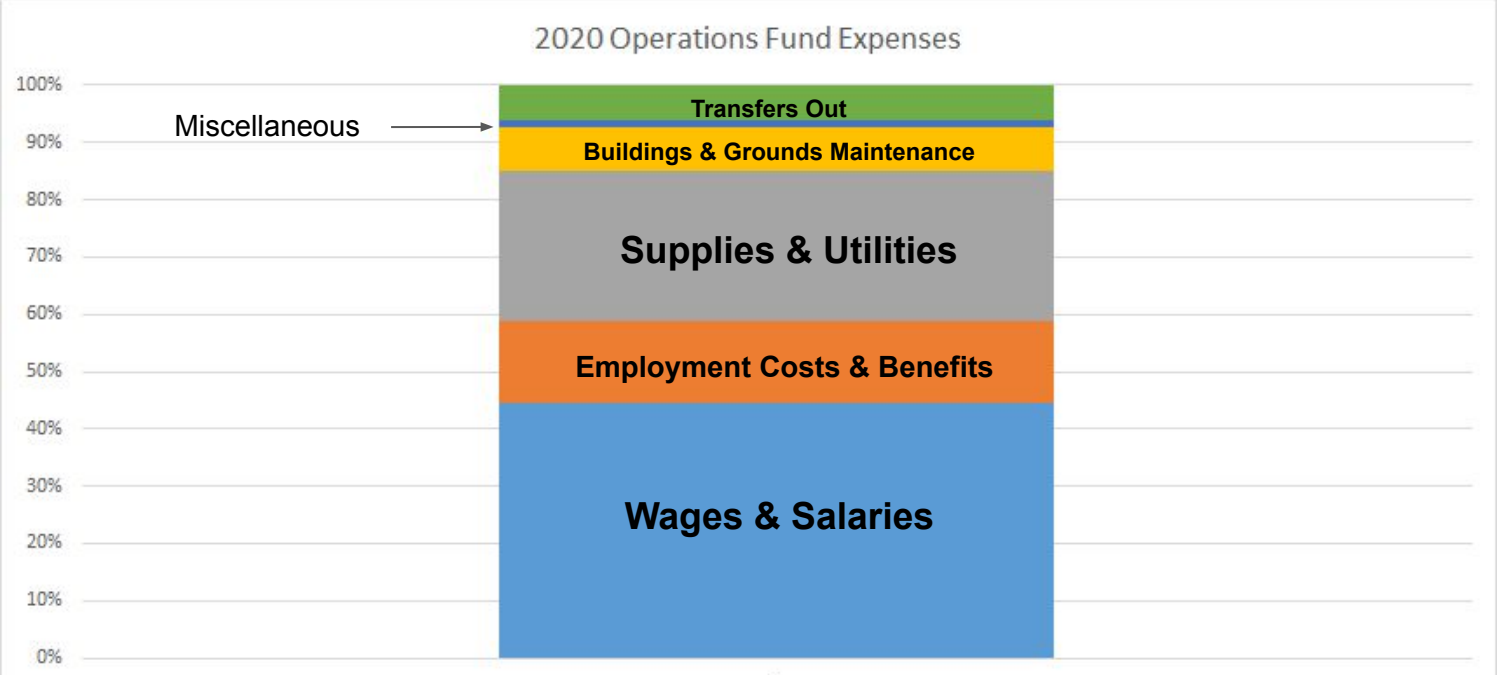


Operations Fund Review

April 19, 2021

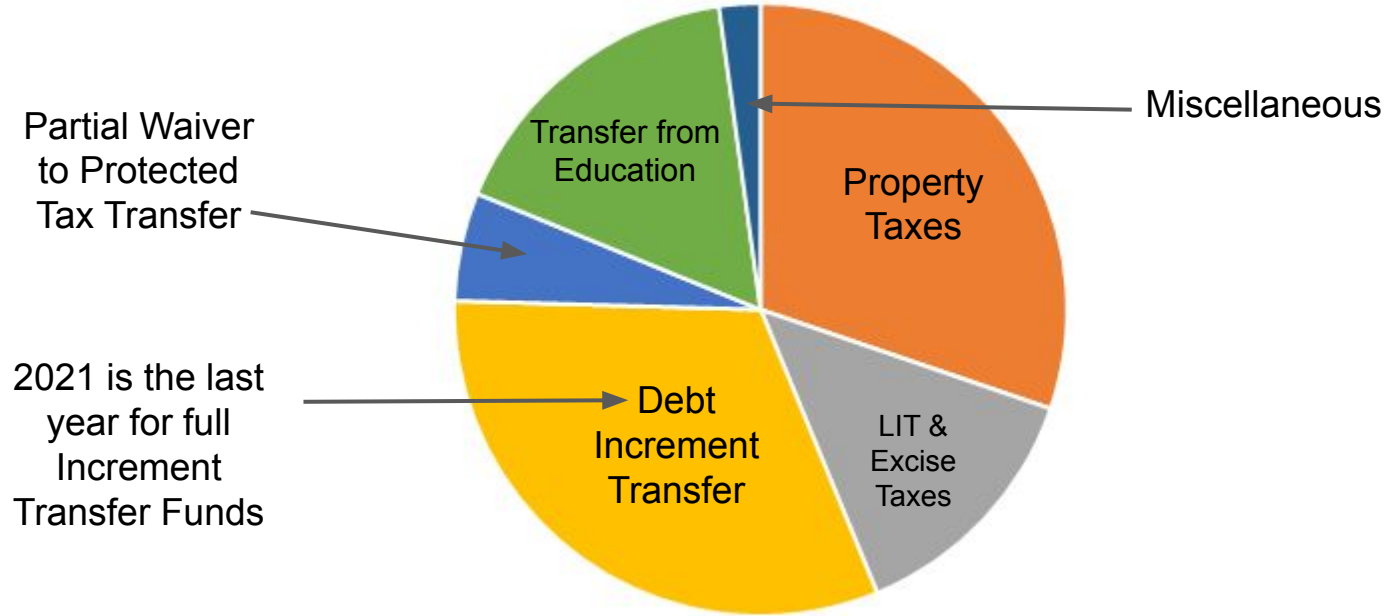


2020 Expenses: \$9.92 Million Total



2020 Revenues

2020 Operations Fund Revenue

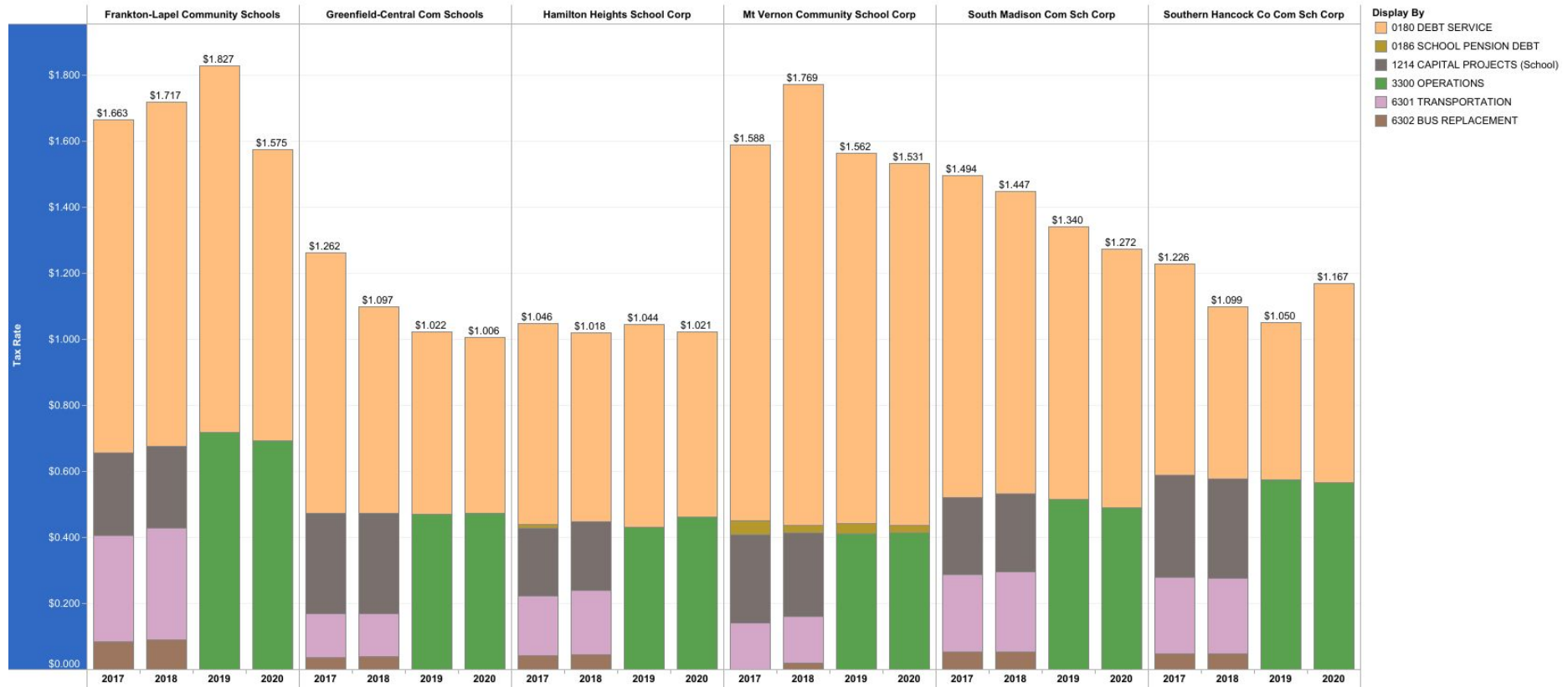


Increment Transfer

- Approved by special legislation in 2012, administered by DUAB
- Refinanced existing debts into 2012 and 2012B Bond Series:
 - Levied for an amount equal to principal and interest of debts payments
 - Paid interest to investors, transferred principal equivalent to operations (CPF, Bus Replacement, and/or Transportation funds prior to 2019)
 - 10 Year Approval (Expiration was declared upon approval, this is not a new issue)
 - 2021: \$3.36 Million
 - 2022: \$2.10 Million
 - 2023: \$0
- Expiration creates \$3.3M of capacity in debt service with no rate impact
- No legal mechanism available to recapture this revenue to operations

