

Held

October 21

2015

**In the matter of
Regular Meeting**

The Ripley Union Lewis Huntington Board of Education met in regular session at 7:03 P.M. in the High School Lecture Hall with the following members answering roll call: Jeff Cluxton, Barry Sims, Jeff White, Jeff Wilson and Glenda Huff. Also in attendance were Superintendent Dr. Linda Naylor, Treasurer Jeff Rowley, Russ Curtis, Ken Roberts, Cheryl Roberts, Susie Skinner, Pam Fannin, Elaine Manning, and several guest.

President Cluxton called the meeting to order. The Pledge of Allegiance was then recited.

**In the matter of
Additions to the Agenda
Resol. #10-15-033**

Mrs. Huff made motion, seconded by Mr. Wilson to approve the following revisions to the agenda as recommended by Superintendent:

Personnel

3. Approve the employment of Janet Dugan as the High School Secretary and issue a 1 year contract at Step 0 for the remainder of the 2015-16 school year.

Result of roll call: Mr. Cluxton, yea; Mrs. Huff, yea, Mr. Wilson; Mr. Sims, yea; and Mr. White, yea. Motion approved. 5:0

**In the matter of
Superintendent's Report**

Superintendent's Report

- A. The monthly Superintendent's Report was presented to each member.
 - To allow time for bed bug update, item "A" regarding the principals reports on their intervention program was struck from the report.
 - A Technology update was given with the assistance of Russ Curtis, Technology Coordinator, noting that all Chromebooks 3-12 grade had been rolled out. K-2nd Grade Chromebooks still need to be signed into Kiosk mode then they will be ready to go. Russ also noted that SCOCA was to be in the District next Tuesday to switch or internet service over to a 500mg service line.
 - i. In separate matters, Russ noted that the Elementary School Cafeteria system has been updated, and that the High School was scheduled next. Also, the District is still in need of enough projectors to serve all the rooms.
 - A status report was given on the discovery of bed-bugs in the district was given with the assistance of Elaine Manning, School Nurse. She noted that there is a policy in place to address the discover of bed bugs, how the bugs and areas discovered are to be treated, the proper and discreet handling of the child and their belongings on which bed bugs have been found to avoid embarrassment by the child. The District is following all recommendations of the County Board of Health, including sealing of coats, belongings, books, etc upon which bed bugs have been found. Treating the immediate and surrounding are with a steamer by custodial staff. If a bud is found on an individual child, the school nurse will contact the child's parents/legal guardian to make them aware of the situation, and the best course of action for them to take at home to avoid or address a problem in the home. Children who have been identified on three separate occasions of have a bed bug on them or their possessions may be

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ask to stay at home until they can provide written proof of professional treatment.

(See Minute Book Folder)

**In the matter of
Public Comments**

- Bed Bugs – Several parents and staff voiced concern over the bed bug situation in the school district, and were concerned that enough was not currently being done in regards to containment and treatment to avoid an infestation not only in the District, but in their homes as well. Many were calling for the buildings and lockers to be cleared and sprayed by a professional exterminator.
 - Dr. Naylor made note that based on what she has read, and in conversation with our Facility supervisor, that there is not currently a chemical treatment available, that can be used in a school setting that will kill the bed bugs over an extended period of time, that any sprays available must be spread directly on the bug or its eggs. This would mean that while we could treat the buildings one day, if a student unknowing brings in a bug into the building the next day, the bug would be able to continue living and laying eggs in the building.
 - One parent suggested that a policy be set to not allow text or library books to be taken home.
 - One parent suggested that book bags not be allowed to be used by students to transport their belongings back and forth to school.
- Bus #25 – A Parent of a child who rides bus 25 was concerned over students getting on the bus in the morning not being given time to find their seats prior to the bus leaving the stop. Also, there was concern over the isle lights not being turned on in the morning when students are getting on in the dark.

