

**SCHOOL CITY OF HOBART
BOARD OF SCHOOL TRUSTEES
WORK SESSION MEETING
March 16, 2017**

The Board of School Trustees of the School City of Hobart met in a work session on March 16, 2017, in the Board Room at Hobart High School, 2211 East Tenth Street, Hobart, Indiana.

ROLL CALL: President Terry Butler asked Board Members to log in. The following Board Members and Administrators were present or absent as noted:

Board Members Present:

Terry D. Butler
Rikki Guthrie
Michael J. Rogers
Dave Bigler
Karen Robbins
Donald H. Rogers
Stuart B. Schultz

Administrators Present:

Peggy Buffington
Ted Zembala
Christopher N. King
William J. Longer
Jonathan Mock
Felix Perry

AUDIENCE: The following were also present:

Christopher LaFollette, Fidelis Construction Management
Jim Thompson, Gibraltar Design
Jim Elizondo, Stifel Public Finance

CALL TO ORDER: President Butler called the meeting to order around 5:52 p.m.

PLEDGE OF ALLEGIANCE: Terry Butler deferred the Pledge of Allegiance to the regular session meeting.

DISCUSSION: 3 Year Termination Notice for Transportation Services: President Butler discussed the possibility of the Board notifying the state that it will be terminating transportation services because of the predicted loss of revenue due to the tax-exempt debt ending at the end of 2019. In accordance with state statute, he indicated that the notification must be given three years prior to the actual termination of services. Included in the Board's electronic meeting packet were copies of minutes (Beech Grove City Schools and Danville) and resolutions (Lake Station, MSD Decatur Township, Muncie, Northwest Allen School and Westfield) from school corporations that have already notified the Indiana Department of Education they would be terminating transportation services. Mr. Butler passed out Hammond's resolution to do the same. The General Fund would not be able to absorb the anticipated shortfall. He noted that the notification would be a precautionary measure because of the possible shortfall of funds. Dr. Buffington indicated that the school district had been fiscally responsible, and she was proud of that. However, school funding can be uncertain, and a drop in ADM enrollment can relate to a large loss of monies from the state.

In the discussion, Rikki Guthrie asked if an operating referendum could be used to cover this loss of revenue, and Mr. Butler indicated it could. If a referendum was decided on, she thought people would be upset to hear about the possibility of no bus service. Mr. Butler noted it would be important to make them aware of the whole situation. Mike Rogers commented the district would still have responsibilities to transport special needs students. Mr. Butler indicated that in accordance with the transportation law, foster and special needs children must be transported. Terry Butler understood Dr. Buffington's concerns about how this could affect the possible bond issue referendum. He asked the Board members to think about it and said it would be discussed at the next meeting. He said Lake Station lost their referendum last year, but they would be seeking an operating referendum in November.

REVIEW: NEOLA Board Policy Updates: The Board continued their review of the latest NEOLA updates to Board Policy. Dr. Buffington indicated that Exhibit 13 was the policy being discussed that pertained to head lice (Pediculosis). She noted that parents were not paying attention to the "no nit" policy, and Indiana was classified as "a super lice state". Rikki Guthrie commented that getting rid of head lice was a definite problem, and special medication was needed to do it. Dr. Buffington indicated it was Attorney William Longer's opinion that the language in question was not needed and that state statutes gave the district the flexibility to deal with this problem, and she concurred.

DISCUSSION: Facility Needs: Discussion continued about possible upcoming facility needs of an elementary school and swimming pool at the high school. If the Board proceeds with the proposed projects, a referendum would have to be held. There was lengthy discussion, and some of the items mentioned were as follows:

- If a marketing firm was used, it would target registered voters rather than all residents and thought their cost would be \$25,000-\$30,000.
- The high school building project was mentioned, how the groundwork for the project had been handled, the citizen input, and how information had been disseminated.
- School district facilities cannot be used for referendum activities after the 1028 hearing.
- Concerns were expressed about the already presented financial bond issue information not including the TIF assessed value on the levy certification assessed value, and the numbers did not reflect a negative assessed value. Updated information from Jim Elizondo reflected these concerns and assumed no assessed value growth, market interest rates plus 1% and 19.5 year tailored repayment. TIF assessed value for the calculation of referendum debt rate but was not included for the existing debt.
- Trying to keep a stable tax rate
- Other school projects that might be added to the total bond issue were mentioned.
- There would be a shortfall due to tax caps and loss of the circuit breaker.
- Jim Elizondo recommended only doing one referendum.
- It was noted that Hobart had been a growing district the past few years, but that was not so this year.
- It was noted there are many new people to the community who do not realize why the high school does not have a swimming pool so that would need to be addressed.
- Some discussion about how Ridge View School would be used because that would have to be explained, as well, and why the district was keeping the school. It has a small cafeteria/gym and some ADA issues. Possibly using the school for some CTE classes, and noted if it would ever be available to a charter school, the school district would still have to maintain the building in accordance with state law.

At the end of the meeting, President Butler indicated Board members were prepared to move forward. He asked Board members to think about the following and be ready to discuss at the next work session:

- 1) November or May referendum – yes/no
- 2) Include operational items in the referendum
- 3) Whether or not to use a marketing firm for the referendum

ADJOURNMENT: There being no other business designated for the work session, President Butler adjourned the meeting around 6:48 p.m.

BOARD OF SCHOOL TRUSTEES
SCHOOL CITY OF HOBART

Terry D. Butler, President

ATTEST:

Michael J. Rogers, Secretary

Submitted for Approval: April 6, 2017