

# 2024 Budget



August 7, 2023

# Business Office

- Excellent Business Office Staff
- Budget
  - Assumptions Guide our projections
  - Tremendous Help
    - Lisa Zachary
    - Debbie Pletcher / Donna Maggart
    - Maureen Munger





# Objective and Goal

- **Objective:** Maintain expenses within revenue streams provided.
- **Goal:** Focus on programs and services for student achievement while providing a competitive compensation package for all employees.



# Purpose of the Work Session

- Share 2024 Changes
- Review Budgets
- Discuss Next Steps





# 2024 Funds

- Education Fund
- Operations Fund
- Debt Service
- Rainy Day



# Education Fund



# Ed. Fund Assumptions

- ADM steady: 11,099 includes virtual
- Two Student Count Days
- Other Student Counts Constant
- Revenue for July-Dec 23 Constant
- Salary Negotiations for 2024
- Health Insurance Recommendations

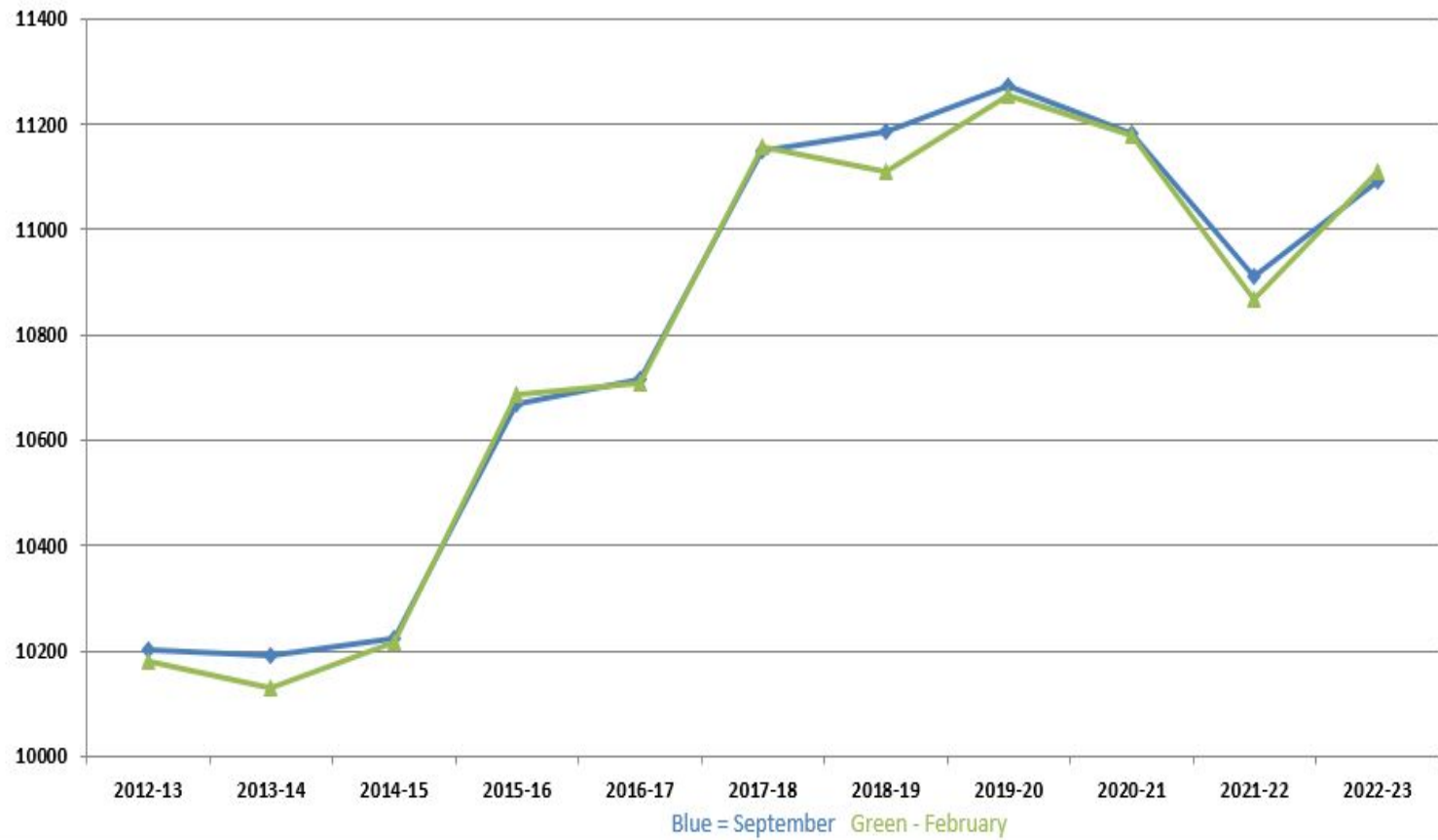
# Education Fund Revenue

## State Funding Formula – Fiscal Year

- Basic Tuition Support W/Complexity
  - \$6,590 (+\$355) per ADM / \$2,800.75 Virtual / \$285.98 Complexity (Avg per student \$6,875)
- Academic Performance Grant: \$409,900
- Special Education (Exceptional Ed)
- Career & Tech. Education (Vocational)



