

# FORT WAYNE COMMUNITY SCHOOLS



## WE ARE YOUR SCHOOLS

KATHY FRIEND  
CHIEF FINANCIAL OFFICER

**2024 BUDGET**  
SEPTEMBER 11, 2023



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# AGENDA

- Calendar
- Board Approval Requirements
- Education & Operations
  - Revenue
  - Expenditure Budgets
- Debt Funds
- Budget Summary
- School Safety Referendum Budget
- COVID Federal Funding Update
- Key Take-Aways

# BUDGET ADOPTION CALENDAR

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**September 11**

**Public Budget Presentation**

*Budget advertised on Gateway*

*Capital Projects and Bus Replacement Plans notice advertised on Gateway and FWCS website*

**October 9**

**Public Hearings:**

- Budget
- Bus Replacement Plan
- Capital Projects Plan

**October 23**

**Adoption of Budget and Plans**

**By Jan. 1, 2024**

**Budget Order issued by State**

# BOARD APPROVAL REQUIREMENTS

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- ✓ 2024 Appropriations (budget) and  
2024 Maximum Levy (property tax)
  - **Education Fund**
  - **Operations Fund**
  - **Debt Funds**
  - **School Safety Referendum Fund**
- ✓ Bus Replacement Plan – 5 years
- ✓ Capital Projects Plan – 3 years
  - Only capital assets over \$10,000
- ✓ Goals for Expenditure Categories



# **Education & Operations Funds 2024 REVENUE**

## Tuition Support - Basic Grant Formula

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- **Foundation**

- To provide basic level of support to all students
- All districts get the same per pupil
  - 2023-24 = \$6,590 (5.7% increase) , 2024-25 = \$6,681 (1.4% increase)

- **Complexity**

- To provide additional support to students with additional needs
- Formula:
  - % of district's students that are direct certified by the State for benefits
  - X a standard factor
    - Standard Factor 2022-2023 = \$3,775, 2023-24 = \$3,983 (5.5% increase) , 2024-25 = \$4,024 (1% increase)



# **EDUCATION FUND**

FWCS Complexity funding about \$30.5 million

- 1. Helps meet the needs of funding gaps that are not fully funded and are non-foundational expenditures**
  - English Language Learners, gap about \$7.8 million
  - Special Education, gap about \$8.5 million
- 2. Balance is available to support other non-foundational expenditures**
  - Classroom support (i.e. classroom assistants)
  - Student support (i.e. case managers, alternative programs)



# EDUCATION FUND REVENUE

## Tuition Support Basic Grant - Complexity

Year	Free/Reduced Meals Free Textbooks (1)	Direct Certified (2)	State Poverty for Formula (3)
2015-16	64.7%	41.4%	38.5%
2016-17	65.1%	38.2%	
2017-18	67.9%	49.2%	34.1%
2018-19	65.7%	50.0%	
2019-20	64.5%	56.0%	28.6%
2020-21	63.2%	59.2%	
2021-22	66.9%	56.9%	29.1%
2022-23	70.3%	64.5%	

(1) All students receive free lunch but must use application for free textbooks prior to 23-24

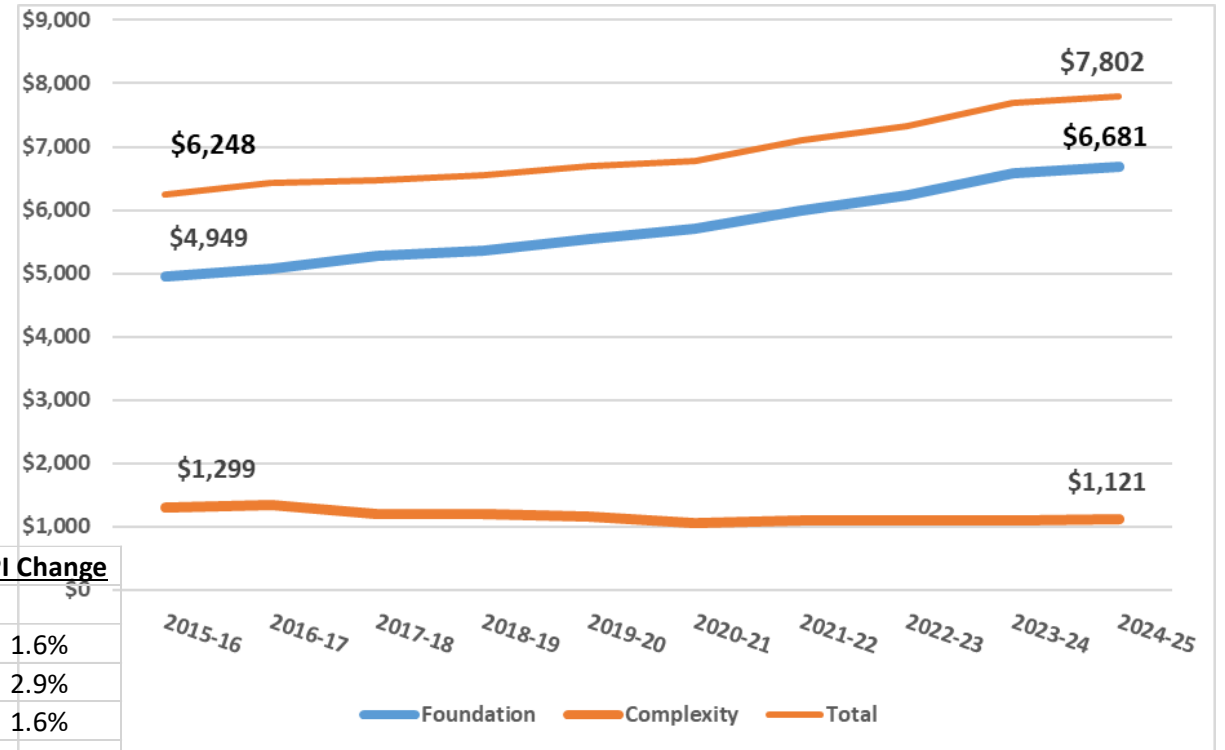
(2) Includes SNAP, TANF, Foster Care and Medicaid in household

(3) Excludes Medicaid and may not match all students in systems, same % used for two years

State Fiscal Year		Poverty Measurement Basis*	Change	Complexity Index after adjustments	Change	Complexity Index Multiplier	Change	FWCS Amount Per Pupil	Change
2015	2016	0.3849		0.3736		\$3,489		\$1,303	
2016	2017	0.3849	0.0000	0.3793	0.0057	\$3,539	\$50	\$1,342	\$39
2017	2018	0.3405	-0.0444	0.3405	-0.0388	\$3,539	\$0	\$1,205	-\$137
2018	2019	0.3405	0.0000	0.3405	0.0000	\$3,539	\$0	\$1,205	\$0
2019	2020	0.2857	-0.0548	0.3155	-0.0250	\$3,650	\$111	\$1,152	-\$53
2020	2021	0.2857	0.0000	0.2905	-0.0250	\$3,675	\$25	\$1,068	-\$84
2021	2022	0.2908	0.0051	0.2908	0.0003	\$3,775	\$100	\$1,098	\$30
2022	2023	0.2908	0.0000	0.2908	0.0000	\$3,775	\$0	\$1,098	\$0
2023	2024	0.2785	-0.0123	0.2785	-0.0123	\$3,983	\$208	\$1,109	\$11
2024	2025	0.2785	0.0000	0.2785	0.0000	\$4,024	\$41	\$1,121	\$12
Percent change since 15-16			-0.1064		-0.0951		\$535		-\$182
			-28%		-25%		15%		-14%

