

2025 Budget



August 5, 2024

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 Public Work Session

- Share 2025 Changes
- Review Budgets
- Discuss Next Steps



2025 Funds

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



Education Fund

Ed. Fund Assumptions

- ADM steady: 11,138 includes virtual
- Two Student Count Days
- Other Student Counts Constant
- Revenue for July-Dec 24 Constant
- 3% Salary increases for 2024-2025
- Health Insurance Recommendations
- Curricular Materials (0900) added to Ed. Fund

Education Fund Revenue

State Funding Formula – Fiscal Year

- Basic Tuition Support W/Complexity
 - \$6,954 (+\$431) per ADM / 85% (\$5,910) Virtual.
(Avg. per student with complexity index)
- Academic Performance Grant: \$493,700
- Special Education (Exceptional Ed) \$6.6M
- Career & Tech. Education (Vocational)
\$2.3M

September / February ADM Comparison by Year



IDOE Revenue Certification

Corp No. 7175 Corp. Name: Penn-Harris-Madison School Corp

Grant	23-24	24-25
Basic Grant	\$ 76,163,284	\$ 77,364,984
Academic Performance	\$ 409,900	\$ 493,700
Special Education Grant	\$ 6,178,258	\$ 6,672,529
Career and Technical Ed Grant	\$ <u>2,125,202</u>	\$ <u>2,314,852</u>
Total	\$84,876,644	\$ 86,846,065

+ \$ 1,969,421

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 FY2025 school funding formula (tuition support) for the school general fund.

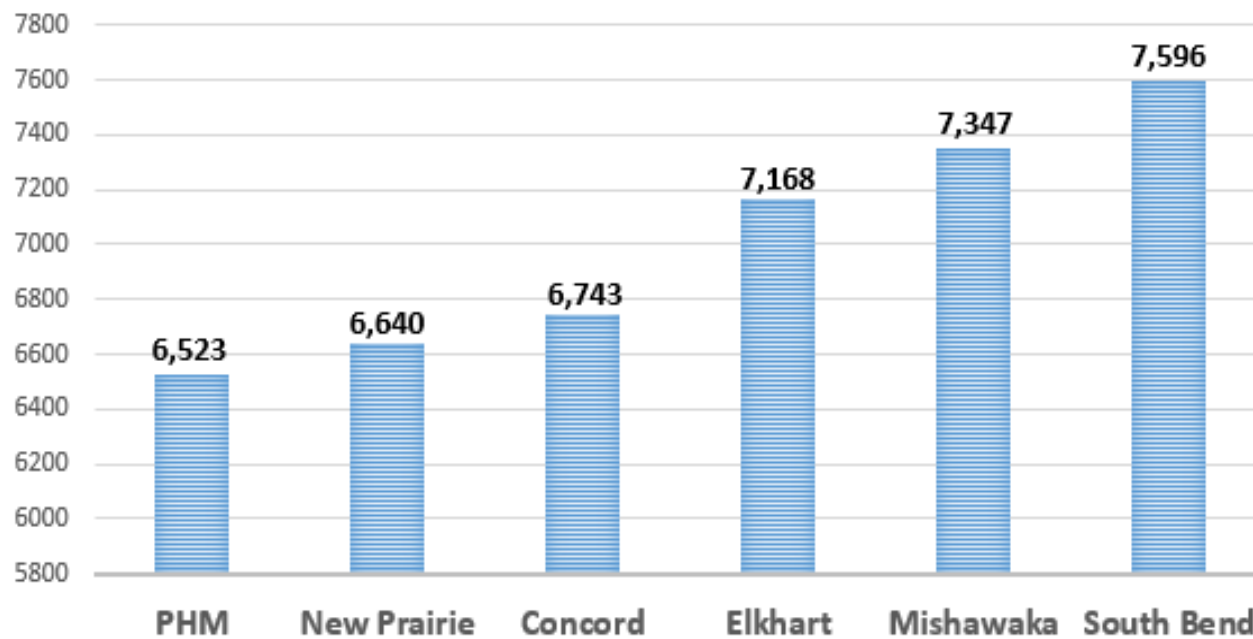
Assumption: Same number of ADM on October 1 count.