September/February ADM Comparison by year



# IDOE Revenue Certification

**Corp No. 7175    Corp. Name: Penn-Harris-Madison Sc Corp**

<b>Grant</b>	<b>July '21</b>	<b>22-23</b>	<b>23-24</b>
Basic Grant (\$71,368,168)		\$ 72,408,098	\$ 76,163,284
Academic Performance		\$ 409,900	\$ 409,900
Special Education Grant		\$ 5,883,899	\$ 6,178,258
Career and Technical Ed Grant		\$ <u>2,071,890</u>	\$ <u>2,125,202</u>
<b>Total</b>		<b>\$80,773,787</b>	<b>\$ 84,876,644 (5,19%)</b> <b>+ \$ 4,102,857</b>

The information provided is in accordance with Indiana Code 20-29-6-12.5(b) and is based on the best estimate of revenue projections known today from the FY2024 school funding formula (tuition support) for the school general fund.

Assumption: Same number of ADM on October 1 count.



# Education Fund FY 2023

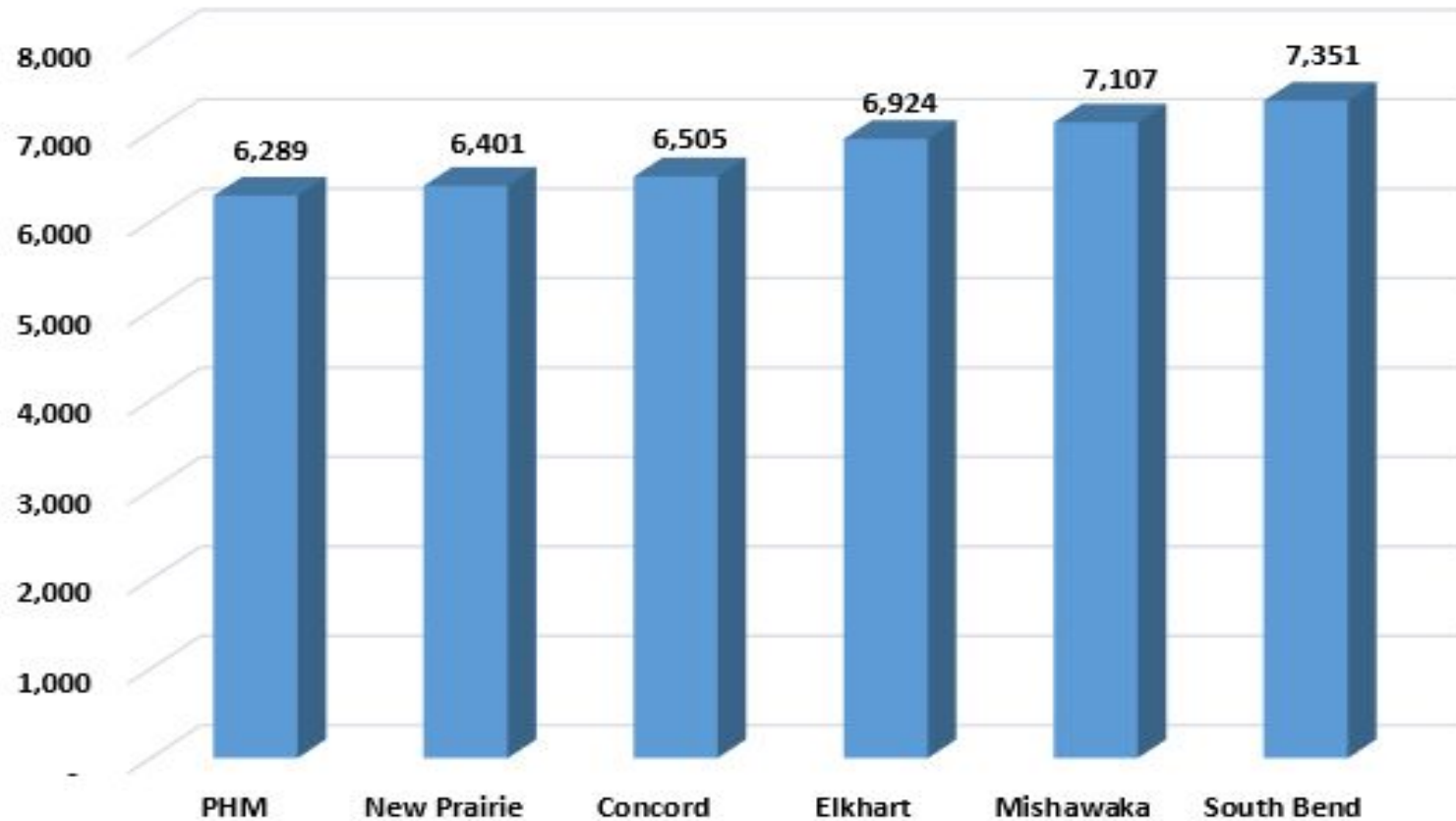
## Funding Formula Comparison

Previous Year	Estimated			
	20-21	22-23	23-24	<u>Change</u>
Basic Tuition Support	\$71,368,168	\$72,408,098	\$76,163,284	\$ 3,755,186
Academic Performance	\$ 523,600	\$ 409,900	\$ 409,900	0
Special Education Grant	\$ 5,688,404	\$ 5,883,899	\$ 6,178,258	\$ 294,359
Career and Technical	\$ 2,252,750	\$ 2,071,890	\$ 2,125,202	\$ 53,312
<hr/>				
Total Tuition Support:	\$79,832,922	\$80,773,787	\$84,876,644	<b>4,102,857 +5.08%</b>
<b>ADM (Average)</b>	<b>10,890</b>	<b>11,099</b>	<b>11,099</b>	
<b>Total \$/ADM</b>	<b>\$7,330</b>	<b>\$7,277</b>	<b>\$7,755</b>	

**Important to note: The DOE estimate in a 2-year budget is for the funding formula for PHM to increase 2.5% in year 2.**

## Basic Tuition Support Per Student

2022/2023





# Education Fund Comparison

Education	<u>2022</u>		<u>2023</u>		<u>2024</u>
	Budget	Expend	Budget	Expend 6 mo	Advertised
	82,326,663	77,925,951	84,919,547	41,848,694 49.28%	88,000,000

# Operations Fund



# Oper. Fund Assumptions

- Salary Negotiations for 2023-2024
- Health Insurance Changes
- Assessed Value? Trending up Est:15%?
- Tax Cap Impact Increase
- Max. Levy Growth Quotient – 5%

## Operations Fund Revenue

	<b>2023</b> <b>Budget Order</b>	<b>2024</b> <b>Advertised</b>