# EDUCATION FUND REVENUE

## Per Pupil Foundation & Complexity



	<u>Foundation</u>	<u>Change</u>	<u>Complexity</u>	<u>Total</u>	<u>Change</u>	<u>CPI Change</u>
2015-16	\$4,949		\$1,299	\$6,248		
2016-17	\$5,082	2.7%	\$1,341	\$6,423	2.8%	1.6%
2017-18	\$5,273	3.8%	\$1,205	\$6,478	0.9%	2.9%
2018-19	\$5,352	1.5%	\$1,205	\$6,557	1.2%	1.6%
2019-20	\$5,548	3.7%	\$1,152	\$6,700	2.2%	0.6%
2020-21	\$5,703	2.8%	\$1,068	\$6,771	1.1%	5.4%
2021-22	\$5,995	5.1%	\$1,098	\$7,093	4.8%	9.1%
2022-23	\$6,235	4.0%	\$1,098	\$7,333	<u>3.4%</u>	<u>3.0%</u>
<b>Average Year</b>					2.3%	3.5%
2023-24	\$6,590	5.7%	\$1,109	\$7,699	5.0%	
2024-25	\$6,681	1.4%	\$1,121	\$7,802	1.3%	
Since 15-16	35%		-14%	25%	2.9%	

- **Enrollment**

- 2022-23 Actual – 28,664
- 2023-24
  - As of 9-11-23 – 28,627 (down 37)
  - Official counts – October 2 and February 1

- **Funded = ADM (Average Daily Membership)** – Preschool not included or funded

- 2022-23 Actual – 27,562
- 2023-24 as of 9-11-23 – 27,575 (up 13)

# EDUCATION FUND REVENUE

## Other Tuition Support Components

- **Special Education - \$21.9 million**

- Per pupil increase 23-24 - 5%, increase 24-25 – 5%
- 2024 \$1 million higher than 2023
- Per pupil amounts by exceptionality

	<u>22-23</u>	<u>23-24</u>	<u>24-25</u>
Severe	\$10,575	\$11,104	\$11,659
Moderate	\$2,657	\$2,790	\$2,930
Communication	\$500	\$525	\$551
Preschool	\$3,465	\$3,638	\$3,820

- **NESP (Non-English Speaking Program)** – moved from own fund to the Education Fund 7-1-23

- FY 2023 \$1.3 million
- FY 2024 \$1.7 million
- FY 2025 \$1.8 million

- **Career & Technical Education - \$5.2 million**

- 5% increases in per pupil funding for high value courses, no change in other categories, amount varies by job value of course, \$150 to \$1,071

- **Honors Diploma - \$551,000**

- No change, \$1,500 for students approved for direct certified benefits, \$1,100 for all others
- Additions for Associate Degrees, Indiana College Core, Dual Credits, Early Graduation

The background is a solid yellow color with a repeating pattern of various school-related icons in a light yellow shade. These icons include a pencil, a lightbulb, a ruler, a pencil sharpener, a backpack, a pencil case, a globe, a magnifying glass, a protractor, a pencil, a pen, a book, a graduation cap, a trophy, a briefcase, a paint palette, a globe, a ruler, a pencil sharpener, a pencil, a pen, a book, a graduation cap, a trophy, a briefcase, a paint palette, and a globe.

# OPERATIONS FUND

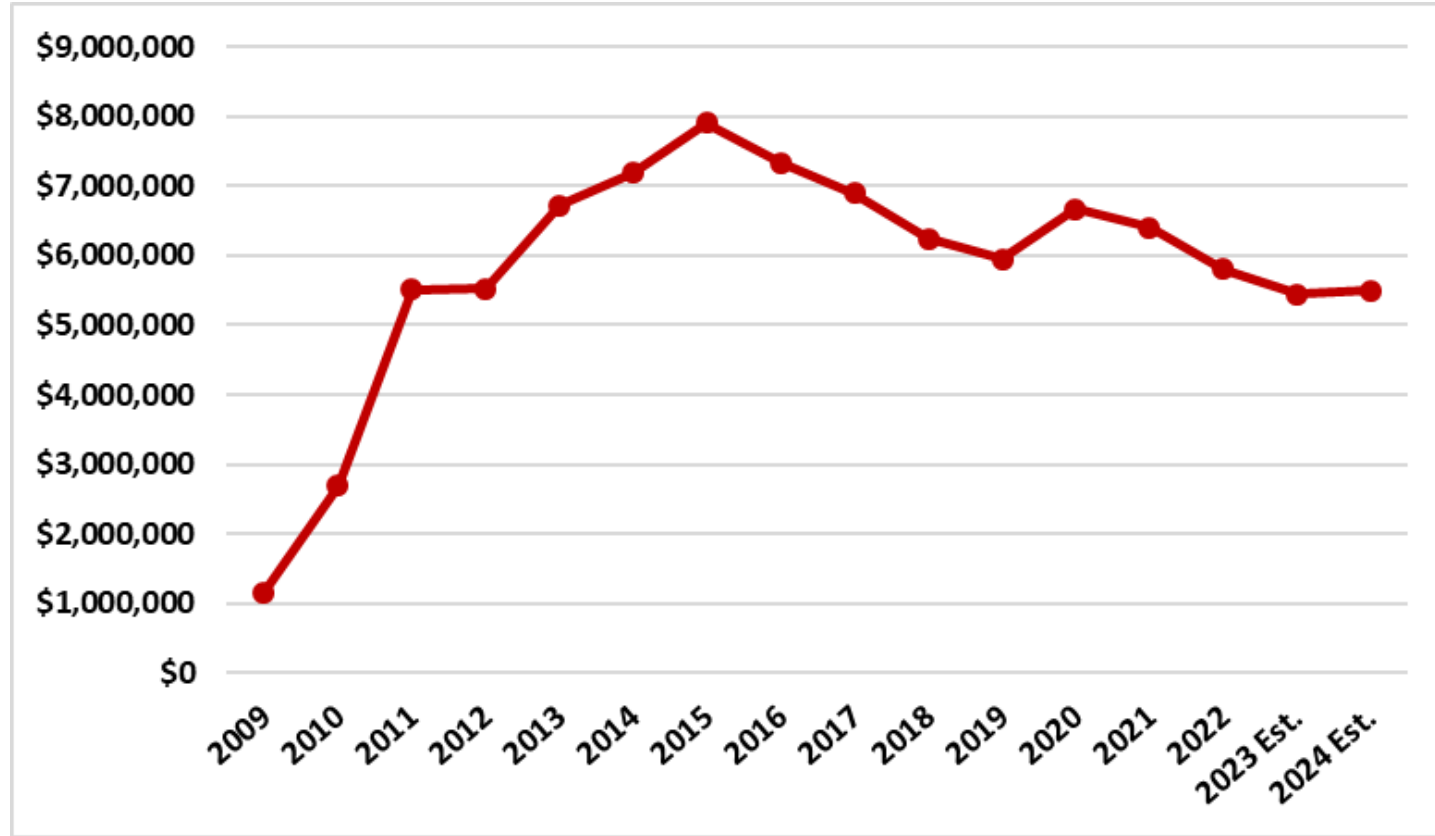
# OPERATIONS FUND REVENUE

## Property Tax

	<u>2022 Actual</u>	<u>2023 Budget</u>	<u>2024 Budget</u>
Maximum Allowed Levy (prior year)	\$57,484,030	\$60,022,454	\$63,023,577
Times Growth Factor (per State) * limited to 4% beg. in 2024	<u>1.0442</u>	<u>1.05</u>	<u>1.04</u>
Maximum Allowed Levy	60,022,454	63,023,577	65,544,520
<b>Less Tax Cap Loss (% of allowed levy)</b>	<b><u>(5,520,418)</u> 11.4%</b>	<b><u>(5,442,834)</u> 8.6%</b>	<b><u>(5,500,000)</u></b>
<b>Net Property Taxes</b>	<b>\$54,502,036</b>	<b>\$57,580,743</b>	<b>\$60,044,520</b>
Change	10.8%	5.9%	4.3%

