WHITE RIVER VALLEY SCHOOL DISTRICT

STRATEGIC PLANNING MEETINGS

Public Question

Informational Meeting

EVALUATION PROCESS: WHERE TO BEGIN? MAIN QUESTIONS TO ANSWER

- WHERE IS THE CORPORATION "FINANCIALLY"?
- WHAT ARE THE CORPORATION'S NEEDS FINANCIALLY?
- WHAT HAS CHANGED AT THE STATE LEVEL AS FAR AS SCHOOL FUNDING?
- WHY ARE WE STARTING EARLIER?

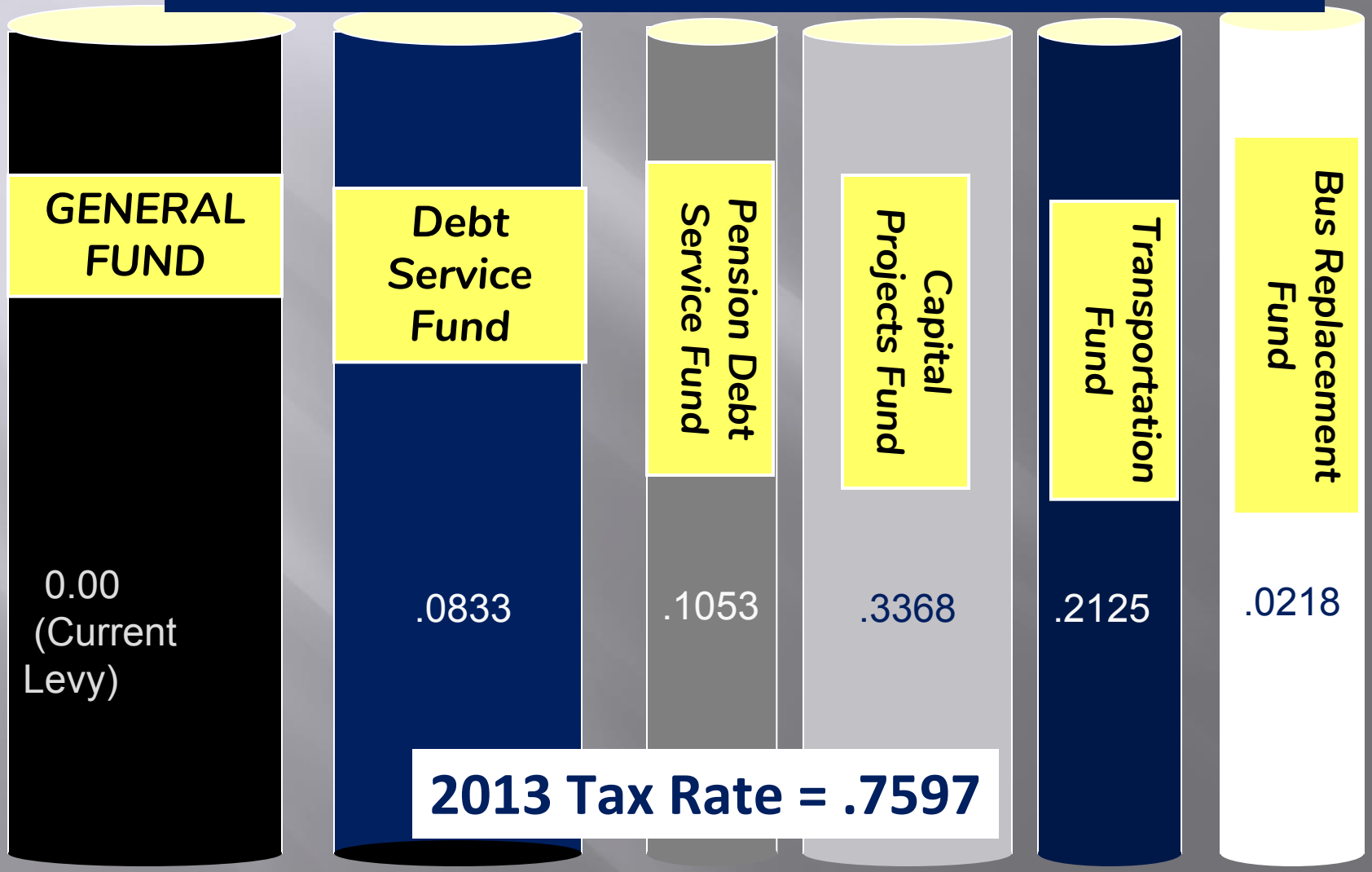
EVALUATION PROCESS: WHERE TO BEGIN? MAIN QUESTIONS TO ANSWER

- NOW THAT WE'VE BEEN THROUGH A REFERENDUM IN OUR COMMUNITY, WE NEED TO STUDY THE IMPACT AND THE ONGOING FUNDING NEED AND THE ABILITY TO USE CPF FUND FOR OUR FACILITIES, NOT OUR GENERAL/EDUCATION FUND.

- WE MUST RE-EVALUATE AND DEVELOP AN ONGOING STRATEGIC PLAN.