<b>Property Tax</b>	18,153,001	18,879,121
<b>License Excise Tax</b>	981,407	950,000
<b>Commercial Vehicle Excist Tax</b>	78,721	75,000
<b>Financial Institutions Tax</b>	42,591	40,000
<b>Transportation Fees from</b>	15,000	15,000
<b>Interest on Investments</b>	875,000	875,000
<b>Receipts from Extra-Curricular</b>	35,000	35,000
<b>Misc Rev from Other Schools</b>	26,000	25,000
<b>Transfer from Educ. To Oper.</b>	8,963,856	9,000,000
	<b>29,170,576</b>	<b>29,894,121</b>



# Operations Fund Comparison

Operations	<u>2022</u>		<u>2023</u>		<u>2024</u>
	Budget	Expend	Budget	Expend 6 mo	Advertised
	28,988,722	27,319,885	32,709,828	14,015,518 42.85	35,000,000

# Operations Fund Capital Improvements

Pursant to IC 20-40-18-6, the Penn-Harris-Madison School Corporation plan contains a listing of all proposed projects that are capital in nature that exceed \$10,000 that are expected to begin within the three years immediately following the year the plan was adopted.

2024 Capital Project Plan Adoption

Monday, September 11, 2023

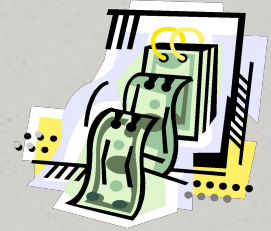
Project Description*	Estimated Start Date	Estimated End Date	Estimated Project Cost
Misc. Buildings Improvements (Carpet, repairs paint, ceiling tiles)	1/1/2024	12/31/2026	\$ 750,000.00
Infrastructure upkeep refurbish (Roofs, Chillers Piping)	1/1/2024	12/31/2026	\$ 3,750,000.00
Safety (Fire alarm replacements)	1/1/2024	12/31/2026	\$ 500,000.00
Emergency Allocation	1/1/2024	12/31/2026	\$ 2,000,000.00



# Five-Year Bus Replacement Plan

<u>Year</u>	<u>No. of Buses Owned</u>	<u>No. of Buses to be Replaced</u>	<u>Total Estimated Replacement Cost</u>
2024	139	12	1,772,915
2025	139	11	1,632,109
2026	139	10	1,596,504
2027	139	12	1,938,912
2028	139	12	2,058,320

# Debt Service Fund



## **2024 Total Advertised- \$24,592,843**

- \$4,145,627 – General Obligation Bonds
- \$10,477,000 – Lease Rental Payments
- \$ 1,055,216 – Common School Loans
- \$8,900,000 –Anticipated Debt Payments
- \$15,000 – Bank/Trustee Fees
- \$0 – Unreimbursed TB Expenses





