



FWCS 2009 Budget

August 11, 2008



WE ARE YOUR SCHOOLS



Budgets to Approve

○ Property Tax Supported:

- **Racial Balance**
- **Capital Projects**
- **Transportation**
 - Operations
 - Bus Replacement
- **Debt Service & Pension Bond**
- **Museum of Art**

○ Other:

- **General**
- **Special Ed Pre-School**





Total Teachers – All Funds

Classroom	1,320.33
Special Ed	290.9
Elem. art, music, PE	108.6
Resource	147.77
Career Center	36.5
Other – media, remediation, ALP	102.98
Total	2,007.08



Budget Adoption Calendar

* Board Meetings

***August 11**

Public presentation

August 14 & 21

Budgets advertised

***August 25**

**Budget hearing
Bus Replacement Plan hearing
Capital Projects Plan Hearing**

***September 8**

**Deadline 9/30 extended to 12/1:
Budget adoption
Deadline 9/20 extended to 11/20:
Bus Replacement Plan adoption
Capital Projects Plan adoption**

Dates set by state:

**Budget hearing
Budget order issued by Dept. of
Local Government Finance**



Board Approval Required

1. 2009 Appropriations (budget)
2. 2009 Maximum Levy (property tax)
3. Excess Levy Appeal for 2007 property tax shortfalls
 - General Fund - \$249,872
 - Transportation - \$74,011
4. Note: Fiscal year change is coming with next budget adoption



Assessed Value - FWCS

- 2007 pay 2008 **\$8.2 billion**
- 2008 pay 2009 estimate **\$7 billion**
- Decrease almost **15%** due to changes in residential assessed value calculation
- Will impact fix rated funds
 - Capital Projects Fund
 - Racial Balance



Assessed Value Reduction

Residential	2008	2009
Gross Assessed Value	\$100,000	\$100,000
Homestead Standard Deduction	-45,000	-45,000
Remainder $\$100,000 - \$45,000 = \$55,000$		
35% Homestead Supplemental Deduction (NEW) = $\\$55,000 * 35%$		-19,260
Mortgage Deduction	-3,000	-3,000
Taxable Assessed Value =	\$52,000	\$32,750



Property Tax Calculation

Example – all units Wayne Township

	2007	2008
Gross Assessed Value	\$100,000	\$100,000
Taxable Assessed Value	\$52,000	\$52,000
Wayne Township rate	\$3.2601	\$3.2651
HB 1001 adjustments		
Est. township rate 2009		
Gross taxes	\$1,695	\$1,698



Property Tax Calculation

Example – all units Wayne Township

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Gross Assessed Value	\$100,000	\$100,000
Taxable Assessed Value	\$52,000	\$52,000
Wayne Township rate	\$3.2601	\$3.2651
HB 1001 adjustments		
Est. township rate 2009		
Gross taxes	\$1,695	\$1,698
Less credits	667	1,073
Net tax paid by home owner	\$1,028	\$625
Change from 2007		-39%



Property Tax Calculation

Example – all units Wayne Township

	2007	2008	2009 Simulation
Gross Assessed Value	\$100,000	\$100,000	\$100,000
Taxable Assessed Value	\$52,000	\$52,000	\$32,750
Wayne Township rate	\$3.2601	\$3.2651	\$3.2651
HB 1001 adjustments			<u>-.3976</u>
Est. township rate 2009			\$2.8675
Gross taxes	\$1,695	\$1,698	\$939
Less credits	667	1,073	85
Net tax paid by home owner	\$1,028	\$625	\$854



Circuit Breaker – FWCS

In millions

	2009	2010	2011
<u>Circuit Breaker Rates:</u>			
Homeowners	1.5%	1%	1%
Other residential	2.5%	2%	2%
Business	3.5%	3%	3%
FWCS Circuit Breaker	\$1.2	\$4.8	\$4.8
Less: State Support	-0-	2.2	-0-
Net Circuit Breaker	\$1.2	\$2.6	\$4.8
Budgeted estimated loss	\$1.4		