INDIANA OLD SYSTEM

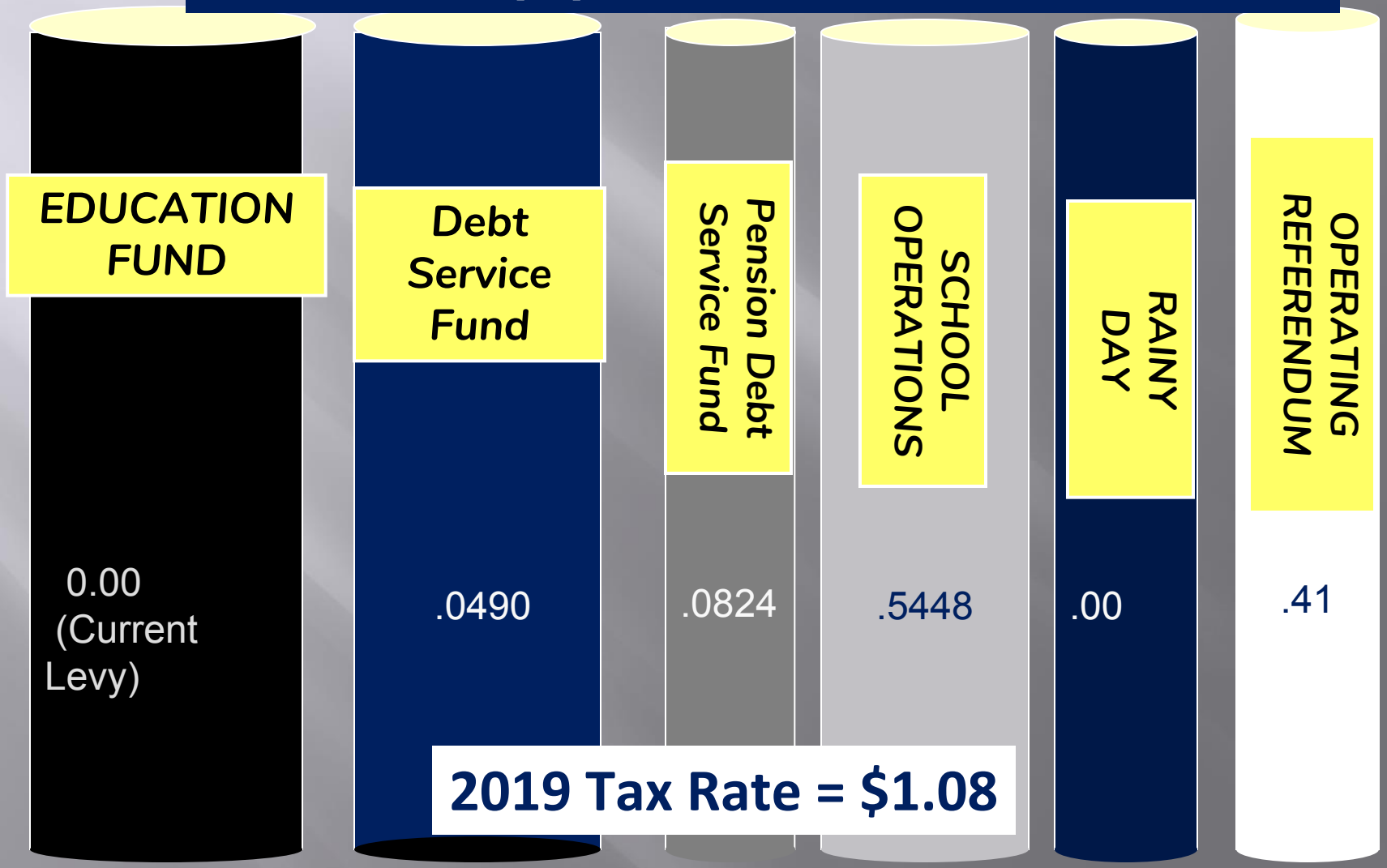
SIX (6) PRIMARY FUNDS



2013 Tax Rate = .7597

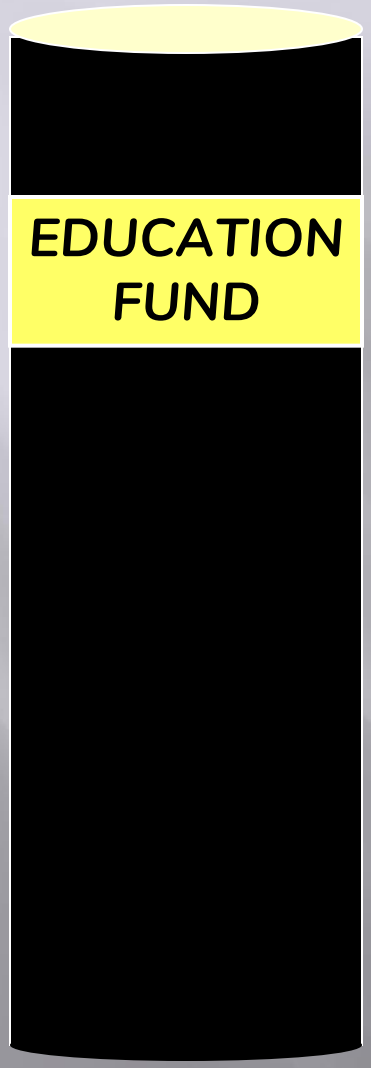
INDIANA NEW SYSTEM--HB1009

FOUR (4) PRIMARY FUNDS



2019 Tax Rate = $1.08

EDUCATION Fund (Replaces GF)



INCOME:

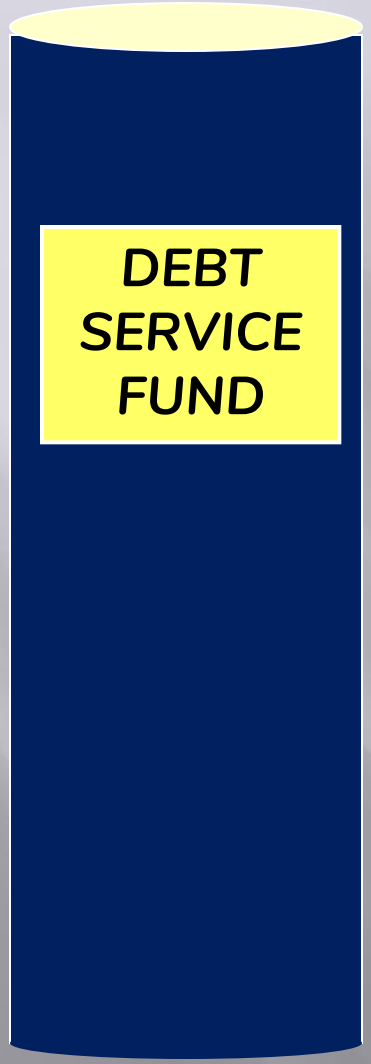
- State Support
- Federal Support
- Interest

EXPENDITURES:

- Salaries from DIRECT CLASSROOM INSTRUCTION
- Benefits
- Utilities
- Instructional supplies

.0000 current levy

DEBT SERVICE Fund



INCOME:

- Property Tax
- Excise Tax
- CVET (commercial vehicle excise tax)

EXPENDITURES:

- Tax Anticipation Warrant interest
- Building Corporation leases
- General Obligation Bonds
- Common School Fund Loans
- Uncollected Textbook Rental

QSAB LOAN: PAID OFF IN 2024

2 PAYMENTS of $80,000 ANNUALLY ($800,000 Left)

PENSION DEBT Fund

Pension Debt Service Fund

INCOME:

- Property Tax
- Excise tax
- CVET Tax
- FIT

EXPENDITURES:

- Pension Bonds

MUST BE PAID FOR INTERNALLY; STILL OWE $560,700
2 PAYMENTS of $140,175 EACH
LAST PAYMENT will be DECEMBER, 2020.

