



FIRST QUARTER FINANCIAL REPORT



2026



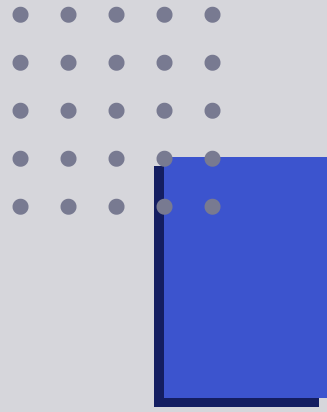
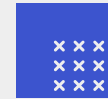
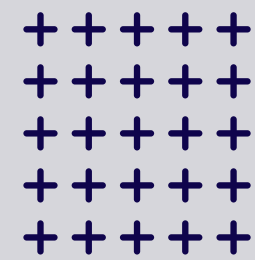
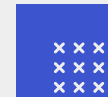


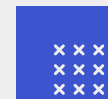
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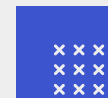
Education Fund



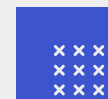
Operation Fund



Rainy Day Fund



Fincancial Summary



School Finance Topic: Circuit Breaker

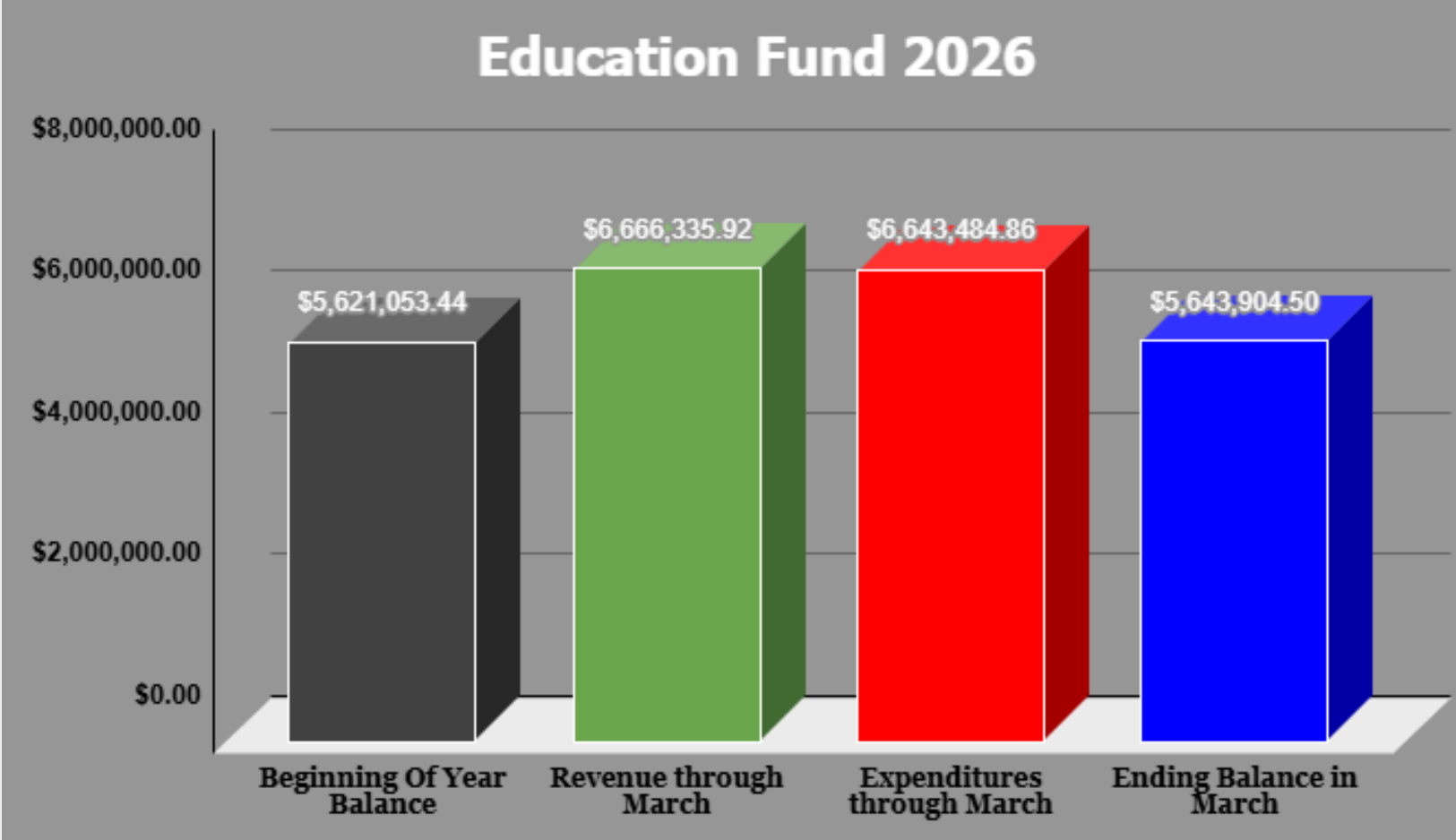
"AN INVESTMENT IN KNOWLEDGE
PAYS THE BEST INTEREST."

