

- ..... organized as the Board of School Trustees for 2014.
- ..... elected Dorisanne Nielsen as President, Carolyn Morris as vice president, and Glenn Duncan as secretary of the Board of School Trustees for 2014.
- ..... publicly disclosed potential conflicts of interest for Mr. Duncan, Mrs. Nielsen, Ms. Stahr, and Doug Weaver.
- .....the public 1028 Hearing was called to order by President Dorisanne Nielsen.
- .....was presented a report by Doug Hasler, executive director of support services, on the transportation/operating referendum. Mr. Hasler indicated Indiana law allows the governing body of a school corporation to place a question on a ballot if the school board determines that a referendum levy should be imposed to replace property tax revenue that the school corporation will not receive because of the application of circuit breaker tax cap credits. The goal of this referendum is to replace property tax revenue and maintain a quality education. The year to year loss of property tax revenue has increased; in 2013, the loss to all tax funds totaled \$5.2 million, while the Transportation Fund loss was in excess of \$1 million, in 2014 it is expected to see a \$2 million loss. Mr. Hasler indicated the operating referendum would be \$4 million each year for seven years. The tax impact would be \$.1315 per \$100 of assessed value. Mr. Hasler listed the project scope and summary to be funded for the transportation, programming, and operating referendum: replace loss of revenue in transportation fund; eliminating two mile walk zone for secondary students; eliminating bus rides in excess of one hour; restructuring the elementary day; maintaining the elementary band and orchestra programs; maintaining PEP transportation; returning to school-sponsored field trips; assisting extracurricular programming with transportation costs; maintaining current student teacher ratios; and maintaining current academic programming.
- .....was presented a report on safety-building repairs projects by Tony Gianesi, director of building services. Mr. Gianesi listed safety and security priority projects district wide: enclose open concept classrooms; enclose unsecured cafeteria; classroom security locks; interior access limitations; relocate or realign main offices in schools; secure entrances in schools; secure main vestibule office entry; security system upgrades district wide; PA system replacements; and exterior lighting improvements. Mr. Gianesi listed capital improvement priorities district wide: complete roof replacement on some buildings; partial roof replacement on some buildings; physical plant improvements; masonry repairs; and asphalt repairs.
- .....was presented the financing and tax impact of the proposed Capital Referendum projects by Mr. Hasler. He started the presentation by showing the current debt service/lease rental payments for 2013-2026; beginning in 2015 the debt for Elkhart Community Schools (ECS) begins to decline. Mr. Hasler indicated to finance the Capital Referendum projects bonds in the amount of \$19,030,000 would be issued. The estimated maximum annual lease rental payment would be \$1.6 million and the estimated maximum tax impact would be \$.0545 per \$100 of assessed value. Mr. Hasler explained the associated costs of issuing bonds and the net amount available for safety and building projects would

be \$17,492,000. Mr. Hasler showed a chart of the ECS existing and proposed debt service/lease rental payments for capital referendum projects over time; examples of estimated tax impact for the \$19,030,00 Capital Referendum Projects and the \$4,000,000 Operating Referendum on property owners; and the estimated net change in ECS tax rate for operating referendum. Mr. Hasler concluded the presentation by showing a chart of the ECS debt rolling off for existing and proposed debt with the combined Operating Referendum and Capital Referendum, beginning in 2016 even with the additional bonds, ECS debt will be below the 2014 tax rate and declining each year through 2033. Mr. Hasler indicated this indicates ECS stability moving forward. He also submitted a schedule of indebtedness for the official minutes.

.....opened the floor for public comment.

.....heard from citizen Rick Rudy who is opposed to the referenda. Mr. Rudy stated he has paid his taxes and hasn't had children in school for ten years. He reported findings from an internet search including the salary of Superintendent Haworth, stating Dr. Haworth is over paid and doesn't put his life on the line; the waste of money in administration costs, asking why Memorial High School needs four assistant principals. Mr. Rudy stated from his internet search, the cost per student is the third highest in the state and the average class size in ECS is 16 students. He encouraged the audience to search the internet themselves and find this information.

.....heard from Ryon Wheeler, executive director of the Boys and Girls Club of Elkhart, in support of the referenda. Mr. Wheeler stated it is not just the 1,000 ECS students enrolled in the Boys and Girls Club he is concerned for, it is all ECS students. He stated students should be able to attend school in a building that is safe, without leaking ceilings, and not have to ride a bus for over an hour.

.....heard from Alex Holtz, Elkhart Teacher's Association (ETA) President, in support of the referenda. Mr. Holtz listed ECS budget reductions since January 1, 2010. He clarified the list was compiled and presented as the ETA President. He highlighted the salary of a first year teacher is approximately \$36,000.00; with the increase in insurance premiums and deductibles, their salary could drop as low as \$24,000.00 if they have family coverage. Mr. Holtz shared the story of a first grader who watched a movie about a farm instead of taking a field trip to an actual farm, and told his teacher he had never seen a cow before. Mr. Holtz stated his greatest memory as a student at Bristol Elementary was the end of the year field day at Bonneville Mill, and wants all students to have experiences outside of the classroom.

.....heard from Tanzie Nielsen, parent of ECS students, in support of the referenda. Mrs. Nielsen stated with the violence in schools across the country, at the end of the school day, she has a sense of relief when she picks up her children they are safe and nothing happen to them while in school. She indicated she may sound paranoid, but those are her babies and the referendum can provide the extra safety measures. Mrs. Nielsen also stated the children are our future, and we need to keep them safe.

.....heard from Lou Pace, parent of a current ECS student and three graduates, in support of the referenda. Mr. Pace directed everyone's attention to the banner in the board room highlighting it is Elkhart "Community" Schools, and if the schools are not strong it affects the entire community.

.....heard from Amish Shah, local business owner, in support of the referenda. Mr. Shah stated he is the first generation born in the United States, and is proud to call Elkhart home. His father started a business in Elkhart forty-three years ago and he has started a business in Elkhart. He believes in the community and said the community begins and ends in education. Mr. Shah stated he relies on the school corporation to supply him with an educated work force and when he recruits employees to Elkhart, the first question they have is, "how are the schools?" He stated these changes need support to make the schools better.

.....closed the public hearing.

.....adopted a Referendum Tax Levy Resolution. A referendum question will be placed on the ballot asking voters to vote on the following: "For the seven (7) calendar years immediately following the holding of the referendum, shall the school corporation impose a property tax rate that does not exceed \$0.1315 on each one hundred dollars of assessed valuation and in addition to all other property tax levies imposed by the school corporation?"

.....adopted a resolution of Safety-Capital Projects referendum. The referendum question will be placed on the ballot in May 2014 asking voters to vote on the issuance of bonds in the amount of \$19,030,000.00 for multi-facility safety, security, and basic building restoration projects and is estimated to increase the property tax rate for debt service by \$0.0545 per \$100 of taxable assessed valuation.

.....adopted a Tax Neutrality Resolution confirming the 2015 Budget year tax rate will not exceed the 2014 tax rate of \$1.2861 per \$100 of taxable assessed valuation. Mr. Hasler indicated the resolution is not required as part of the referendum process, but ECS wants to demonstrate to taxpayers fiscal responsibility.