



FWCS

2019 Budget

September 24, 2018

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Agenda

- State Budget Requirements
- Revenue
- Expenditure Budget
 - Education Fund
 - Operations Fund
 - Debt Funds
- Comparisons
- Key Take-Aways

Budget Adoption Calendar

September 24	Public Budget Presentation
September 25	Budget advertised on Gateway
September 26	Capital Projects and Bus Replacement Plans notice advertised in Journal Gazette with detail on FWCS website
October 8	Public Hearings: <ul style="list-style-type: none">- Budget- Bus Replacement Plan- Capital Projects Plan
October 22	Adoption of Budget and Plans
By Jan. 1, 2019	Budget Order issued by State



Board Approval Required

- ✓ 2019 Appropriations (budget) and 2019 Maximum Levy (property tax)
- ✓ Bus Replacement Plan – 5 years of 12
- ✓ Capital Projects Plan – 3 years
 - ✓ Only capital assets over \$10,000
- ✓ Items related to fund changes


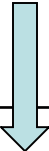

Board Approval Required 2019 Fund Changes

- ✓ Resolution to create new **Education** and **Operations** Funds – by 1-1-19
- ✓ Transfer 12-31-18 cash balances to new funds on 1-1-19
 - ✓ General Fund to **Education Fund** (before 3-1-19 may transfer portion to **Operations Fund**)
 - ✓ Capital Projects, Transportation, Bus Replacement, Racial Balance and Museum of Art to **Operations Fund**
- ✓ Resolutions to transfer from **Education Fund** to **Operations Fund** as needed

2019 REVENUE

2019 Fund Changes

Primary Revenue Sources

Source	Former Fund	New Fund
State Tuition Support	General 	Education Fund Portion Transferred 
Local Property Taxes	Racial Balance, Capital Projects, Bus Replacement, Transportation, Museum of Art 	Operations Fund
Total Revenue	Former Funds =	New Funds

