

Wawasee Community Schools Community Information Session

February 27, 2023



- Served as a Public School CFO/COO for 10 years at both Vincennes Community Schools & Franklin Township Schools.
- Director with Stifel Public Finance since July 2017.
 - Work with K-12 schools all over Indiana on budgeting, long range fiscal forecasting, strategic planning, fiscal reviews, tax rate management and capital finance.
- Started working with Wawasee Schools 2019.

Brandon Penrod – Introduction

- Served as a Public School CFO for 8 years at three schools – under 1000, approximately 2500 and approximately 7000.
- Served as a Public School Superintendent 2018-2021
- Consult with schools since 2021 and began with Wawasee Schools in 2022.

- Provide an overview of the key factors that impact school finances.
- Provide historical data for Wawasee Community Schools.
- Discuss trends, forecasts, and financial impacts
- Answer questions, give feedback, analysis and insight

OUR VISION

Our students are confident, well-rounded citizens who positively impact their communities.

OUR MISSION

Wawasee schools partner with students, families, and communities to meet the needs of all students and empower them to reach their highest potential.

OUR BELIEFS

We are a learning organization.

We strive to grow and learn. We will continue to develop and improve to become the best version of ourselves.

We believe in providing proper supports so all students are empowered to reach high expectations.

We are student centered. We know students learn at different paces and need a variety of support.

We believe knowing each student as an individual is an important part of their success.

We understand that every moment matters. We are a positive force in students' lives. We seek to know our students and meet their needs to create a welcoming learning environment.

We believe in a positive, collaborative environment where individuals are treated with respect.

We are trustworthy and reliable. We have a passion for teaching and learning. We take a professional approach with a servant's heart.

- Schools have an abundance of statutes, rules, polices and guidelines they must follow in regards to financial management.
- Bi-Annul audits by Indiana State Board of Accounts
- School finance has changed dramatically over the past 10 years.
- Long range strategic, fiscal and operational planning is critical.
- Schools should have a complete understanding and monitor regularly the individual factors that are/could impact them financially and operationally.
- Establishing common goals and priorities is critical.

Assessed Value

- Trend/Outlook

Enrollment

- Trend / Outlook

Key Ratios

- Teacher to Student
- Students per instructional sq. ft.

Property Tax

- Collections as a % Of Levy

Fund Balances

- Trend/Projection
- % of Expenses

Revenue vs. Expenses per Student

Operating Referendum

- Revenue as a % of total revenue
- Ability to pass/renew

Salaries/Benefits

- Percent of total expenditures

Property Tax Rate

- Trend
- Management

Largest Tax Payers

- Who are they
- Stability
- Influence

Demographics

- Community
- Student

Management

- Internal controls
- Policies
- Efficiencies
- Planning/Strategy

Four Major Components of a School Corporation



Finance

- Budget
- Payroll
- Benefits
- Risk Management
- Compliance
- Asset Management
- Reporting



Operations

- Transportation
- Facilities
- Technology
- Health Services
- Safety & Security
- Food Services
- Human Resources



Curriculum/Instruction

- Programs
- Data
- Materials
- Systems
- Testing
- Student Management
- Reporting



Promotion/Relations

- Student Relations
- Community Relations
- Staff Relations
- School Promotion
- Program Promotion
- Branding

The most valuable aspect of
planning is the process!

“The most valuable aspect of planning is the process itself.”

Phase 1 Data / Information Collection

- Enrollment
- Assessed Value
- Facility Study
- Capital Assets
- Contractual Obligations
- Debt
- Utilities
- Programming costs
- Basic Grant Revenue
- Tax Collections
- Non Collections/Property Tax Cap Loss
- Historical Detailed Revenue & Expense Data
- Get your trusted professionals together

Phase 2 Strategic Planning

- Review Phase 1 Information
- SWOT Analysis
- Goal Setting
- Needs Analysis
- Stakeholder Input
- Establish Priorities
- Mission
- Core Values
- Why – Purpose
- Proactive vs. Reactive Mindset
- Establishing Direction
- Action Items
- Committee Work

Phase 3 Projection / Scenario Building

- Identify Variables Impacting Data
- Identify Data Scenario Assumptions
- Identify Strategies
- Build Scenarios with Future Forecasting
- Identify Sustainability

Phase 4 Resource & Budget Alignment

- Review financial scenarios with stakeholders
- Align budget and financial resources to goals and objectives
- Monitor, Review & Update

