

A special meeting of the Randolph Southern School Corporation Board of School Trustees was called to order at 7:31 AM on Wednesday, October 5, 2022 in the Superintendent's Office Board Room by President, Don Pruitt. The following members were present:

Don Pruitt, President
Eric Retter, Vice President
Thomas McFarland, Secretary
Patricia Tillson, Member

Jan Caudle, Board Member was not present.

II. OCT 2022

Mr. Don Pruitt read aloud the Budget Hearing agenda as follows: The 2023 Budget was originally posted on the Gateway website on August 26, 2022 and the corporation website on August 27, 2022. An initial Budget Hearing was held on September 12, 2022. The Department of Local Government Finance informed the Superintendent on September 21, 2022 that the Certified Net Assessed Valuation (CNAV) submitted by the Randolph County Auditor on August 18, 2022 was incorrect and had errors. The CNAV must be submitted by August 1, 2022 per Indiana Code 6-1.1-17-1. The DLGF also indicated that Randolph Southern School Corporation's Assessed Valuation will be reduced due to these errors. The Randolph County Auditor confirmed on September 23, 2022 that errors had been made on the tax abatement for the new solar farm and a recertification hearing would be held on October 4, 2022 with the County Council.

Therefore, the Superintendent recommends holding another Budget Hearing to lower the advertised Assessed Valuation to \$187,614,923 and adjust the tax rate to ensure the school corporation can generate the appropriate amount of revenue for the Operations and Debt Service Fund. Further, Superintendent recommends postponing the closing date for the 2022 Bond. Postponement to a later date in October will ensure the amortization schedule can be met within the budget.

The CPF and Bus Replacement Plans and notice to Taxpayers were posted to the DLGF on August 29, 2022 and posted to our website per legal requirements.

- A. 2023 Budget Hearing for Operations:
Budget Estimate \$1,994,769.00
- B. 2023 Budget Hearing for Education Fund:
Budget Estimate \$3,737,612.00.
- C. 2023 Budget Hearing for Debt Service Fund

Budget Estimate \$1,000,723.00

- D. 2023 Budget Hearing for Rainy Day Fund
Budget Estimate \$400,000.00.

III. Superintendent Comments

Superintendent, Dr. Donnie Bowsman, stated the he found out about the Certified Net Assessed Valuation (CNAV) error the Randolph County Auditor made during a conversation with the Department of Local Government Finance (DLGF) representative, Vicky Neely about a completely different topic related to the 2023 proposed budget. Mrs. Neely told Dr. Bowsman that Randolph County informed the DLGF of the error sometime before September 21, 2022. Most importantly, Randolph County did not inform the school corporation. They only ran an article in the Winchester News Gazette on September 20, 2022. Dr. Bowsman stated that he was concerned for the lack of communication and transparency provided to the school corporation. The error in the Certified Net Assessed Valuation could have been monumental on our new \$650,000 bond amortization schedule that was supposed to close on October 6, 2022. However, due the error, the bond closing had to be rescheduled, the interest rate increased from 3.16% to 3.75% and will cost the taxpayers \$16,051.69. Further, the amortization schedule is know going to be paid over two years rather than in one year. Dr. Bowsman told the board the the bond counsel and financial advisor assures him that the changes will not increase our tax rate and places on par for our \$3.2 million dollar capacity. Further, the new CNAV just submitted by the Randolph County Auditor to the DLGF is now \$213,186,415. This is a difference of \$71,103,323 from the original CNAV of \$284,289,738 submitted on August 18, 2022 by the Randolph County Auditor. The county did not properly submit the abatements for the new solar fields and wind farms.

IV. Board Comments

Eric Retter stated that Randolph County did not include Randolph Southern School Corporation in the latest solar and wind farms as they did in 2013. The county provided an agreement whereby the schools would receive a portion of the lost revenue for the tax abatement issued from 2014 to 2025. Further, the school corporation did not start receiving funds until 2017 and a full three years after the wind farm was in production. Dr. Bowsman stated that this was true, but the ground is being assessed at a business property tax rate and the school will still receive additional revenue for the larger AV.

Tom McFarland stated that the Assessor made some errors on his home assessment, but the Assessor told him that he would take care of it without an appeal.

Dr. Bowsman suggested writing a letter to the Assessor and the county asking for notification to other local government entities to prevent a future error.

Pat Tillson agreed and felt that this would be a good idea.

Eric Retter made a motion to approve the proposed budget, new Assessed Valuation and to close the Budget Hearing. Pat Tillson seconded the motion and the motion was carried forward 4-0

Eric Retter made a motion to adjourn at 8:03 AM. Tom McFarland seconded the motion and motion carried 4-0.

The next regular board meeting will be Monday, October 17, 2022 at 6:30 PM.

Tom McFarland

Patricia Tillson

James M. Candler

Eric Retter

Donald Z. Pruitt

Persons Attending: Dr. Donnie Bowsman