# Rainy Day Fund



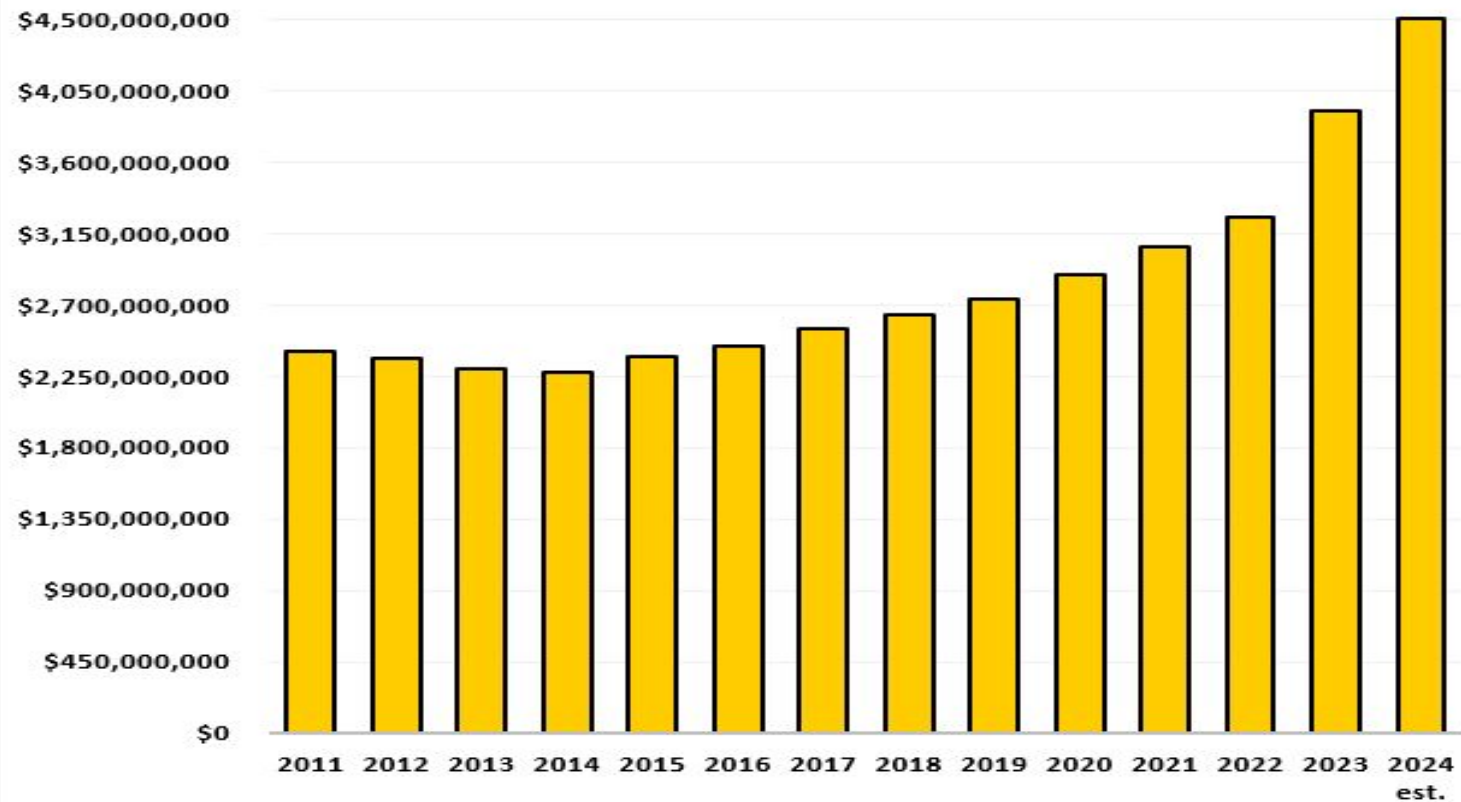
- No expenditures budgeted for 2024
- Funding from Naming Rights
- Balance well below recommended

# Assessed Valuation History

Year	Assessed Value	\$ Change	% Change
2011	\$2,410,979,316	\$1,420,434	0.06%
2012	2,363,540,286	(47,439,030)	-1.97%
2013	2,297,138,355	(66,401,931)	-2.81%
2014	2,273,508,317	(23,630,038)	-1.03%
2015	2,373,476,819	99,968,502	4.40%
2016	2,443,198,921	69,722,102	2.94%
2017	2,554,187,028	110,988,107	4.54%
2018	2,638,834,582	84,647,554	3.31%
2019	2,735,842,140	97,007,558	3.68%
2020	2,889,899,795	154,057,655	5.63%
2021	3,063,808,580	173,908,785	6.02%
2022	3,248,761,719	184,953,139	6.04%
2023	3,922,766,295	674,004,576	20.74%
2024 est.	4,511,180,000	588,414,900	15.00%



# Assessed Valuation History



## Tax Cap Impact 2009-2024

	2019	2020	2021	2022	2023	2024 est.	Fund Totals*
Debt Service	557,775	591,380	568,572	442,455	415,907	400,000	4,642,989
Capital Projects							4,303,449
Transportation							3,759,171
Bus Replacement							364,620
Art Association							78,537
Historical Society							78,537
Operation	1,084,310	1,541,911	1,733,160	2,249,157	2,698,988	2,750,000	12,057,527
<b>TOTALS</b>	<b>1,642,085</b>	<b>2,133,291</b>	<b>2,301,732</b>	<b>2,691,612</b>	<b>3,114,896</b>		<b>25,284,830</b>
<b>Certified Levy</b>	24,896,164	26,179,602	28,193,166	30,496,126			473,667,501
<b>As % of Levy</b>	<b>6.60%</b>	<b>8.15%</b>	<b>8.16%</b>	<b>8.83%</b>			<b>5.34%</b>