Education Fund

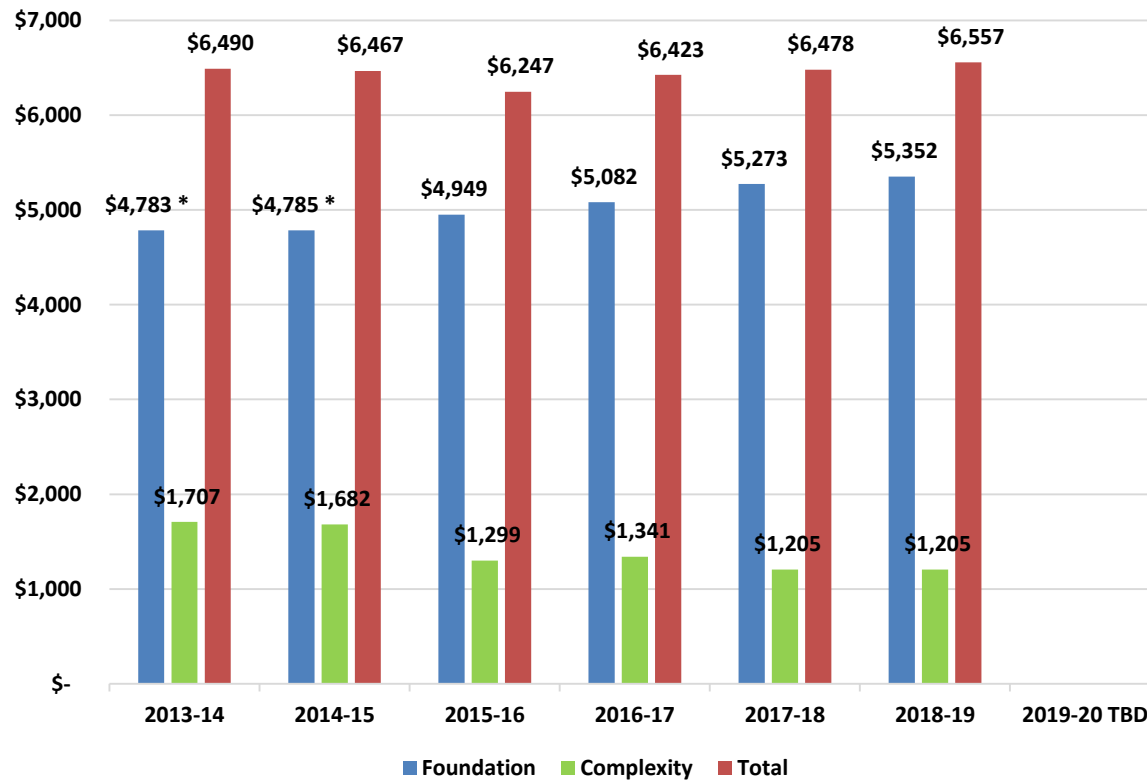
Tuition Support Components

- **Foundation** – all districts get the same per pupil
 - 2017-18 \$5,273
 - 2018-19 \$5,352, 1.5% increase
 - 2019-20 Decided next legislative session
- **Complexity** – based on percent of district's students that are direct certified by the State for benefits
 - FWCS rate = 34.05%** multiplied by \$3,539
 - 2017-18 \$1,205
 - 2018-19 \$1,205, 0% increase
 - 2019-20 Decided next legislative session

Education Fund

Tuition Support

FWCS Amount Per Pupil



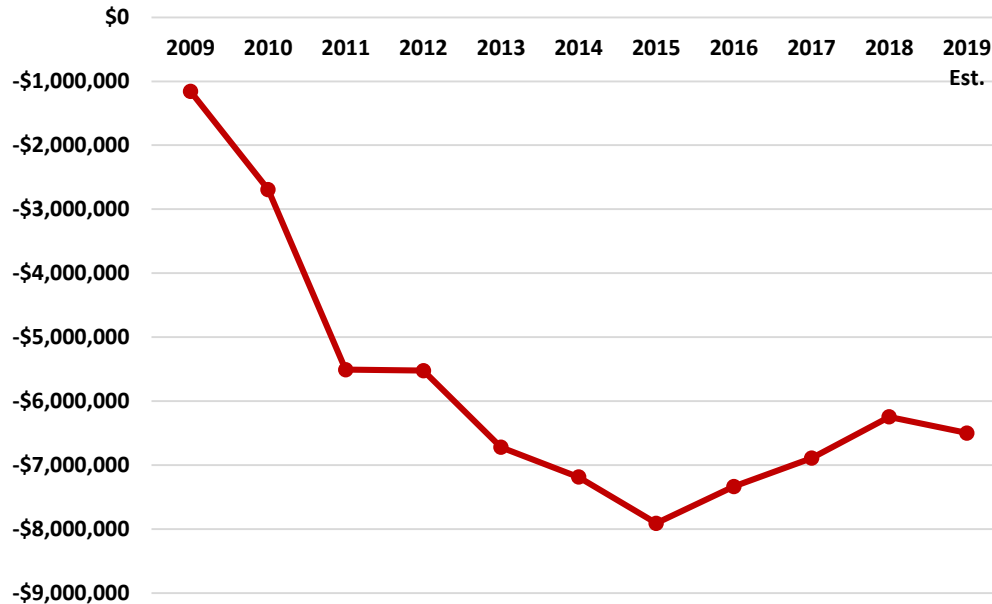
*Foundation restated to include kindergarten

Operations Fund

Property Tax

Maximum Allowed Levy - 2018	\$51,548,805
Times Growth Factor (3.4%)	<u>1.034</u>
Maximum Allowed Levy - 2019	53,301,464
Less Tax Cap Loss	(6,500,200)
Less Pension Bond Neutrality	(3,300,000)
Net Property Taxes	<u><u>\$43,501,264</u></u>