**In the matter of
Treasurer's Report
Resol. #10-15-034**

Upon the recommendation of the Treasurer, Mr. Wilson made a motion, seconded by Mr. Sims to approve the following minutes, financial report, and financial resolutions for September 2015 as presented:

1. Reading, approval and signing of the September 16, 2015 regular meeting minutes.
2. Financial Report

Financial Report

- (A) - Financial Report by Fund with Reconciliation for September, 2015
- (B) - Summary Check Register for September, 2015
- (C) - Detail Check Register for September, 2015
- (D) – Appropriation Summary Report for September, 2015
- (E) – Receipt Ledger Detail/Budget Modifications for September, 2015
- (F) – Utilities report – September, 2015

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(G) – October 2015 Five Year Forecast

Bills (over \$3000.)

Dated prior to purchase order or exceed purchase order amount by more than 10%

Records Commission – Board President, Superintendent, and Treasurer must note that there will be no records disposed of at this time.

Advances and Transfers

Transfers - None

Advances – Repayment of Advance

| | | |
|------|---|---------------|
| From | IDEA-B 2015 #516-9015 | (\$50,000.00) |
| From | Title I-SIG 2015 #536-9015 | (\$42,500.00) |
| From | Title I 2015 #572-9015 | (\$42,000.00) |
| From | 21 st Century 2015 #599-9015 | (\$20,000.00) |
| To | General Fund #001-0000 | \$154,500.00 |

Total Advance due to General Fund at this time = \$0

Appropriation Modifications: (Legal Level of Control – FUND Level)

9/21/15 - +\$2,000 - #001-1311-840-0000-010000-003

Ohio FFA Association Dues

Total Appropriations for September 2015 ALL FUNDS, incl. carry-over encumbrances - \$14,995,189.77

3. To approve the Five Year Forecast and Notes (as presented)
4. Noted that Treasurer looked into filing for the 2015 Diesel Emissions Reduction Grant through the State of Ohio to add in the purchase of new buses, but unfortunately Brown County is not an eligible county this round.
5. Treasurer invested \$500,000 from Star Ohio General Operating Funds which are currently yielding .20% into two separate \$250,000, 3 year Certificates of Deposit from Huntington Investments yielding 1.65%

Result of roll call: Mr. Cluxton, yea; Mrs. Huff, yea; Mr. Sims, yea; Mr. Wilson, yea; and Mr. White, yea. Motion approved. 5:0

**In the matter of
Personnel
Resol. #10-15-035**

- Upon the recommendation of the Superintendent, Mrs. Huff made a motion, seconded by Mr. Wilson to approve the following personnel resolutions:

1. To approve Jessika Taylor to be added to the Classified Sub list in the following areas: Cafeteria, Secretary, Bus Monitor, and Gate Worker for the 2015-16 school year.
2. To approve Jayna King to be added to the Classified Sub list in the following areas: Cafeteria, Secretary, Bus Monitor, and Gate Worker for the 2015-16 school year pending background check.

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4. To approve the employment of Janet Dugan as the High School Secretary and issue a 1 year contract at Step 0 for the remainder of the 2015-16 school year.

Result of roll call: Mr. Cluxton, yea; Mrs. Huff, yea; Mr. Sims, yea; Mr. Wilson, yea; and Mr. White, yea. Motion approved. 5:0

**In the matter of
Administrative Advisor
Resol. #10-15-036**

- Upon the recommendation of the Superintendent, Mr. Wilson made a motion, seconded by Mr. Sims to approve the Memorandum of Understanding (MOU) between the Board of Education and the RULHEA regarding bargaining unit work with an expiration of said MOU to be June 30, 2016. This MOU permits Mrs. Whaley to serve as both teacher and 21st Century Grant Coordinator.

Old Business:

1. Energy Project update – Mr. Rowley noted that after review of the RFQ's received, which included ABM Building Solutions and Energy Optimizers, with Dr. Naylor and Dick Zurbuch, that the decision has been made to ask Energy Optimizers to be the project manager for our HB264 project.
2. Concession/Shelter House update – Mr. Rowley noted that the District did receive one bid from Timothy McCaughey Construction on the 2nd bidding notice, but it was rejected due to the fact it was determined to not have been submitted on approved bid forms, and because the bid amount of \$116,748 was 54% more than the project estimate. Based on the results of the first two biddings, the lead architect is going to consult with his partners to determine the best, feasible action to take from this point moving forward, but there may be not activity on the proposed project until next spring.
3. New Bus Order update – Mr. Rowley noted that the two new buses arrived in on September 22nd and 23rd, they have been registered and prepped, and are currently in use.
4. High School Gym sound system – Mr. Rowley noted that the installation of the new High School Gym sound system was completed during the week of the fair, and there is a dramatic improvement in the quality and clarity of the sound.
5. Chromebooks – As noted earlier in the Superintendent's report, the 730 newly lease/purchase Chromebooks have been prepped and deployed to all three buildings.