# OPERATIONS FUND REVENUE

## Tax Cap Loss (Circuit Breaker)



**Cumulative loss since 2009 about \$93 million**

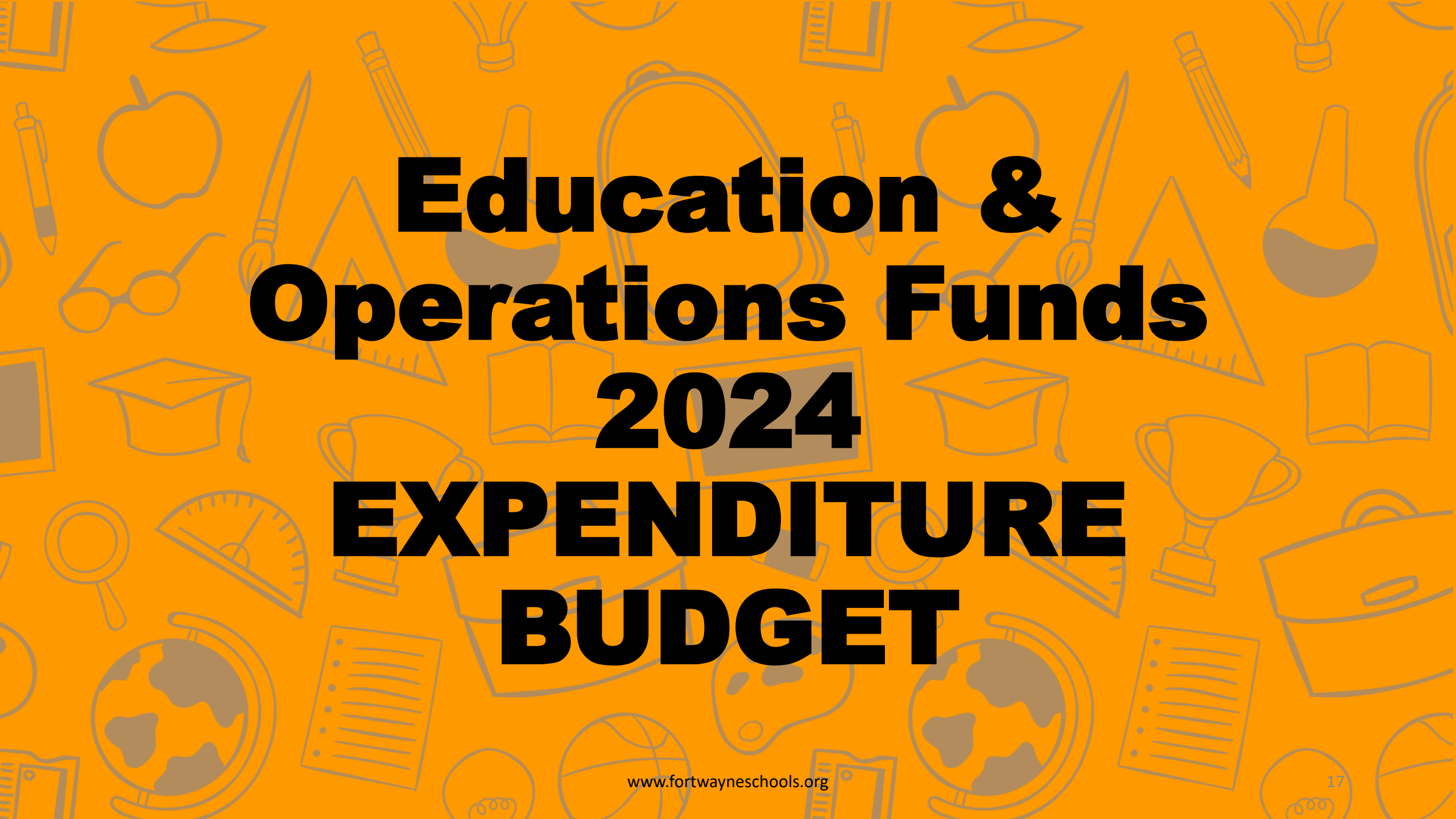


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# TOTAL REVENUE

	<u>2023 Estimate</u>	<u>Education Fund</u>	<u>Operations Fund</u>	<u>2024</u>	<u>Change</u>
State Tuition Support	\$233,751,737	\$241,541,676		\$241,541,676	
Net Property Taxes	57,580,743		\$60,044,520	60,044,520	
Excise and FIT	5,071,612		5,071,700	5,071,700	
Interest Income	6,366,409		6,000,000	6,000,000	
Indirect Cost	5,419,002		4,000,000	4,000,000	
Miscellaneous Revenue	2,670,320	600,000	543,794	1,143,794	
<b>Total</b>	<b>\$310,859,823</b>	<b>\$242,141,676</b>	<b>\$75,660,014</b>	<b>\$317,801,690</b>	<b>\$6,941,867 2%</b>
<b>Estimated Maximum Transfer Available Revenue</b>		<u>(\$10,000,000)</u>	<u>\$10,000,000</u>	<b>&lt;&lt; 4% of State Support limit 15%</b>	<b>State</b>
		<b>\$232,141,676</b>	<b>\$85,660,014</b>		





# **Education & Operations Funds 2024 EXPENDITURE BUDGET**

- Based on Indiana Office of Management & Budget definitions
  - **Education Fund**
    - Academic Achievement
    - Student Support
  - **Operations Fund**
    - Overhead
    - Non-operations



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# EXPENDITURE CATEGORIES

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## Academic Achievement

- Direct expenditures related to instruction. Includes teachers, teacher aides, media services and instructional technology.

## Student Instructional Support

- Services that support student academic achievement within the school building. Includes attendance, social work, guidance, health, psychology, speech pathology, audiology and school administration.

## Overhead and Operational

- Non-instructional operating costs. Includes corporation administration, fiscal services (budgeting, payroll, purchasing, accounting), operation and maintenance of facilities, security, pupil transportation and administrative technology.

## Non-Operational

- Expenditures not related to the day-to-day operations. Includes construction and purchase of non-instructional equipment.