School Corporation Funds

Instructional

General Fund

- Revenue: State Tuition Support, Other Misc.
- Expenses: Instructional

Debt

Debt Service Fund

- Revenue: Property Tax, Other Misc.
- Expenses: Debt Payments

Pension Bond Fund

- Revenue: Property Tax, Other Misc.
- Expenses: Pension Debt Payment

Operations

Capital Projects Fund

- Revenue: Property Tax, Other Misc.
- Expenses: Equipment, Improvements

Transportation Fund

- Revenue: Property Tax, Other Misc.
- Expenses: Transportation Related

Bus Replacement Fund

- Revenue: Property Tax, Other Misc.
- Expenses: School Buses

Other

Donations & Gift Funds

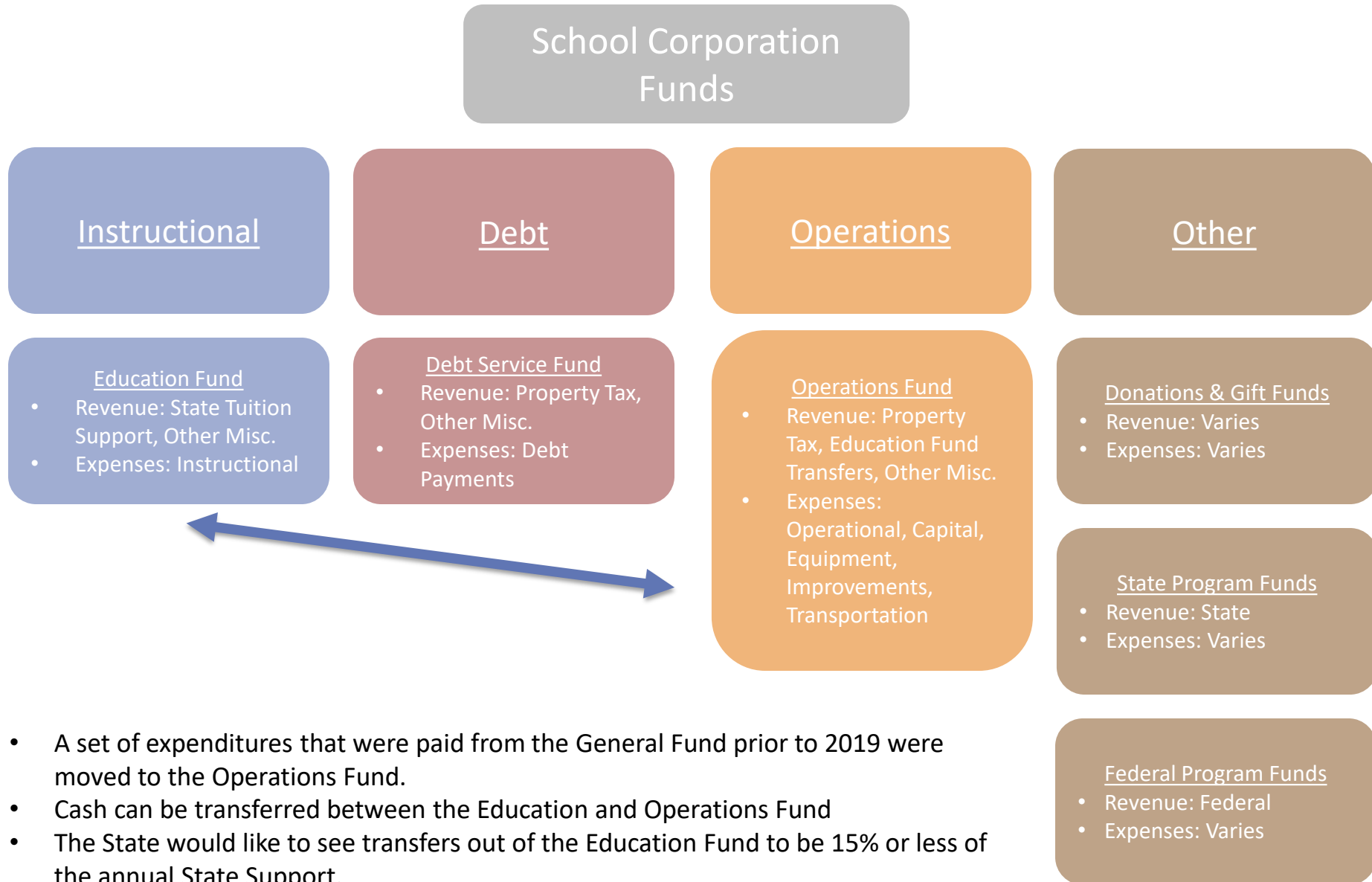
- Revenue: Varies
- Expenses: Varies

State Program Funds

- Revenue: State
- Expenses: Varies

Federal Program Funds

- Revenue: Federal
- Expenses: Varies



State Funding Enrollment

- Received into the Education Fund
 - Can be transferred to the Operations Fund
- Calculation
 - Made up of 5 different grants, each having its own unique calculation
 - Each grant is based on a per student funding amount
 - State Tuition Support Formula
 - Fiscal Year vs. Calendar Year
- Received
 - Monthly distributions through the DOE
- Maximum
 - Controlled by the legislators
 - Set for a 2 year period on the odd numbered years
- Factors that Impact Revenue
 - Enrollment
 - Poverty Level
 - Number of Special Education Students
 - Number of Students Graduating with an Honors/Vocational Diploma
 - Vocational Program Offerings
 - Legislators

- Received into the Tax Funds ONLY – ie: Debt Service, Operations, Referendum
- Calculation
 - School District renders control through the budget process
 - $\text{Tax Rate} \times (\text{Net Assessed Value}/100) = \text{Tax Levy}$
- Maximum
 - Property Tax Caps voted into the State Constitution: 1%, 2%, 3%
 - Operations maximum levy calculation
 - Debt payments
- Received
 - June & December
- Factors that Impact Revenue
 - Assessed Value: Increase, Decrease, Property Classification Type
 - Collections Rate: Property Tax Caps, NonCollections
 - Tax Rate Levels
 - Tax Payer Tolerance
 - School Corporation Established Tax Rate Cap
 - County Level Processes: i.e.... Assessments, Appeals
 - Legislators

Indiana Public School Tuition Support Breakdown							
	FY2017	FY 2018	FY 2019	FY 2020	FY2021	FY2022	FY2023
Basic & Complexity Grants							
Foundation	5,088	5,273	5,352	5,548	5,703	5,995	6,235
Change YTY		3.6%	1.5%	3.7%	2.8%	5.1%	4.0%
Virtual (% of Foundation)	4,579	4,746	4,549	4,716	4,848	5,096	5,300
85% of Foundation: 2019, 2020, 2021, 2022, 2023							
90% of Foundation: 2018, 2017							
Change YTY		3.6%	-4.1%	3.7%	2.8%	5.1%	4.0%
Complexity Grant (School receives a % of base)	3,539	3,539	3,539	3,650	3,675	3,775	3,775
Change YTY		0.0%	0.0%	3.1%	0.7%	2.7%	0.0%
ELL Adjustment	% of Complexity	128.00	128.00	128.00	128.00	-	-
Basic Grant & Complexity							
Basic	5,088	5,273	5,352	5,548	5,703	5,995	6,235
Complexity	3,539	3,539	3,539	3,650	3,675	3,775	3,775
Total	8,627	8,812	8,891	9,198	9,378	9,770	10,010
Change \$		185	79	307	180	392	240
Change%		2.1%	0.9%	3.5%	2.0%	4.2%	2.5%

Indiana Public School Tuition Support Breakdown							
	FY2017	FY 2018	FY 2019	FY 2020	FY2021	FY2022	FY2023
Honors Grant Information							
Academic Honors NOT receiving benefits	1,000	1,100	1,100	1,100	1,100	1,100	1,100
Technical Honors NOT receiving benefits	1,000	1,100	1,100	1,100	1,100	1,100	1,100
Academic Honors WERE receiving benefits	1,400	1,500	1,500	1,500	1,500	1,500	1,500
<u>Technical Honors WERE receiving benefits</u>	<u>1,400</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
Total	4,800	5,200	5,200	5,200	5,200	5,200	5,200
Change YTY		8.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Special Education Grant							
Severe Disabilities Students	8,800	8,976	9,156	9,156	9,156	9,614	10,575
Mild Moderate Students	2,300	2,300	2,300	2,300	2,300	2,415	2,657
Comm. & Homebound Students	500	500	500	500	500	500	500
<u>Special Ed. PreSchool Students</u>	<u>2,750</u>	<u>2,750</u>	<u>2,750</u>	<u>2,875</u>	<u>3,000</u>	<u>3,150</u>	<u>3,465</u>
Total	14,350	14,526	14,706	14,831	14,956	15,679	17,197
Change YTY		1.2%	1.2%	0.8%	0.8%	4.8%	9.7%
Career & Tech Ed Grant Information							
More than Moderate Need/High Wage	500	500	-	-	-	-	-
More than Moderate Need/Moderate Wage	450	450	-	-	-	-	-
More than Moderate Need/Less than Moderate Wage	300	300	-	-	-	-	-
Moderate Need/High Wage	450	450	-	-	-	-	-
Moderate Need/Moderate Wage	300	300	-	-	-	-	-
Moderate Need/Less than Moderate Wage	225	225	-	-	-	-	-
Less than Moderate Need/High Wage	300	300	-	-	-	-	-
Less than Moderate Need/Moderate Wage	225	225	-	-	-	-	-
Less than Moderate Need/Less than Moderate Wage	150	150	-	-	-	-	-
High Value Level 1 Program	-	-	680	680	680	680	680
High Value Level 2 Program	-	-	-	-	1,020	1,020	1,020
Moderate Value Level 1 Program	-	-	400	400	400	400	400
Moderate Value Level 2 Program	-	-	-	-	600	600	600
Less than Moderate Value Level 1 Program	-	-	200	200	200	200	200
Less than Moderate Value Level 2 Program	-	-	-	-	300	300	300
Introductory CTE Course	300	300	300	300	300	300	300
Planning for College and Career Course	-	-	-	-	150	150	150
Apprenticeship Program	-	-	-	-	500	500	500
Work Based Learning Course	-	-	-	-	500	500	500
Area Participation Count	150	150	150	150	150	150	150
Foundational CTE Course	150	150	150	150	-	-	-
<u>Apprenticeship, Coop. or Work Based Learning Course</u>	<u>300</u>	<u>300</u>	<u>150</u>	<u>150</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	3,800	3,800	2,030	2,030	4,800	4,800	4,800
Change YTY		0.0%	-46.6%	0.0%	136.5%	0.0%	0.0%
Total	31,577	32,466	30,955	31,387	34,462	35,449	37,207
Change YTY		2.8%	-4.7%	1.4%	9.8%	2.9%	5.0%
2017 Total doesn't include ELL adjustment							