Education Fund FY 2023-2025

Funding Formula Comparison

	<u>23-24</u>	<u>24-25</u>	<u>Change</u>
Basic Tuition Support	\$76,163,284	\$ 77,364,984	+1,201,700
Academic Performance	\$ 409,900	\$ 493,700	+ 83,800
Special Education Grant	\$ 6,178,258	\$ 6,672,529	+ 494,271
Career and Technical	\$ 2,125,202	\$ 2,314,852	+ 189,650
Curricular Materials Grant	\$ 0	\$ 1,800,000	+1,800,000
<hr/>			
Total Tuition Support:	\$84,876,644	\$88,646,065	+3,769,421
ADM (Average)	<u>11,099</u>	<u>11,125</u>	
Total \$/ADM	\$7,755	\$7,806 (Excluding Curr. Materials)	

BASIC TUITION SUPPORT PER STUDENT 2023/2024



Education Fund Comparison

Education	<u>2023</u>		<u>2024</u>		<u>2025</u>
	Budget	Expend	Budget	Expend 6 mo	Budget
			Advertised 88,000,000	4,500,000 OPS	
	Budget Order 84,919,547	Actual 83,240,961	Budget Order 87,867,228	Actual 40,267,162	Advertised 92,000,000
				51.12%	

<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Estimated Spend: \$72,390,106	\$75,955,691	\$78,767,228	\$83,000,000
		May need Add App	<u>Increases</u>
			Curr. Materials
			Health Insurance
			ESSER Positions
			5% and 3% raise

Operations Fund

Operations Fund Assumptions

- Salary increases at 3%
- Health Insurance Increases
- Assessed Value? Trending up Est:3%?
- Tax Cap Impact/Loss is Neutral
- Max. Levy Growth Quotient – 4%

Operations Fund Revenue

	2024	2025
	Budget Order	Advertised
Property Tax	18,878,143	20,000,000
License Excise Tax	1,123,942	900,000
Commercial Vehicle Excist Tax	88,570	70,000
Financial Institutions Tax	45,556	40,000
Transportation Fees from	15,000	15,000
Interest on Investments	875,000	1,800,000
Receipts from Extra-Curricular	35,000	35,000
Misc Rev from Other Schools	30,000	26,000
Transfer from Educ. To Oper.	9,000,000	9,000,000
	30,091,211	31,886,000

Operations Fund Comparison

Operations	<u>2023</u>		<u>2024</u>		<u>2025</u>
	Budget	Expend	Budget	Expend 6 mo	Budget
	32,709,828	28,338,528	34,493,175	14,845,694 43.04%	36,360,000

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.

2025-2028 Capital Project Plan

Monday, September 9, 2024

Project Description*	Estimated Start Date	Estimated End Date	Estimated Project Cost
Misc. Buildings Improvements (Carpet, repairs paint, ceiling tiles)	1/1/2025	12/31/2027	\$ 750,000.00
Infrastructure upkeep refurbish (Roofs, Chillers Piping)	1/1/2025	12/31/2027	\$ 3,750,000.00
Safety (Fire alarm replacements)	1/1/2025	12/31/2027	\$ 500,000.00
Emergency Allocation	1/1/2025	12/31/2027	\$ 2,000,000.00
Lease approved \$25.3 million maintenance projects	5/1/2024	12/31/2026	\$ 25,300,000.00
Lease approved 18 million dollar fieldhouse construction	1/1/2024	8/1/2026	\$ 18,500,000.00
170 items listed with cost estimates is located in detail at: www.phm.k12.in.us			

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>
2025	<u>139</u>	<u>11</u>	<u>1,632,109</u>
2026	<u>139</u>	<u>11</u>	<u>1,754,330</u>
2027	<u>139</u>	<u>12</u>	<u>1,938,912</u>
2028	<u>139</u>	<u>12</u>	<u>2,058,320</u>
2029	<u>139</u>	<u>9</u>	<u>1,546,206</u>

Debt Service Fund



2025 Total Advertised- \$18,000,000

- \$ 3,346,475 – General Obligation Bonds
- \$ 8,459,203 – Lease Rental Payments
- \$ 1,758,782 – Common School Loans
- \$ 4,420,540 –Anticipated Debt Payments
- \$15,000 – Bank/Trustee Fees
- \$0 – Unreimbursed TB Expenses