# EXPENDITURE CATEGORIES

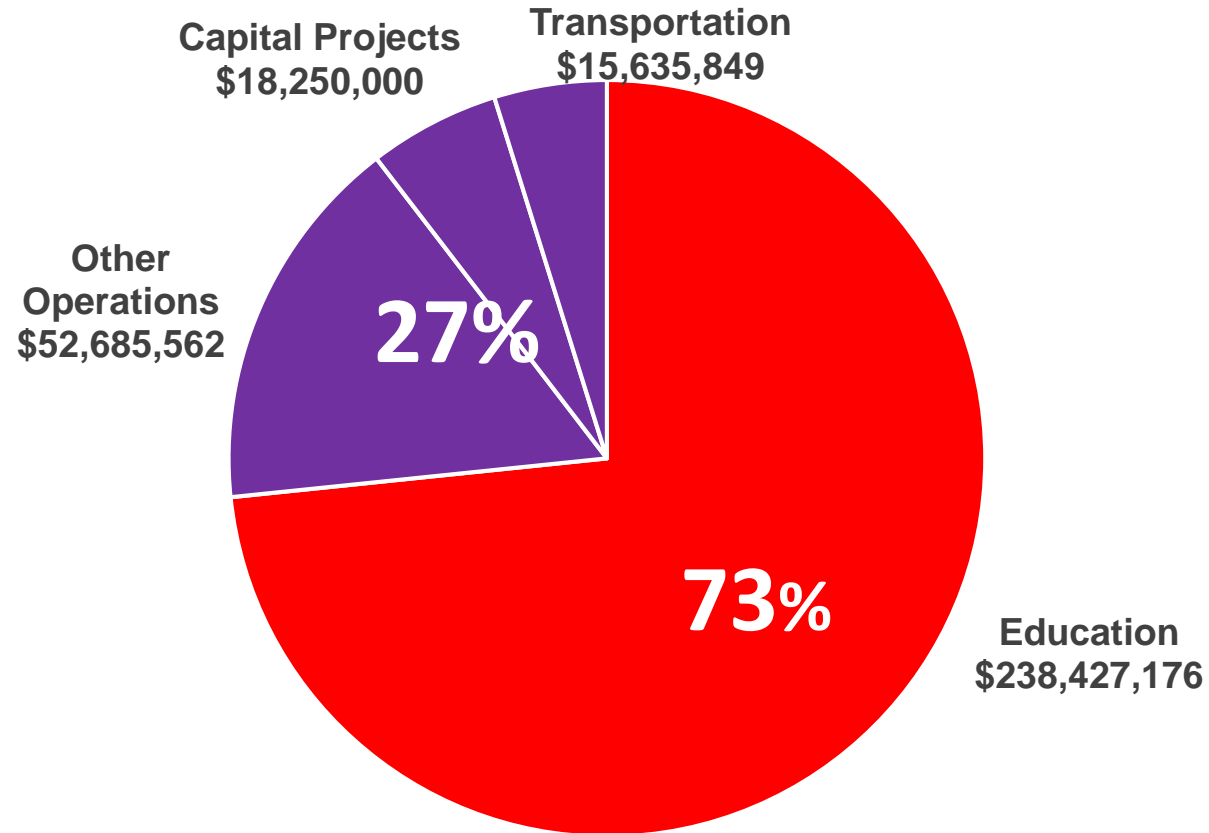
## ALL EXPENDITURES 2020-21\*

	State		FWCS	
	<u>All</u>	<u>Excl. Non-Oper.</u>	<u>All</u>	<u>Excl. Non-Oper.</u>
<b>Student Instructional Expenditures</b>	<b>58.7%</b>	<b>73.0%</b>	<b>63.8%</b>	<b>77.5%</b>
<b>Overhead and Operational</b>	<b>21.7%</b>	<b>27.0%</b>	<b>18.5%</b>	<b>22.5%</b>
<b>Non-Operational</b>	<b>19.6%</b>	<b>excluded</b>	<b>17.7%</b>	<b>excluded</b>

\*State published January 2023

# EDUCATION AND OPERATIONS FUNDS

Budget = \$324,998,587





# EDUCATION FUND

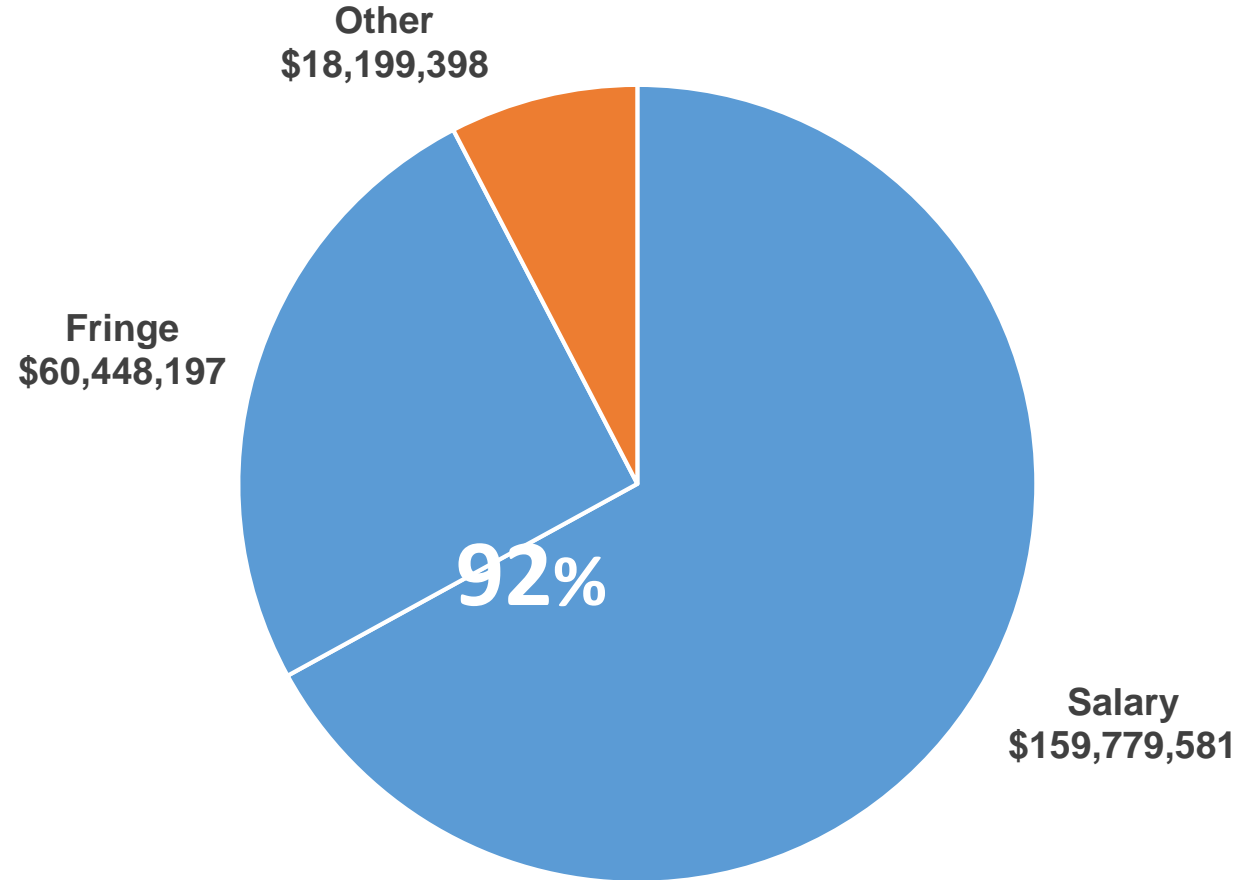


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# EDUCATION FUND

Total = \$238,427,176

- Teachers
- Classroom assistants
- School administration
- Magnet programs
- Career Academy
- Classroom materials and supplies
- Curriculum and assessments





