

The below list of questions and answers (**bold**) is ongoing and will be added to as questions are submitted to the superintendent. The intent of this FAQ is to share information with as many stakeholders as possible in a variety of ways.

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When you referred to spending money on 3 new buses because the "funds" couldn't cross over to another area, before the buses were purchased was it discussed to save the money and shift the levy that would have previously been allocated to the Bus fund over to another more "needy" fund?

**The bus replacement and transportation funds are max levy and the capital projects fund is a max rate fund. The tax levy and dollars received in the bus replacement fund could not be shifted to another fund as all funds are governed by Indiana law. The only way money, once received, could be moved from bus replacement is through a resolution to transfer to Rainy Day**

You mentioned that you adhere to a strict 12 year replacement schedule, but if these are assumed to be general guidelines and you took into consideration fewer students meant less travel and stops, could the 12 years could be extended? If this was the case, then the money spent could be saved to fund the Bus department while the levy was allocated to other funds to help build their cash/revenue. This could be done even if only 1 bus was necessary.

**While this might seem to be a possibility, especially given the life of a diesel engine, at the end of the 12 years our buses experience enough wear and tear to their frame and chassis, rusting out primarily, is a negative benefit and presents safety issues even though the life of the engine still has some remaining. Additionally, buses older than 12 years need to undergo bus inspection with the state police twice a year. We continually evaluate the bus routes to determine the appropriate ridership.**

What expenses can be made from the school rainy day fund?

**Expenses from Rainy Day are allowable for whatever is budgeted. For the pay 2018 budget, the entire amount was budgeted to 'other personal expenses' which allows us the broadest flexibility.**

If you have saved over 1.3 million dollars in 1 year, can you provide details on what and where that money has been saved and then spent or allocated?

**The bulk of the savings has come from staffing and employee benefits. A teacher retirement buyout was offered (savings of over \$450,000). Additionally, all vendor contracts were rebid that were within two years of expiration. This yielded a vast savings in several cases (over \$100,000). A purchase order system was implemented and credit spending was reduced**

**drastically. An in-house energy study was also done and staff were asked to remove small appliances as well as standard thermostat settings were put in place. The savings that has been incurred will be allocated to rising healthcare costs and be used to operating expenses so that Rainy Day does not have to be used.**

Does the school have a budget that has been overspent in the last 5 years or is it budgeting outside of the revenue and then using its cash to fund the difference?

**The school has not overspent its appropriated budget for each fund. However, in previous years, expenditures exceeded revenue sources and the cash balance or rainy day funds were used to cover the difference.**

When the Levy was first explained by 2 members of the school, 1 being a board member, it was described as money needed to make structural improvements that couldn't be done otherwise. How did it get switched to operational?

**The levy is the maximum amount of dollars the school can collect from taxpayers. I believe you are referring to the referendum, which has been defined as an operating referendum since May 17, 2012.**

Does the school have investments? If so, what is the interest rate and is there a penalty for cashing them out before they expire?

**Yes. We invest our Rainy Day fund in certificates of deposit of varying amounts and terms. So long as the funds are used for the necessary operation to meet regular obligations, there is not a penalty.**

What would it take for the school to no longer need the referendum?

**A large increase (100+) in enrollment or a vast decrease in expenses is what would be needed to no longer need a referendum or a combination of both. It is interesting to note, according to the Indiana Department of Education, that 417 school-age children live within our attendance area and 172 of those children attend other schools.**