New Business:

1. Mr. Rowley requested a change in the November meeting date so that he might be able to attend a Student Activities/Booster Group Seminar on November 18th being sponsored by OASBO. After discussion it was agreed by the entire board that the meeting would be held on Tuesday, November 17th at the High School Lecture Hall.

Correspondence:

1. Dr. Naylor read letters of thanks for the thoughts, prayers, and gifts from Mr. Wilson at the recent passing of his Mother, and from Dr. Naylor herself at the recent passing of her Brother.

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**In the matter of
Executive Session
Resol. #10-15-037**

- Mr. Wilson made a motion, seconded by Mrs. Huff, in accordance with Ohio Revised Code (ORC) 121.22, to enter into executive session at 9:07 P.M. for the purpose of appointment, employment, dismissal, and discipline of an employee or public official, and to investigate charges/complaints against a public employee, official, or licensee.

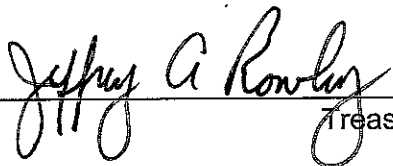
Result of roll call: Mr. Cluxton, yea; Mrs. Huff, yea; Mr. Sims, yea; Mr. Wilson, yea, and Mr. White, yea. Motion approved. 5:0

Those present in executive session included the five Board Members, Dr. Naylor, and Mr. Rowley. Mr & Mrs. Wayne and Nuwana Bingaman were first invited in by the board, who requested that Dr. Naylor and Mr. Rowley be excused from the session. Next, the board invited Holly Whitt into executive session.

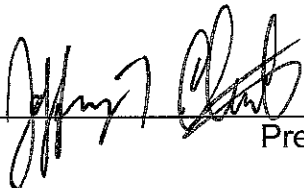
The Board returned from executive session at 11:44 P.M. with five members present.

There being no further business to come before the Board at this time, Mrs. Huff made a motion, seconded by Mr. Sims to adjourn the meeting at 11:45 P.M.

Result of roll call: Mr. Cluxton, yea; Mrs. Huff, yea; Mr. Sims, yea; Mr. Wilson, yea, and Mr. White, yea. Motion approved. 5:0



Treasurer



President

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Ripley-Union-Lewis-Huntington Five Year Forecast for Fiscal Year 2016