# **OPERATIONS FUND**

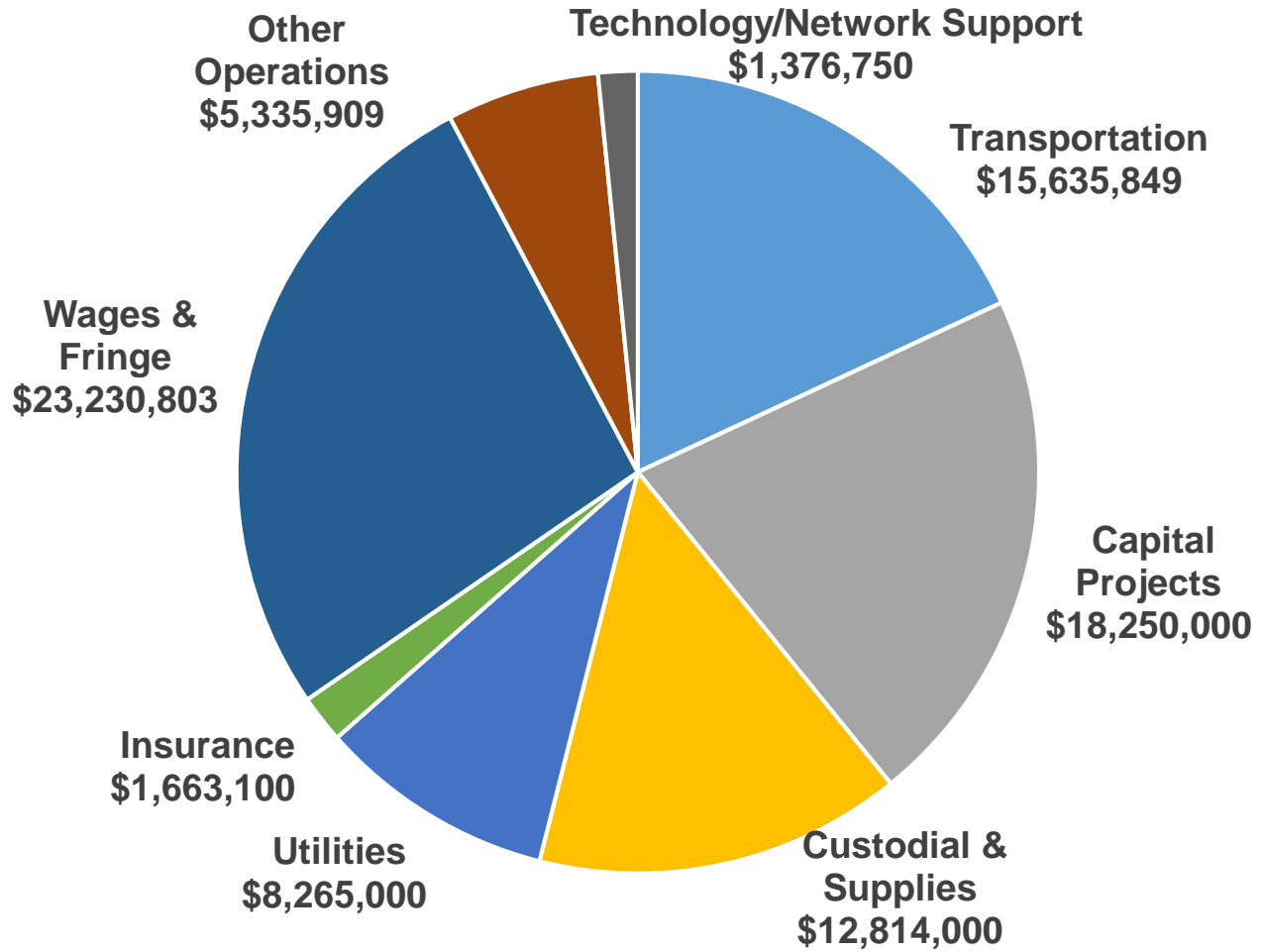




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# OPERATIONS FUND

## Total = \$86,571,411

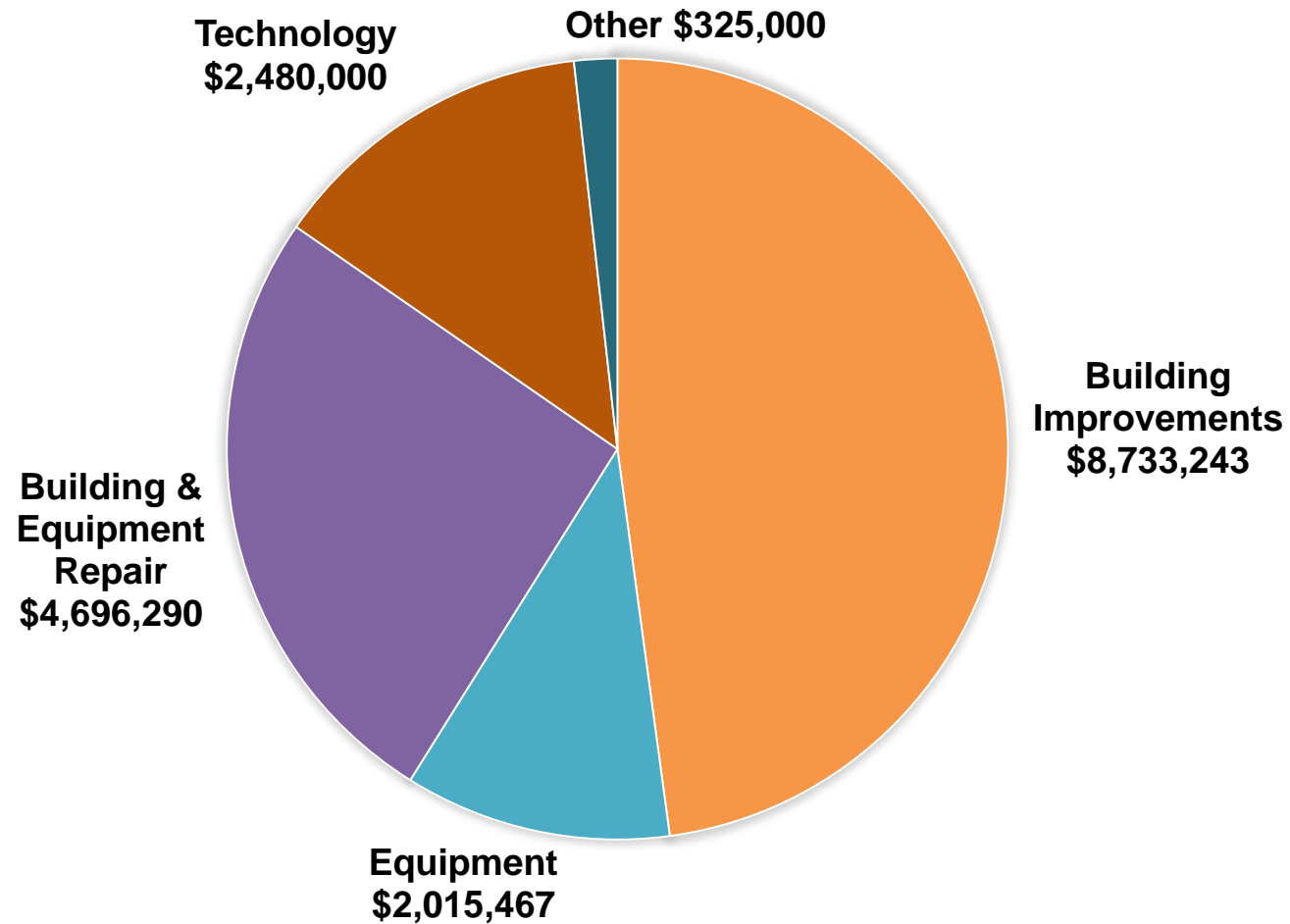


- 62 buildings (50 schools included in building count, 2 others not owned)
- Average age 62 years
- 3-year plan required by State
  - Only capital projects individually over \$10,000