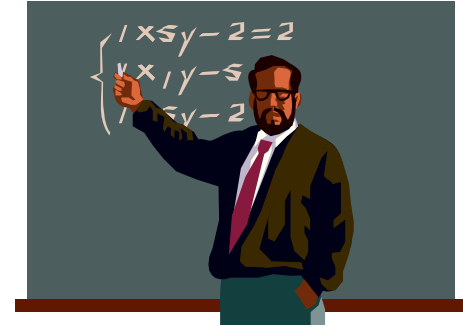


Circuit Breaker - Estimated reductions in '09 budget

Capital Projects	\$750,000
Racial Balance	150,000
Transportation	310,000
Bus Replacement	217,000
Museum of Art	5,000
Total	\$1,432,000



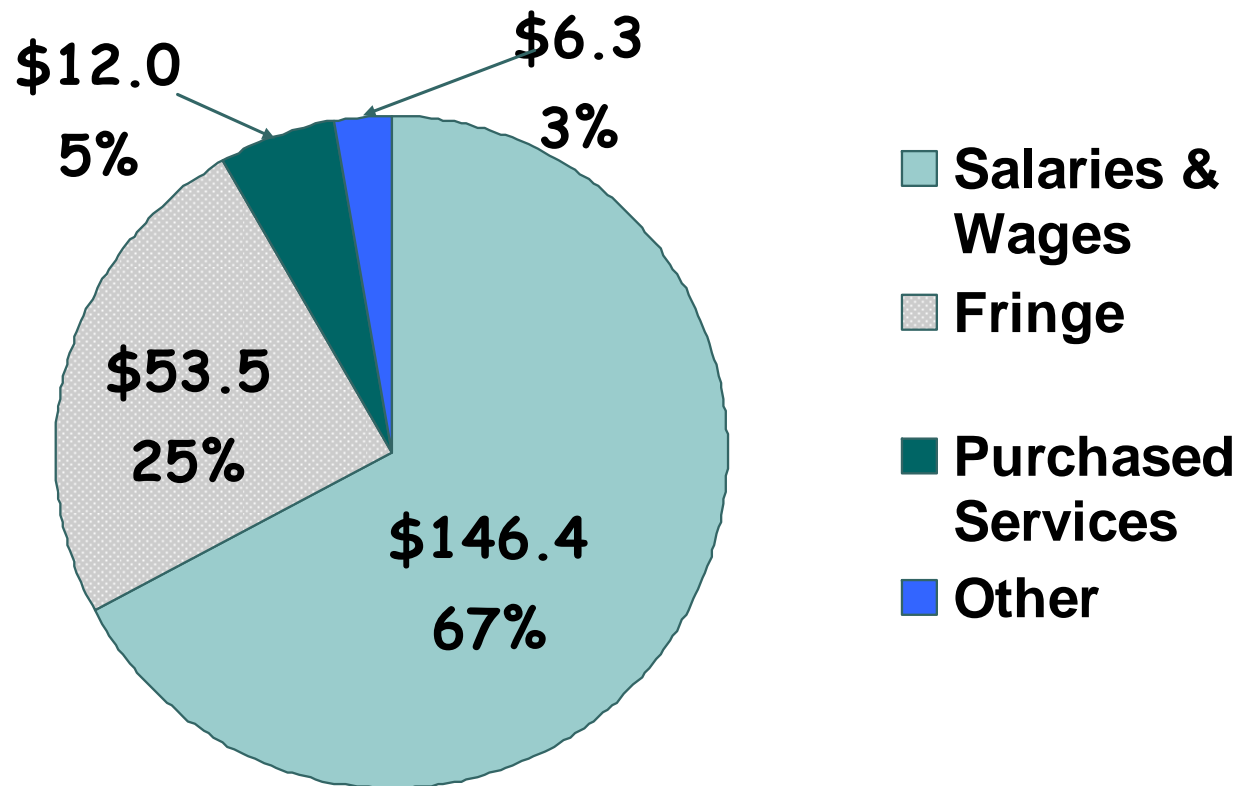
General Fund



- Salaries & fringe benefits
 - Teachers, administrators, custodial, clerical
- Operating costs
 - Utilities, insurance, legal
- School materials & supplies

General Fund Expenditures

2009 Budget \$218,250,000





Funding Formula

	2008	2009
Tuition Support (formula)	\$164,629,427	\$173,454,318 5.4%
Academic Honors Diploma (\$900/diploma)	558,000	574,200 2.9%
Special Education (based on exceptionality)	14,977,227	15,050,265 .5%
Vocational Education (based on course)	1,298,100	1,298,100 0%
Prime Time (formula)	5,281,896	4,297,808 -18.6%
Total	\$186,744,650	\$194,674,691 4.2%