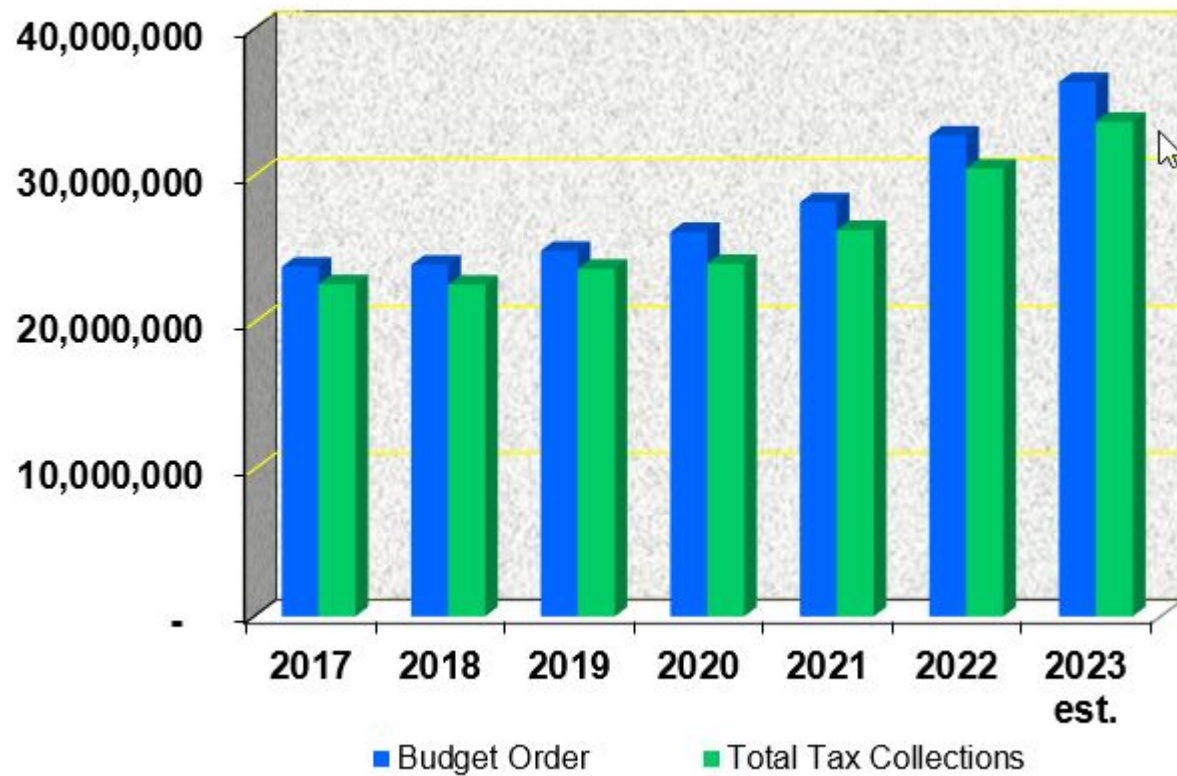
\*Includes 2009 to Current



### Property Tax Collections for All Funds

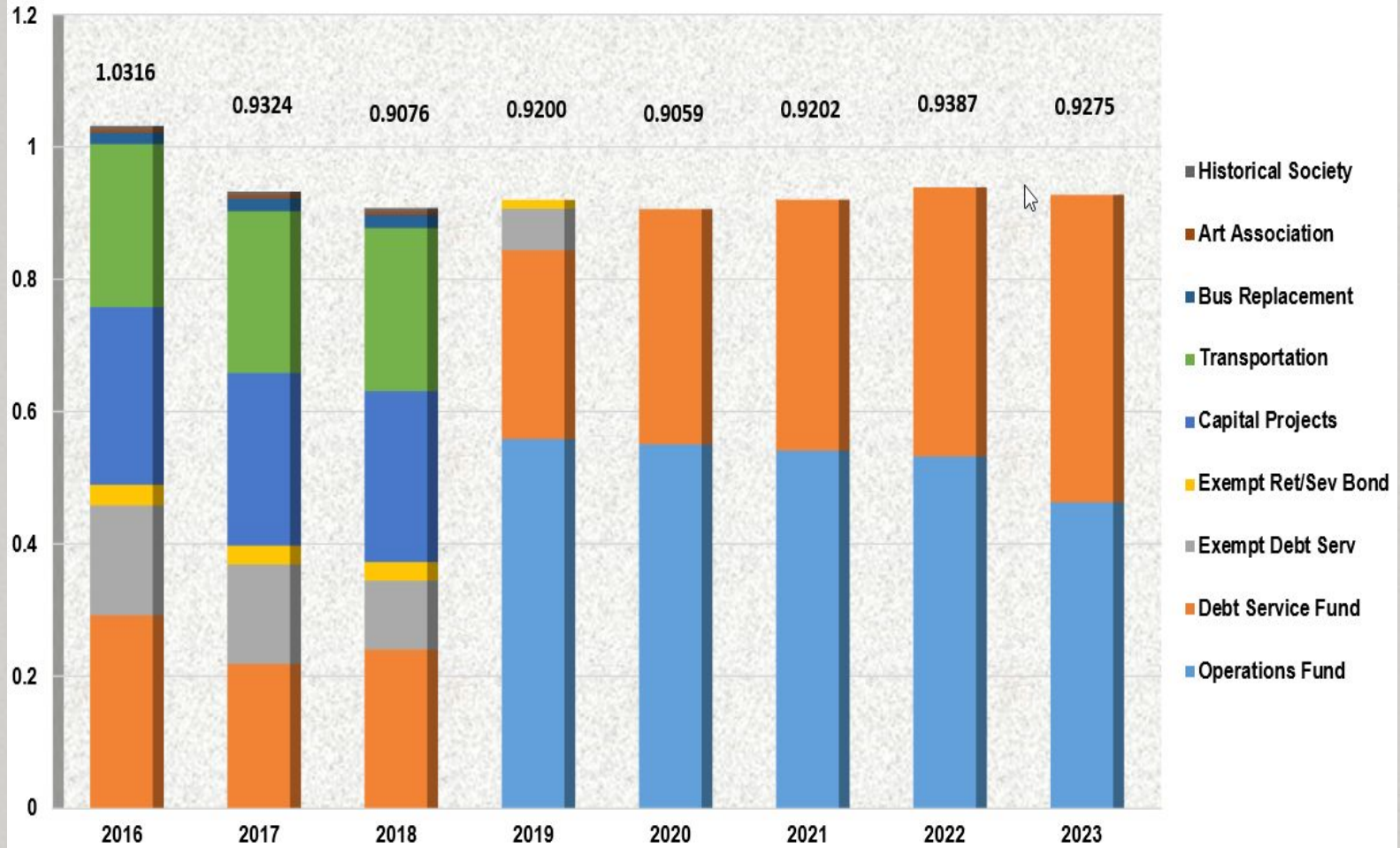
	2017	2018	2019	2020	2021	2022	2023 est.
Budget Order	23,815,241	23,950,064	24,896,164	26,179,602	28,193,166	32,745,283	36,383,658
Total Tax Collections	22,628,822	22,588,464	23,672,198	23,999,855	26,315,474	30,496,126	33,684,670
% of Taxes Collected	95.02%	94.31%	95.08%	91.67%	93.34%	93.13%	92.58%
Tax Excess or (Shortfall)	(1,186,419)	(1,361,600)	(1,223,966)	(2,179,747)	(1,877,692)	(2,249,157)	(2,698,988)