—BENJAMIN FRANKLIN



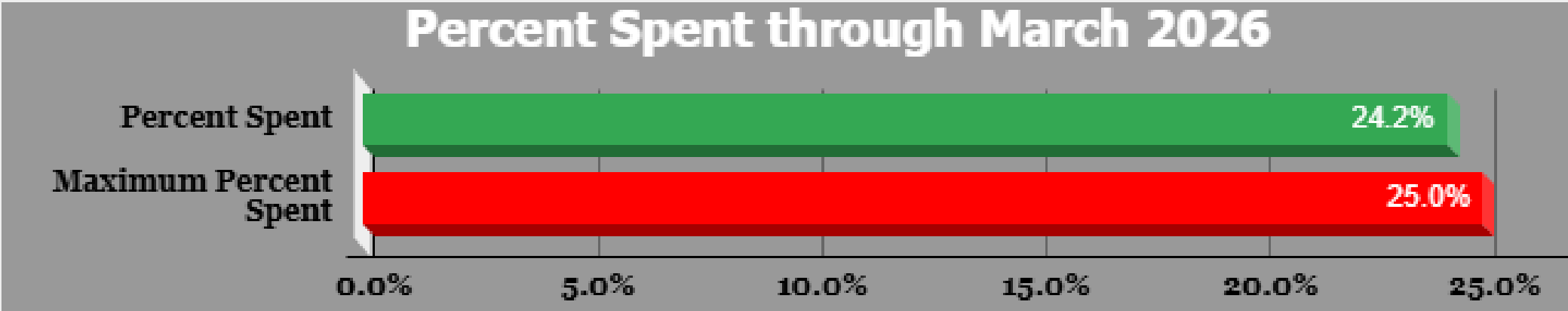
Education Fund

Overview



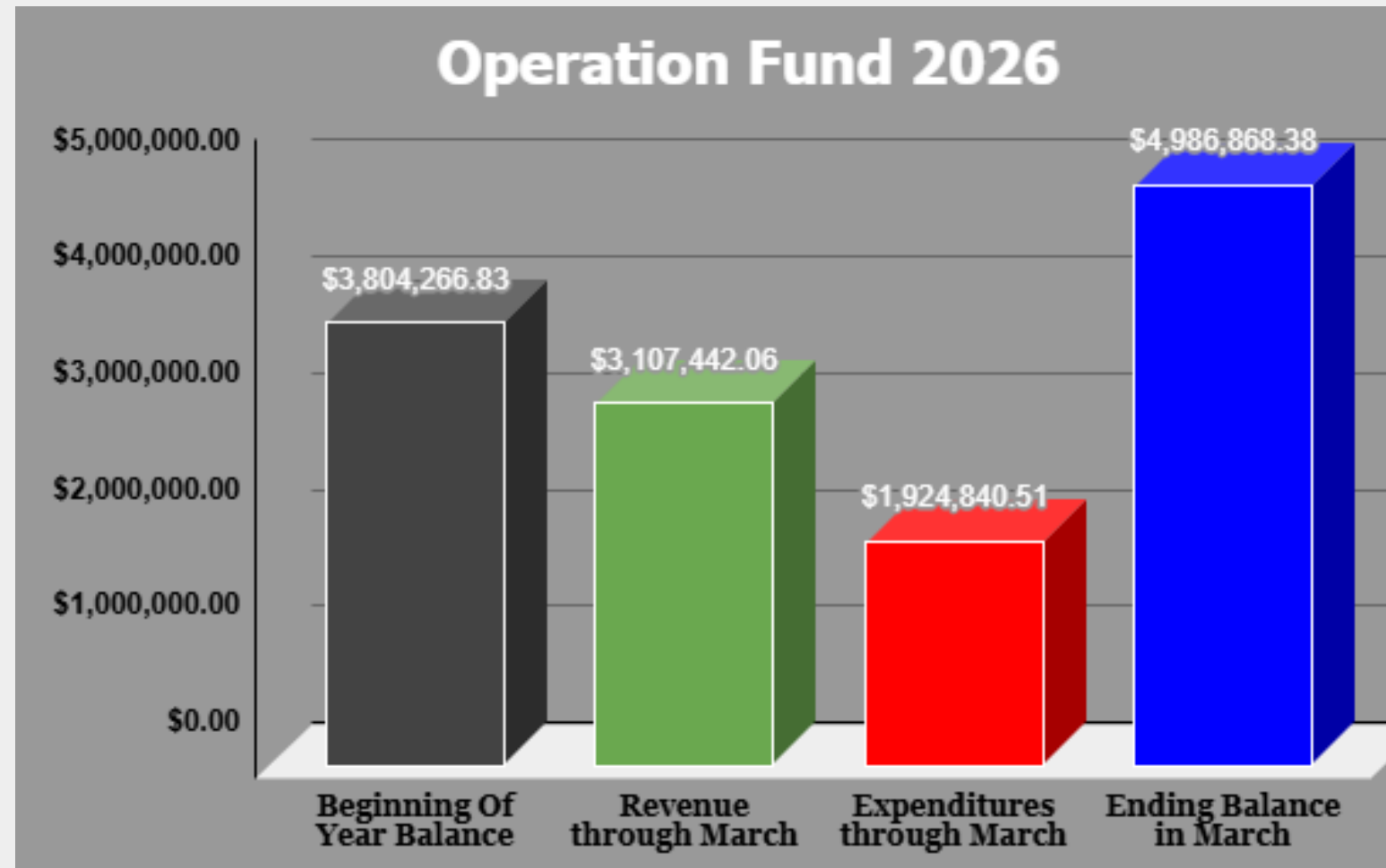
Financial Overview

- 2026 Beginning Balance: \$5,621,053.44
- Revenue through March: \$6,666,335.92
- Expenditures through March: \$6,643,484.86
- Ending Balance in March: \$5,643,904.50
- 24.2% Appropriation spent through March
 - Max Spent would be 25.0%