District Type: Local
 IRN: 046078
 County: Brown

| Line | Actual | | | Forecasted | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| 1.010 General Property (Real Estate) | 2,005,312 | 2,065,955 | 2,056,004 | 2,056,004 | 2,026,284 | 1,986,284 | 2,006,147 | 2,006,147 |
| 1.020 Tangible Personal Property Tax | | | 975 | 975 | 975 | | | |
| 1.035 Unrestricted Grants-in-Aid | 6,737,957 | 6,408,220 | 6,209,885 | 6,980,201 | 6,837,666 | 6,837,666 | 6,837,666 | 6,837,666 |
| 1.040 Restricted Grants-in-Aid | 53,702 | 497,947 | 863,731 | 632,349 | 632,349 | 632,349 | 632,349 | 632,349 |
| 1.050 Property Tax Allocation | 284,992 | 286,894 | 291,614 | 290,656 | 292,053 | 291,996 | 294,916 | 294,916 |
| 1.060 All Other Operating Revenue | 513,948 | 529,297 | 676,502 | 704,392 | 628,966 | 617,002 | 610,009 | 610,629 |
| 1.070 Total Revenue | 9,595,911 | 9,788,313 | 10,098,711 | 10,664,577 | 10,418,293 | 10,365,297 | 10,381,087 | 10,381,707 |
| 2.040 Operating Transfers-In | | | 6,178 | | | | | |
| 2.050 Advances-In | 409,470 | 391,409 | 150,486 | 200,000 | 200,000 | 150,000 | 150,000 | 150,000 |
| 2.060 All Other Financial Sources | 66,874 | 48,095 | 37,068 | 36,637 | 7,500 | 7,500 | | |
| 2.070 Total Other Financing Sources | 476,344 | 439,504 | 193,732 | 236,637 | 207,500 | 157,500 | 150,000 | 150,000 |
| 2.080 Total Revenues and Other Financing Sources | 10,072,255 | 10,227,817 | 10,292,443 | 10,901,214 | 10,625,793 | 10,522,797 | 10,531,087 | 10,531,707 |
| 3.010 Personnel Services | 4,766,395 | 4,477,802 | 4,692,330 | 5,062,112 | 5,178,135 | 5,293,197 | 5,416,235 | 5,542,473 |
| 3.020 Employees' Retirement/Insurance Benefits | 1,881,948 | 1,764,695 | 1,774,511 | 1,865,958 | 1,994,656 | 2,053,218 | 2,141,115 | 2,230,652 |
| 3.030 Purchased Services | 1,996,882 | 2,034,014 | 2,118,111 | 2,503,618 | 2,493,646 | 2,463,645 | 2,465,289 | 2,474,104 |
| 3.040 Supplies and Materials | 357,487 | 292,292 | 295,697 | 364,880 | 363,477 | 353,076 | 347,176 | 347,176 |
| 3.050 Capital Outlay | 119,049 | 60,984 | 81,647 | 263,599 | 140,096 | 140,096 | 50,096 | 50,096 |
| 4.020 Debt Service: Principal-Notes | 30,000 | 32,000 | 33,000 | 34,000 | 36,000 | 38,000 | 39,000 | 41,000 |
| 4.060 Debt Service: Interest and Fiscal Charges | 21,263 | 19,850 | 18,359 | 16,740 | 15,037 | 13,198 | 11,257 | 9,215 |
| 4.300 Other Objects | 154,721 | 151,300 | 148,291 | 164,762 | 166,383 | 166,696 | 166,696 | 166,696 |
| 4.500 Total Expenditures | 9,327,745 | 8,832,937 | 9,161,946 | 10,275,669 | 10,387,430 | 10,521,126 | 10,636,864 | 10,861,412 |
| 5.010 Operational Transfers - Out | | 8,764 | 27,411 | | | | | |
| 5.020 Advances - Out | 263,028 | 463,867 | 180,199 | 200,000 | 200,000 | 150,000 | 150,000 | 150,000 |
| 5.030 All Other Financing Uses | | | 7,433 | 70 | | | | |
| 5.040 Total Other Financing Uses | 263,028 | 472,631 | 215,043 | 200,070 | 200,000 | 150,000 | 150,000 | 150,000 |
| 5.050 Total Expenditure and Other Financing Uses | 9,590,773 | 9,305,568 | 9,376,989 | 10,475,739 | 10,587,430 | 10,671,126 | 10,786,864 | 11,011,412 |
| 6.010 Excess Rev & Oth Financing Sources over(under) Exp & Oth Financing | 481,482 | 922,249 | 915,454 | 425,475 | 38,363 | (148,329) | (255,777) | (479,705) |
| 7.010 Beginning Cash Balance | 1,390,551 | 1,872,033 | 2,794,282 | 3,709,736 | 4,135,211 | 4,173,574 | 4,025,245 | 3,769,468 |
| 7.020 Ending Cash Balance | 1,872,033 | 2,794,282 | 3,709,736 | 4,135,211 | 4,173,574 | 4,025,245 | 3,769,468 | 3,289,763 |
| 8.010 Outstanding Encumbrances | 137,576 | 188,108 | 373,269 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| 10.010 Fund Balance June 30 for Certification of Appropriations | 1,734,457 | 2,606,174 | 3,336,467 | 3,935,211 | 3,973,574 | 3,825,245 | 3,569,468 | 3,089,763 |
| 12.010 Fund Bal June 30 for Cert of Contracts, Salary Sched, Oth Obligations | 1,734,457 | 2,606,174 | 3,336,467 | 3,935,211 | 3,973,574 | 3,825,245 | 3,569,468 | 3,089,763 |
| 15.010 Unreserved Fund Balance June 30 | 1,734,457 | 2,606,174 | 3,336,467 | 3,935,211 | 3,973,574 | 3,825,245 | 3,569,468 | 3,089,763 |

Notes to the Five Year Forecast

"Please visit the Ohio Department of Education website at <http://ftp.ode.state.oh.us/geodoc/5-yrForecast/>."