Tuition Support - Factors

- Enrollment – past 5 years and next estimate
- Complexity Index – uses free & reduced lunch rate only
- Prior year revenue



Tuition Support – Enrollment

Number of students for determining teacher allocations	30,554.0
Reduce kindergarten ½	-1,213.5
Deduct preschool	-641.0
Add special ed students	947.0
Dual enrollment adjustment	-18.8
New charter school estimate	-400.0
Enrollment for funding formula	29,227.7
State Adjusted	29,516.3



Tuition Support – Complexity Index

Free & reduced lunch rate	60.57%	
Times State multiplier	<u>.4974</u>	
	.3013	
Plus 1	<u>1.0000</u>	
Calculated index	1.3013	1.3013
	<u>-1.2500</u>	
Additional index provided for being over 1.25	.0513	.0513
Equals Complexity Index		1.3526
Multiplied by per pupil State Foundation amount		\$4,825
Calculated Formula per pupil		\$6,526

Tuition Support – per pupil and total revenue

	2008	2009
State Foundation Amount	\$4,790	\$4,825 .7% increase
FWCS Calculated Formula	\$6,318	\$6,526 3.3% increase
Total	\$187.3 million	\$192.6 million
FWCS Allowed	\$5,560	\$5,877 5.7% increase
Total	\$164.8 million	\$173.4 million
Amount below formula	\$758	\$649
Total	\$22.5 million	\$19.2 million