State Funding Scenario

	School A	School B	School C
2020 Enrollment	2,000	2,000	2,000
Per Student Foundation	5,703	5,703	5,703
<u>15% Complexity</u>	<u>551</u>	<u>551</u>	<u>551</u>
Per Student Total Funding	6,254	6,254	6,254
Annual Total	12,508,000	12,508,000	12,508,000
2021 Enrollment	2,000	2,030	1,970
Per Student Foundation	5,995	5,995	5,995
<u>15% Complexity</u>	<u>566</u>	<u>566</u>	<u>566</u>
Per Student Total Funding	6,561	6,561	6,561
Annual Total	13,122,000	13,318,830	12,925,170
Increase	614,000	810,830	417,170
Per Teacher (130 Teachers)	4,723	6,237	3,209
2022 Enrollment	2,000	2,060	1,940
Per Student Foundation	6,235	6,235	6,235
<u>15% Complexity</u>	<u>566</u>	<u>566</u>	<u>566</u>
Per Student Total Funding	6,801	6,801	6,801
Annual Total	13,602,000	14,010,060	13,193,940
Increase	480,000	691,230	268,770
Per Teacher (130 Teachers)	3,692	5,317	2,067
Total Increase Per Teacher	8,415	11,554	5,276

School A – Flat Enrollment

School B – 30 student increase annually

School C – 30 student decrease annually

- Enrollment / ADM is the driving factor for State funding which is receipted into the Education Fund.
- While the main purpose for the Education Fund is instruction related expenses this level of funding does have an impact on operational expenditures due to the ability to transfer dollars between the Education and Operations Fund.
- It's critical that schools understand their enrollment trends/projections and the correlating impact on funding.

Wawasee Community Schools Grade Level Enrollment										
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
KG	236	237	209	211	205	198	210	192	189	191
1	248	234	258	204	209	191	200	206	206	198
2	259	245	233	244	219	212	190	187	207	193
3	231	267	238	237	239	209	195	192	197	207
4	243	226	271	224	229	233	207	200	206	197
5	211	249	228	277	239	221	235	211	201	216
6	220	219	265	228	269	249	223	231	222	202
7	274	234	221	249	228	256	239	226	237	215
8	229	281	237	226	258	231	262	242	232	230
9	270	269	283	218	223	256	236	261	236	232
10	243	249	238	262	220	222	257	239	256	225
11	223	226	248	218	257	211	216	251	212	249
12	199	218	236	241	210	250	211	196	232	200
13	0	0	0	0	0	0	0	2	3	0
TOTAL	3,086	3,154	3,165	3,039	3,005	2,939	2881	2836	2836	2755
Change	(26.00)	68.00	11.00	(126.00)	(34.00)	(66.00)	(58.00)	(45.00)	0.00	(81.00)
Change %	-0.8%	2.2%	0.3%	-4.0%	-1.1%	-2.2%	-1.9%	-1.5%	0.0%	-2.9%
Pre-K	0	0	0	0	0	0	0	0	89	83

- Average loss of 35.7 students per year

Enrollment – Cohort Survival

Wawasee Community Schools Cohort Survival															
Class	K	1	2	3	4	5	6	7	8	9	10	11	12	Change	
2023	237	228	227	231	226	228	228	228	231	236	239	212	200	-37	-15.61%
2022	257	265	262	253	243	249	265	249	258	256	257	251	232	-25	-9.73%
2021	216	233	211	217	214	211	219	221	226	223	222	216	196	-20	-9.26%
2020	211	236	226	232	229	225	220	234	237	218	220	211	211	0	0.00%
2019	272	324	282	277	271	273	269	274	281	283	262	257	250	-22	-8.09%
2018	252	280	232	241	246	235	231	228	229	269	238	218	210	-42	-16.67%
2017		275	267	263	263	265	258	252	254	270	249	248	241	-34	-12.36%
2016			257	254	252	261	268	261	256	269	243	226	236	-14	-5.45%
2015				250	261	257	252	260	257	278	239	223	218	-32	-12.80%
2014					224	226	220	231	223	249	202	196	199	-25	-11.16%
2013						232	241	239	246	288	252	240	229	-3	-1.29%
2012							266	261	264	294	252	230	225	-41	-15.41%
2011								274	288	323	285	265	250	-24	-8.76%
2010									280	326	259	248	230	-50	-17.86%
2009										358	307	265	245	-113	-11.81%
2008											254	238	224	-30	-11.81%
2007												245	226	-19	-7.76%
2006													249	0	