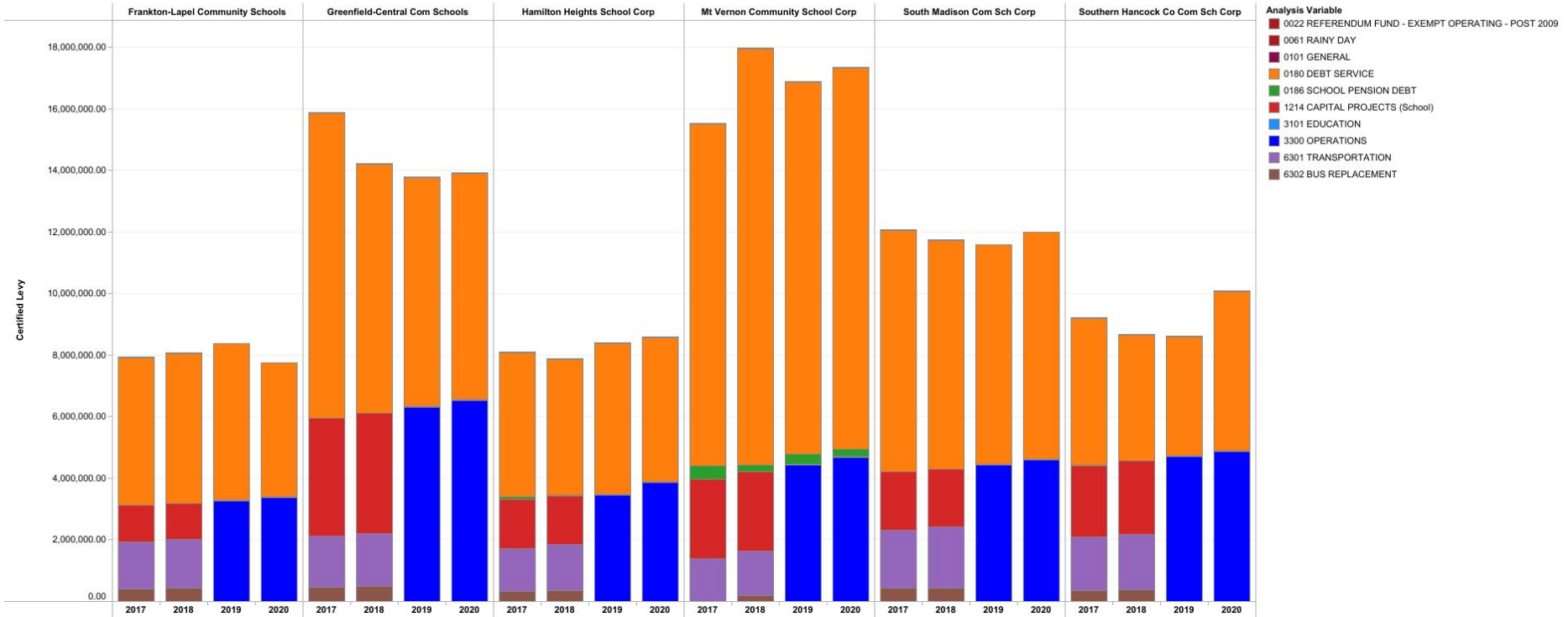
Certified Tax Rates

Source: Department of Local Government Finance



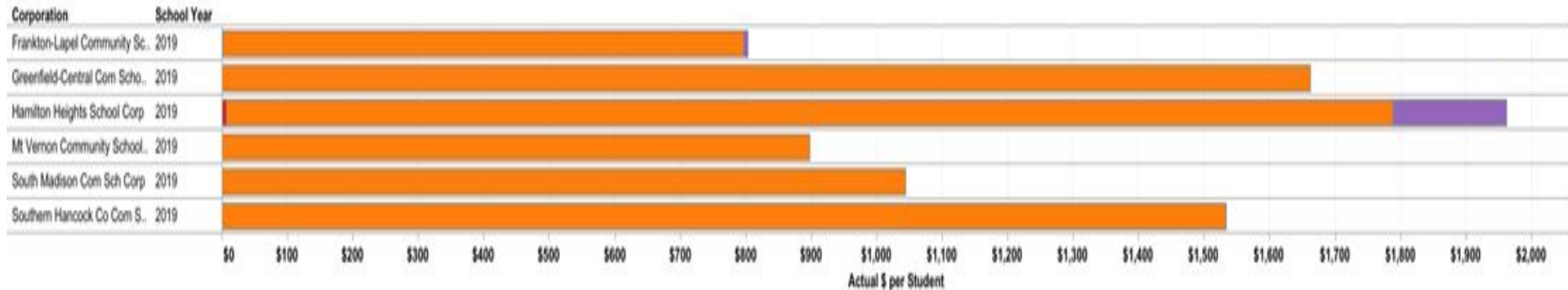
MVCSC Operations rate (Green) is the lowest among similar districts. The Debt rate (Orange) has been used as