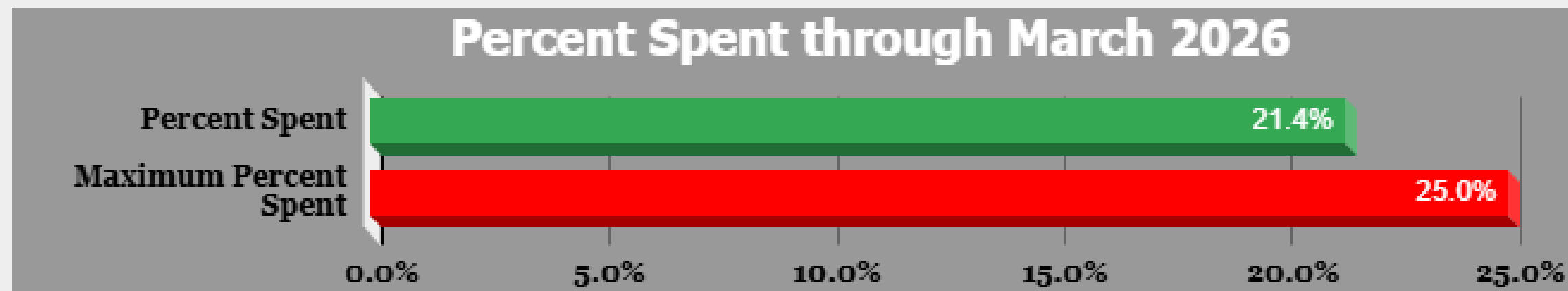
Operation Fund

Overview



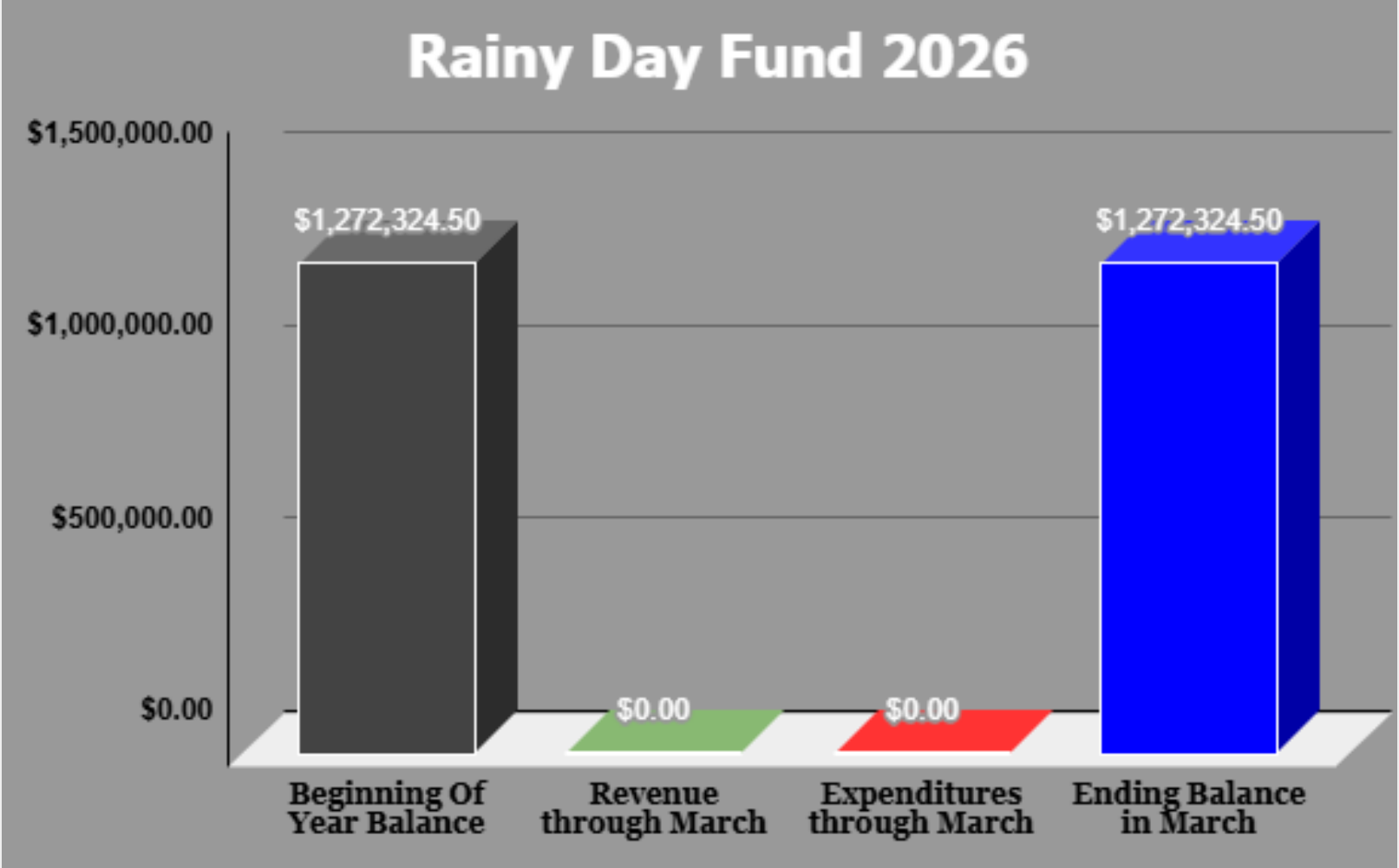
Financial Overview

- 2026 Beginning Balance: \$3,804,266.83
- Revenue through March: \$3,107,442.06
- Expenditures through March: \$1,924,840.51
- Ending Balance in March: \$4,985,868.38
- 21.4% Appropriation spent through March
 - Max Spent would be 25.0%



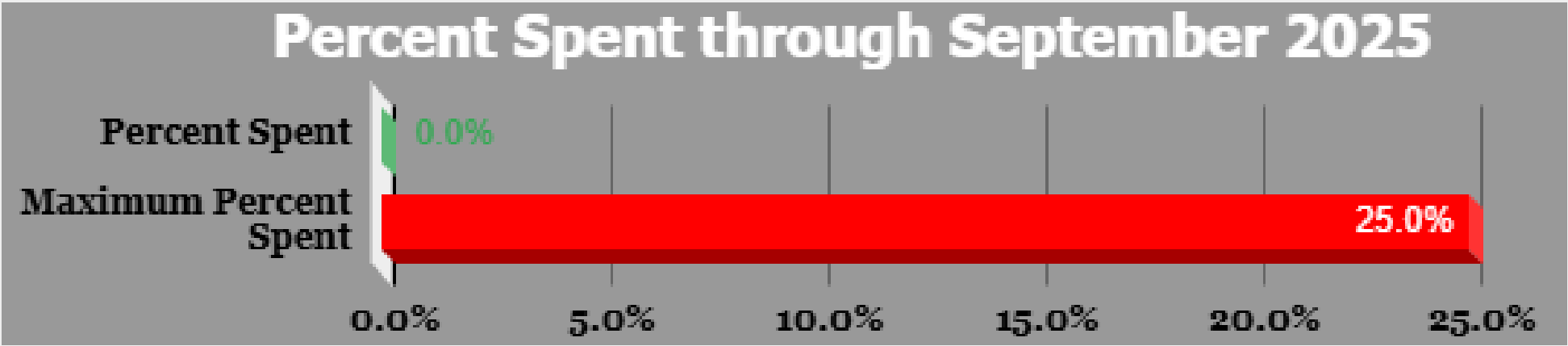
Rainy Day Fund

Overview



Financial Overview

- 2026 Beginning Balance: \$1,272,324.50
- Revenue through March: \$0.00
- Expenditures through March: \$0.00
- Ending Balance in March: \$1,272,324.50
- 0.00% Appropriation spent through March
 - Max Spent would be 25.0%



Financial Summary

• Education Fund

- Cash balance has slightly increased since the beginning of 2026.
- This will be short-lived due to significant encumbrances remaining for 2026, including three Prosser payments, contributions to the 401(a) and VEBA plans, Chromebook purchases, and the adoption of new science textbooks.
- We will see a decrease in our per-pupil funding due to the drop in our Spring ADM count. This will result in an approximate loss of \$63,000 in revenue over the next 6 months.
- We are trending slightly below the appropriated budget for the Education fund.
- Looking ahead to the 2026-2027 school year, per-pupil funding is projected to increase by approximately 1.8%. We also anticipate an increase in ADM, as the current senior class is approximately 215 students, while incoming kindergarten cohorts typically average around 230 students.