## Capital Projects = \$18,250,000

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## Capital Projects: State 3-Year Plan

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- **State requirement to identify and advertise items that exceed \$10,000**
- **Projects that are considered capital in nature**
  - Site acquisition and development
  - Building construction, replacement, renovation, remodeling, improvement
  - To repair and replace buildings and building fixtures
  - Construction, repair, replacement, remodeling or maintenance of a school sports facility
    - Budget limited to 2.7% of the Operations Fund property tax revenue
    - Plan includes adding turf at South Side (2023), North Side (2024), Snider (2025)
- **Capital Assets**
  - Building acquisition
  - Purchase of playgrounds, equipment, maintenance vehicles to be used by the school corporation
  - Technology



# Required 3-Year Capital Projects Plan

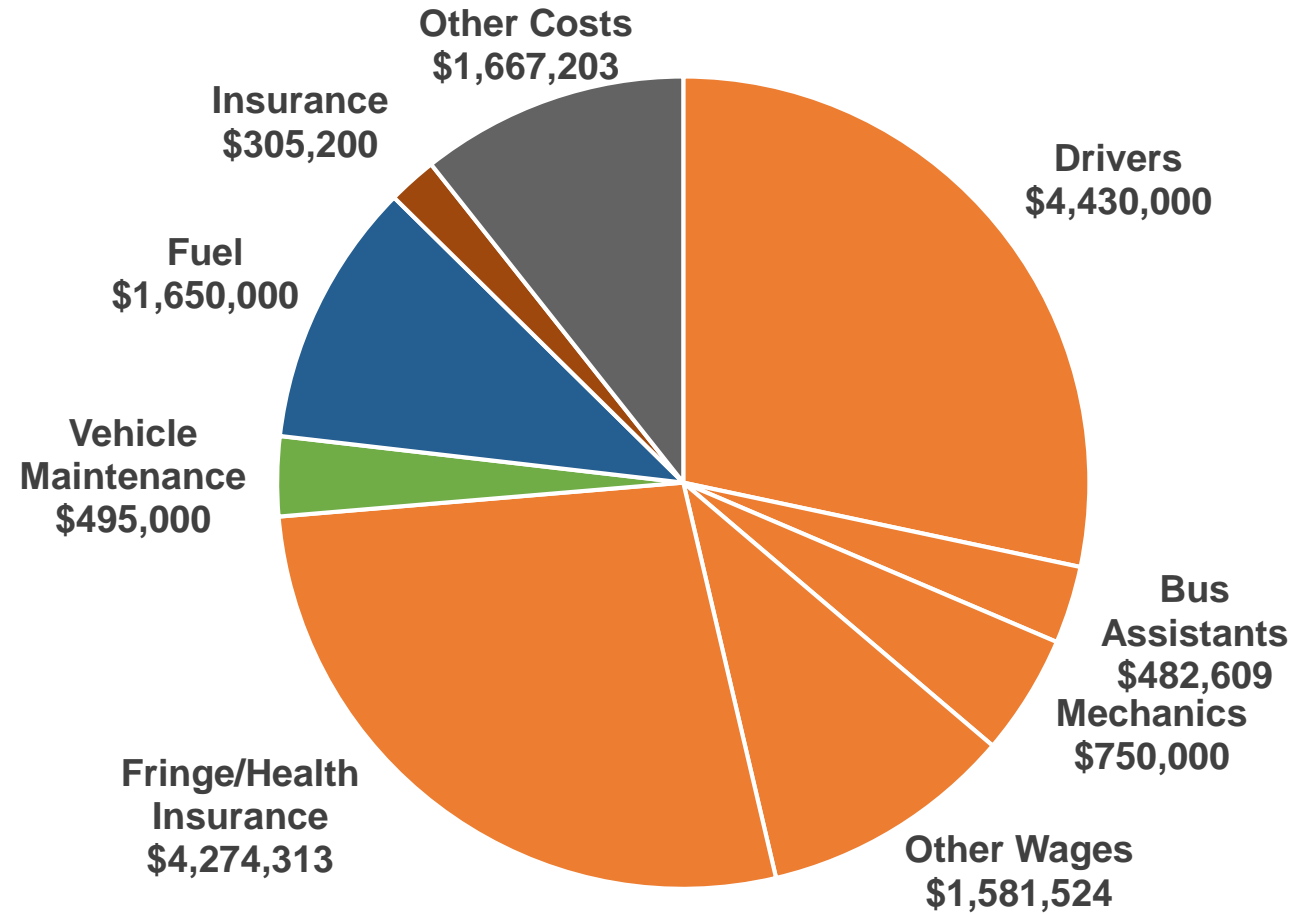
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	<u>2024</u>	<u>2025</u>	<u>2026</u>
<b>Projects Capital in Nature</b>	<b>8,620,793</b>	<b>8,415,000</b>	<b>7,251,500</b>
<b>Capital Acquisitions</b>	<b>328,710</b>	<b>223,000</b>	<b>223,000</b>
	<b>8,949,503</b>	<b>8,638,000</b>	<b>7,474,500</b>

**\* Only includes those items that exceed \$10,000**

- Current fleet - 178 buses and 47 activity buses, total 225
- 17,168 students eligible for service
  - Currently 11,747 using transportation
- 754 routes (includes regular, Special Ed, midday)
- Routes for middle school activities
- 145 square miles
- Over 3 million miles traveled

## Transportation Budget = \$15,635,849



## 5-Year Bus Replacement, 2024 Budget = \$0

Replacement Year	2022 Beginning Inventory	2023 Beginning Inventory	2024 Replacement Plan	Estimated Budget
2024			0	\$ -
2025			15	1,703,976
2026			0	-
2027			0	-
2028			13	3,447,248
<b>5- Year Plan</b>			<b>28</b>	<b>5,151,224</b>
2029			38	8,818,524
2030			26	8,369,506
2031			29	10,007,595
2032			42	14,947,573
2033			29	12,653,531
2034			27	10,778,539
2035			6	3,085,954
<b>All Inventory</b>	<b>299</b>	<b>267</b>	<b>225</b>	<b>\$ 73,812,446</b>
<b>Buses sold since 2022</b>			<b>74</b>	





# DEBT FUNDS

# DEBT FUNDS

## Budgets = \$40,149,139

	<u>Final</u> <u>Payment</u>	<u>2023</u>	<u>2024</u>
New Tech - 2009	2025	\$145,180	\$142,590
State Technology Loans	Ongoing	4,568,215	4,729,549
General Obligation Bond - 2023	2026	-	5,200,000
<b>A Debt Service</b>		<b>\$4,713,395</b>	<b>\$10,072,139</b>
Tax Rate		\$0.0404	\$0.0866
<b>B Referendum Debt to date</b>	<b>2040</b>	<b>\$30,556,000</b>	<b>\$30,077,000</b>
Tax Rate		\$0.2475	\$0.2162
		<b>\$35,269,395</b>	<b>\$40,149,139</b>
<b>A + B - Max rate promised \$.3028</b>		<b>\$0.2879</b>	<b>\$0.3028</b>