### Budget Order vs. Collections

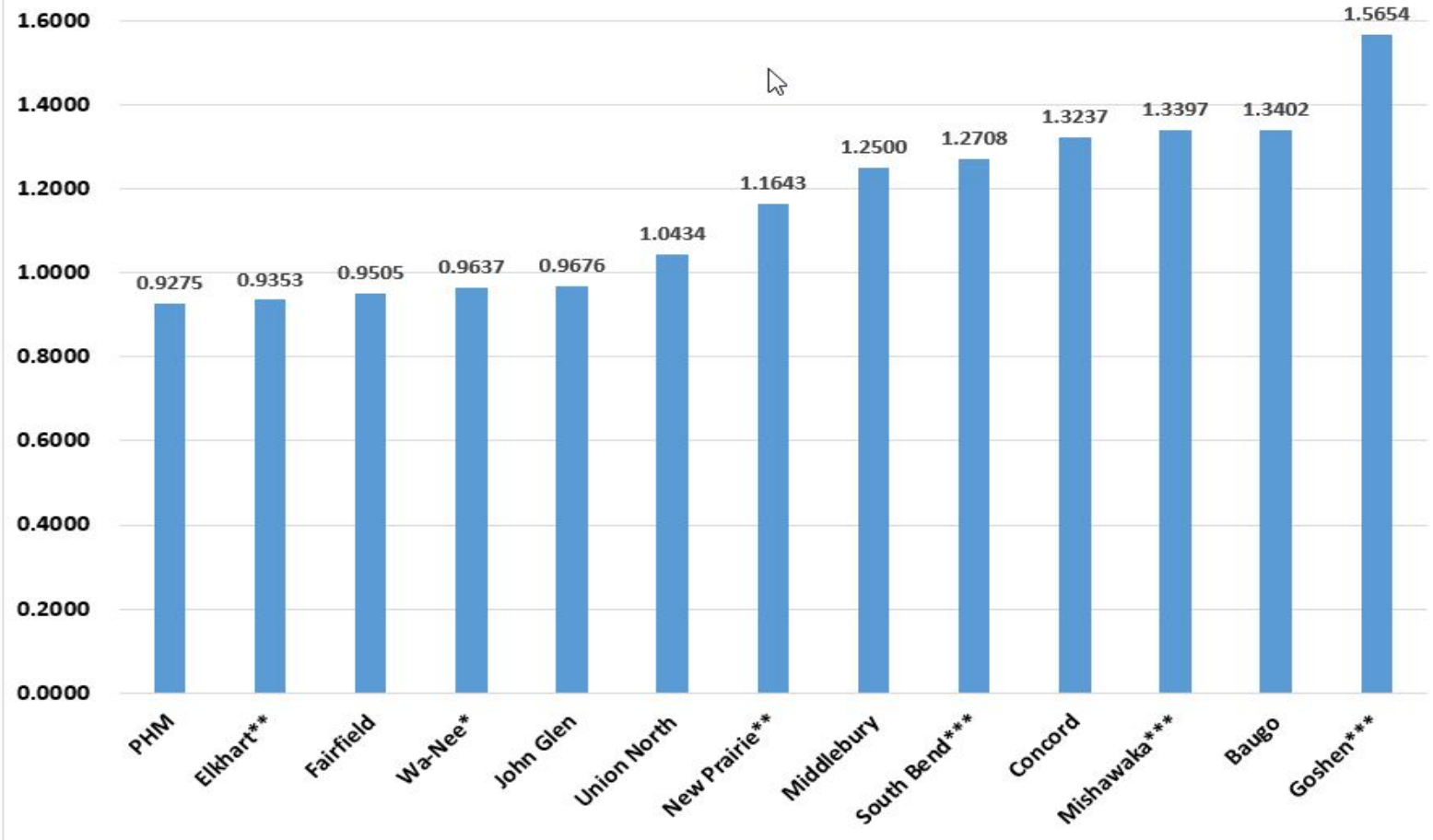




## Property Tax Rates



## 2023 Tax Rates



\* Operating Referendum

\*\* Capital Referendum

\*\*\* Both



# Summary

# Comparison Totals

## PHM Total Budget

	<b>2022</b>	<b>2023</b>	<b>2024</b>
Debt Service	\$14,213,020	\$17,611,980	\$24,592,843
Education	\$72,390,106	\$75,955,691	\$78,767,228
Operations	<u>\$27,583,131</u>	<u>\$32,709,828</u>	<u>\$35,000,000</u>
Total	\$115,591,848	\$126,984,356	\$138,360,071



# Comparison Totals

	PHM Total Levy		
	2022	2023	2024
Debt Service	\$13,209,465	\$18,233,018	\$24,592,843
Education			
Operations	<u>\$17,286,661</u>	<u>\$18,150,640</u>	<u>\$19,100,000</u>
<b>Total</b>	\$30,496,126	\$36,383,658	\$43,692,843

# Comparison Totals

## PHM Total Tax Rate

	2022	2023	2024
Debt Service	0.4066	0.4648	0.6148
		Target:	0.4475
Education	0.0000	0.0000	0.0000
Operations	<u>0.5321</u>	<u>0.4627</u>	<u>0.4775</u>
<b>Total:</b>	0.9387	0.9275	1.0923
		Target:	0.9250