• Operation Fund

- We continue to analyze and prepare for the impacts of SEA 1. One strategy we utilized was to reimburse our Operation fund from the 2023 Bonds for purchases that related to the bond description. This was approved by our Bond Council.
- Legislators have pushed back the LIT loss until 2029. We will have to begin sharing property tax dollars with Charter schools in 2028.
- Expenditures and revenue are currently tracking to allow for a transfer to the Rainy Day fund at the end of 2026.

• Rainy Day Fund

- We have no expenditures planned to be paid out of the Rainy Day Fund for 2026.
- We have 3% of our budget saved for a Rainy Day. The recommendation is 15%.

• Capital Project Dollars

- Expenditures must be associated with bond description items and can not be used on SCSC salaries.
- Due to value engineering, investments, and unspent contingency and allowances, we anticipate smaller upcoming projects with remaining capital project money.

• Strategic Saving and Investments

- SCSC consistently looks at ways to best utilize taxpayer dollars through staffing, contract, purchasing, and investment decisions.
- In 2025, we had an estimated savings of \$927,000. In 2026, we are on track to have an estimated savings of \$500,000.
- In 2025, we earned \$1,143,866.17 in interest. We are investing in CDs and Laddered portfolios in 2026.

Summary



Circuit Breaker

What is Circuit Breaker Loss(Tax Cap Loss)

- “Circuit breaker” is a term used in Indiana to describe limits placed on how much property tax a homeowner or business must pay. These limits are written into the Indiana Constitution to help keep property taxes affordable.

The Basic Idea

- Property taxes are capped at a percentage of a property’s value:
 - 1% cap for primary homes
 - 2% cap for rental homes and farmland
 - 3% cap for businesses and other property
- If a property’s tax bill would normally be higher than the cap, the taxpayer does not pay the amount above the cap.
- The difference between what would have been paid and what is actually paid is called the circuit breaker credit.

Why this creates a “loss” for schools

- Schools, cities, counties, libraries, and other local services all rely on property taxes for funding. When the circuit breaker cap reduces someone’s tax bill, that unpaid portion is not replaced by the state — it simply becomes lost revenue for local governments, including school districts.

Why is Circuit Breaker Increasing

- Circuit breaker losses tend to increase when:
 - Property Values Rise
 - Tax Rates Increase
 - More properties hit their caps
- When more properties hit the cap, a larger portion of the tax levy cannot be collected, which reduces funding available for school operations.