a temporary source for additional operations revenue.

Certified Levy and Budget
 Source: Department of Local Government Finance



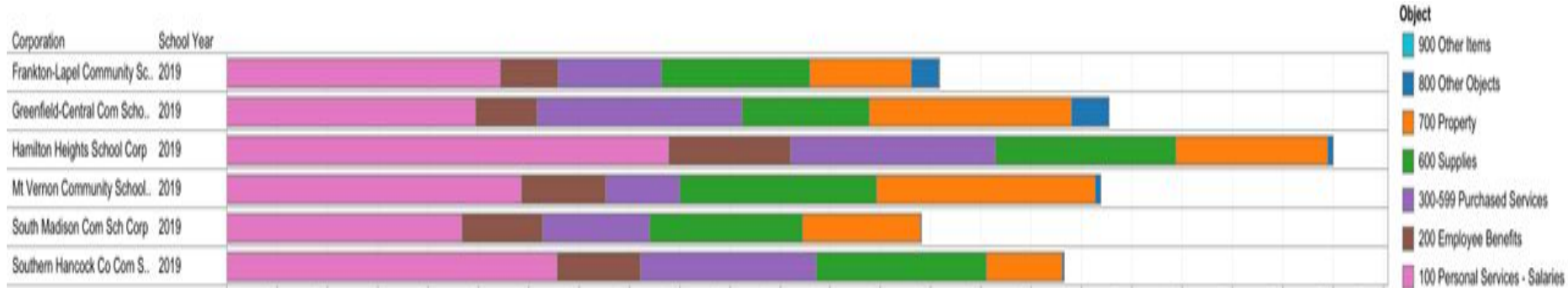
MVCSC 2020 Operations certified **levy** (dark blue) was the 2nd highest among peers.