Rainy Day Fund

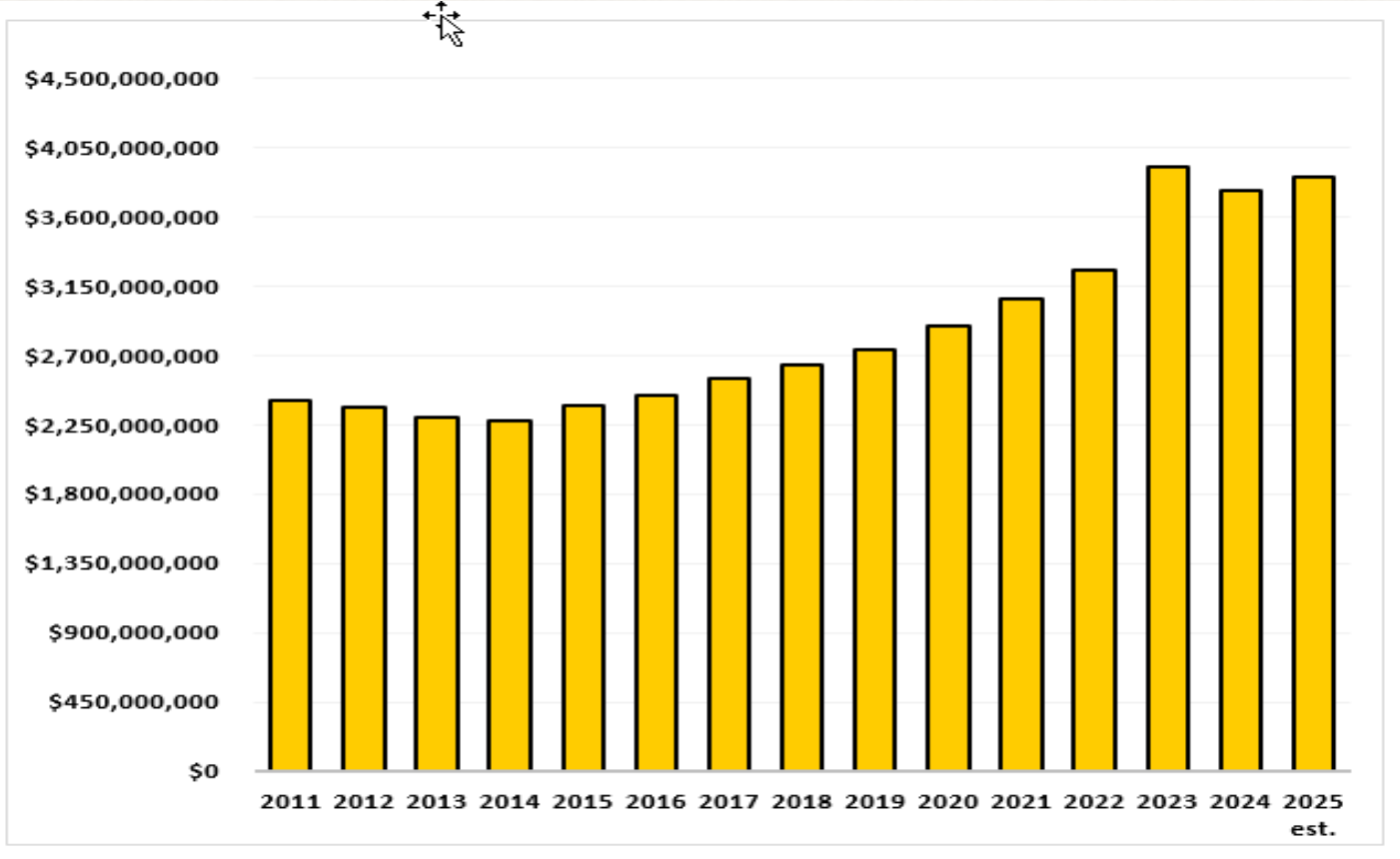


- No expenditures budgeted for 2025.
- Funding from Naming Rights/Interest income from Everwise.
- Balance well below recommended. 2 payrolls = \$7,000,000.
- Interest earnings higher Balance: \$2,062,959.

