have the referendum. Rainy day continues to be our savings account.

Form 2

This is a picture of estimated revenue for 2019. Figures have been conservatively set to preserve reality. This form does not include property taxes. It is made up of the license excise tax, commercial vehicle excise tax, the financial institution tax and basic grant payments. It also includes any revenue we expect to get from outside sources, such as preschool, building rent, interest and so on. The basic grant is the main revenue source for the education fund. We went from 555 students last year to 513 students this year on count day. That has resulted in a \$223,453 decrease in funding for the education fund. Taxes are the main revenue source for the operations fund. The CPF was a rate controlled fund, while the transportation and bus replacement funds were levy controlled. The operations fund will be a levy controlled process with a maximum levy set by the state. Taxes are also the revenue source for the referendum fund and that rate has been set by the taxpayers. Rainy day is funded by the funds that have some to give.

Form 3

Form 3 is the public advertisement of our budget. It is the “ceiling.” We can opt for less, but we cannot ask for more.

Form 4a

This form breaks down expenditures by categories. This form makes it easy to see at a glance how we are spending our dollars.

Form 4b

This is an 18 month picture that combines our estimates with actual expenses and revenues to give us the tax rates and levies for the 2019 calendar year. The operating balance is extra money that we would like to see our accounts carry. That is also the first area that gets cut when we need to achieve a lower tax rate.

We also have bus replacement that used to be a 12 year plan which now the state only requires to be 5 years, but all buses have to be listed.

CPF - we only have to list sources and estimates of revenue, expenditures and acquisitions over \$10,000 but it still has to list a 3 year plan.

Dr. Harman also passed out to the Board a history of the last 5 years of the budget process that shows what was asked for and what was actually received. It also shows the tax rates for each year.

The Board thanked Mrs. Salazar for the time and effort she made in putting this information together for them and assured her if they had further questions they would contact her before the next Board Meeting.

3.0 Reports

3.01 Superintendent’s Report - none

3.02 Principal’s Reports - none

4.0 Board Comments

5.0 Future Meetings

5.01 Board Meeting: October 15, 2018

6.0 Adjournment

Mrs. McIntosh asked for a motion to adjourn. Motion was made by Mrs. Budka and seconded by Mr. Lawrence. Motion passed 4-0. Meeting adjourned at 6:37 pm.