Operations Fund Tax Cap Loss (Circuit Breaker) Deducted from Property Tax



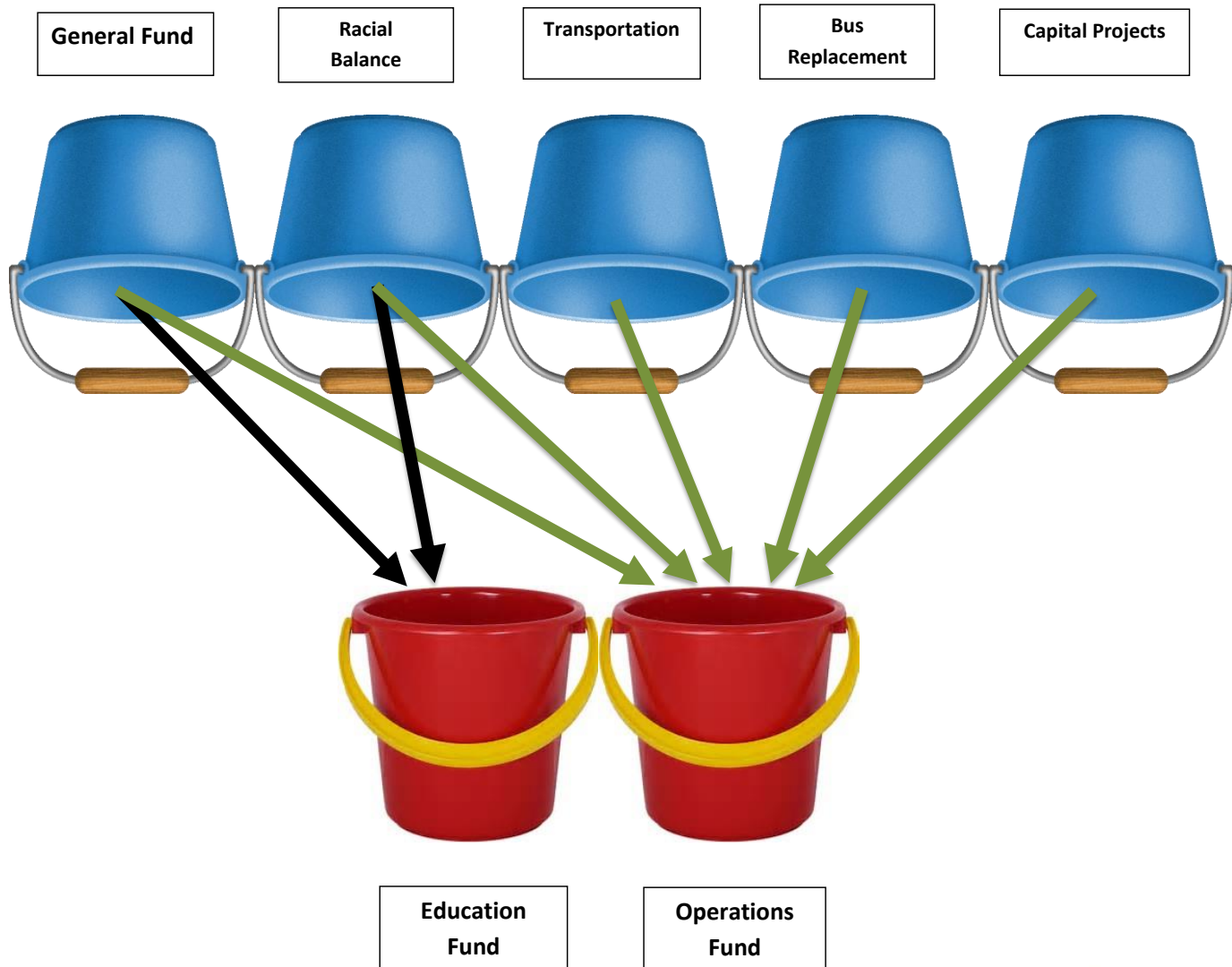
Cumulative loss since 2009 about \$64 million