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	20.75%
2024	3,768,092,417	(154,673,878)	-3.94%
2025 est.	3,856,220,087	88,127,670	2.34%

Assessed Valuation History

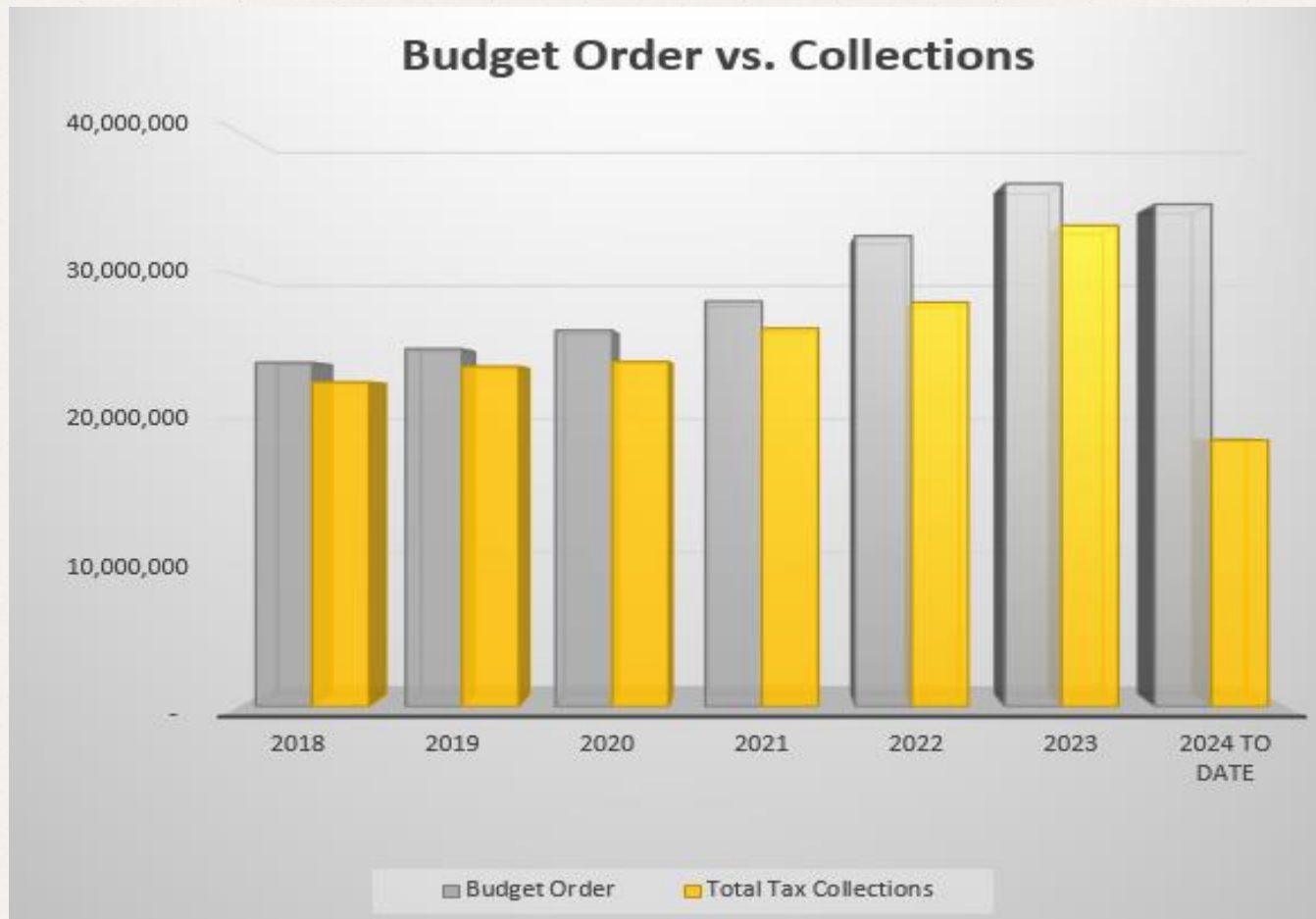


Tax Cap Impact 2020-2025

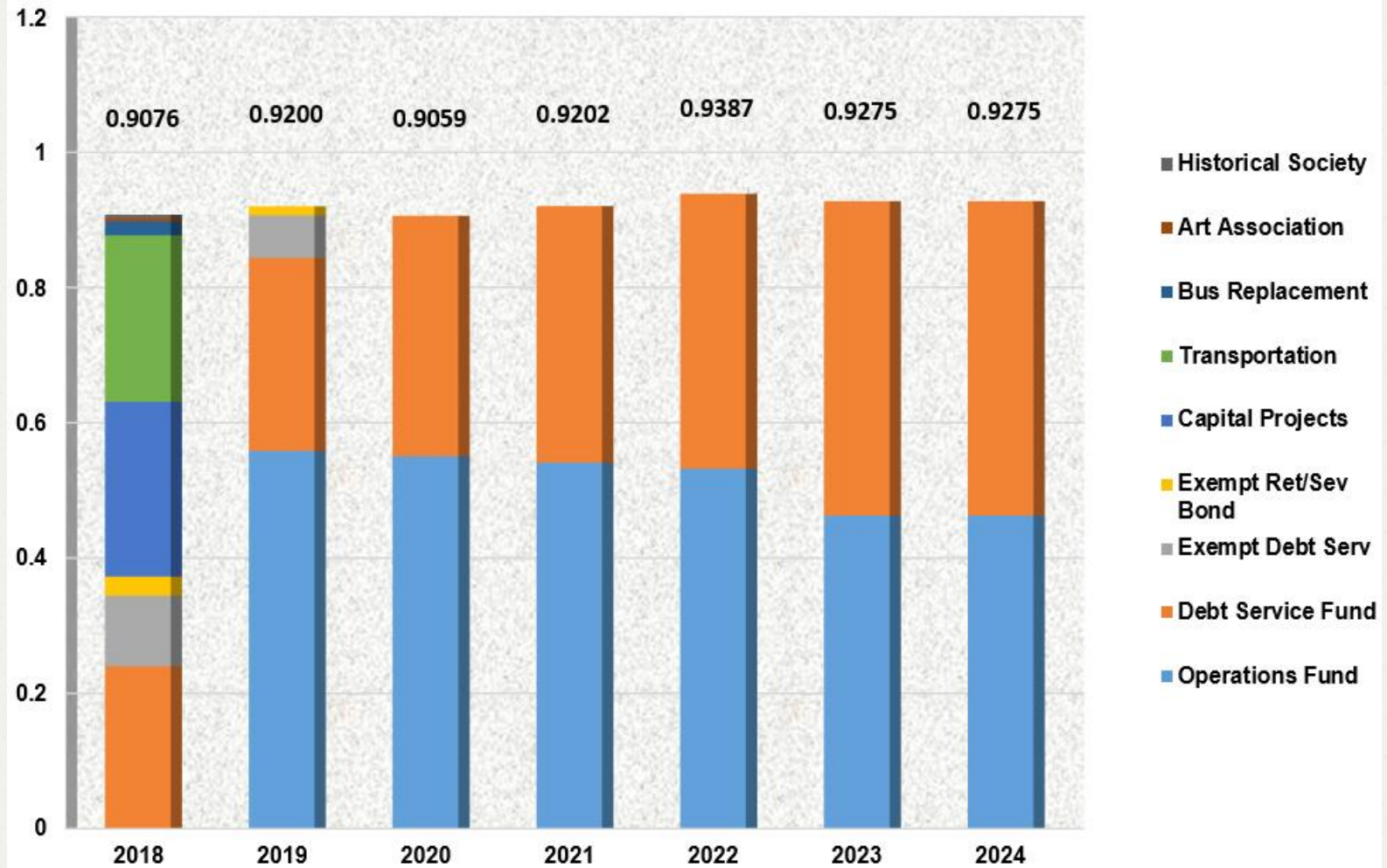
	2020	2021	2022	2023	2024	2025 est.	Fund Totals*
Debt Service	-	-	-	-	17,476	20,000	37,476
Capital Projects							-
Transportation							-
Bus Replacement							-
Art Association							-
Historical Society							-
Operation	1,541,911	1,733,160	2,249,157	2,698,988	2,014,917	2,200,000	12,438,134
TOTALS	1,541,911	1,733,160	2,249,157	2,698,988	2,032,393	2,220,000	12,475,610
Certified Levy	26,179,602	28,193,166	30,496,126	36,383,658	34,949,057	38,014,740	156,201,609
As % of Levy	5.89%	6.15%	7.38%	7.42%	5.82%	5.84%	7.99%