County Schools Enrollment

Enrollment Comparison (PreK-12) Kosciusko County Schools												
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total	Average
Wawasee	3086	3154	3165	3045	3005	2939	2881	2836	2836	2755		3020
Change	-26	68	11	-120	-40	-66	-58	-45	0	-81	-496	-42
Change %	-0.8%	2.2%	0.3%	-3.8%	-1.3%	-2.2%	-2.0%	-1.6%	0.0%	-2.9%	-13.4%	-1.3%
Warsaw	7106	7142	7089	7024	7033	6983	6957	6797	6713	6705		6953
Change	102	36	-53	-65	9	-50	-26	-160	-84	-8	-184	-9
Change %	1.5%	0.5%	-0.7%	-0.9%	0.1%	-0.7%	-0.4%	-2.3%	-1.2%	-0.1%	-2.6%	-0.1%
Tippecanoe Valley	1994	1954	1888	1840	1837	1783	1813	1797	1758	1729		1885
Change	15	-40	-66	-48	-3	-54	30	-16	-39	-29	-358	-29
Change %	0.8%	-2.0%	-3.4%	-2.5%	-0.2%	-2.9%	1.7%	-0.9%	-2.2%	-1.6%	-18.5%	-1.5%
Whitko	1625	1535	1503	1455	1389	1360	1314	1266	1223	1188		1482
Change	-90	-90	-32	-48	-66	-29	-46	-48	-43	-35	-701	-62
Change %	-5.2%	-5.5%	-2.1%	-3.2%	-4.5%	-2.1%	-3.4%	-3.7%	-3.4%	-2.9%	-45.4%	-3.9%

Average Daily Membership

Wawasee Community Schools Building Enrollment										
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Wawasee High School (9-12)	935	962	1,005	945	910	939	920	949	939	906
Wawasee Middle School (6-8)	513	519	503	507	549	532	518	518	529	507
Milford Schools (K-8)	591	616	621	556	557	537	532	497	457	432
North Webster Elementary (PK-5)	539	529	505	487	444	431	410	360	423	418
Syracuse Elementary (K-5)	508	528	531	550	545	500	501	512	488	492
TOTALS	3,086	3,154	3,165	3,045	3,005	2,939	2881	2836	2836	2755
Change	(26)	68	11	(120)	(160)	(106)	(124)	(103)	(45)	(81)
Percent Change	-0.8%	2.2%	0.3%	-3.8%	-5.1%	-3.5%	-4.1%	-3.5%	-1.6%	-2.9%

Observations

- Total enrollment has declined an average of 38 students per year 2010 – 2023.
- Total enrollment has declined an average of 49 students per year 2015 – 2023.
- Total enrollment has declined 399 students / 13% 2015 – 2023.

Cash Flow Tip

- A decline of 49 students per year equals an estimated state funding loss of (\$330,000) at Wawasee's FY2023 per student funding level (basic grant and complexity) of \$6,734.

Questions / Insight

- School corporations with declining enrollment trends should closely monitor and make necessary adjustments to facilities (instructional sq. ft. per student), staffing levels, class sizes, student:teacher ratios, school bus levels, operational and instructional revenue/expenditures per student.
- Other alternatives would be to offset decreasing revenue through an operating referendum.

Wawasee Community Schools Transfer Students							
	2017-18 Fall	2018-19 Fall	2019-20 Fall	2019-20 Spring	2020-2021 Fall	2020-2021 Spring	2021-22 Fall
State Funded Students w/Legal Settlement	3107	2991	2957	2943	2920	2900	2928
Resident Enrollment	2898	2755	2729	2706	2671	2612	2644
Incoming: Public Transfers	107	187	169	150	153	162	191
Outgoing: Public Transfers	195	222	212	221	237	276	262
Net Public Transfers	-88	-35	-43	-71	-84	-114	-71
Outgoing: Non-Public Transfers	16	14	16	16	12	12	22
Net Public and Choice Scholarship Transfers	-104	-49	-59	-87	-96	-126	-93

Observations

- Wawasee Schools has shown 7 periods of negative net transfers.
- Based on estimated revenue per student of \$6,734 the schools revenue loss from -93 net transfer students equals (\$626,000).

Wawasee Community Schools Fall 2021-22 Transfer Student Data				
Enrolled School Corporation	Public Transfer Parent Choice	Public Transfer Other	Public Transfer Charter	Non-Public Transfer Choice Scholarship
East Allen County Schools	0	2		
Clarksville Community School Corp	10	0		
Fairfield Community Schools	33	0		
Concord Community Schools	2	0		
Wa-Nee Community Schools	15	0		
Goshen Community Schools	16	0		
Warsaw Community Schools	75	0		
Whitko Community School Corp	12	0		
Westview School Corporation	1	0		
Bremen Public Schools	2	0		
Plymouth Community School Corp	0	1		
Central Noble Com School Corp	2	0		
East Noble School Corporation	0	3		
West Noble School Corporation	47	0		
Union School Corporation	17	0		
MSD Wabash County Schools	1	0		
Whitley County Con Schools	4	0		
Indiana Connections Career Academy			2	
Insight School of Indiana			2	
Options Charter Schools			4	
Indiana Connections Academy			11	
Clinton Christian School				6
Bethany Christian School				4
Indiana Academy				1
Lakeland Christian Academy				6
Sacred Heart School				5
Totals	237	6	19	22