OPERATIONS Fund (Combination)

COMBINES: CAPITAL PROJECTS FUND; TRANS. FUND; BUS REPLACE FUND

INCOME:

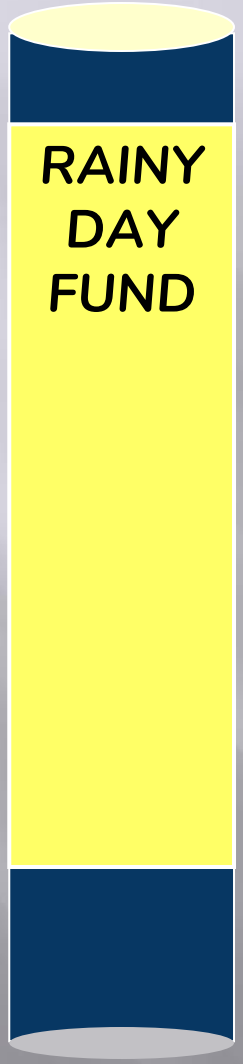
- Property Tax
- Excise Tax
- CVET
- FIT

EXPENDITURES:

- Building Improvements
- Land Acquisition
- Architect fees
- Rental of Buildings/Equip.
- Maintenance
- Emergencies
- Utilities
- Technology
- Transportation staff
- Equipment & supplies
- Fuel/Maintenance
- Insurance
- Drivers(salary)
- Purchase Buses

COMBINES THREE LEVELS INTO ONE SUPER LEVY
MUST PAY FOR PENSION BOND OUT OF THIS FUND

RAINY DAY Fund



INCOME:

- Fund Transfers

District Savings Account

EXPENDITURES:

- Any Board Approved Expenditure

Prior to Referendum, RD was used to accept CPF transfers to pay General Fund shortfalls...thus letting facility needs go.

REFERENDUM Fund (Operating--Not Construction)

ALL LEGAL EDUCATION EXPENSES NOT COVERED BY GENERAL FUND PAYMENTS

INCOME:

- Property Tax
- Excise Tax
- CVET
- FIT

EXPENDITURES:

- All Legal Education Expenses
- Fully Utilized to Fund our General Fund Expenses in May, November, and December

IC 20-40-3-5 states "Money in the fund may be used for any lawful school expenses."

ASSESSED VALUATION x .41 (Tax Rate)

SCHOOL FUNDING 101

Education

- State funding goes to all Public and Charter Schools based on Average Daily Membership (ADM)
- The amount of State funding a school received is calculated using a 12 page formula prescribed by Legislators during the General Assembly
- The formula is reviewed every two years and can be adjusted during the Legislative session
- State funding is not equitable among all schools.

*NEGATIVE IMPACTS TO REVENUE:

*FY2009 schools could no longer levy Property Taxes for the general fund

*FY2009 Funding formula used by state changed. (utilized free/reduced lunch data rather than census data)

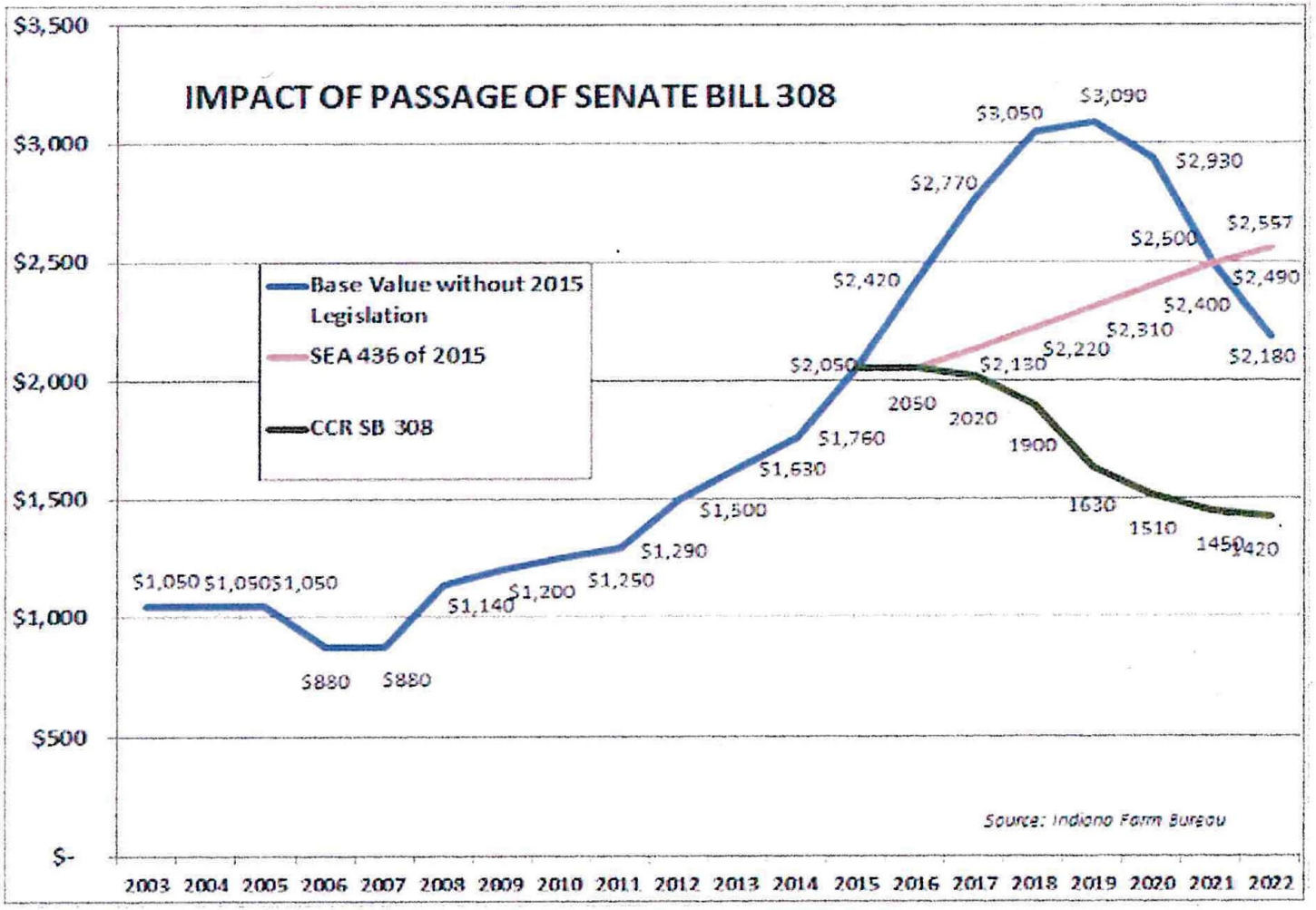
*FY2010 small/rural schools and restoration grants no longer issued.