## Upcoming Debt Activity:

- 2020 referendum
  - Issues complete
    - First through third issues sold in 2021, 2022 and 2023
    - **Issues four through five will be sold in 2024 and 2025**
    - Last payment expected 2044
- 2023 General Obligation Bond will be sold Sept. 2023, estimated payment in budget will be finalized by DLGF
- Continue to seek annual technology loans
  - About \$4.5 million per year



# **BUDGET SUMMARY**

# PROPOSED 2024 APPROPRIATIONS, LEVY & TAX RATE

	Appropriation		2024 Property Tax Levy			2024 Property Tax Rate			
	2023 Approved Appropriation	2024 Recommended Appropriation	Advertised & Adopted Levy	Expected Levy	Estimated Collected Levy	Adopted Tax Rate	Expected 2024 Tax Rate	2023	% Change
Education Fund	\$225,235,294	\$238,427,176	\$0	\$0	\$0	\$0.0000	\$0.0000	\$0.0000	0.0%
Operatons Fund	84,360,327	86,571,411	72,098,972	65,544,520	60,044,520	0.6256	0.5687	0.5996	-3.5%
<b>Total Ed &amp; Oper Funds</b>	<b>309,595,621</b>	<b>324,998,587</b>	<b>72,098,972</b>	<b>65,544,520</b>	<b>60,044,520</b>	<b>0.6256</b>	<b>0.5687</b>	<b>0.5996</b>	<b>-3.5%</b>
Debt Service	4,713,395	10,072,139	10,898,924	9,908,113	9,908,113	\$0.0946	\$0.0860	0.0404	5.1%
Referendum Debt	30,556,000	30,077,000	29,545,545	26,859,586	26,859,586	0.2365	0.2168	0.2475	-3.5%
<b>Total Debt Funds</b>	<b>35,269,395</b>	<b>40,149,139</b>	<b>40,444,469</b>	<b>36,767,699</b>	<b>36,767,699</b>	<b>0.3311</b>	<b>0.3028</b>	<b>0.2879</b>	<b>1.7%</b>
	<b>344,865,016</b>	<b>365,147,726</b>	<b>112,543,441</b>	<b>102,312,219</b>	<b>96,812,219</b>	<b>\$0.9567</b>	<b>\$0.8715</b>	<b>\$0.8875</b>	<b>-1.8%</b>

Assessed value increase 9.6%



# **SCHOOL SAFETY REFERENDUM**

- **Approved by School Board on 6-12-23 for a public question to appear on the ballot 11-7-23**
  - To raise funds for safety and well-being expenditures
  - Allows the district to raise a maximum tax rate of \$.10 per \$100/assessed value each year
  - If voters approve, the district may assess a tax levy for eight years
- **Board must approve 2024 budget before the vote in order to assess the levy in 2024**
  - 2024 budget is lower than maximum allowed as the district transitions to new positions and equipment



# SCHOOL SAFETY REFERENDUM

- **Maximum allowed spending plan about \$12 million with a tax rate of \$.10**
  - Impact to an average home with assessed value \$167,235 is a increase of \$76 per year
- **For 2024, estimated spending plan is \$7.2 million with a tax rate of \$.06**
  - Impact to an average home with assessed value \$167,235 is a increase of \$54 per year
  - Impact to total bill, including all units, estimated at 4% increase



# SCHOOL SAFETY REFERENDUM AND SECURITY BUDGET-OPERATIONS FUND

		Estimated Maximum Budget		2024 Referendum Budget		2024 Security Budget Operations Fund		2024 Total if Referendum Successful
<b>Revenue:</b>								
Levy		11,398,218		6,774,759				
Tax Rate		\$0.1000		\$0.0588				
Miscellaneous revenue		805,854		430,000				
		<u>12,204,072</u>		<u>7,204,759</u>				
<b>Expenditure Budget:</b>								
	<b>Staff</b>		<b>Staff</b>		<b>Staff</b>		<b>Staff</b>	
Security Personnel	3	344,919	3	344,919	3	501,909	6	846,828
Security Guards						1,682,732		1,682,732
School Resource Officer	12	689,160	12	689,160	10	574,300	22	1,263,460
		<u>1,034,079</u>		<u>1,034,079</u>		<u>2,758,941</u>		<u>3,793,020</u>
Maintenance Contracts, Licenses						141,100		141,100
Fire Protection (outside City limits)						21,000		21,000
Training, Travel, Supplies, Technology						112,750		112,750
Student Advocate Personnel	56	4,041,728	24	1,732,169			24	1,732,169
Mental Health Therapist Personnel	18	1,299,127	18	1,299,127			18	1,299,127
Additional Mental Health Supports		2,500,000		500,000				500,000
Alive Community Outreach		500,000		500,000				500,000
Safety and Security Equipment and Technology		2,829,138		2,139,384				2,139,384
	<u>89</u>	<u>12,204,072</u>	<u>57</u>	<u>7,204,759</u>	<u>13</u>	<u>3,033,791</u>	<u>70</u>	<u>10,238,550</u>



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# SCHOOL SAFETY REFERENDUM

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- **If the vote fails:**
  - The DLGF will not consider the School Safety Referendum 2024 budget
  - Another School Safety Referendum may not be held earlier than:
    - 700 days after 11-7-23, or
    - 350 days after 11-7-23 if a petition is submitted with signatures of 500 persons who are either owners of property or registered voters within the school district

# **COVID FEDERAL FUNDING UPDATE**

## **ESSER**

**(Elementary and Secondary School  
Emergency Relief Fund)**

## **GEER**

**(Governor's Emergency Relief Fund)**



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# COVID FEDERAL FUNDING SUPPORT

		<b>FWCS</b>	<b>Non-Public</b>	<b>Total</b>	
		<b><u>Share</u></b>	<b><u>Share</u></b>	<b><u>Administered</u></b>	<b><u>FWCS Uses</u></b>
				<b><u>by FWCS</u></b>	
ESSER I (CARES)	to 9/22	8,994,493	1,300,000	10,294,493	Technology for remote learning, COVID cleaning, PPE, health services
ESSER II	to 9/23	44,883,919	*	44,883,919	Stipends for COVID work, facilities, technology
ESSER III	to 9/24	100,805,251	*	100,805,251	Summer school, class size reduction in elementary, additional academic support, facilities
GEER	complete	1,710,523	539,477	2,250,000	Techology for remote learning
		<u>156,394,186</u>	<u>1,839,477</u>	<u>158,233,663</u>	

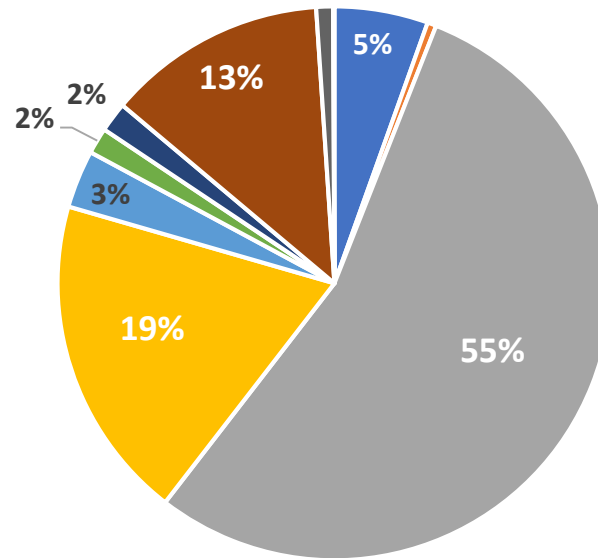
\*Emergency Assistance for Nonpublic Schools (EANS) provided separately