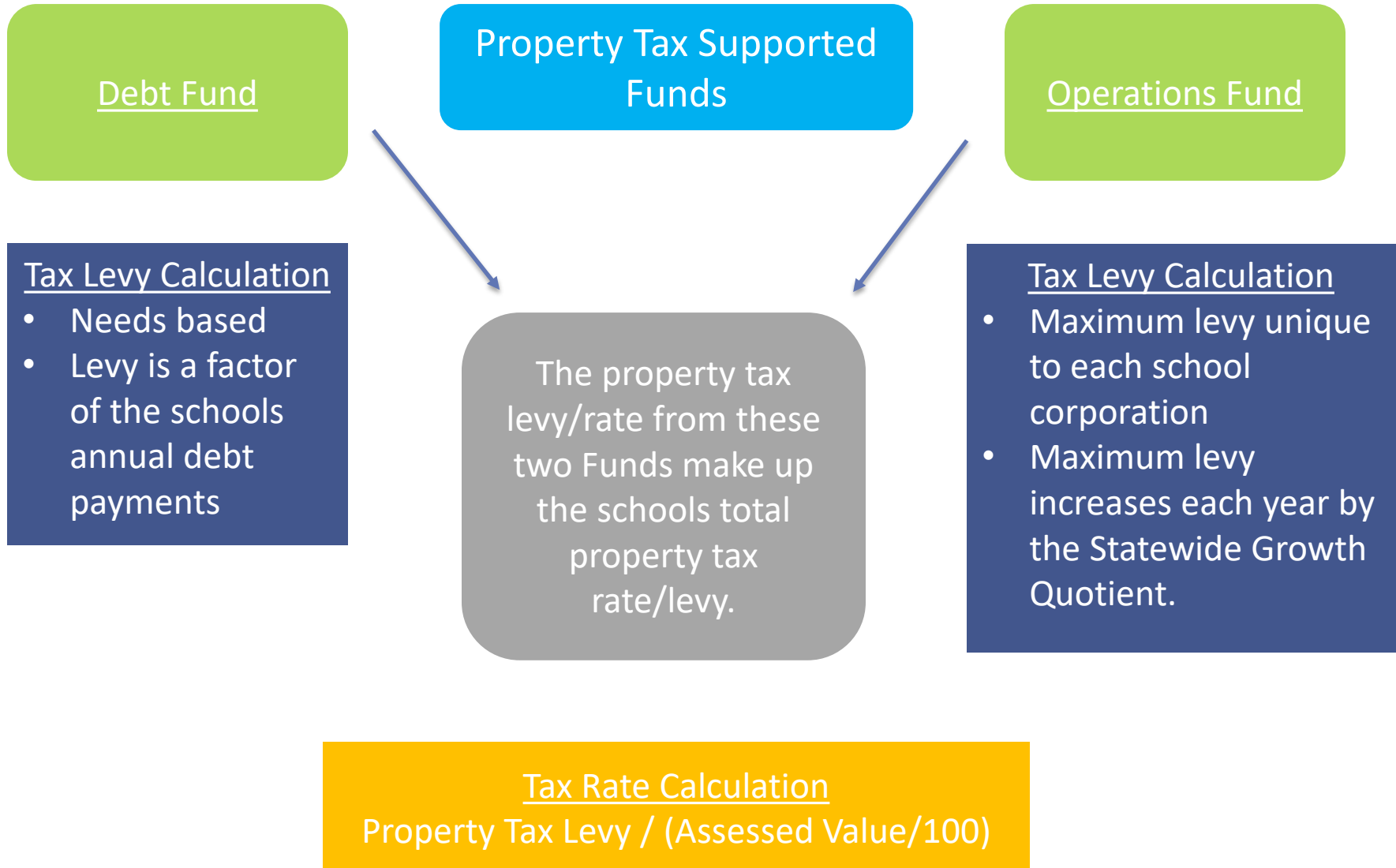
Student Transfers - Definitions

State Funded Students with Legal Settlement	Students with legal settlement in the school corporation and who are enrolled in and attending a school in a public school corporation or charter; or a non-public school as part of the Choice Scholarship program
Resident Enrollee	Students with legal settlement in the school corporation and who are enrolled in and attending the same school corporation. For the purposes of this report, this count includes state obligations with legal settlement within the corporation that are attending school within the corporation.
Public Transfers: Incoming	Students with legal settlement outside the school corporation who are enrolled in and attending the listed school corporation
Public Transfers: Outgoing	Students with legal settlement in the listed school corporation who are enrolled in and attending a public school outside the school corporation
Net Public Transfers	The net of Public Transfers: Incoming minus Public Transfers: Outgoing
Non-Public Transfers: Outgoing (Choice Scholarship)	Students with legal settlement in the listed school corporation who are enrolled in and attending a non-public school as part of the Choice Scholarship program
Net Public and Choice Scholarship Transfers	The net of Public Transfers: Incoming minus Public Transfers: Outgoing minus Non-Public Transfers: Outgoing (Choice Scholarship)
Corporation of Legal Settlement	Legal settlement is defined in IC 20-26-11-2. Generally, this refers to the corporation boundaries in which the student resides
Enrolled Corporation/School	The School Corporation, Charter Schools, or Participating Choice School in which the student is enrolled on the Fall count date
Public Transfers: Parent Choice	Students with legal settlement in a school corporation who are enrolled in and attending a different school corporation based on an agreement between the parent(s) and the school corporation the student attends. The corporation of legal settlement is not a party to the transfer agreement.
Public Transfers: Other	<p>Students with legal settlement in a school corporation who are enrolled in and attending a different school corporation due to scenarios other than parent choice</p> <p>Common examples include (but are not limited to):</p> <ul style="list-style-type: none"> An agreement between the corporation of legal settlement and the servicing corporation A “better accommodation” student transfer agreement under IC 20-26-11-5 between the corporation of legal settlement and the student’s parent(s) A “better accommodation” order by the State Board of Education; State obligations A placement by county welfare offices, state courts, state licensed child-placing agencies, etc.
Public Transfers: Charter	Students with legal settlement in a school corporation who are enrolled in and attending a public charter school
Non-Public Transfers: Choice Scholarship	Students with legal settlement in a school corporation who are enrolled in and attending a non-public school as part of the Choice Scholarship program

Assessed Value Property Tax

- Received into the Tax Funds ONLY – ie: Debt Service, Operations, Referendum
- Calculation
 - School District renders control through the budget process
 - $\text{Tax Rate} \times (\text{Net Assessed Value}/100) = \text{Tax Levy}$
- Maximum
 - Property Tax Caps voted into the State Constitution: 1%, 2%, 3%
 - Operations maximum levy calculation
 - Debt payments
- Received
 - June & December
- Factors that Impact Revenue
 - Assessed Value: Increase, Decrease, Property Classification Type
 - Collections Rate: Property Tax Caps, NonCollections
 - Tax Rate Levels
 - Tax Payer Tolerance
 - School Corporation Established Tax Rate Cap
 - County Level Processes: i.e.... Assessments, Appeals
 - Legislators

- Assessed Value (AV) is the key factor that impacts property tax revenue.
- AV is also an indicator as to the demographics and financial strength of the community.
- It's critical that schools have an in-depth understanding of the make up / diversity of their tax base along with trends/projections.



- A school corporations total tax rate is a summation of the tax rates for each tax supported fund.
- The variables that impact the tax rate are the assessed value and levy.
- The school corporation has control over the levy.

Assessed Value	Levy	Tax Rate
No Change	No Change	No Change
No Change	Increases	Increases
No Change	Decreases	Decreases
Increases	No Change	Decreases
Increases	Increases	Depends
Increases	Decreases	Decreases
Decreases	No Change	Increases
Decreases	Increases	Increases
Decreases	Decreases	Depends

Tax Rate Calculation
 Property Tax Levy / (Assessed Value/100)

Property Tax

- Property Tax Levy Calculation
 - Tax Levy = (Net Assessed Value/100) x Tax Rate
 - Tax Rate = Tax Levy / (Net Assessed Value/100)

Example 1 (Base Case)

Net Assessed Value: 379,804,879

Tax Rate: 1.0700

Tax Levy: 4,063,912

Example 3 (AV Increase 2%)

Net Assessed Value: 387,400,977

Tax Rate: 1.0700

Tax Levy: 4,145,191

Levy Increase: \$81,279

Example 2 (Increase Tax Rate .01)

Net Assessed Value: 379,804,879

Tax Rate: 1.0800

Tax Levy: 4,101,892

Levy Increase: \$37,980

Example 4 (AV Increase 2%, Tax Rate Increase .01)

Net Assessed Value: 387,400,977

Tax Rate: 1.0800

Tax Levy: 4,183,930

Levy Increase: \$120,018

- The Operations Fund is a maximum levy fund.
- Each school corporation has a unique base levy that was established in 2019.
- The levy increases by the Statewide Maximum Levy Growth Quotient (MLGQ) each budget year.
- The MLGQ is based on the change in the States 6 year rolling average of Non-Farm Personal Income.
- A schools tax rate will increase in the Operations Fund if the AV Growth is not at least equal to the MLGQ.