*WRV Impact of transition to foundation.

NEW IMPACTS:

*WRV Impact of Farmland AV Bill

Farmland Base AV



2014 BASE: $1,760 **2015 BASE: $2,050** **2019 BASE: $1,500**

What is the concern:

WRV DISTRICT:

81% Farmland

16% Residential

3% Business

IMPACT on TOTAL AV:

2015 352,350,999

2019 323,146,801

AV goes down...TAX RATE goes up!

2018 Financials General Fund

General Fund

Y-T-D Revenue	Y-T-D Expenses	
5,401,761	*5,200,000*	*+201,761*

Referendum Fund

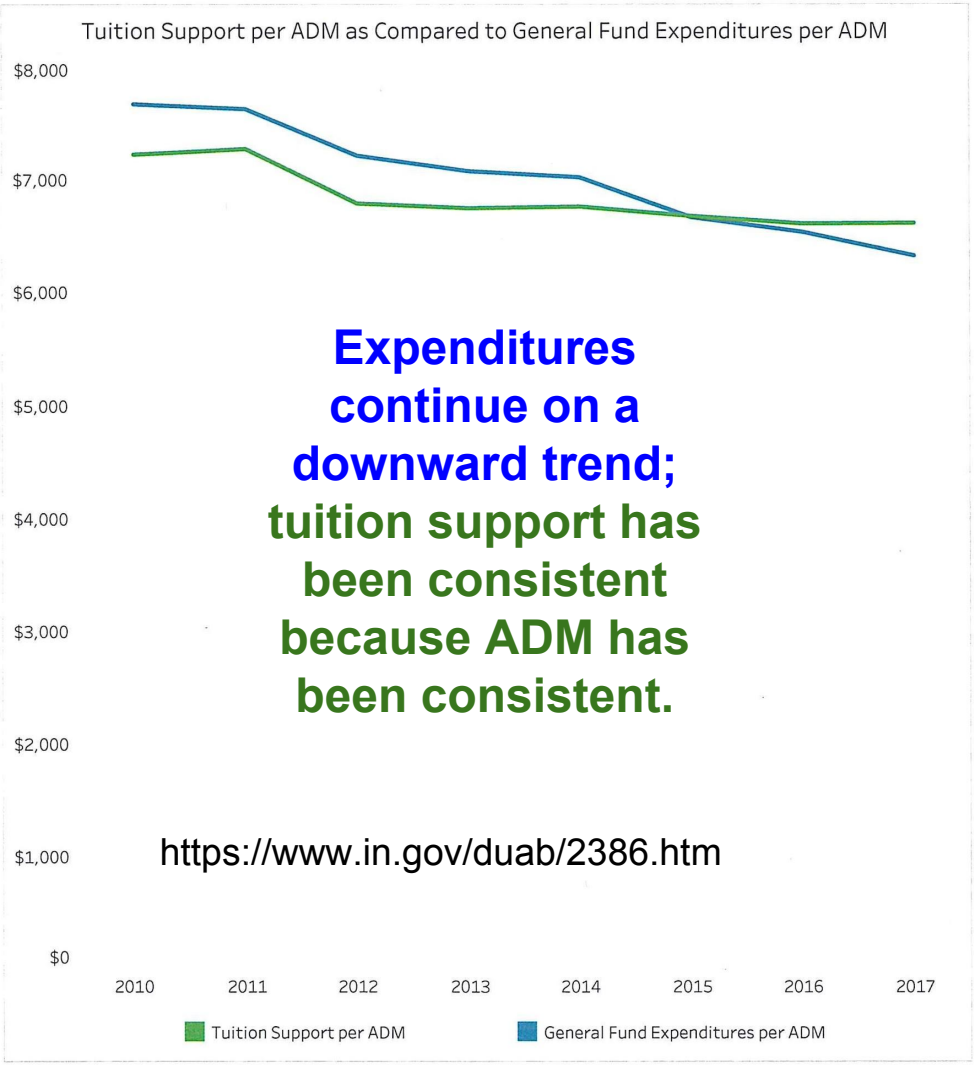
Y-T-D Revenue	Y-T-D Expenses
1,643,305	1,553,679

Totals

Y-T-D Revenue	Y-T-D Expenses
	6,753,679

Tuition Support per ADM as compared to General Fund Expenditures per ADM

Tuition support is the largest revenue source for a school corporation's General Fund, the fund through which the majority of academic programming is funded in addition to other operational expenditures. This indicator considers whether the school corporation's expenditures are consistent with or differ from funding received on a per-student basis.