Property Tax Collections For All Funds

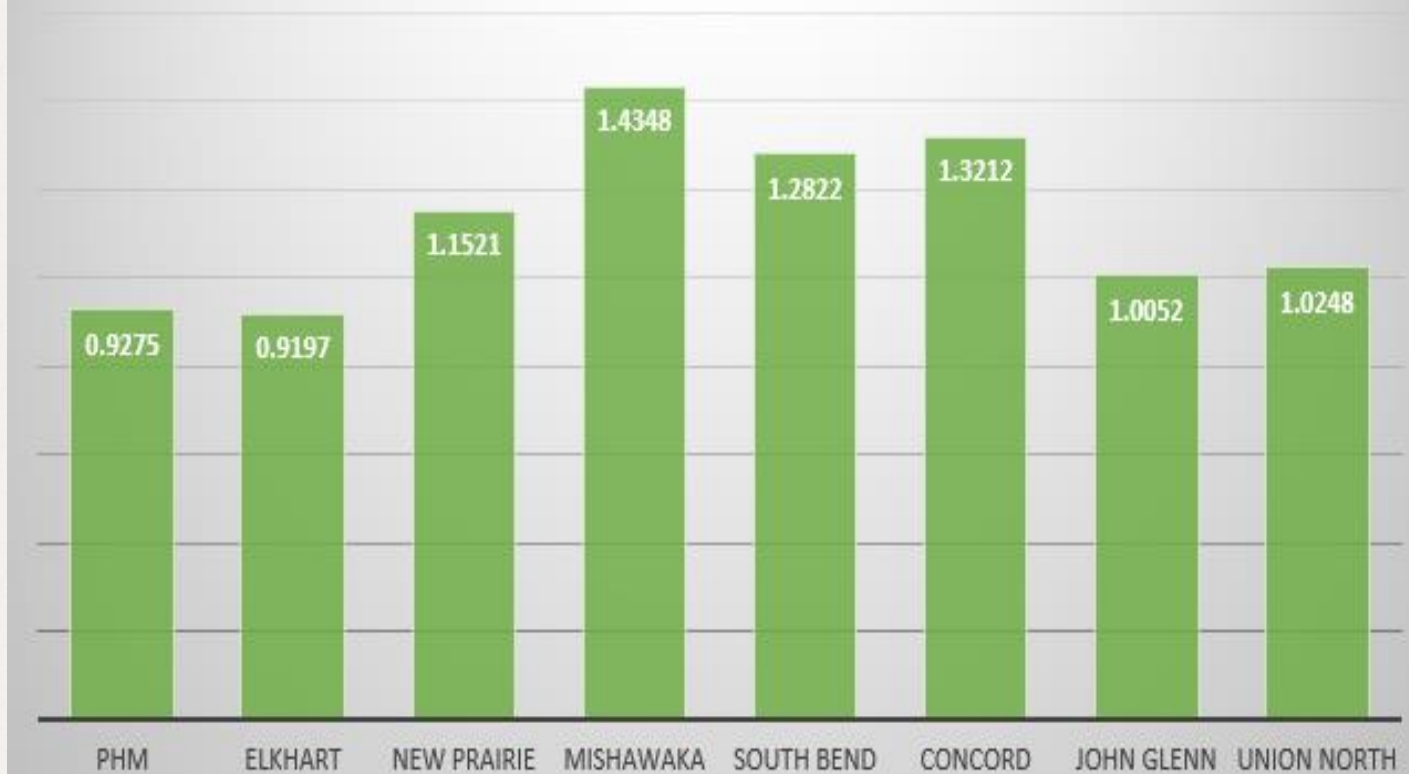
	2018	2019	2020	2021	2022	2023	2024
Budget Order	23,950,064	24,896,164	26,179,602	28,193,166	32,745,283	36,383,658	34,949,057
Total Tax Collections	22,588,464	23,672,198	23,999,855	26,315,474	28,123,432	33,471,809	18,531,066
% of Taxes Collected	94.31%	95.08%	91.67%	93.34%	85.89%	92.00%	53.02%
Tax Excess or (Shortfall)	(1,361,600)	(1,223,966)	(2,179,747)	(1,877,692)	(4,621,851)	(2,911,849)	(16,417,991)