Total Revenue

	<u>2018</u>	<u>Education Fund</u>	<u>Operations Fund</u>	<u>2019</u>	<u>Change</u>
State Tuition Support	\$206,350,979	\$208,838,469		\$208,838,469	
Net Property Taxes	40,748,195		\$43,501,264	43,501,264	
Excise and FIT	3,813,582		3,813,582	3,813,582	
Interest Income	1,800,000	1,800,000		1,800,000	
Indirect Cost	2,000,000		2,000,000	2,000,000	
Miscellaneous Revenue	1,608,000	403,000	1,155,000	1,558,000	
Total	\$256,320,756	\$211,041,469	\$50,469,846	\$261,511,315	2.0%

2019 EXPENDITURE BUDGET

2019 Spending Changes



2019 Fund Changes

Expenditure Categories

- Recorded in new funds based on Indiana Office of Management & Budget definitions
 - **Education Fund**
 - Academic Achievement
 - Student Support
 - **Operations Fund**
 - Overhead
 - Non-operations

Expenditure Categories

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.

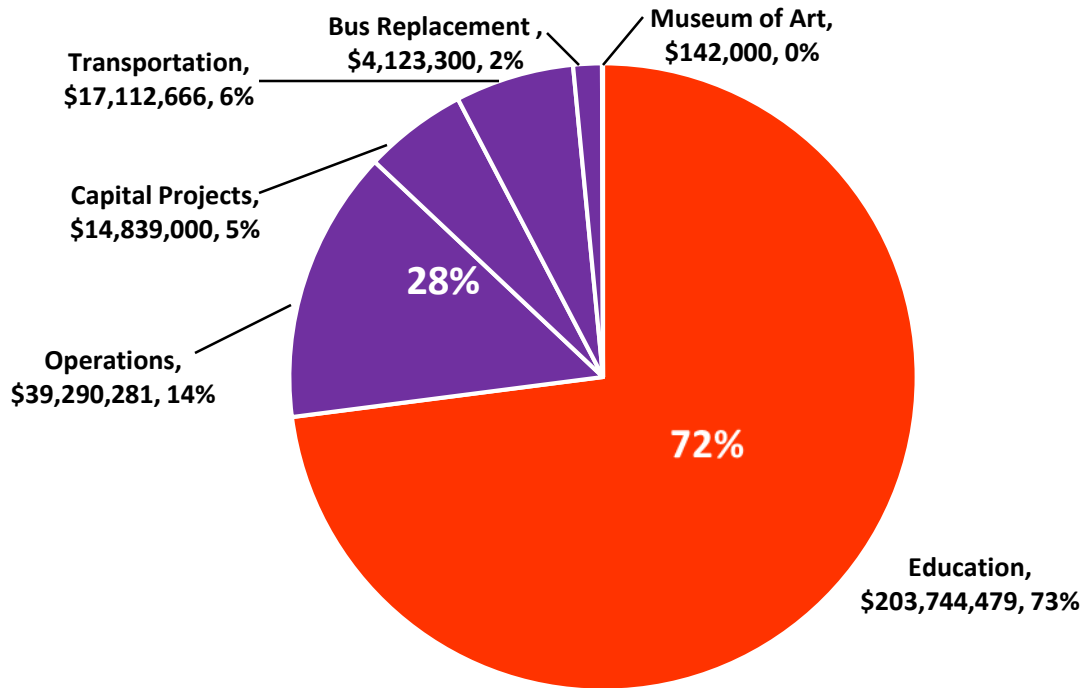
Overhead and Operational

- 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.