Expenditures continue on a downward trend; tuition support has been consistent because ADM has been consistent.

https://www.in.gov/duab/2386.htm

2018 Financials General Fund

REVENUE from GENERAL Fund:	*5,401,761*
Total EXPENDITURES:	*6,753,679*
Subtotal Shortfall	*1,351,918*
General Fund Difference	*201,761*
(Jan. 1, 2018 to Jan. 1, 2019)	
Overall Shortfall:	*1,150,157*
Cash Flow--Jan. 1, 2019	*591,558*
Deficit	*$760,360*

Y-T-D Revenue	Y-T-D Expenses
5,401,761	6,753,679

2018 Financials General Fund

2-pay month 26 of 26

WHITE RIVER VALLEY SCHOOL CORPORATION

December 2018

1/11/19
12:12:27

FUND REPORT
ACTIVE ONLY

BD538/JAYNE
PAGE 1

CURRENT ACCOUNTING PERIOD 12 - 2018

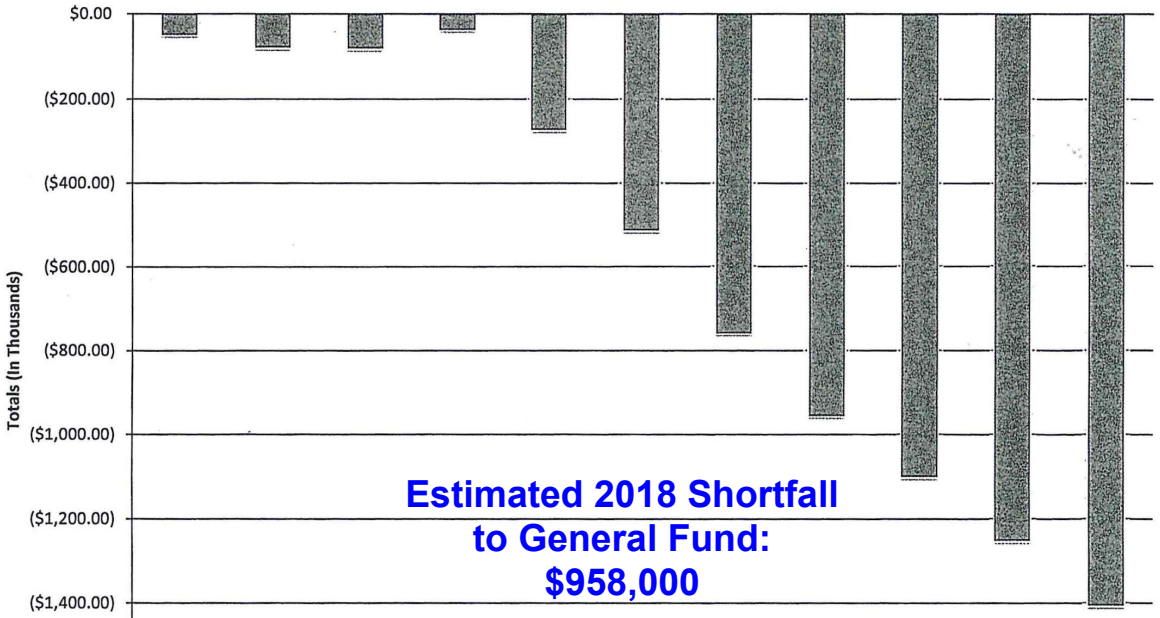
	BEG YEAR BALANCE	YEAR-TO-DATE REVENUE	YEAR-TO-DATE EXPENSES	BEG MONTH BALANCE	MONTH-TO-DATE REVENUE	MONTH-TO-DATE EXPENSES	CURRENT BALANCE
GENERAL 100%	389,797.08	5,401,761.63	5,200,000.00	473,343.46	450,311.20	332,095.95	591,558.71
REFERENDUM 81.7%	731,695.20	1,643,305.34	1,553,679.64	703,272.83	663,369.40	545,321.33	821,320.90
DEBT SERVICE FUND 59.4%	185,381.63	180,175.07	165,469.00	208,568.31	71,519.39	80,000.00	200,087.70
RETIREMENT/SEVERANCE BOND D.S. 100%	8,869.78-	309,212.36	279,108.00	38,672.12	122,738.16	140,175.70	21,234.58
CAPITAL PROJECTS FUND 89.73%	283,322.15	1,015,880.50	1,005,108.13	83,035.71	403,073.88	192,015.07	294,094.52
TRANSPORTATION 70.13%	352,025.43	802,927.94	750,317.44	301,764.99	308,423.27	205,552.33	404,635.93
RAINY DAY FUND 0%	1,920,686.68	300,000.00	.00	1,920,686.68	300,000.00	.00	2,220,686.68

Looking Back on Umbaugh Estimates

UMBAUGH

White River Valley School Corporation

Actual and Projected Surplus/(Deficit): General Fund (2011 - 2021)



	Actual 2011	Actual 2012	Projected 2013	Projected 2014	Projected 2015	Projected 2016	Projected 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021
Surplus/(Deficit)	($51.89)	($81.93)	($83.60)	($39.27)	($274.79)	($516.90)	($762.02)	($958.07)	($1,104.07)	($1,254.07)	($1,408.07)

It's all about experience.

© 2013 H. J. Umbaugh and Associates, Certified Public Accountants, LLP. All rights reserved.

Estimates Based on ADM Numbers:

Enrollment Figures:

2018: 769 Since 2013 -2% (Growth 3/6 Years)

How are others faring:

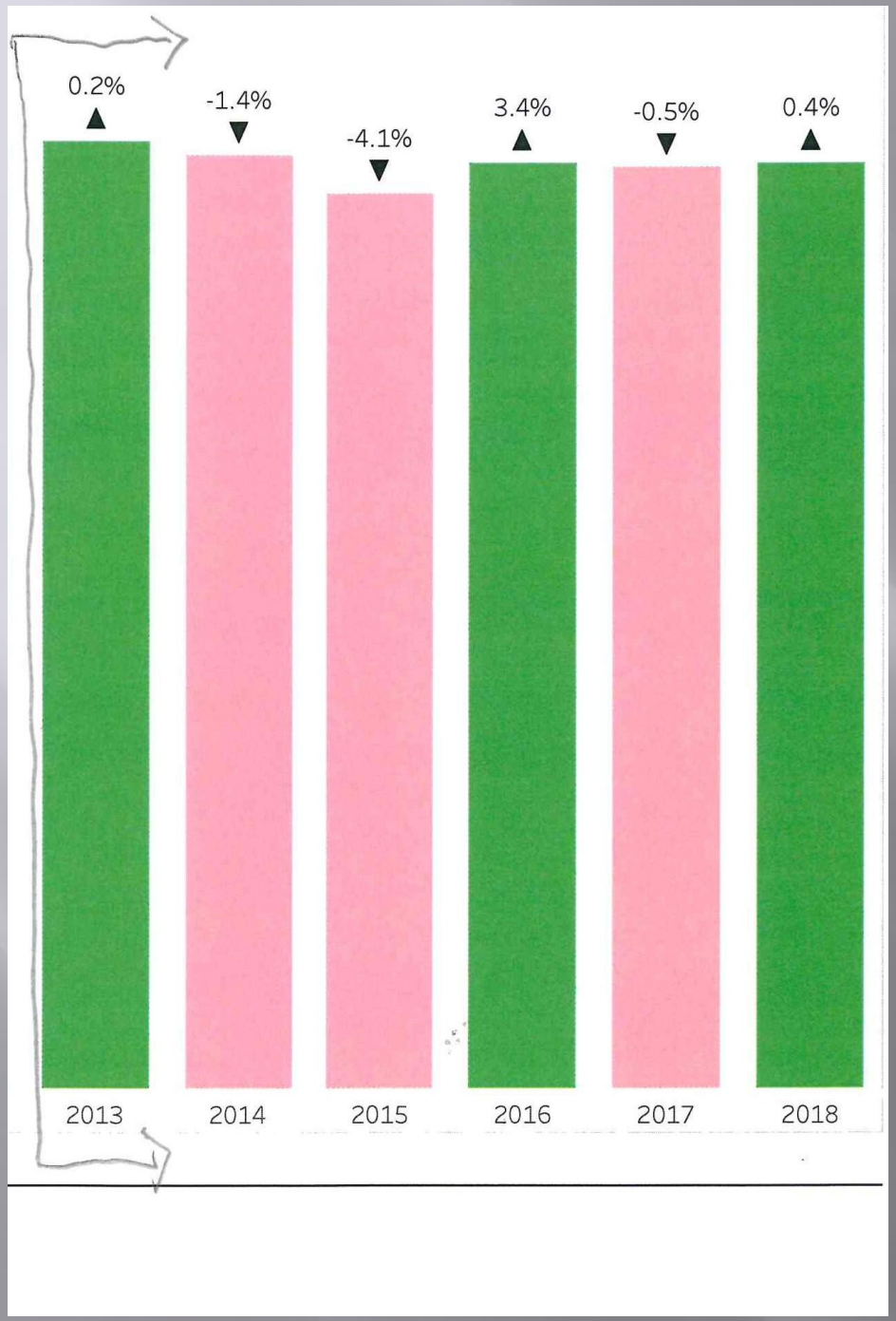
Bloomfield 2018: Since 2013 -16.1%

Shakamak 2018: Since 2013 -6.6%

Eastern 2018: Since 2013 -11.6%

Linton 2018: Since 2013 7.2% (Lost last 2 Years)

Figures from Distressed Unit Appeal Board--Dec., 2018



https://www.in.gov/duab/2386.htm

WRV ADM 2013-Present

Current Enrollment Statistics

Out-of-District Transfers-IN		17% Total
Bloomfield	52 students	$768,000
Linton	43 students	
Shakamak	5 students	
N. Daviess	5 students	
N. Knox	4 students	
Owen Valley	4 students	
Bedford-NL	1 student	
Dugger	1 student	

*Does not include Open Arms Students

STATE ADM TUITION PAYMENTS: 2019

School Finance Application Center

2980 - White River Valley Sch Dist

DOE 54 - Indiana Department of Education - Division of School Finance - January 15, 2019

FY2019 STATE TUITION SUPPORT MONTHLY DISTRIBUTION

Payment Date	Basic Grant	Honors Grant	Special Education Grant	CTE Grant	Complexity Grant	Funding Adjustment	Total State Tuition Support	Total Net Payment
7/16/2018	$334,500.00	$2,150.00	$29,481.50	$16,535.83	$53,638.17	$0.00	$436,305.50	$436,305.50
8/15/2018	$334,500.00	$2,150.00	$29,481.50	$16,535.83	$53,638.17	$0.00	$436,305.50	$436,305.50
9/14/2018	$334,500.00	$2,150.00	$29,481.50	$16,535.84	$53,638.17	$0.00	$436,305.51	$436,305.51
10/15/2018	$334,500.00	$2,150.00	$29,481.50	$16,535.83	$53,638.16	$0.00	$436,305.49	$436,305.49
11/15/2018	$358,584.00	$2,150.00	$29,481.50	$16,535.84	$57,499.92	$0.00	$464,251.26	$464,251.26
12/14/2018	$358,584.00	$1,200.00	$29,481.50	$2,655.83	$57,499.91	$0.00	$449,421.24	$449,421.24
1/15/2019	$342,528.00	$1,991.67	$29,481.50	$14,222.50	$54,925.42	$0.00	$443,149.09	$443,149.09
2/15/2019	$342,528.00	$1,991.67	$29,481.50	$14,222.50	$54,925.42	$0.00	$443,149.09	$443,149.09
3/15/2019	$342,528.00	$1,991.67	$29,481.50	$14,222.50	$54,925.42	$0.00	$443,149.09	$443,149.09
4/15/2019	$342,528.00	$1,991.66	$29,481.50	$14,222.50	$54,925.41	$0.00	$443,149.07	$443,149.07
5/15/2019	$342,528.00	$1,991.67	$29,481.50	$14,222.50	$54,925.42	$0.00	$443,149.09	$443,149.09
6/14/2019	$342,528.00	$1,991.66	$29,481.50	$14,222.50	$54,925.41	$0.00	$443,149.07	$443,149.07
Total	$4,110,336.00	$23,900.00	$353,778.00	$170,670.00	$659,105.00	$0.00	$5,317,789.00	$5,317,789.00