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# COVID FEDERAL SPENDING PLAN

Excludes Indirect Cost and Non-Public Schools Allocation



- Employee Stipends
- Other Academic Support
- Health Services
- Security
- Pay Continuation .5%
- Summer School
- Technology
- Facilities
- Extra School Day
- PPE, Sanitizer .5%

# COVID FEDERAL FUNDING SUPPORT

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- **Not for:**
  - Current expenditures
  - Temporarily stabilizing cash balance
- **Funds go to special programs outlined in grant requirements**
  - Student learning gaps
  - Technology
  - Facilities
  - Allowed indirect cost supports operational funds and additional school supports
- **ESSER annualized expenses about \$13.8 million (not including one-time expenditures)**



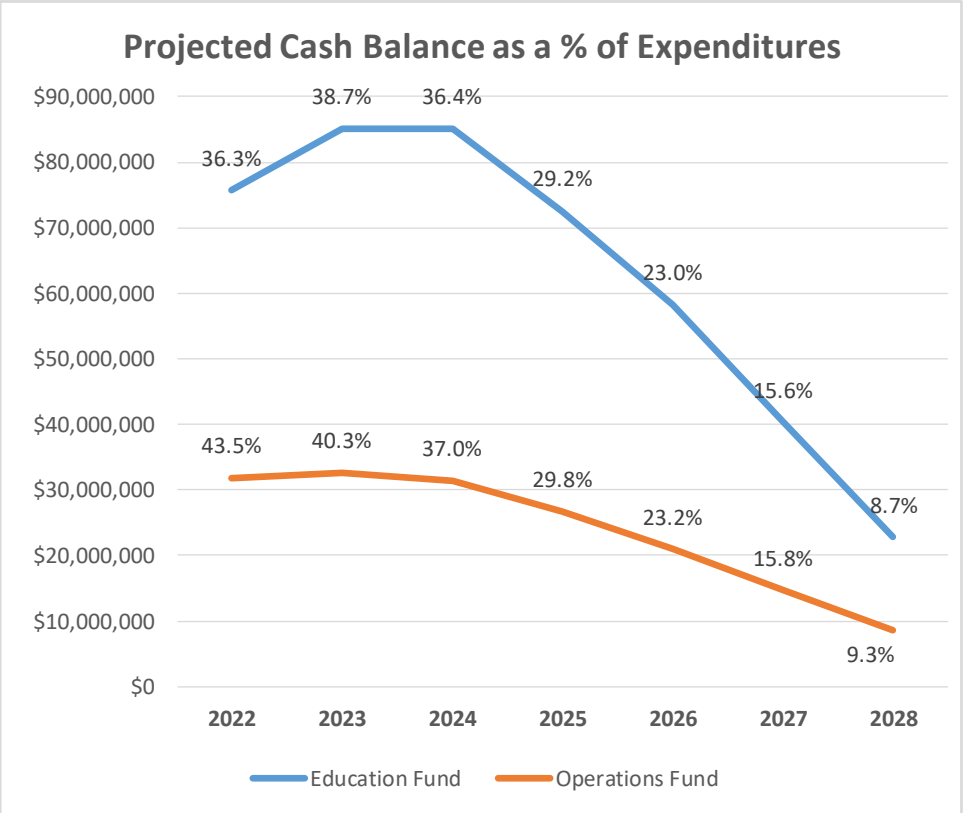
# COVID FEDERAL FUNDING END

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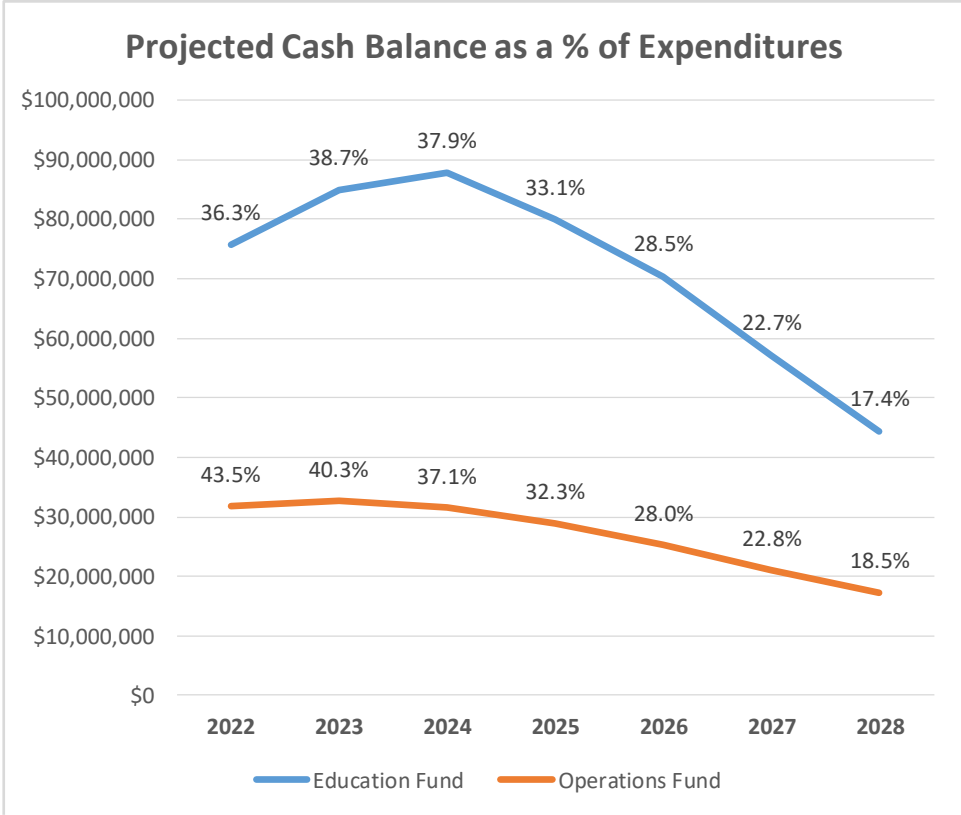
- **Funding ends September 2024**
  - Approximately **50%** of student learning gap expenditures will continue during the 24-25 school year
- **Effective 10-1-24, begin moving to Education/Operation funds**
  - \$3 million (last quarter 2024)
  - Remainder, \$3.9 million to be added to 2025 budget (teachers, nurses, College & Career Pathway Advisors, 3DE, Read 180)
- To prepare for impact, **cuts were made to reduce other expenditures in Education/Operation funds totaling \$2.8 million** (administrators, various classified staff)

# CASH BALANCE IMPACT AFTER ESSER

**Projection with NO ESSER Cuts**



**Projection with Recommended 50% ESSER Cuts**







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# KEY BUDGET TAKE-AWAYS

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- Revenue
  - Enrollment is maintaining
- Expenditure Budget
  - **Education** and **Operations** Fund Combined – budget increased 5%
- Bus Replacement – no purchases in 2024, reduced fleet by 74
- Debt Funds
  - Will maintain promised overall rate of \$.3028
- FWCS portion of tax rate expected to decrease 1.8%
- School Safety Referendum budget added
- COVID funding ends 9-24, some expenses moved to Education & Operations Funds



**October 9**

Public Hearings:

- Budget
- Bus Replacement Plan
- Capital Projects Plan

**October 23**

Adoption of Budget and Plans

**By Jan. 1, 2024**

Budget Order issued by State



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**Thank you**