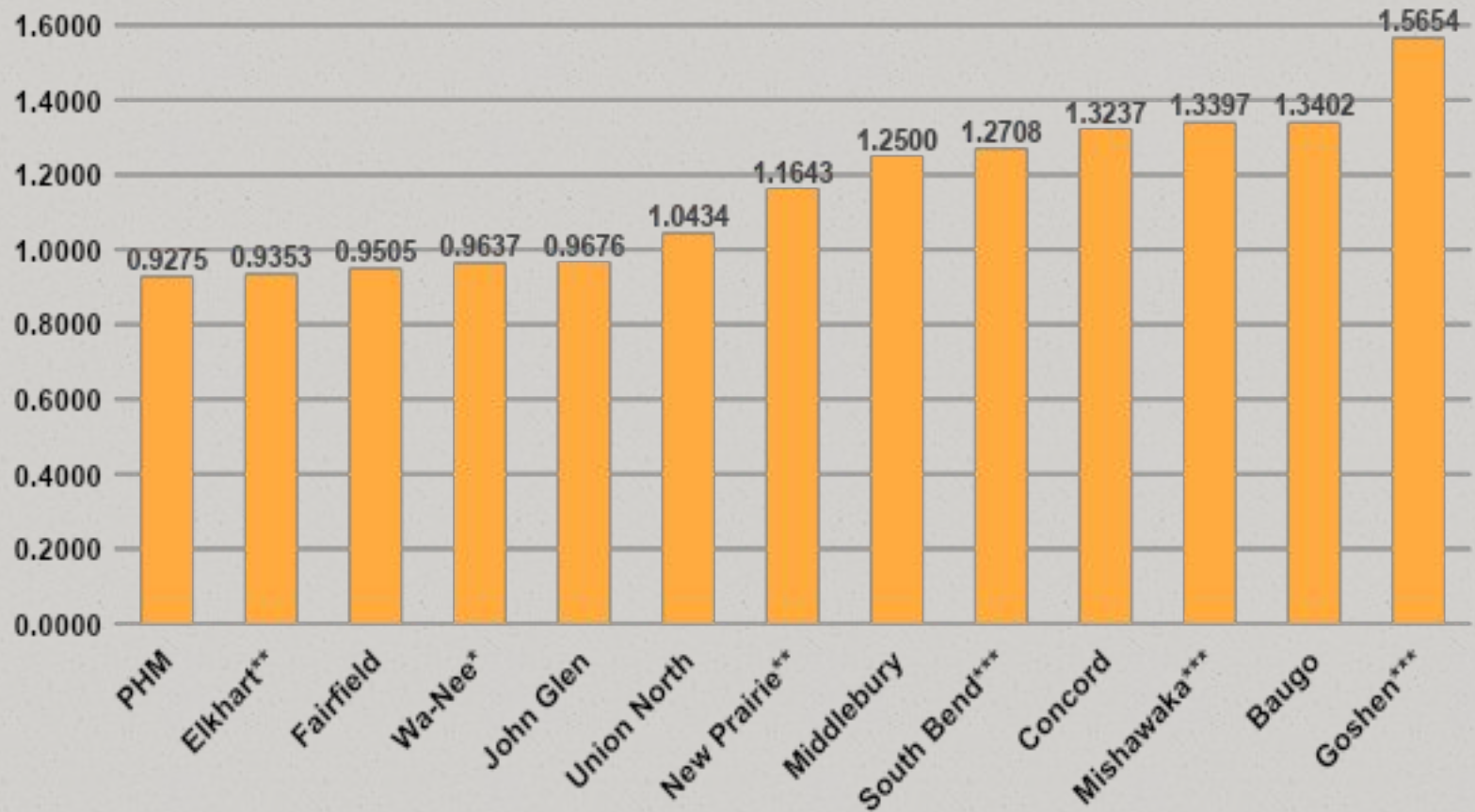


# Comparison Totals

## PHM Total Tax Rate Advertised

	<b>2022</b>	<b>2023</b>	<b>2024</b>
	Advertised/Approved	Advertised/Approved	Advertised
<b>Debt Service</b>	0.5073/0.4066	0.5935/0.4648	0.6148
		Target:	0.4475
<b>Education</b>	0.0000	0.0000	0.0000
<b>Operations</b>	<u>0.6639/0.5321</u>	<u>0.5321/0.4627</u>	<u>0.4775</u>
	Advertised/Approved	Advertised/Approved	Advertised
<b>Total:</b>	1.1712/0.9387	1.1817/0.9275	1.0923
		Target:	0.9250

## 2023 Tax Rates





# Form 3

Prescribed by the Department of Local Government Finance  
Approved by the State Board of Accounts

Budget Form No. 3 (Rev. 2019)  
Print  
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## NOTICE TO TAXPAYERS

The Notice to Taxpayers is available online at [www.budgetnotices.in.gov](http://www.budgetnotices.in.gov) or by calling (888) 739-9826.

Complete details of budget estimates by fund and/or department may be seen by visiting the office of this unit of government at 55900 Bittersweet Rd. Mishawaka, IN 46545.

Notice is hereby given to taxpayers of **PENN-HARRIS-MADISON-SCHOOL CORPORATION, St. Joseph County, Indiana** that the proper officers of **Penn-Harris-Madison School Corporation** will conduct a public hearing on the year 2024 budget. Following this meeting, any ten or more taxpayers may object to a budget, tax rate, or tax levy by filing an objection petition with the proper officers of **Penn-Harris-Madison School Corporation** not more than seven days after the hearing. The objection petition must identify the provisions of the budget, tax rate, or tax levy to which taxpayers object. If a petition is filed, **Penn-Harris-Madison School Corporation** shall adopt with the budget a finding concerning the objections in the petition and testimony presented. Following the aforementioned hearing, the proper officers of **Penn-Harris-Madison School Corporation** will meet to adopt the following budget:

Public Hearing Date	Monday, August 21, 2023	Adoption Meeting Date	Monday, September 11, 2023
Public Hearing Time	7:00 PM	Adoption Meeting Time	7:00 PM
Public Hearing Location	55900 Bittersweet Rd. Mishawaka, IN 46545	Adoption Meeting Location	55900 Bittersweet Rd. Mishawaka, IN 46545
Estimated Civil Max Levy	\$0		
Est. Fire Max Levy	\$0		
Est. Fire Territory Max Levy	\$0		
Est. School Operations Max Levy	\$18,879,121		
Property Tax Cap Credit Estimate	\$2,636,000		

1 Fund Name	2 Budget Estimate	3 Maximum Estimated Funds to be Raised (including appeals and levies exempt from maximum levy limitations)	4 Excessive Levy Appeals	5 Current Tax Levy	6 Levy Percentage Difference (Column 3 / Column 5)
0180-DEBT SERVICE	\$24,592,843	\$24,592,843	\$0	\$18,233,018	34.88%
3101-EDUCATION	\$78,767,228	\$0	\$0	\$0	
3300-OPERATIONS	\$35,000,000	\$19,100,000	\$0	\$18,150,640	5.23%
Totals	\$138,360,071	\$43,692,843	\$0	\$36,383,658	

# Next Steps

- Publish Form 3 & Plans on Gateway 8-10
- Place CP Plan & BR Plan on Website 8-10
- Conduct Public Hearing – Aug 21
- Adopt Budget – Sept 11
- Upload signed Form 4 -Sept. 14
- Budget Order Approval – Nov/Dec



# Questions?