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REVENUES

Tax (line 1.010)

Ripley-Union-Lewis-Huntington School District receives all of its real estate taxes from Brown County residents. County Tax collection rates remaining fairly good at 94%. Brown County is scheduled for a tri-annual reappraisal update in 2015. Collections from the update will occur during 2016. A full reappraisal will be completed in 2018.

The District noticed just over a 2% increase in collections between 2012 and 2014, this is likely due to a couple of factors. First, over the past few years there has been a slight decrease in the amount of delinquencies across the County which has provided some additional revenue. Second, Brown County did notice a large increase in the values placed on farmland during the past full reappraisal, but these values were offset by an average of a 10% valuation decrease in residential and commercial property. The net effect of these values calculated to be less than a 1% increase in tax revenues to the school district. We are predicting the economy to see a slight improvement over the next 3-4 years, and for this reason we have estimated only slight increases of .5% to 1% property tax revenue growth from 2016 through 2018.

One item of interest that has been reported to us that could have a negative effect on the District's Tax Base is the pending sale of 3,000 acres of land in Brown County to the State of Ohio, the majority of which sits in the RULH School District. It is understood that this land is primarily wooded, non-residential, which would result in a negative impact on the CAUV tax revenues received by the District. Early estimates indicate a potential loss of approximately \$80,000 annually. We have included adjustments for this beginning in calendar year 2016, but will revise as more facts are made available.

The District does not have any renewal or replacement levies included in this forecast.

State Revenues (lines 1.035; 1.040; 1.050)

State Funding for the District through H.B. 64 while showing some positive results for the District, will likely not be as favorable as early settlements are showing due to the fact the annualized earnings are based on prior school year data. Per HB64 the per pupil Opportunity Grant ADM formula funding amount increased \$100 to \$5,900 in the current year, and another \$100 to \$6,000 for the 16-17 school year. We however, have projected a 6% decrease in estimated Opportunity Grant funding for the 15-16 school year estimates due to our current student count dropping from the prior year 983 to 927. Going forward we have projected this reduction to slow to a 3-4% loss in the 16-17 school year (900), and leveling off thereafter.

Additionally, the state has estimated the District to receive an additional \$468,710 (\$933,881) beginning in school year 15-16 in Poverty Based Assistance, but we are expecting that amount to

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return to near prior year amounts (\$465,171) after October. The reasoning for this sharp decline is due to the fact in the prior school year the District was participating in the Community Eligibility Program (CEP) in which 100% of our student lunches were fully funded; however, due to noted errors in the CEP application, the District will be returning to the National School Lunch Program (NSLP) for the 15-16 school year where funded lunches will be based on individual student applications for poverty assistance, wherein we expect full free reimbursed meals to drop to 66-67%.

State funding amounts beginning in the 17-18 school year will be shown unchanged throughout the remainder of the forecast due to uncertainty of the results of the new State Bi-Annual Budget due for approval by June 30, 2017.

Homestead and Rollback collections have averaged 12-14% of total real estate collections in the District, and we therefore have calculated homestead and rollback taxes at 13% of the expected real estate collections each year of the forecast (line 1.050)

All Other Revenues (line 1.060)

While the District has saw moderate increases and decreases in the number of open enrollment revenues from students entering the District over the past 2-3 years, the net change has been minimal. However, with the March 2015 foundation settlement, ODE adjusted open enrollment numbers to more accurately reflect the most recent snap-shot count, which resulted in the District showing an increase in open enrollment revenues of over \$82,000. Based on the minimal changes we have seen in recent open enrollment students entering the District, we have left this revenue stable through 2019.