Education and Operations Funds



EDUCATION FUND

Education Fund

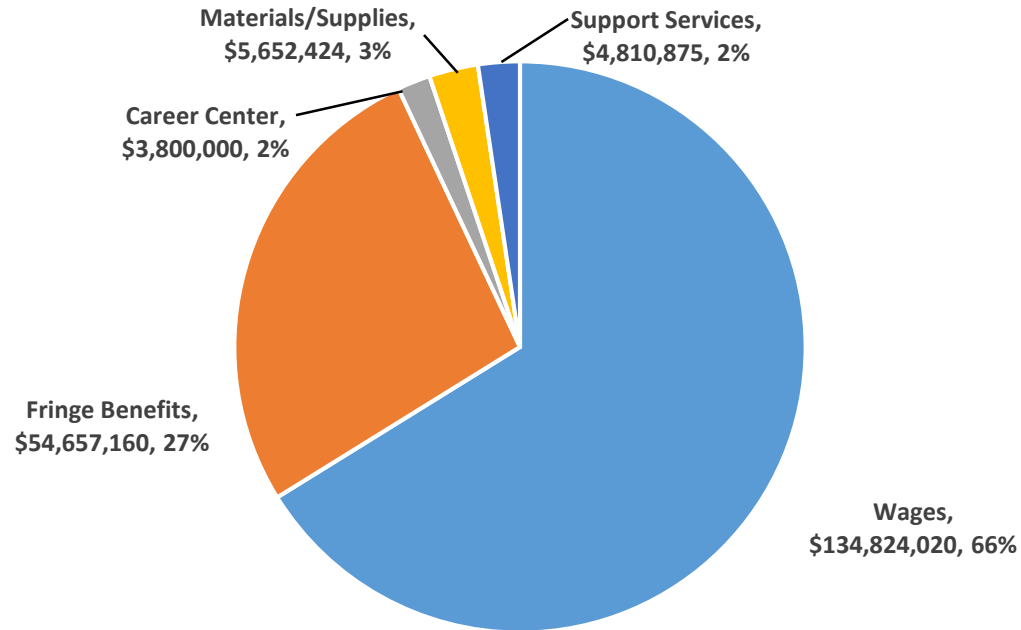
Priorities

Primarily based on 2018 levels of service in General Fund and Racial Balance Fund

- Teachers
- Classroom assistants
- Magnet programs
- Classroom materials and supplies

Education Fund

2019 Budget \$203,744,479



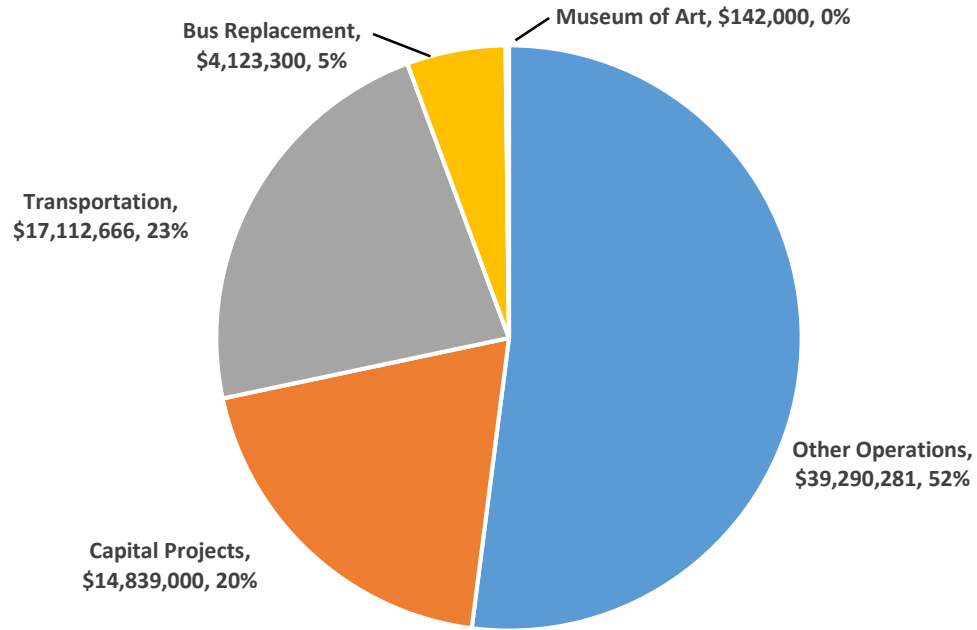
OPERATIONS FUND

Operations Fund Components

- General Fund Operations
- Racial Balance Operations
- Capital Projects Fund
- Transportation Fund
- Bus Replacement Fund
- Museum of Art Fund