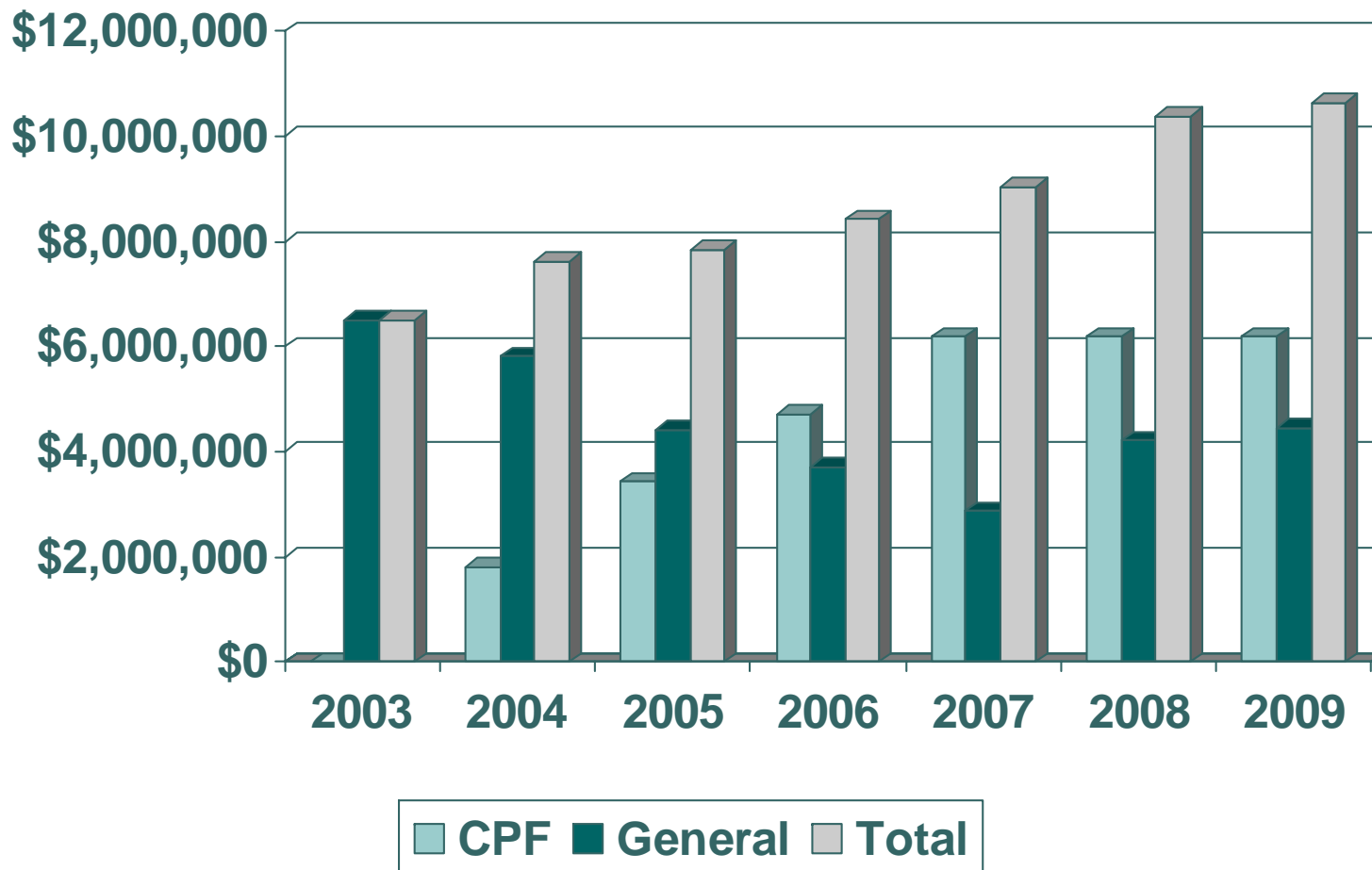


Full-Day Kindergarten

	2008	2009
FWCS Per pupil funding	\$5,560	\$5,877
2 nd half kindergarten not in funding formula	½ = \$2,780	½ = \$2,938
State grant for kindergarten	\$792	\$1,036
Per pupil not funded	\$1,988	\$1,902
Kindergarten students	2,374	2,346
Total not funded	\$4.7 million	\$4.4 million