Property Tax Rates



2024 Tax Rates



Summary

Comparison Totals

Budget

	<u>2023</u>	<u>2024</u>	<u>2025</u> <u>Advertised</u>
Debt Service	17,611,980	18,182,182	18,000,000
Education	75,955,691	78,767,228	83,000,000
Operations	<u>32,709,828</u>	<u>33,740,151</u>	<u>36,360,000</u>
	126,277,499	130,689,561	137,360,000

Comparison Totals

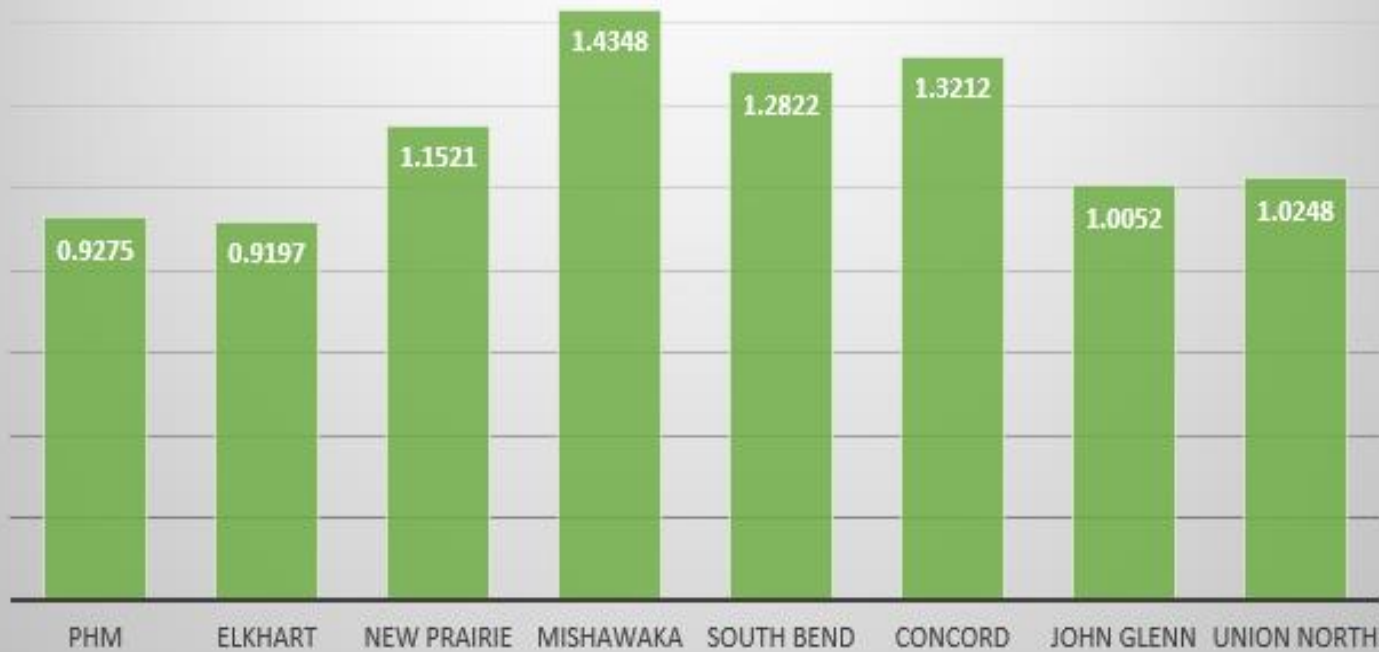
	Levy		
	<u>2023</u>	<u>2024</u>	<u>2025 Adv.</u>
Debt Service	18,233,018	16,070,914	18,000,000
Education	-	-	-
Operations	18,150,640	18,878,143	20,000,000
	<hr/> 36,383,658	<hr/> 34,949,057	<hr/> 38,000,000