Operations Fund Total

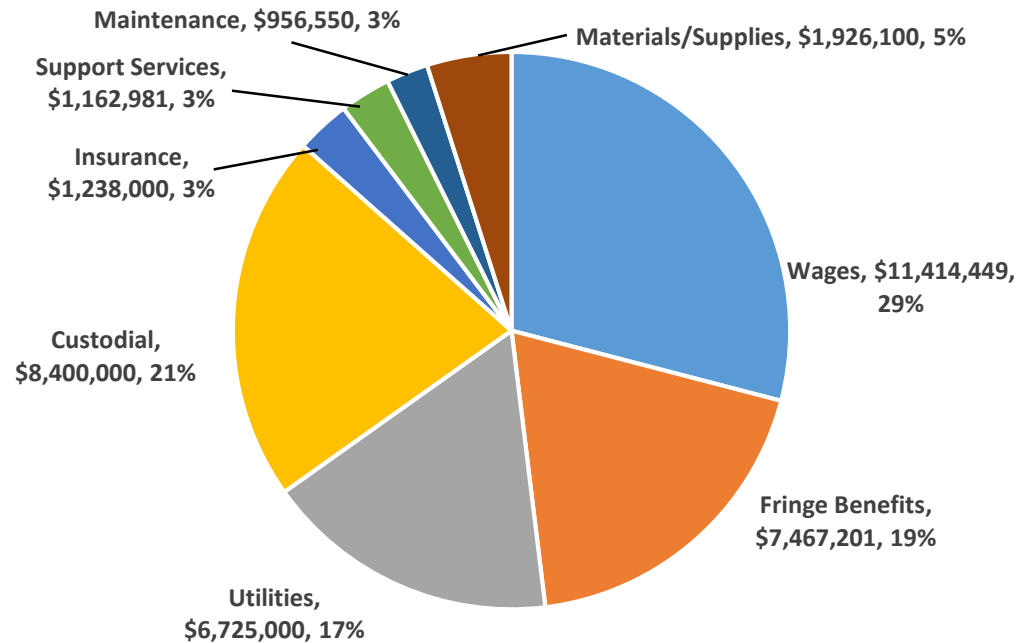
\$75,507,247



Operations Fund

Other Operations*

\$39,290,281



*Excluding Capital Projects and Transportation

Operations Fund Capital Projects Plan

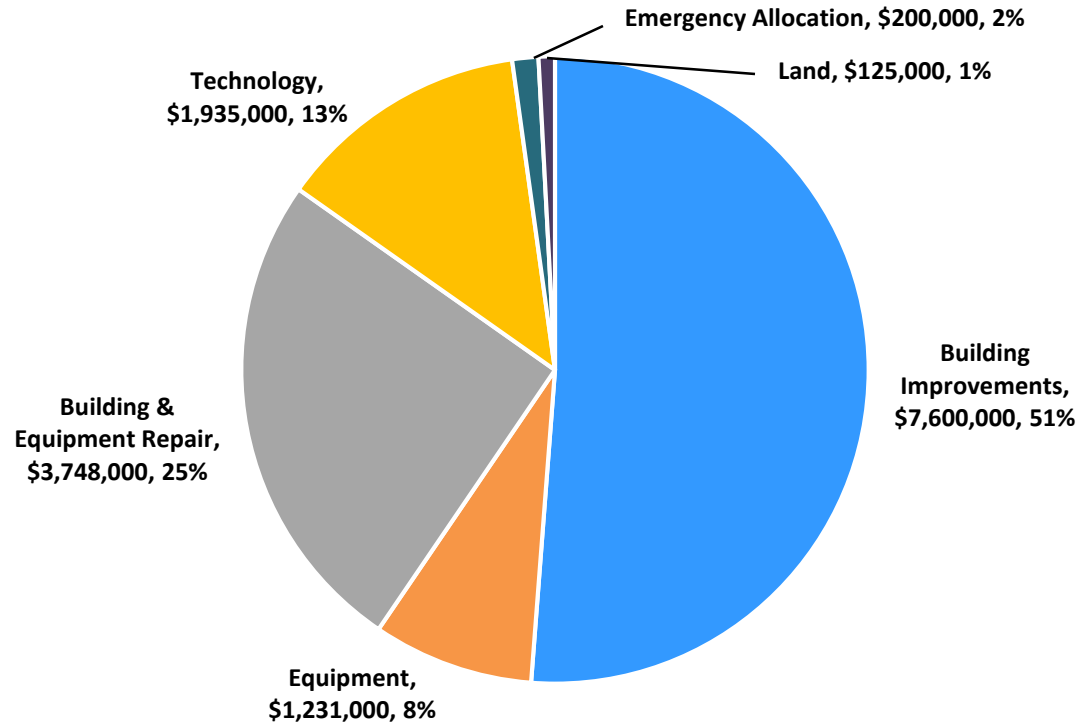


- 3-year plan required by State
 - NEW: Only capital projects over \$10,000
- 62 buildings (50 schools); average age 59 years