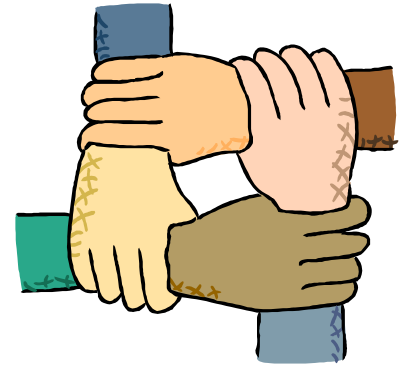


Utilities & Insurance





Racial Balance Fund

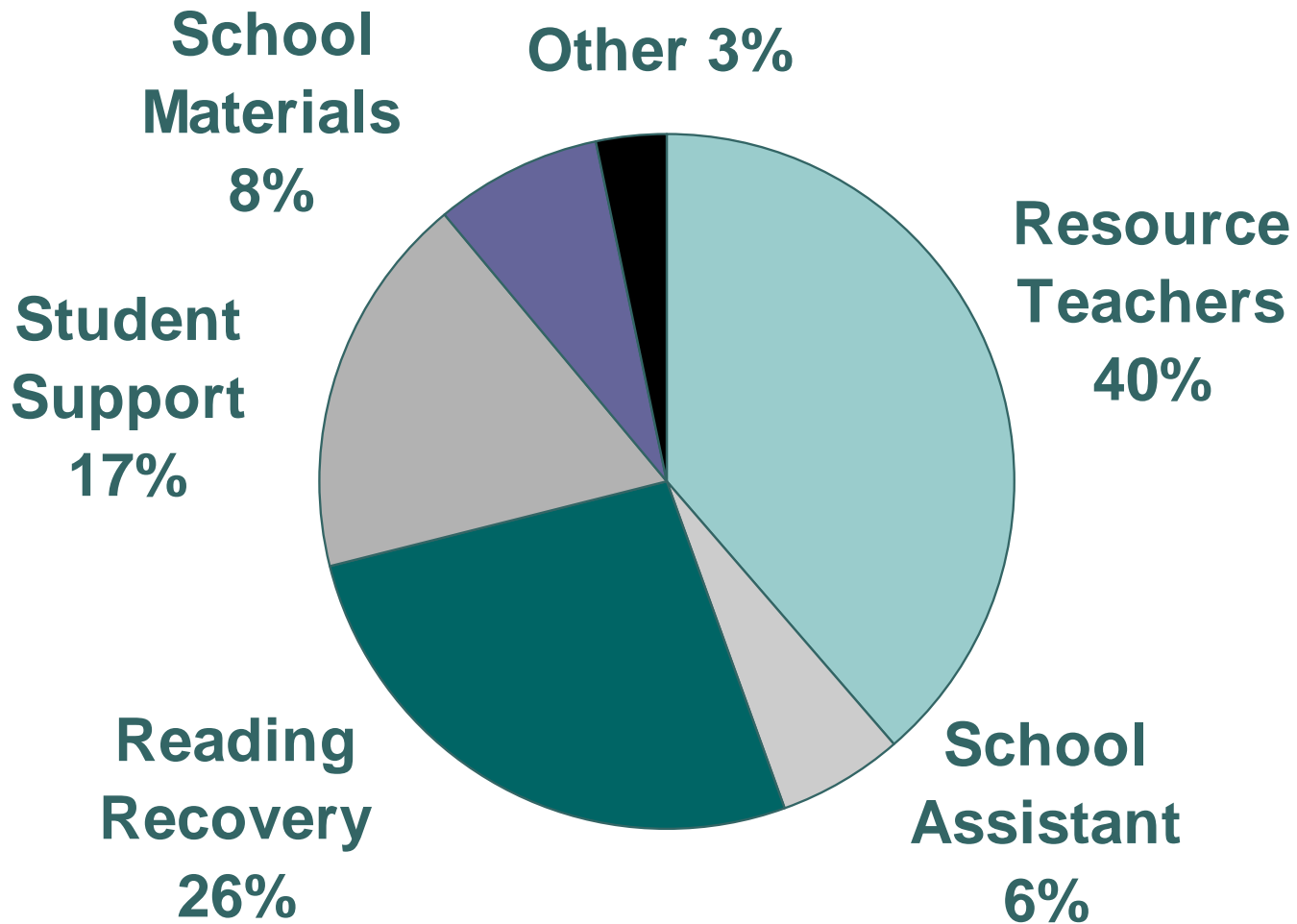


- Established in 1989
- Funding provided by a reduction in CPF
- Provides resources that encourage racial balance in a school
 - Magnet schools
 - Reading Recovery
 - Student Support



Racial Balance Expenses

Budget \$9,086,000



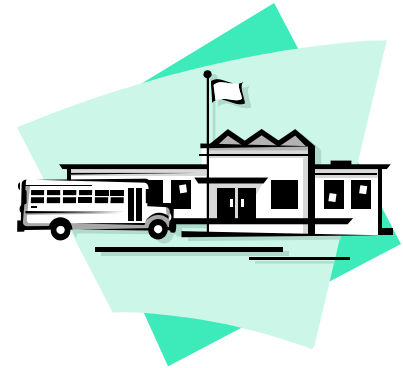


Racial Balance Revenue

	2008	2009
Assessed Value	\$8.2 billion	\$7 billion
Times fixed rate \$.0890 = Levy	\$7.3 million	\$6.3 million
+ misc. revenue	<u>.7 million</u>	<u>.7 million</u>
Total revenue	\$8 million	\$7 million
<i>Less circuit breaker</i>		<i>-\$150,000</i>



Capital Projects Fund (CPF)



- 3-year Plan Required
- Building construction, renovation, repair, maintenance
 - 63 buildings, average age 51 years
- Equipment & Technology purchases and repairs
- Lower than other districts due to Racial Balance Fund



Capital Projects Fund Budget Overview

	2009
Total to approve	\$27,175,300
<u>Required reduction:</u>	
Pension Bond tax neutrality	2,700,000
<u>Potential reductions:</u>	
Assessed value adjustment	3,000,000
Circuit breaker	<u>750,000</u>
	\$6,450,000
Proposed expenditures	\$20,725,300



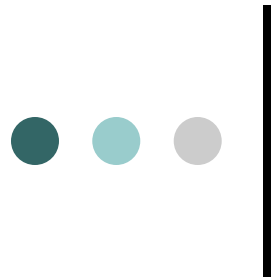
Capital Projects Fund Budget Overview

	2008	2009
Improvements & Replacements	\$19,479,522	\$14,546,274
Utilities & Insurance	6,179,026	6,179,026
Total expected budget	\$25,658,548	\$20,725,300
Difference		-\$4,933,248



Capital Projects Detail

	2008	2009
Improvements & Replacements:		
Building Improvements	\$10,018,123	\$5,651,274
Equipment	1,750,000	1,605,000
Building & Equipment Repair	3,247,999	3,329,600
Technology	2,783,400	2,696,400
Energy Savings Contracts	730,000	514,000
Emergency Allocation	600,000	600,000
Land	350,000	150,000
	\$19,479,522	\$14,546,274