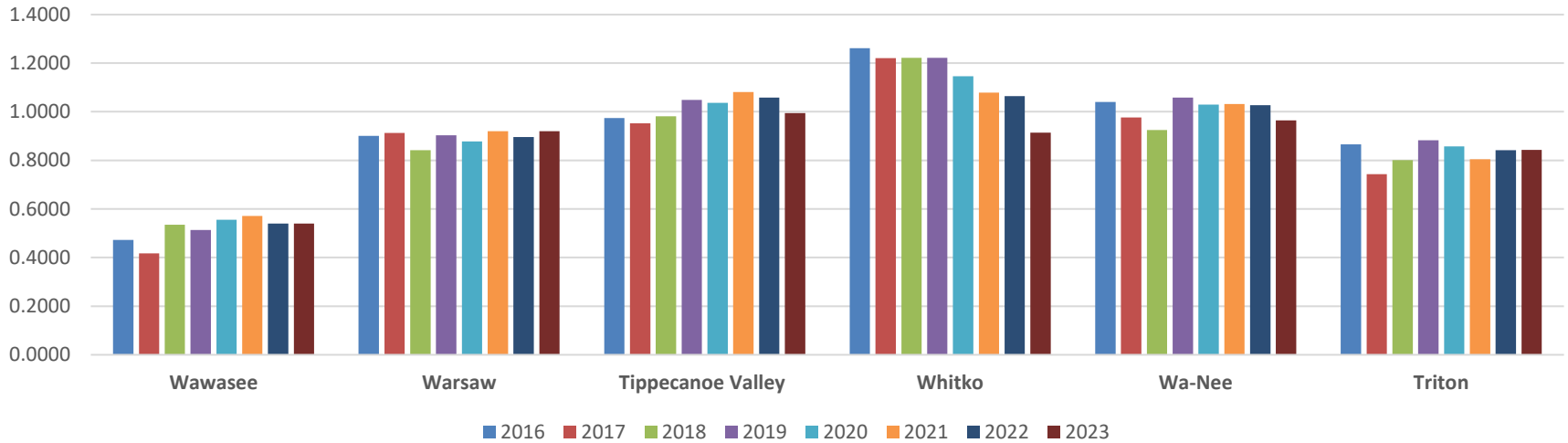
	2021	2022	2023
MLGQ	4.2%	4.5%	5%

Assessed Value	Levy	Tax Rate
No Change	No Change	No Change
No Change	Increases	Increases
No Change	Decreases	Decreases
Increases	No Change	Decreases
Increases	Increases	Depends
Increases	Decreases	Decreases
Decreases	No Change	Increases
Decreases	Increases	Increases
Decreases	Decreases	Depends

Assessed Value

Assessed Value School Comparison								
	2016	2017	2018	2019	2020	2021	2022	2023
Wawasee	2,280,877,371	2,342,052,487	2,378,661,112	2,460,642,572	2,535,758,223	2,566,159,246	2,749,331,116	3,303,009,760
Change		61,175,116	36,608,625	81,981,460	75,115,651	30,401,023	183,171,870	553,678,644
Change %		2.7%	1.6%	3.4%	3.1%	1.2%	7.1%	20.1%
Per Student	720,656	769,147	791,568	837,238	880,166	904,852	969,440	1,198,915
Warsaw	2,160,038,065	2,261,693,137	2,294,040,797	2,360,802,181	2,492,925,232	2,584,919,064	2,647,425,961	3,026,685,878
Change		101,655,072	32,347,660	66,761,384	132,123,051	91,993,832	62,506,897	379,259,917
Change %		4.7%	1.4%	2.9%	5.6%	3.7%	2.4%	14.3%
Per Student	304,703	321,995	326,182	338,079	358,333	380,303	394,373	451,407
Tiptecanoe Valley	363,224,586	358,156,898	374,976,266	374,906,462	383,303,103	379,903,820	400,985,016	490,156,169
Change		-5,067,688	16,819,368	-69,804	8,396,641	-3,399,283	21,081,196	89,171,153
Change %		-1.4%	4.7%	0.0%	2.2%	-0.9%	5.5%	22.2%
Per Student	192,386	194,650	204,124	210,267	211,419	211,410	228,092	283,491
Whitko	262,826,243	266,617,894	265,693,124	265,611,359	276,420,060	275,404,207	297,568,977	344,339,029
Change		3,791,651	-924,770	-81,765	10,808,701	-1,015,853	22,164,770	46,770,052
Change %		1.4%	-0.3%	0.0%	4.1%	-0.4%	8.0%	15.7%
Per Student	174,868	183,243	191,284	195,302	210,365	217,539	243,311	289,848
Wa-Nee	149,181,366	156,274,981	162,579,480	169,357,469	187,744,143	191,665,897	202,141,537	247,849,251
Change		7,093,615	6,304,499	6,777,989	18,386,674	3,921,754	10,475,640	45,707,714
Change %		4.8%	4.0%	4.2%	10.9%	2.1%	5.5%	22.6%
Per Student	50,365	52,618	54,175	55,346	60,857	65,933	70,237	84,504
Triton	68,500,260	71,566,855	76,164,576	75,730,972	78,583,025	80,842,362	86,371,542	100,865,323
Change		3,066,595	4,597,721	-433,604	2,852,053	2,259,337	5,529,180	14,493,781
Change %		4.5%	6.4%	-0.6%	3.8%	2.9%	6.8%	16.8%
Per Student	76,111	80,867	85,195	81,695	85,139	93,785	96,182	108,808

**Tax Rates
Comparison Schools**



**Tax Rates
County Comparison Schools**

	2016	2017	2018	2019	2020	2021	2022	2023
Wawasee	0.4725	0.4175	0.5351	0.5139	0.5559	0.5711	0.5399	0.5399
Warsaw	0.8999	0.9128	0.8414	0.9029	0.8779	0.9200	0.8953	0.9200
Tippecanoe Valley	0.9742	0.9522	0.9806	1.0480	1.0365	1.0813	1.0582	0.9938
Whitko	1.2608	1.2199	1.2210	1.2210	1.1463	1.0784	1.0641	0.9134
Wa-Nee	1.0397	0.9758	0.9244	1.0576	1.0290	1.0310	1.0264	0.9637
Triton	0.8657	0.7435	0.8003	0.8819	0.8568	0.8046	0.8410	0.8432

Largest Taxpayers

The largest taxpayers for the year 2022 in the School Corporation account for approximately 3.88% of the Net Assessed Valuation of the School Corporation and are listed below:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>
CTB, Inc.	Agricultural Feeding Systems	\$ 22,989,670
Polywood, LLC	Furniture Manufacturing	20,370,450
NIPSCO	Power Utility	14,564,760
Maple Leaf Farms	Food Processing	13,451,350
P.W. Realty, LLC	Boat manufacturing	10,593,580
United Telephone Co Of Indiana	Telephone Provider	6,966,340
Oakwood Realty	Real Estate	4,894,000
Phend & Brown Inc.*	Highway Construction	4,536,520
Parker Hannifin Corp	Technology Parts Manufacturing	4,258,190
The Papers Inc	Printing/Publishing	3,925,210
		\$ 106,550,070

Source: Kosciusko County Auditor

*Ownership transferred to Rieth-Riley Construction as of 12/31/2021

Financials

- Financial reports are just a snapshot in time of the schools financial picture.
- A “general rule of thumb” for Education Fund cash balance is 8%-12% of annual expenses.
- Increasing on-going expenditures should be done both cautiously and strategically as to align with revenues.
- The State has an Administrative Guideline (not a current statute) that only 15% of annual State Tuition Support Revenues can be transferred to the Operations Fund.