Operations Fund

Capital Projects

\$14,839,000

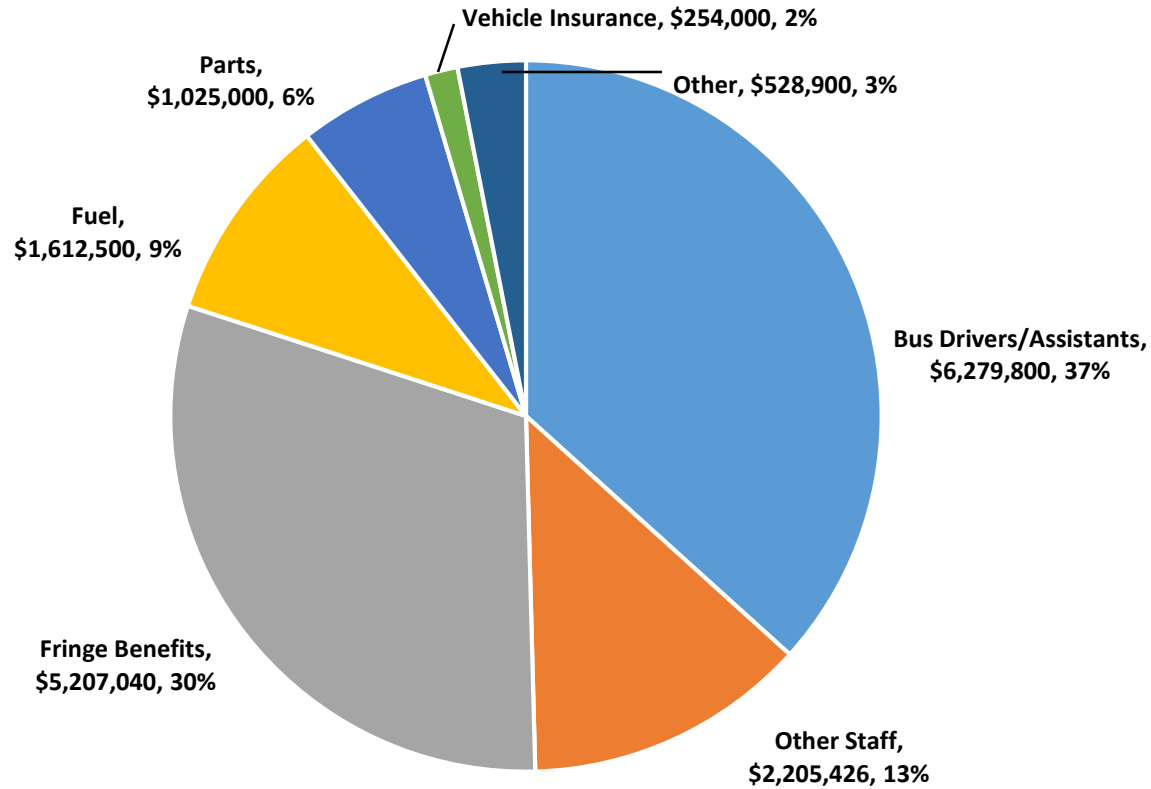


Operations Fund Transportation

- 254 buses and 45 activity buses
- 1,093 routes (includes regular, Special Ed, midday, activity, Study Connection)
- 145 square miles
- Over 3 million miles traveled



Operations Fund Transportation \$17,112,666



Operations Fund

Bus Replacement

2019-2030 12-Year Bus Replacement Plan

Replacement Year	Bus Inventory	Replacement Number	Replacement Cost	Funding Allocated
5-Year State Required Plan				24 buses
2019	299	45	\$5,537,612	\$4,123,232
2020	299	28	3,644,460	
2021	299	17	1,401,458	
2022	299	5	680,017	
2023	299	28	4,099,518	
		123	15,363,065	
2024	299	30	3,203,993	
2025	299	33	5,120,740	
2026	299	8	1,353,616	
2027	299	16	2,678,408	
2028	299	23	3,807,160	
2029	299	37	5,518,071	
2030	299	29	5,232,809	
		299	\$42,277,862	

Operations Fund

Museum of Art

- Pass through to Fort Wayne Museum of Art to provide ongoing programs for our students
- Budget \$142,000



DEBT FUNDS

Debt Funds

	<u>Final</u> <u>Payment</u>	<u>Budget</u> <u>2018</u>	<u>Budget</u> <u>2019</u>
New Tech - 2009	2025	158,130	155,540
New Tech - 2010	2022	606,500	580,250
State Technology Loans	Ongoing	3,217,491	4,545,502