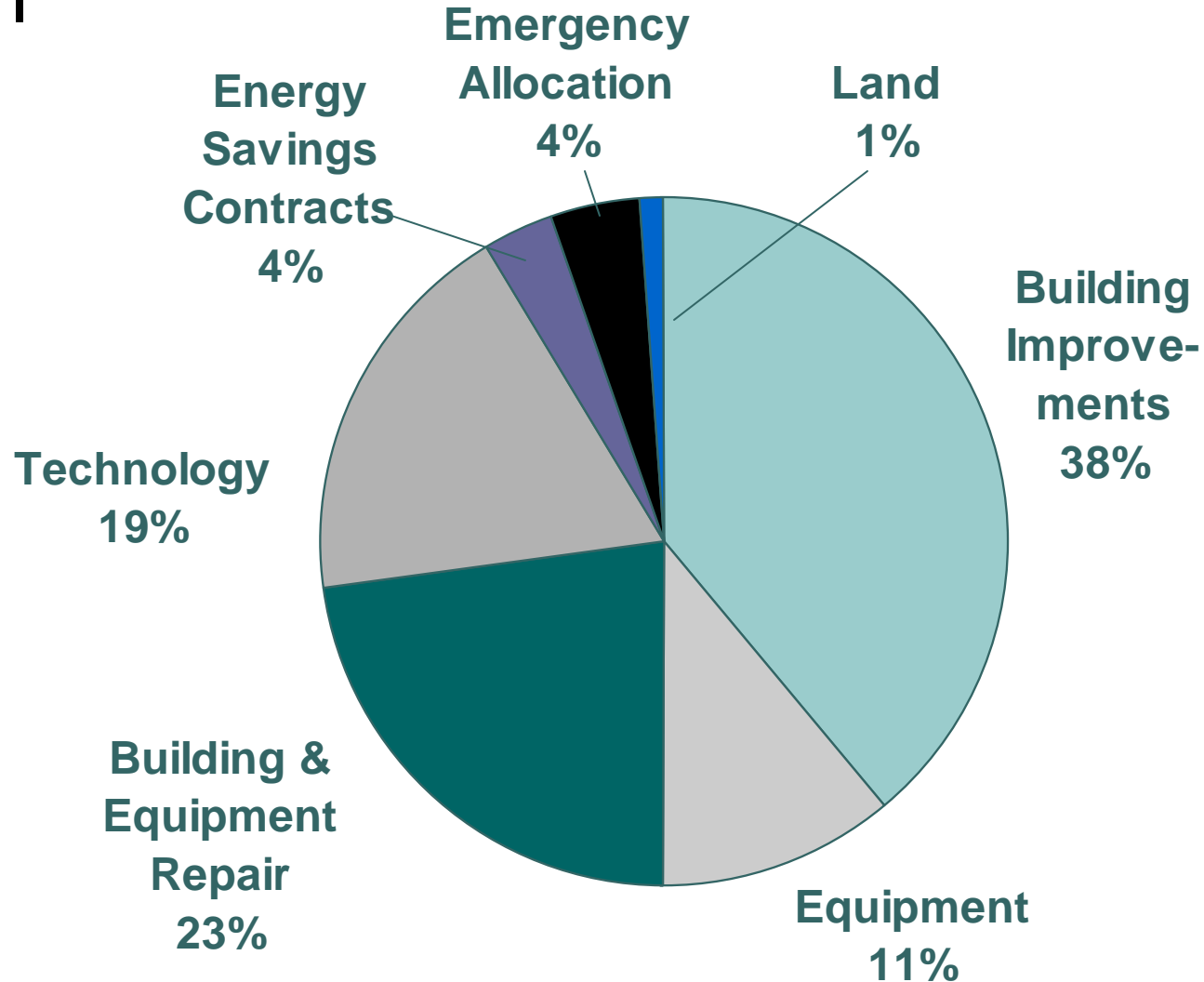


2009 Building Improvements

	2008	2009	Change
Lakeside Middle School	\$ 3,468,974	\$ -	\$ (3,468,974)
Major Project	3,468,974	-	(3,468,974)
Professional Services	125,000	100,000	(25,000)
Roof Replacement	1,500,000	1,500,000	-
Site	327,145	250,000	(77,145)
General Building Systems	590,000	400,000	(190,000)
Mechanical/Electrical	811,921	600,000	(211,921)
HVAC Replacement	1,802,000	1,410,000	(392,000)
Traffic/Safety	468,673	511,274	42,601
School Programmatic Needs	140,000	110,000	(30,000)
Hazardous Materials	320,000	280,000	(40,000)
A.D.A. Projects	270,000	180,000	(90,000)
School Sports Facilities	194,410	310,000	115,590
	\$ 10,018,123	\$ 5,651,274	\$ (4,366,849)

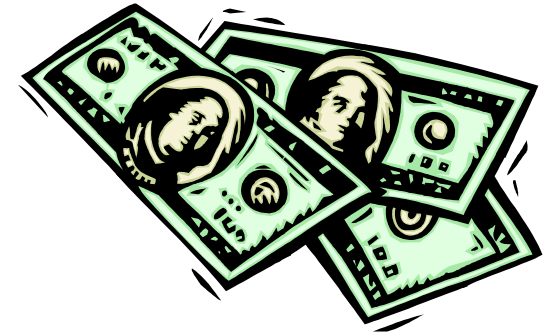


2009 Capital Projects Plan





Debt Service Fund



South Side addition & renovation	Through 2012	\$3,768,038
North Side addition & renovation	Through 2018	3,740,000
Food Service Center	Through 2018	1,283,600
State Technology loans (CSF & STAA)		3,394,833
Interest on tax anticipation warrants		500,000
Unfunded textbooks		10,187
Total		\$12,696,658



Debt Service Funds Budget Overview

	2008 Expenditure Budget	2009 Expenditure Budget	Change
Debt Service-Regular	\$12,230,248	\$12,696,658	\$466,410
Debt Service- Pension Bond (tax neutral with cuts to CPF & Bus Replacement)	3,891,415	3,886,555	-4,860
Total	\$16,121,663	\$16,583,213	\$461,550



Debt Service Rate Comparison (2007 rates)

FWCS Ranked 264 of 284 districts	\$.1364 Per \$100 of Assessed Value
State average	\$.3713
State mean	\$.3228
Highest in state – Crawfordsville	\$1.0616
Lowest in state – Speedway	\$.0058



Transportation Fund



- Operations