Education Fund Financials

Wawasee Community Schools General / Education Fund Cash Flow						
	2016	2017	2018	2019	2020	2021
Spring Enrollment	3,103	3,046	3,018	2,930	2,858	2774
Fall Enrollment	3,040	3,027	2,956	2,905	2,824	2835
January 1 Cash Balance	1,509,339	1,483,493	1,399,586	-	1,229,468	1,800,627
Revenue						
State Support	19,961,597	19,841,171	20,183,064	19,881,543	19,517,246	19,966,345
Other	626,548	505,767	560,403	635,724	349,214	525,001
Fund Transfer	10,513	9,111	9,551	1,545,570	12,713	11,843
Other	-	-	-	-	-	1,479,688
Temporary Loan	960,758	944,823	1,002,348	916,508	901,765	-
Total	21,559,416	21,300,872	21,755,366	22,979,344	20,780,938	21,982,878
Change YTY		(258,544)	454,495	1,223,978	(2,198,407)	1,201,940
Change YTY %		-1.2%	2.1%	5.6%	-9.6%	5.8%
Expenses						
Instruction	14,891,387	14,266,594	14,349,327	15,125,016	14,474,614	16,209,981
Support Services	5,207,729	5,624,417	5,353,031	2,741,657	2,675,934	2,813,107
Community Services	525,389	548,945	562,559	101,696	157,466	318,252
Debt Services	960,758	944,823	1,002,348	916,508	901,765	
Non-Programmed Charges	-	-	350,000	2,865,000	2,000,000	2,651,000
Adjustment	-	-	-	-	-	-
Total Expenses	21,585,262	21,384,778	21,617,264	21,749,877	20,209,778	21,992,340
Total Expenses (less loans & transfers)	20,624,504	20,439,955	20,614,916	20,833,369	19,308,013	19,341,340
Change YTY		(184,549)	174,961	218,452	(1,525,355)	33,327
Change YTY %		-0.9%	0.9%	1.1%	-7.3%	0.2%
December 31 Cash Balance	1,483,493	1,399,586	1,537,688	1,229,468	1,800,627	1,791,165
Cash Balance % of Expenditures	7.2%	6.8%	7.5%	5.9%	9.3%	9.3%
Target Cash Balance %	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Net Income	934,912	860,916	1,140,450	2,145,976	1,472,924	2,641,538

Operations Fund Financials

Wawasee Community Schools Operations Fund Cash Flow

	2016	2017	2018	2019	2020	2021
January 1 Cash Balance	2,860,098	2,769,519	2,749,484	-	3,404,055	4,451,254
Revenue						
Property Tax	6,163,835	6,226,975	6,269,947	6,559,076	6,633,456	7,182,295
Miscellaneous	946,002	1,140,649	2,381,072	1,400,386	7,633,466	1,539,741
Fund Transfer	407	-	-	6,321,911	2,000,000	1,400,000
Total	7,110,244	7,367,624	8,651,020	14,281,374	16,266,922	10,122,036
Change YTY		257,380	1,283,395	5,630,354	1,985,548	(6,144,885)
Expenses						
Support Services	4,420,827	4,214,672	4,402,220	9,324,394	6,744,559	6,870,173
Community Services	-	-	-	484,707	448,963	338,403
Facilities Acquisition & Construction	1,600,494	1,683,905	1,516,373	901,226	393,981	309,268
Temporay Loans	403,392	413,902	-	1,750	5,336,592	-
Fund Transfers	776,109	1,075,180	2,025,000	165,242	2,295,629	1,600,000
Total	7,200,823	7,387,659	7,943,593	10,877,318	15,219,723	9,117,844
Total Expenses	7,200,823	7,387,659	7,943,593	10,877,318	15,219,723	9,117,844
Total Expenses (less loans & transfers)	6,021,322	5,898,577	5,918,593	10,710,326	7,587,502	7,517,844
Change YTY		(122,745)	20,016	4,791,733	(3,122,824)	(69,658)
Change YTY %		-2.0%	0.3%	81.0%	1.5%	101.5%
December 31 Cash Balance	2,769,519	2,749,484	3,456,911	3,404,055	4,451,254	5,455,446
Cash Balance % of Expenditures	46.0%	46.6%	58.4%	31.8%	58.7%	72.6%
Net Income	1,088,922	1,469,047	2,732,426	3,571,047	8,679,420	2,604,192

Rainy Day Fund Financials

Wawasee Community Schools Rainy Day Fund Cash Flow

	2016	2017	2018	2019	2020	2021
January 1 Cash Balance	3,073,763	3,812,486	4,132,173	3,182,243	2,919,006	2,480,879
Revenue						
Other	-	-	-	-	-	44,865
Revenue from Federal Sources	1,603,129	1,622,375	519,847	19,000	-	-
Fund Transfers	700,000	1,000,000	500,000	-	360,264	500,000
Disposal of Personal Property	-	-	8,650	-	-	-
Total	2,303,129	2,622,375	1,028,497	19,000	360,264	544,865
Expenses						
Other Facilities Acquisition & Construction	1,564,406	2,302,688	978,428	282,237	798,390	313,835
Fund Transfers	-	-	1,000,000	-	-	-
Total Expenses	1,564,406	2,302,688	978,428	282,237	798,390	313,835
Change YTY		738,282	(1,324,260)	(696,190)	516,153	(484,556)
Change YTY %		47.2%	-57.5%	-71.2%	182.9%	0.0%
Total Expenses (less transfers)	1,564,406	2,302,688	(21,572)	282,237	798,390	313,835
December 31 Cash Balance	3,812,486	4,132,173	4,182,243	2,919,006	2,480,879	2,711,910



