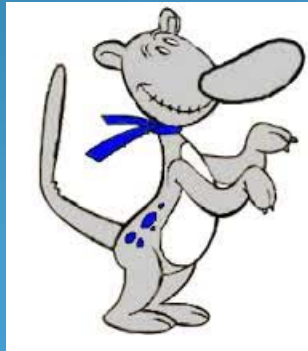


Northeast Dubois County School Corporation Feasibility Study

Completed by Administrator Assistance
January 7, 2016



Bruce Hatton
Steve Sonntag

Agenda

Introductions and Tonight's Meeting Presentation – Steve Wittenaur

Process, Study and Methodology and General Observations - Bruce Hatton

Meeting Schedule – Bruce Hatton

Interviews: Observations and Findings - Bruce Hatton

Community Forums: Observations and Findings – Bruce Hatton

Surveys: Observations and Findings – Bruce Hatton

Current Conditions, Efforts and Projections - Steve Sonntag

Tax Rate and Side by Side Comparison - Steve Sonntag

Recommendations and Timeline - Bruce Hatton and Steve Sonntag

Questions and Follow-Up - Steve Wittenaur



Introductions and Tonight's Meeting



Administrator Assistance

Bruce Hatton

Steve Sonntag

Tonight's Meeting Presentation

Process, Study and Methodology and General Observations



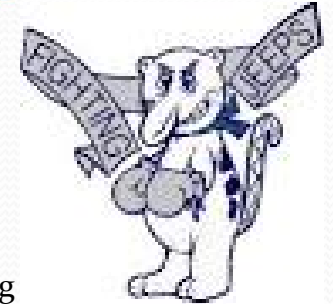
Process Overview

Feasibility Study

Methodology

General Observations

Meeting Schedule



Tues 9/15	Board Meeting Present Calendar schedule	Wed 10/7	8:00 am HS Staff Mtg Community Interviews: parents, community, business, etc.
Tues 9/29	Tour of buildings (Led by individual principals) Administrative Meeting p.m.	Tue 10/13	School Board Member Dialogue Central Office Community Forum Dubois 6:30
Wed 9/30	10:00 Superintendent Meeting	Thur 10/15	On site Follow Up Individual Interviews
Thur 10/1	Classified Staff 8:00 Trans, 9:00 Maintenance, 10:00 Classified, 11:00 Central Office, 12:30 Classified, 1:30 Cafeteria, 2:30 Cleaning Middle School Staff 3:15	Tue 10/20	Board Meeting Finalization of Survey
Mon 10/5	Dubois Elementary students 1:30 Dubois Elementary Staff 3:00	10/26-11/6	On Line Survey Window
Tues 10/6	Student interviews Middle School 10:30 High School 12:30 Celestine 2:00 Celestine Staff 3:30 Community Forum Celestine 6:30	Mon 11/11	Collection of Data Individual Interviews
		Tue 11/17	On Site Follow Up as needed Bd Meeting
		Tue 12/15	Board Meeting
		Jan 7, 2016	Board Meeting Presentation

Interviews, Community Forums and Surveys

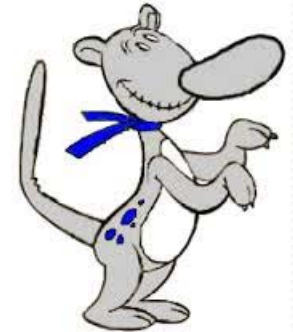


Interview Observations and Findings

Community Forums Observations and Findings

Survey Observations and Findings

Current Conditions, Efforts and Projections



Current Conditions

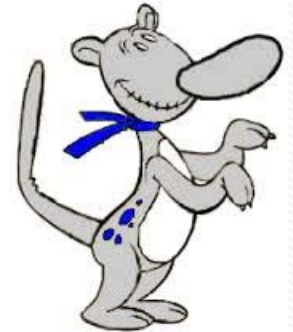
Available Funds for Operating Expenses (General Fund and Rainy Day Fund)

	<u>General Fund</u>	<u>Rainy Day Fund</u>	<u>Available Funds</u>	<u>Incr./ (Decrease)</u>
12/31/11 Bal.	\$756,748	\$705,440	\$1,462,188	
12/31/12 Bal.	\$499,807	\$492,081	\$ 991,888	(\$470,300)
12/31/13 Bal.	\$455,563	\$415,174	\$ 870,737	(\$121,151)
12/31/14 Bal.	\$515,229	\$257,857	\$ 773,086	<u>(\$ 97,651)</u>

Total Decline of Available Funds in Three Years (2011 to 2014) (\$689,102)

(\$689,102) / \$1,462,188 = 47.1% decrease in three years or 15.7% decrease per year

Current Conditions, Efforts and Projections (cont.)