Other revenues also includes tuition payments, interest, rentals, donations, insurance claims, ROTC payments, Medicaid reimbursements, etc... The District has entered into another contract to have a Medicaid Audit performed, but there is no way of predicting if we will see a similar return as we did in 2014-15 which totaled just over \$114,970. We therefore reduced that projection back to a prior four year average of just over \$75,000 for the 15-16 school year, and reduced it an additional 10% each year thereafter.

During 2015, the District filed a property insurance claim for an uncontrollable freezing and damaging of HVAC coils at the Elementary and High School in February 2015 in the amount of \$79,323. This claim was approved for claim value reimbursement, with \$62,958 being received in 2015, and the balance of \$16,365 to be received in 2016 when the work to the HVAC units has been reported complete.

Regarding E-Rate reimbursements, the District recently signed new contracts with SCOCA for new VoIP, 500 mg Broadband, and Internet services which will result in an additional \$150,764 e-rate funding in 15-16, \$98,600 in 16-17, \$93,530 in 17-18, and \$85,922 in 18-19 over the 2015 reimbursement amounts.

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Advances In, Transfers In, and Other Sources (lines 2.040; 2.050; 2.060)

Advances-in vary with the state and federal grant activity that we have, and are merely a return of monies fronted those funds until the District receives sufficient program cash request to repay the original advances to those special funds.

EXPENDITURES

Salaries (line 3.01)

Salaries are based on existing negotiated agreements. The current contract with the classified staff expires June 30, 2016. The current negotiated agreement has the classified staff receiving a 1% base increase in fiscal year 2016. The certified staff in May signed a new three year agreement that expires June 30, 2017, in which was negotiated a 1% base increase in both fiscal years 2016 and 2017. Projections for 2016 through 2020 salaries include the estimated cost of the step-ups, and the annual negotiated base increase for the classified and certified staff as per the agreements discussed above. This line item will need to be revised once the classified staff agreement beginning July 2016 has been determined.

Benefits (line 3.02)

Benefits are based on existing negotiated agreements. The Board pays 90% of the health insurance cost. The 2015-16 health insurance remained with United Health Care, and are self-funded thru the Brown County Insurance Consortium. Although funding balances have shown slight increases, it was voted by the consortium members to increase rates by 2% beginning in November 2015 (fiscal year 2016) to insure funding to cover anticipated increases in medical cost and to cover the reported 4% increase in cost associated with the Affordable Care Act. Based on these facts, and looking at the past trends for the District we have projected an increase of approximately 4% for each year starting with the 16-17 school year. Based on current retirement eligibility projections the District will pay for the Retirement Incentive Plan as adopted by the board for 1 teacher and 2 classified retirees for FY15-16, and 2 teachers and 1 classified retirees for FY 16-17 which is estimated at \$19,861 and \$72,971 respectively. Employer portion of STRS, SERS, and Medicare tax are projected to increase proportional to the step and base salary increases as adopted by the union agreements as presented in line 3.010. Based on the recent rates with Spooner's retro plan, Workers' Compensation will remain the same for each projected fiscal year.

Purchased Services (line 3.03)

In fiscal year 2015-16, the services total reflects an increase in the special services with the Brown County ESC of \$10,133 over the 14-15 contract.

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The District has expanded its contract with the South Central Ohio Computer Association to add additional wireless connections throughout the buildings in preparation for the required computerized standard testing of students which is estimated at and additional \$7,600 per year over the fiscal year 2014 rate. In addition, the Board has approved to enter into a new VoIP and Broadband Contract with SCOCA, which include upgraded wiring for the high school. The annual cost of the VoIP service contract before e-rating is \$105,125 in 2015-16, \$37,850 in 16-17 and 17-18, and \$20,677 in 18-19 and 19-20. The annual cost of the Broadband Service contract before e-rating will be \$93,195 for five years beginning in 2015-16. The current Internet Service contract with SCOCA including wireless has an annual cost before e-rating of \$26,027.

Despite expectations in May that the number of students open enrolling to other District's would stabilized, the actual number of students open enrolling to other schools in 2015-16 compared to prior year increased approximately 8.65, leaving the current annual deduction at \$451,819. A portion of this increase was due to teachers leaving the district to take jobs at adjacent districts, and taking their children with them.