What this means for the School District

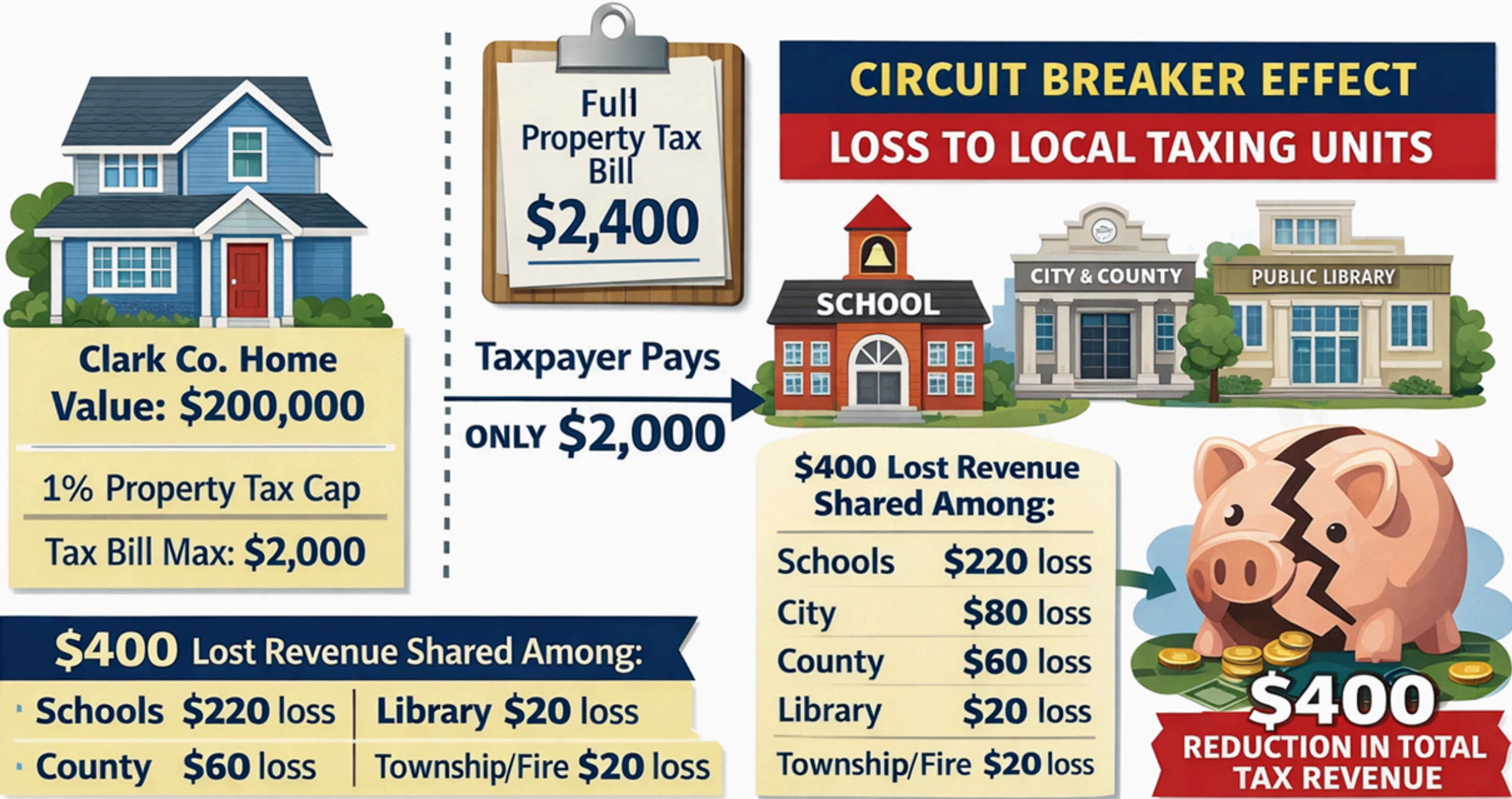
- Reduced funding for maintaining facilities and staffing for both operational and instructional positions.
- Makes budgeting challenging because the loss amount can fluctuate year to year.