Comparison Totals

Rate

	<u>2023</u>		<u>2024</u>		<u>2025</u>
	<u>Adv</u>	<u>Actual</u>	<u>Adv.</u>	<u>Actual</u>	<u>Adv.</u>
Debt Service	0.5935	0.4648	0.6091	0.4265	0.4925
Education	0.0000	0.0000	0.0000	0.0000	0.0000
Operations	0.5882	0.4627	0.4903	0.5010	0.5472
	1.1817	0.9275	1.0994	0.9275	1.0397

2024 Tax Rates



Penn-Harris-Madison School Corporation

Interest Income Update

2023

ALL Funds	Rainy Day	Operations
834,591.68	57,444.82	535,165.77
Jan-June	Jan-June	Jan-June
1,470,081.02	111,979.65	1,119,796.34
July-Dec	Jul-Dec.	July-Dec
2,304,672.70	\$169,424	\$1,654,962

Totals
\$1,824,387

2024

ALL Funds	Rainy Day	Operations
\$1,509,097	\$150,909	\$737,211
Jan-June	Jan-June	Jan-June
\$1,815,000	\$181,500	\$666,871
July-Dec	Jul-Dec.	July-Dec
\$3,324,097	\$332,409	\$1,404,082

Projected
Year End

Education Fund

\$498,614

Early Lit Initiative

Totals
\$2,235,105

Interest Income History

2020	\$1,188,685
2021	\$1,070,684
2022	\$1,535,567
2023	\$2,304,672
2024	\$3,324,097

\$769,105 Increased Revenue

\$1,019,425 Increased Revenue

\$1,788,530

June 30 Cash Balances:

Est.

	Debt Service	Operations	Education Fund
2020	\$2,821,630	\$16,251,606	\$7,706,965
2021	\$1,340,639	\$13,778,027	\$9,009,491
2022	\$971,666	\$13,456,838	\$9,319,767
2023	\$1,988,205	\$14,545,360	\$10,156,798
2024	\$1,996,759	\$13,863,821	\$10,192,511
		Bond owes 1M	

Next Steps

- Publish Form 3 & Plans on Gateway 7-30
- Place CP Plan & BR Plan on Website 7-30
- Conduct Public Hearing – Aug 12, 2024
- Adopt Budget – Sept 9, 2024
- Upload signed Form 4 -Sept. 11
- Budget Order Approval – Nov/Dec.

Form 3

PRESCRIBED BY DEPT OF LOCAL GOVERNMENT
FINANCE

FORM APPROVED BY STATE BOARD OF ACCOUNTS
NOTICE TO TAXPAYERS

Budget Form No. 3

The Notice to Taxpayers is available online at 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 2025 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:

Fill in Hearing Info

Date of Public Hearing	Monday, August 12 2024	Date of Adoption Meeting	Monday, September 09 2024
Time of Public Hearing	6:00 PM	Time of Adoption Meeting	6:00 PM
Public Hearing Place	55900 Bittersweet Rd. Mishawaka, IN 46545	Adoption Meeting Place	55900 Bittersweet Rd. Mishawaka, IN 46545

Est. School Operating Max Levy \$ 19,634,286

Property Tax Cap Credit Estimate \$ 2,220,000

Special Notes:

Edit Special Notes

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 (Included in Column 3)	5 Current Tax Levy	6 Levy Percentage Difference (Column 3 / Column 5)
	Click Here to Insert Form 4b advertised amounts ↓	Click Here to Insert Form 4b advertised amounts ↓			
0180-DEBT SERVICE	\$ 18,000,000	\$ 18,000,000	\$ 0	16,070,914	12.00 %
3101-EDUCATION	\$ 92,000,000	\$ 0	\$ 0	0	
3300-OPERATIONS	\$ 36,360,000	\$ 20,000,000	\$ 0	18,878,143	5.94 %

Questions?