In FY 2015, building repair and replacement services and equipment throughout the District increased to just over \$139,694, largely in part due to the freeze damage done at both the elementary and high school buildings which was completed ahead of schedule in FY15, as well as replacement of water heaters at both buildings. These cost are projected to increase between 7-8% to \$150,000 in 2016 to complete final updates and repairs to the HVAC systems at the Elementary and High School, with those cost declining between \$10-40,000 for the remainder of the forecast period as more of the PI Levy becomes available after all technology improvements have been made.

Based on past trends we have projected an additional 2.5% annual increase in Electric for the 15-16 school year and a 4% increase in Gas charges for the 15-16 school year due to predicted bad winter. For both the Electrical and Gas Services expenses through the subsequent periods we have left them unchanged as we are anticipating savings from the upcoming HB264 project which should be completed by the beginning of the 2016-17 school year.

The District will be re-bidding our property insurance policy in 2016, so we have included an estimated 3% (+\$1,028) increase in that service line item for the 2016-17 school year, and left it unchanged for the remainder of the forecast period.

Supplies and Materials (line 3.04)

The per building general educational supply budgets for the foreseeable future continue to be capped at \$20,000 each.

Due to the continuing aging and deterioration of the District's transportation fleet and increase inflation of parts cost, the District is estimating a continuing average annual increase in bus parts

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and maintenance expenditures of 11% in 15/16, 9% in 16/17, and 6% in 17/18. In addition, due to the volatile fluctuations in fuel prices, we are estimating an annual increase in fuel cost of 3% in 15/16, 2.5% in 16/17, and 2% in 17/18. The percentage increases have been reduced from prior expectations by as much as 15-20% each year with the anticipation that as more new buses are added to the fleet, the reduction in repair demand and improved fuel efficiency should add cost savings.

Capital Outlay (line 3.05)

We have included an estimated \$16,000 for Other Building/Ground Improvements just for the 15-16 school year to cover the quoted cost to complete the fencing, backstop, and concrete work at the new high school level softball field being constructed at the Middle School property. ORC 3315.062(A) allows a board of education to expend general operating funds on pupil activity programs (which includes student athletics) as long as they do not exceed five-tenths of one percent (ie 0.5%) of the board's annual operating budget.

A one-time cost of \$67,275 has been added to the Technical Equipment Budget in 15-16 to cover the cost of the VoIP Equipment.

Despite the permanent improvement levy passing in the last election, the District still has an immediate need to update its bus fleet, with 3 of the 11 active busses being at or over 15 years of age and each nearing a total of 200,000 miles, which is the max life expectancy of a school bus. Therefore the District is projecting to purchase one new bus each year beginning in 2016 through 2018 with an annual cost for each being approximately \$90,000. In the past forecast, these expenditures were included as purchased services with the anticipation of leasing the buses, but increase in state funding, we have chosen to avoid the interest charges by purchasing the buses instead.

Principal and Interest (lines 4.02 & 4.06)

The cost of the capital project financing through the OASBO pool will have to be paid each year until November 28, 2023.

Other Objects (line 4.30)

Auditor and Treasurer Fees are included as well as Brown County ESC fees, the cost of position bonds, and the cost of liability insurance. Due to the line item being over budgeted in the past, we cut the liability insurance line by \$10,000 to bring it more in line with actual annual expenditures.

Advances and Transfers (line 5.01 & 5.02)

Anticipated expenditures in these areas are estimates only and will vary each year based on activities of federal and state grants. For fiscal years 15/16 and 16/17 advances out are estimated

RECORD OF PROCEEDINGS

Minutes of

REGULAR

Meeting

DAYTON LEGAL BLANK, INC., FORM NO. 10148

Held October 21, 20 15

Ripley Union Lewis Huntington
School District
Five Year Forecast Notes
October, 2015

to be \$200,000. That amount was reduced to \$150,000 for the remainder of the forecast with the anticipation the federal funding will continue to show decline.

Encumbrances (line 8.01)

Encumbrances at June 30th are estimated to be \$200,000 for fiscal year 2015-16 and beyond.