- Annual budget determined by state formula, supported by property taxes

- Bus Replacement

- Annual budget determined by 12 year replacement plan
- Pension bond tax neutrality further lengthens replacement plan



Transportation Operations

	2008	2009
Budget to approve	\$18,000,000	\$19,080,000
Less circuit breaker		<u>-310,000</u>
Expected budget		\$18,770,000
		4.3%



Bus Replacement Plan

	Inventory 2008	Total Budget 2009
14 Passenger HS & MS	33	Add 11
24 Passenger With lifts	43	Replace 4
48 Passenger Special Ed.	46	0
84 Passenger Regular Ed.	218	Add 2
TOTAL	340	17



Bus Replacement Budget Overview

	2008 Expenditure Budget	2009 Expenditure Budget
Bus Replacement to approve	\$3,403,223	\$2,366,789
As Reduced *for pension bond tax neutrality *for circuit breaker	967,434	890,000 217,000
Total – As Reduced	\$2,435,789	\$1,259,605

Special Education Preschool Fund



- **Indiana mandate**

- Formula fixed at \$2,750 per student since 1991
- State to fund in 2009 (no property taxes)
- 2009 budget \$1,386,000

- **General Fund support about \$212,000**

- **Serve about 421 students**



Museum of Art Fund



- Pass through to Fort Wayne Museum of Art
- To provide ongoing programs for our students
- Budget same at \$185,500



2009 Expected Budget

	2009 Budget To Approve	Reductions	2009 Budget Expected
General	\$218,250,000		\$218,250,000
Racial Balance	9,086,000	\$150,000	8,936,000
Capital Projects	27,175,300	6,450,000	20,725,300
Transportation	21,446,605	1,417,000	20,029,605
Debt-Regular	12,696,658		12,696,658
Debt-Pension	3,886,555		3,886,555
Special Ed PS	1,386,000		1,386,000
Museum of Art	185,500	5,000	180,500
Total	\$294,112,618	\$8,022,000	\$286,090,618