Operations Revenue per Student (2019)



2019: The first year for the Operations fund shows that Mt. Vernon was receiving the lowest net levy revenue, relative to peers. That trend has continued.

Operational Expenditure Types 2019



Mt. Vernon was the 2nd largest district among peers (based on enrollment) in 2019 but was only 3rd of 6 with regards to Operations expenses.

2021 Tax Supported Funds

Fund	Rate	Property Tax Revenue	Tax Cap Loss
Debt Service	\$1.1790	\$14,400,557	N/A*
Operations	\$0.4306	\$5,259,440	\$3.5M to \$2.7M
Pension Debt	\$0.0190	\$232,070	N/A*

*Tax Cap Losses will be shared among all three funds when Waiver to Protected Taxes is implemented

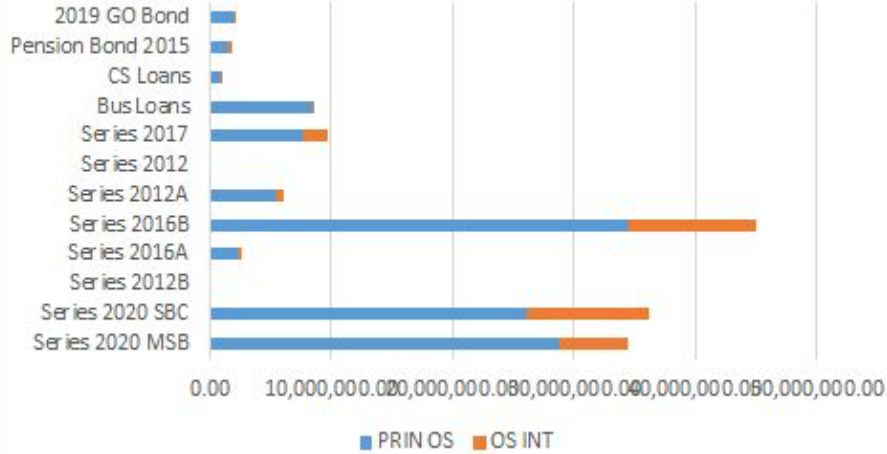
Corporation	Debt Service Rate (Levy)	Operations Rate (Levy)	Ops Levy per Student:Actual per Student	Tax Cap Loss	Assessed Valuation
Frankton-Lapel	\$0.9892 (\$4,880,414)	\$0.7193 (\$3,548,809)	\$1,164:\$710	\$1,400,900 (39%)	\$493,369,830
Greenfield-Central	\$0.5520 (\$8,157,814)	\$0.4626 (\$6,836,603)	\$1,555:\$1,477	\$355,190 (5%)	\$1,477,864,867
Hamilton Heights	\$0.5963 \$5,379,656	\$0.4498 (\$4,057,973)	\$1,771:\$1,665	\$223,400 (6%)	\$902,172,651
Southern Hancock	\$0.4993 (\$4,451,587)	\$0.5712 (\$5,092,623)	\$1366:\$1,297	\$273,130 (5%)	\$891,565,686
South Madison	\$0.7426 (\$7,260,110)	\$0.4918 (\$4,808,136)	\$1,096:\$800	\$1,285,100 (27%)	\$977,660,865
Beech Grove *Operating Referendum: \$0.603 (\$2,749,842)	\$1.0485 (\$5,164,658)	\$0.4896 (\$2,411,652)	\$802:\$96	\$2,124,700 (88%)	\$492,575,912
MVCSC	\$1.1790 (\$14,400,557)	\$0.4306 (\$5,259,440)	\$1190:\$583	\$2,700,000 (51%)	\$1,221,421,255

Operations Fund Sustainability Strategies

1. Maximizing Debt Service Operating Balance (Cash to offset waiver)
2. Protected Tax Cap Waiver (\$2M transfer to Operations for 2021)
3. Excess Levy for transportation (\$335,090/year minus cap loss)
4. \$9M of energy savings projects approved in April of 2020
5. Local growth quotient eligibility? (Max Levy annual increase from 4% to 5%?)
6. Increased Education to Operations transfer (Currently at 8%)
7. Renewal of tax cap waiver legislation? (Short term solution)
- ~~8. Debt Restructuring (New Increment)?~~

Debt Service

Current Debt Obligations



2020 Refinanced Debt Series