	-- Plus Adjustments --				-- Minus Adjustments --					
Payment Date	Previous Year	Medicaid	Other	Total Plus Adjustments	Veterans Memorial	Common School	Previous Year	Medicaid	Other	Total Minus Adjustments
7/16/2018	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
8/15/2018	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
9/14/2018	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
10/15/2018	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
11/15/2018	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
12/14/2018	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
1/15/2019	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
2/15/2019	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
3/15/2019	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
4/15/2019	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
5/15/2019	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
6/14/2019	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Total	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

PAYMENTS	JUL-DEC	JAN-JUN	TOTALS
BASIC GRANT	$2,055,168.00	$2,055,168.00	$4,110,336.00
HONORS GRANT	$11,950.00	$11,950.00	$23,900.00
SPECIAL EDUCATION GRANT	$176,889.00	$176,889.00	$353,778.00
CTE GRANT	$85,335.00	$85,335.00	$170,670.00
COMPLEXITY GRANT	$329,552.50	$329,552.50	$659,105.00
TOTAL	$2,658,894.50	$2,658,894.50	$5,317,789.00
PREVIOUS YEAR +	$0.00	$0.00	$0.00
OTHER + ADJUSTMENTS	$0.00	$0.00	$0.00
TOTAL + ADJUSTMENTS	$0.00	$0.00	$0.00
VETERANS MEMORIAL	$0.00	$0.00	$0.00
COMMON SCHOOL	$0.00	$0.00	$0.00
PREVIOUS YEAR -	$0.00	$0.00	$0.00
OTHER - ADJUSTMENTS	$0.00	$0.00	$0.00
TOTAL - ADJUSTMENTS	$0.00	$0.00	$0.00
TOTAL PAYMENTS	$2,658,894.50	$2,658,894.50	$5,317,789.00

CALCULATION OF STATE SUPPORT PER ADM	
A. SEPTEMBER ADM	768.00
B. BASIC TUITION SUPPORT	$4,110,336.00
C. BASIC TUITION SUPPORT PER ADM	$5,352.00
D. COMPLEXITY GRANT	$659,105.00
E. COMPLEXITY GRANT PER ADM	$858.21

* Reflects Actual Reduction

\# Reflects Estimated Reduction

ADM CONTRIBUTIONS
$5.3 Million

WRV Tax Rate History

2006	2007	2008	2009	2010	2011	2012	2013
1.777	1.8074	1.6413	.6782	.8995	.9072	.6703	.7597

2014	2015	2016	2017	2018	2019	2020	2021
.6973	.9949 1/7	.9726 2/7	1.01 3/7	1.03 4/7	1.087 5/7	?? 6/7	?? 7/7

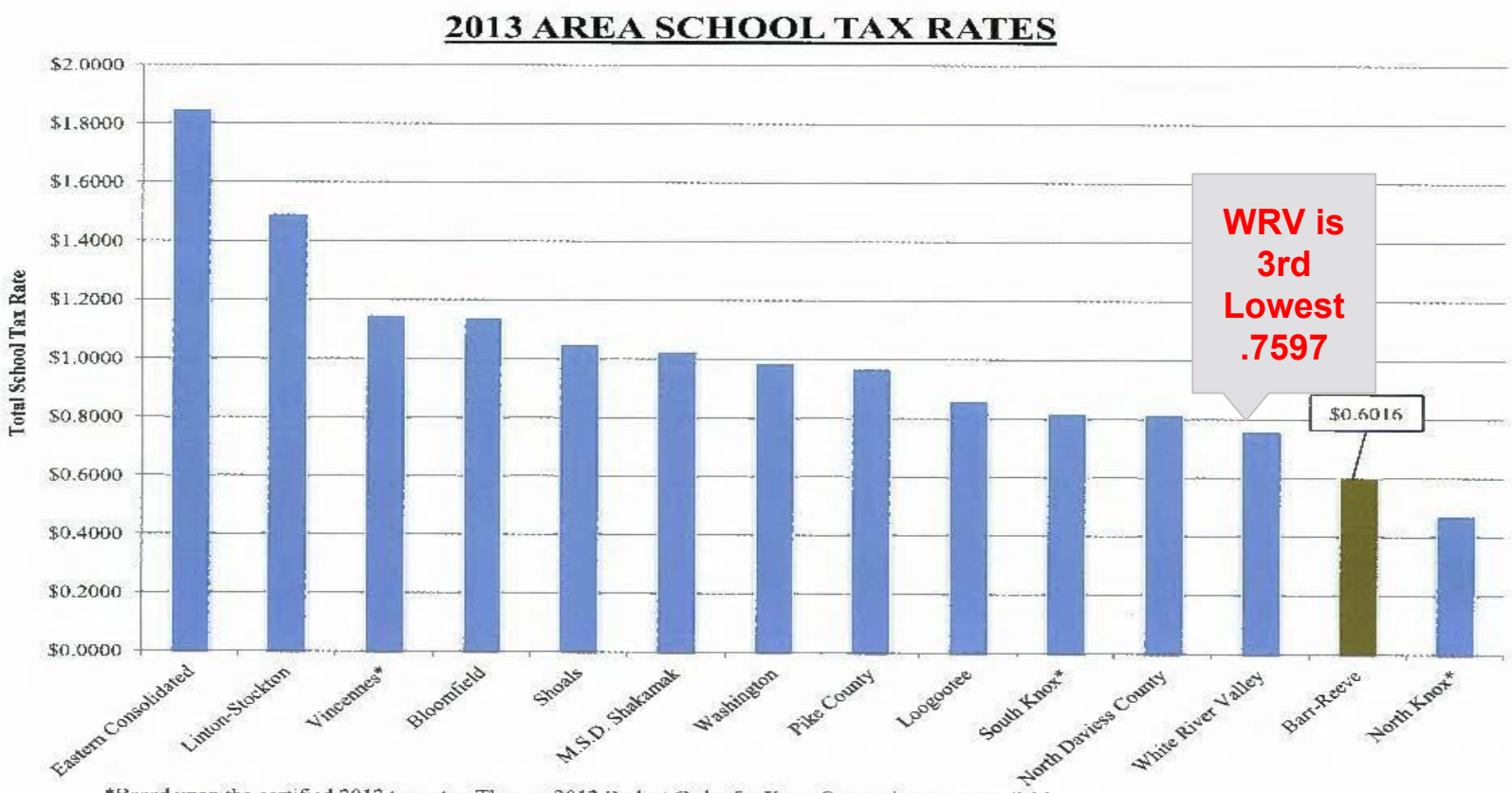
WRV Tax Rate History

2006	2007	2008	2009	2010	2011	2012	2013
1.777	1.8074	1.6413	.6782	.8995	.9072	.6703	.7597