Interest on tax anticipation warrants	if needed	50,000	50,000
Unfunded textbooks		273,648	267,604
A Debt Service		4,305,769	5,598,896
Tax Rate		0.0748	0.0694
B Referendum Debt	2039	17,531,000	17,539,000
Tax Rate		0.2121	0.2108
A + B - Max rate promised .3028		0.2869	0.2802
C Pension Bond Fund (tax neutral)	2021	3,520,847	3,520,199
<i>Tax Neutral - other budgets cut</i>		0.0496	0.0458

SUMMARY

2018 and 2019 Budget Comparison

	<u>2018</u>	<u>2019</u>	<u>Change</u>	
Education	\$197,541,046	\$ 203,744,479	\$ 6,203,433	3%
Operations	72,498,414	75,507,247	3,008,833	4%
	270,039,460	279,251,726	9,212,266	3%
Debt	25,357,616	26,658,095	1,300,479	5%
Total	\$295,397,076	\$ 305,909,821	\$ 10,512,745	4%
Tax Rate	\$0.9925	\$1.0193	\$0.0268	3%



Key Take-Aways

- Enrollment – up slightly from last year
- New funds system – no impact to service
- Total revenue increase 2%
- Debt Funds – below promised maximum rate of \$.3028
- Bus Replacement – projected to meet 12-year replacement schedule in approximately 2022
- Overall budget increase 3%

Next Steps – 2019 Budget

September 25 Budget available at
<https://gateway.ifionline.org/>

October 8 Public Hearings:

- Budget
- Bus Replacement Plan
- Capital Projects Plan

October 22 Adoption of Budget and Plans