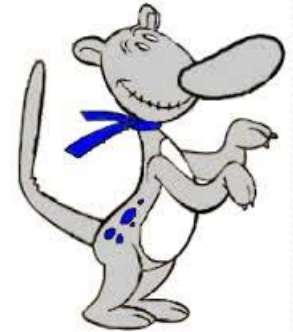


Fiscal Efforts

Serious Financial Condition

- Declining enrollment = Loss in State Revenue
- Declining Expenses = Cost Savings Measures
- General Fund and Rainy Day Fund Balances Declining
- CPF, Transportation & Bus Replacement Funds being used to transfer available funds to Rainy Day Fund
- “Rob Peter to Pay Paul” operation is decimating the CPF, Transport. and Bus Replacement Funds while needs in these funds are not being met fully

Current Conditions, Efforts and Projections (cont.)

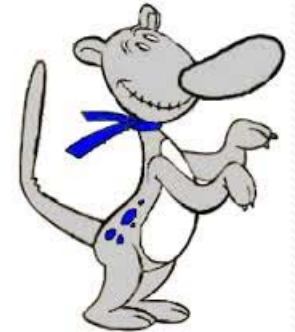


Projections

Revenue Impact Based on Estimated Enrollments (in addition to Current Deficit)

<u>Year</u>	<u>Enrollment</u>	<u>Change in Enroll.</u>	<u>Revenue Per Pupil</u>	<u>Gain / (Loss) of Revenue</u>
2014-15	899			
2015-16	879	(20)	\$5,397	\$(107,940)
2016-17	864	(15)	\$5,397	\$(80,955)
2017-18	866	2	\$5,397	\$ 10,794
2018-19	846	(20)	\$5,397	\$(107,940)
2019-20	835	(11)	\$5,397	<u>\$(57,367)</u>
Total Estimated Decrease in Revenue over Five Years				\$(345,408)
Average Est. Decrease in Revenue per year				\$ (69,082)

2014 Makeup of General Fund Budget



<u>Categories of Expenditures</u>	<u>% of Budget</u>
Instructional Staff Salaries and Benefits	74%
Instructional Aides Salaries and Benefits	14%
Substitute Staff Salaries and Benefits	<u>4%</u>
Total Instructional Expenses	89%
Administration, Board and Attorney Expenses	7%
Utilities	4%
Operations and Supplies	<u>5%</u>
Total General Fund Expenditures	105%