Tax Cap Loss



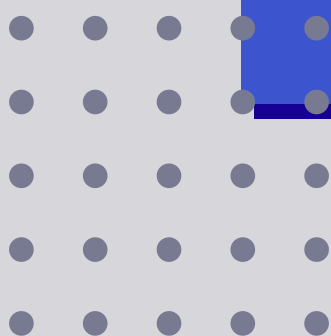
Circuit Breaker Example

Tax Cap Loss

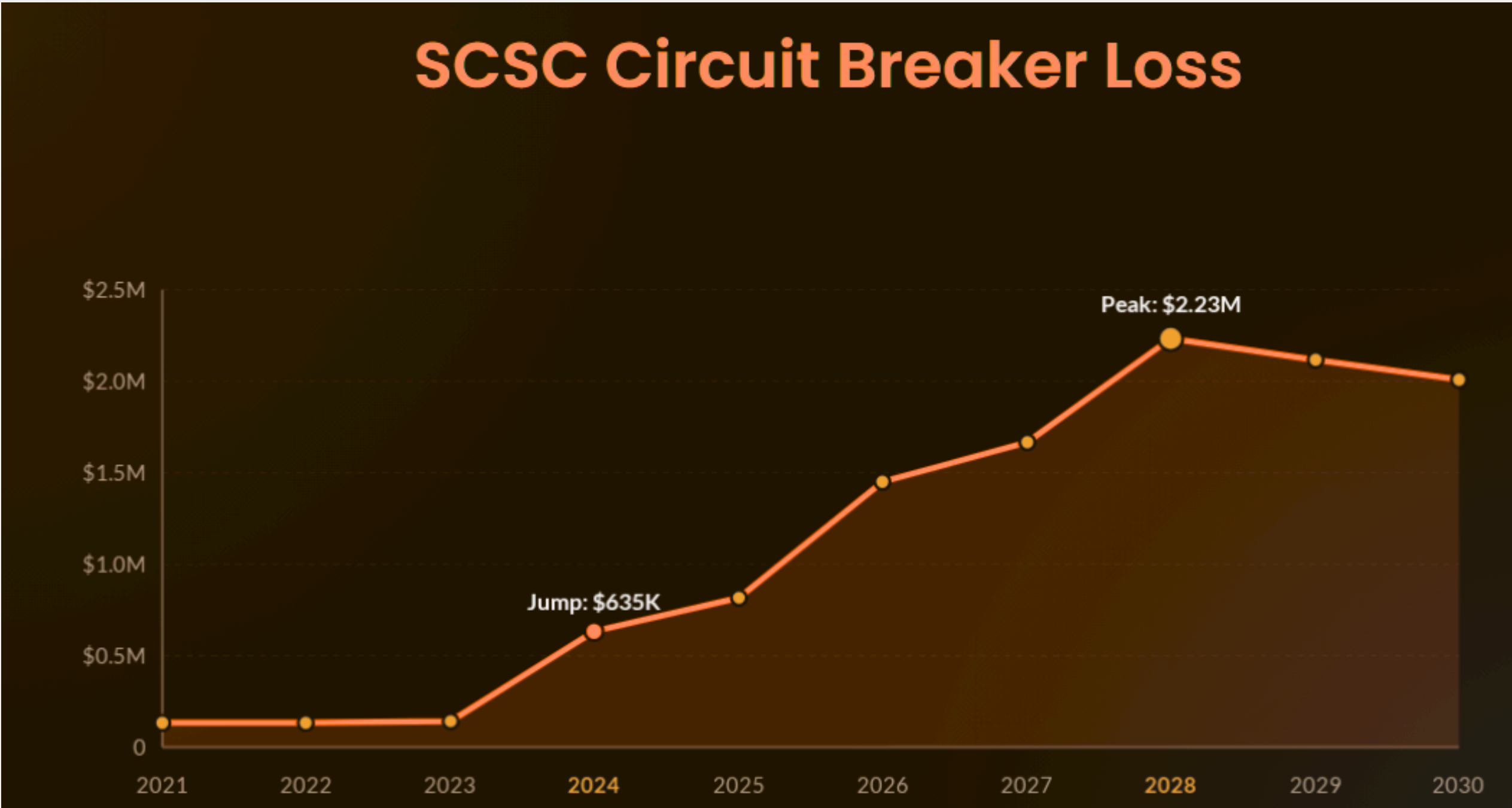


Circuit breaker limits protect taxpayers but reduce funding shared by schools, local government, library, fire & more

SCSC Circuit Breaker History and Projections



Tax Cap Loss



- **Actual Circuit Breaker Loss**

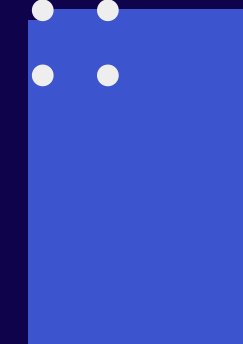
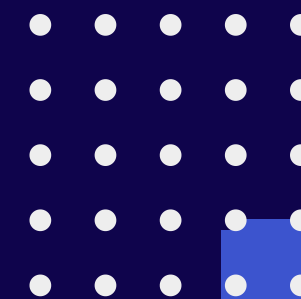
- 2021: \$136,169.55
- 2022: \$136,730.57
- 2023: \$139,987.17
- 2024: \$635,038.28
- 2025: \$817,625.66

- **Projected Circuit Breaker Loss**

- 2026: \$1,450,800.00
- 2027: \$1,666,800.00
- 2028: \$2,234,300.00
- 2029: \$2,119,500.00
- 2030: \$2,005,700.00

*Thank
you!*

GO



DRAAGONS!