2009 Summary by Fund

	Expected Budget	Expected Levy
General-Regular	\$218,250,000	
Racial Balance	8,936,000	\$6,265,689
Capital Projects	20,725,300	18,917,966
Transportation	20,029,605	17,484,045
Debt Service-Regular	12,696,658	11,865,037
Debt Service-Pension	3,886,555	3,470,216
Special Education Preschool	1,386,000	
Museum of Art	180,500	154,133
Total	\$286,090,618	\$58,157,086



Budget Comparison

	2008 Budget	2009 Estimate	Difference
Total All Budgets	\$283,514,406	\$286,090,618	\$2.6 million
Levy	\$111,379,296	\$58,157,086	-\$53.2 million
Levy as % of Budget	39%	20%	



2008 & 2009 Budgets Summary

	2008 Budget	2009 Budget Expected	Percentage Change
General	\$210,000,000	\$218,250,000	3.9%
Racial Balance	8,995,000	8,936,000	-.7%
Capital Projects	25,768,548	20,725,300	-19.6%
Transportation	20,435,789	20,029,605	-2.0%
Debt Service	12,977,944	12,696,658	-2.2%
	3,891,415	3,886,555	-.1%
Special Ed PS	1,161,210	1,386,000	19.4%
Museum of Art	185,500	180,500	-2.7%
Total	\$283,415,406	\$286,090,618	.9%

2009 Tax Rates

	2008 Rate	Expected 2009 Tax Rate
General-Regular	\$.5872	\$-0-
General-Charter Schools	.0123	
Racial Balance	.0890	.0890
Capital Projects	.2615	.2687
Transportation	.2144	.2484
Debt Service-Regular	.1414	.1685
Debt Service-Pension Bond	.0437	.0493
Special Education Preschool	.0023	-0-
Museum of Art	.0022	.0022
Total	\$1.3540	\$.8261
<i>Advertise 2009 \$1.2781</i>		



Average Homeowner Impact – FWCS portion only

	<u>2007</u>	<u>2008</u>	<u>2009</u>
Gross Assessed Value	\$100,000	\$100,000	\$100,000
Taxable Assessed Value	\$52,000	\$52,000	\$32,750
FWCS rate	\$1.3812	\$1.3540	\$0.8261
Gross taxes	\$718	\$704	\$271
Less credits	\$283	\$445	\$25
Tax	\$435	\$259	\$246
Change		(\$176)	(\$13)



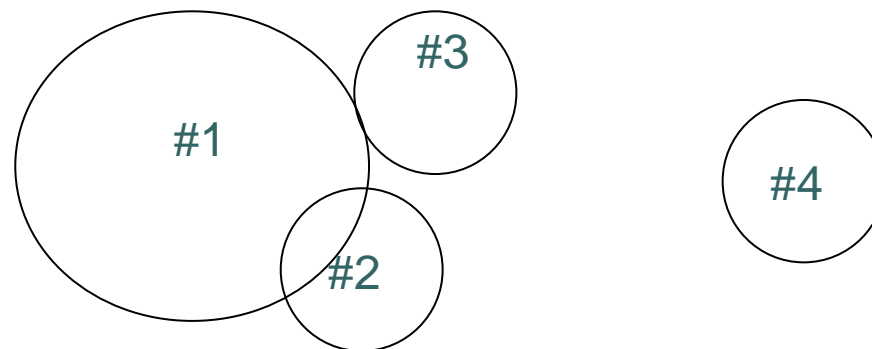
Four Circle Model for Budget Priorities

#1 In the classroom

#2 Touches classroom

#3 Outside classroom, but touches academics

#4 Outside the classroom





School Expenditures – Category Percentages

		2006-07 Actual	2006-07 <i>Without Debt</i>	2009 Budget	2009 <i>Without Debt</i>
1	Academic Achievement	62.5	65.7	62.6	66.3
2	Instructional Support	7.9	8.3	8.0	8.5
	Subtotal – Instruction	70.4 State 61.4	74.1 State 68.8	70.6	74.8
3	Overhead & Operational	19.4	20.4	18.1	19.2
4	Non- Operational	10.2	5.6	11.3	6.0
	TOTAL	100.0	100.0	100.0	100.0



Next Steps

August 14 & 21

Budgets advertised

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