Tax Rate and Side by Side Comparison

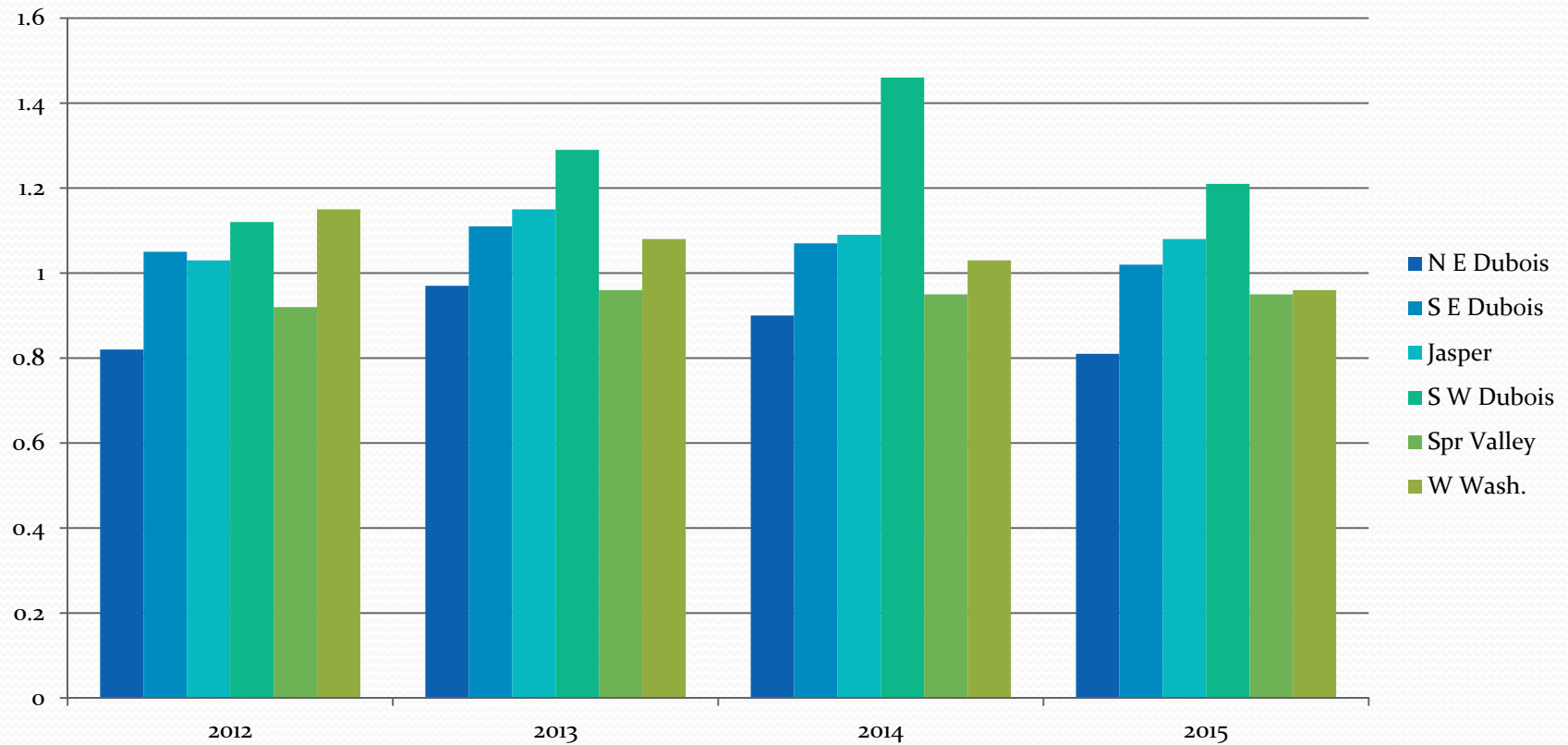


Tax Rate Comparison

		<u>Tax Rates of Neighboring School Districts</u>			
<u>School District</u>		<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
N E Dubois		\$0.82	\$0.97	\$0.90	\$0.81
S E Dubois		\$1.05	\$1.11	\$1.07	\$1.02
Greater Jasper		\$1.03	\$1.15	\$1.09	\$1.08
S W Dubois		\$1.12	\$1.29	\$1.46	\$1.21
Springs Valley	* (LOIT)	\$0.92	\$0.96	\$0.95	\$0.95*
West Washington	* (LOIT)	\$1.15	\$1.08	\$1.03	\$0.96*

Tax Rate and Side by Side Comparison

Tax Rates of Neighboring School Districts



Immediate Recommendation



- Staffing
- Benefits
- Curriculum
- Facilities
- Contracts

Recommendation #1



➤ Maintain Current Operating Structure

Current Academic and Facility Structure be maintained.

Supported by Public Survey, Statements & Evidence.

Provides appropriate, solid & community supported educational foundation for children of NE Dubois Schools.

➤ Conduct a General Fund Operating Tax Referendum

Spring 2016 conduct referendum to support a local general fund tax levy of \$0.18 per \$100 assessed valuation.

On average home value of \$133,200 result is add'l \$240/year.

Provides \$540,000 assistance to financially maintain current academic and facility structure and for proper staffing retention and recruitment of teaching staff and faculty.

Recommendation #1 (cont.)

➤ Successful General Fund Operating Tax Referendum



An Increase in tax rate of \$0.18 per net assessed value would fund the following:

- 1) Cover the current & projected deficit
- 2) Retain our quality instructional and operational staff and recruit any needed future staff with adequate compensation and benefits
- 3) Maintain Celestine Elementary School, maintain current instructional, extra-curricular and athletic programs with addition of music & drama program and increase student service social worker time

Recommendation if Referendum Fails



➤ Un-successful General Fund Operating Tax Referendum

- 1) Expense reductions to offset current & projected deficit
- 2) Probable RIF of staffing resulting in larger class sizes and low morale
- 3) Probable Closure of Celestine Elementary School, consider reductions to current instructional, extra-curricular and athletic programs and music & drama program is not added
- 4) Consequential larger than projected enrollment decline

Recommendation #2



➤ In 2020 Review Financial Operating Conditions

IF financial conditions have improved then current structure can be maintained.

➤ Option A Consider NE Dubois HS Renovation Project

Upgrade academic classrooms, vocational work areas, cafeteria and athletic facilities be modernized

Build additional classroom wing and gymnasium to be occupied by the 7th and 8th grades and consideration of an addition of an auditorium

Recommendation #2 (cont.)



➤ Option B Consider Celestine Renovation Project

Upgrade and modernize Celestine Elementary School utilizing the century old façade as the centerpiece for renovation.

Upgrades to all classrooms, additional office space, additional library and technology space, cafeteria modernization and the addition of classrooms to house an increase in student population.

This proposal would call for no change in the delivery of educational services to students.

Recommendation #3



- Explore General Obligation Bonds as a bridge to major projects

Identify Architects

Identify Bond Counsel, Bond Underwriter and Financial Advisor

Will assist to pay for “soft costs” like architects, engineers, bond counsel and rating agencies

Have capacity in Debt Service

Timeline for Implementation



- Spring 2016-2017 Implement suggested financial changes as recommended
- Spring 2016 Conduct General Fund Operating Tax Referendum
- Spring 2020 Review School Operation and Financial Condition
- Summer 2020 Adopt Plan for Renovation
- Spring Project Referendum Approval
- School Year 2020-21 Draft Architectural Plans for Renovation
- Summer 2021 Award Contracts
- 2021-2022 Construction Project
- 2023-2024 Occupy Space
- 2024 Consideration for 2nd General Fund Tax Referendum

Questions and Follow-Up



Questions and Answers

Process, Time Limit, etc.

Follow-up

February Board Meeting

Northeast Dubois County Community School Corporation

THANK YOU for All of your Support

“Once a Jeep, Always a Jeep”