2014	2015	2016	2017	2018	2019	2020	2021
.6973	.9949 1/7	.9726 2/7	1.01 3/7	1.03 4/7	1.087 5/7	Increase 6/7	Increase 7/7

2017, 2018, 2019, 2020--Farmland Assessed Valuation has dropped considerably…AV drops--Tax Rate rises.

2013 AREA SCHOOLS TAX RATES
(see where WRV ranks!)



*Based upon the certified 2012 tax rates. The pay 2013 Budget Order for Knox County is not yet available.

Note: The average school tax rate for the listed school corporations is $0.9986.

2018 AREA SCHOOLS TAX RATES
(see where WRV ranks!)

WRV Tax Rate	**1.0370**	**(177 Lowest/291 Districts in Indiana)**
(Without Referendum)	**0.6270**	**(16 Lowest/291 Districts in Indiana)**

STATEWIDE--

LOWEST		**HIGHEST**	
Culver Community	0.4476	Lake Ridge	2.9238
East Chicago City	0.5237	Beech Grove City	2.6366
Wawasee	0.5351	River Forest	2.3024
Whiting	0.5356	Cannelton	2.2752
Tri-Township	0.5539	Hammond City	2.2422

AREA--

WITH REFERENDUM--		**WITHOUT REFERENDUM--**	
North Knox	.6862	Barr-Reeve	.5378
South Knox	.7005	**WRV**	**.6270**
North Daviess	.7555	North Knox	.6862
North Central	.8489	South Knox	.7005
Shoals	.8605	North Daviess	.7555
Barr-Reeve	.8878**	North Central	.8489
Clay Community	.9205	Shoals	.8605
Loogootee	.9298	Eminence	.8699
Shakamak	1.0107	Clay Community	.9205
Sullivan	1.018	Loogootee	.9298
Bloomfield	1.019	Shakamak	1.0107
WRV	**1.037****	Sullivan	1.018
Owen Valley	1.1468	Bloomfield	1.019
Eminence	1.2699**	Owen Valley	1.1468
Linton	1.591	Linton	1.591
Eastern Greene	1.6915	Eastern Greene	1.6915

**Denotes Tax Rates with a GFOR

DATA COMPILED BY THE INDIANA RURAL SCHOOLS ASSOCIATION.

IMPORTANT POINTS OF EMPHASIS:

- In 2013 WRV tax rate was $.7573 of every $100 of property's assessed value. In 2019, WRV is $1.08.
- Schools in our neighboring districts tax much more when the Referendum is removed from the tax base. (.67 in '19)
- We would only levy what we need and it has to be approved by the Department of Local Government Finance.
- If referendum fails, we would most likely consolidate with neighboring districts who now have a higher tax rate. Basically you could pay more in taxes and still lose the local school corporation. We are conducting these meetings in order to gain input for our overall plan, pass or fail.

Type of Operating Referendum

GENERAL FUND HELP

IC 20-46-1-8(a)(1):

Board determines it cannot carry out its public education duty unless it imposes a referendum tax levy

CIRCUIT BREAKER

TAX CAP HELP

IC 20-46-1-8(a)(2):

Board determinates that a referendum tax levy should be imposed to replace property tax revenue that the school corporation will not receive because of the application of the circuit breaker credit under IC 6-1.1-20.6.

Operating Referendum Levy

- Money received from referendum tax levy deposited into Referendum Tax Levy Fund

- IC 20-40-3-5 states "Money in the fund may be used for any lawful school expenses."

- The Law has changed in two ways: Length and Ballot Language

Operating Referendum Question

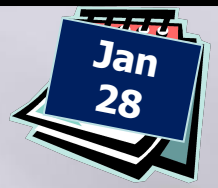
The Form of the Question:

"For the next (seven) calendar years immediately following the holding of the referendum pursuant to Indiana Code 20-46-1-8(a)(1), shall the White River Valley Community Schools impose a property tax rate that does not exceed .00 cents ($0.00) on each one hundred dollars ($100) of assessed valuation and that is in addition to all other property tax levies imposed by the school corporation?"

**CHANGE IN LAW: NOW 8 YEARS

**CHANGE IN BALLOT LANGUAGE: Continue with or without change

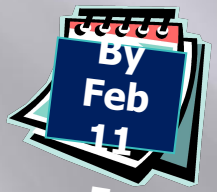
Operating Referendum Process 2013 Example--Spring 2021



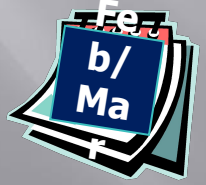
School Board meeting to adopt resolution to place referendum on the ballot

School certifies resolution to the DLGF for approval of the public question

DLGF approves or rejects the public question within 10 days



School Board certifies approved public question to County Clerk with a copy to the County Council *(must occur 74 days prior to election)*



County Election Board meets to arrange Election

May Election

Rules Kick-in

Board's Role in the Planning Process

- Political eyes and ears of the Administration
- Strategically plan & participate in individual meetings with the centers of influence
- Honest disagreement and voicing concerns in a productive, respectful manner
- Explore options in public work sessions that involve finances, facilities, transportation, and take respectful public input.

WHAT CAN YOU DO?

PLAN, PLAN, PLAN.

Stick together, become Informed, ask questions.

Pass on accurate information and/or direct folks where to go to get it.

WHITE RIVER VALLEY SCHOOL DISTRICT