Authority to Spend	Net Appropriation	MTD Expended	YTD Expended	Unexpended Balance	Outstanding Encumbrance	Unencumbered Balance	Percent Encumbered
Jan. 2023							
Education	\$21,641,603.00	\$1,393,485.90	\$1,393,485.90	\$20,248,017.10	\$1,378.17	\$20,246,638.93	6.45%
Debt	\$11,972,903.00	\$527,893.75	\$527,893.75	\$11,445,009.25	\$ -	\$11,445,09.25	4.41%
Operations	\$10,145,806.00	\$533,345.03	\$533,345.03	\$9,612,460.97	\$680,363.24	\$8,932,097.73	11.96%
Rainy Day	\$750,000.00	\$ -	\$ -	\$750,000.00	\$ -	\$750,000.00	0.00%
Cash on Hand	Beginning Year Balance	YTD Revenue	YTD Expenses	Beginning Month Balance	MTD Revenue	MTD Expenses	Current Balance 1/31/23
Fund							
Education	\$2,181,301.50	\$1,937,533.85	\$1,393,485.90	\$2,181,301.50	\$1,937,533.85	\$1,393,485.90	\$2,725,349.45
Debt	\$2,752,217.74	\$ -	\$527,893.75	\$2,752,217.74	\$ -	\$527,893.75	\$2,224,323.99
Operations	\$5,072,210.45	\$66,655.53	\$533,345.03	\$5,072,210.45	\$66,655.53	\$533,345.03	\$4,605,520.95
Rainy Day	\$2,550,658.83	\$ -	\$ -	\$2,550,658.83	\$ -	\$ -	\$2,550,658.83

Cash Balances Combined

Wawasee Community Schools All Funds Combined Cash Balance							
		2016	2017	2018	2019	2020	2021
January 1 Cash Balances							
	General Fund	1,509,339	1,483,493	1,399,586	-	1,229,468	1,800,627
	Operations Fund	2,860,098	2,769,519	2,749,484	-	3,404,055	4,451,254
	<u>Rainy Day Fund</u>	<u>3,073,763</u>	<u>3,812,486</u>	<u>4,132,173</u>	<u>3,182,243</u>	<u>2,919,006</u>	<u>2,480,879</u>
	Total	7,443,200	8,065,499	8,281,244	3,182,243	7,552,529	8,732,760
December 31 Cash Balances							
	General Fund	1,483,493	1,399,586	1,537,688	1,229,468	1,800,627	1,791,165
	Operations Fund	2,769,519	2,749,484	3,456,911	3,404,055	4,451,254	5,455,446
	<u>Rainy Day Fund</u>	<u>3,812,486</u>	<u>4,132,173</u>	<u>4,182,243</u>	<u>2,919,006</u>	<u>2,480,879</u>	<u>2,711,910</u>
	Total	8,065,499	8,281,244	9,176,842	7,552,529	8,732,760	9,958,521
	Change YTY		215,746	895,598	(1,624,314)	1,180,232	1,225,761
	Change YTY %		2.7%	10.8%	-17.7%	15.6%	14.0%

Funding Capital Needs



Current Budget Revenues

- Limited dollars
- Normally sufficient for small projects



Cash Balances

- One time: Once it's gone – It's gone!
- Normally sufficient for small projects

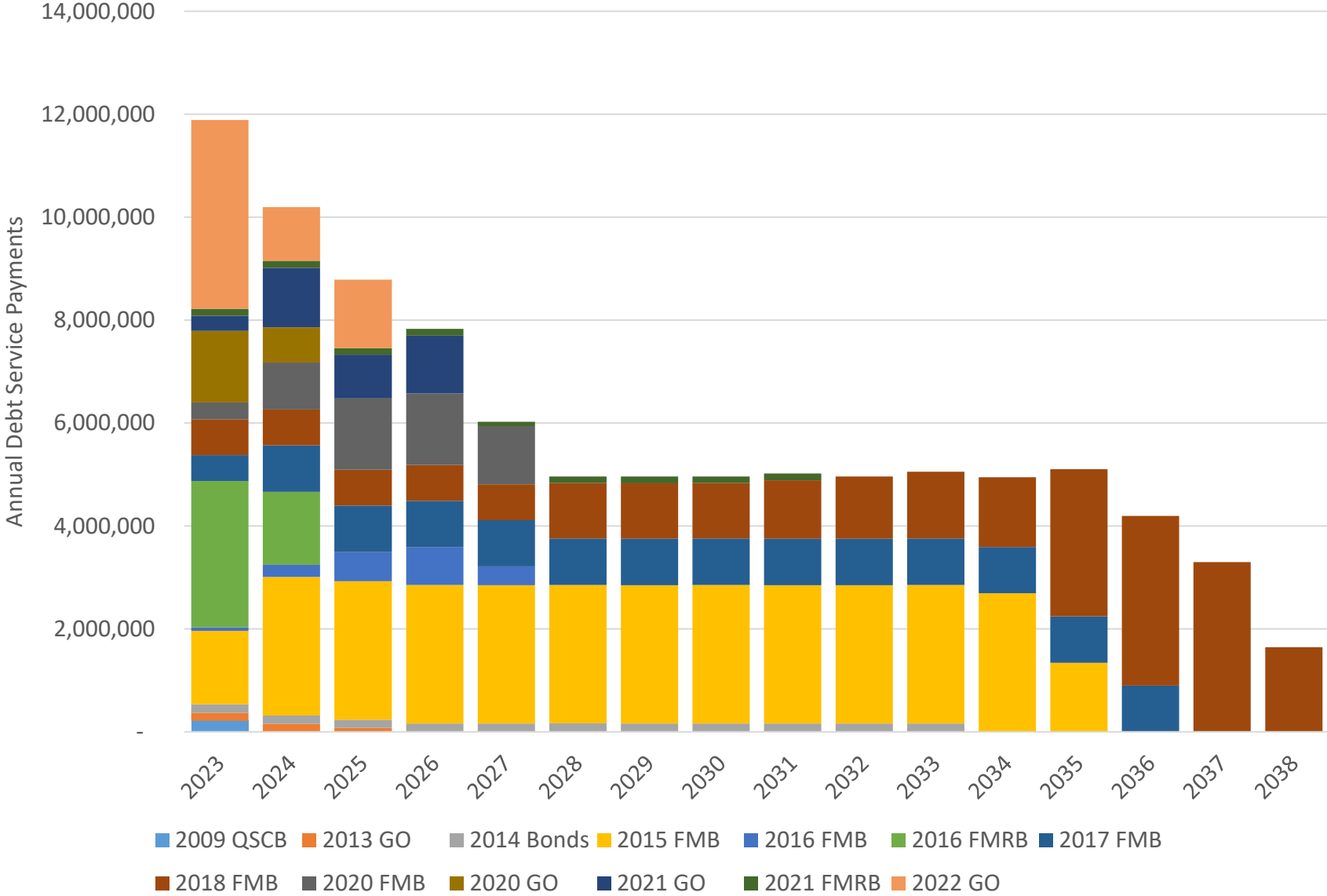


Capital Financing

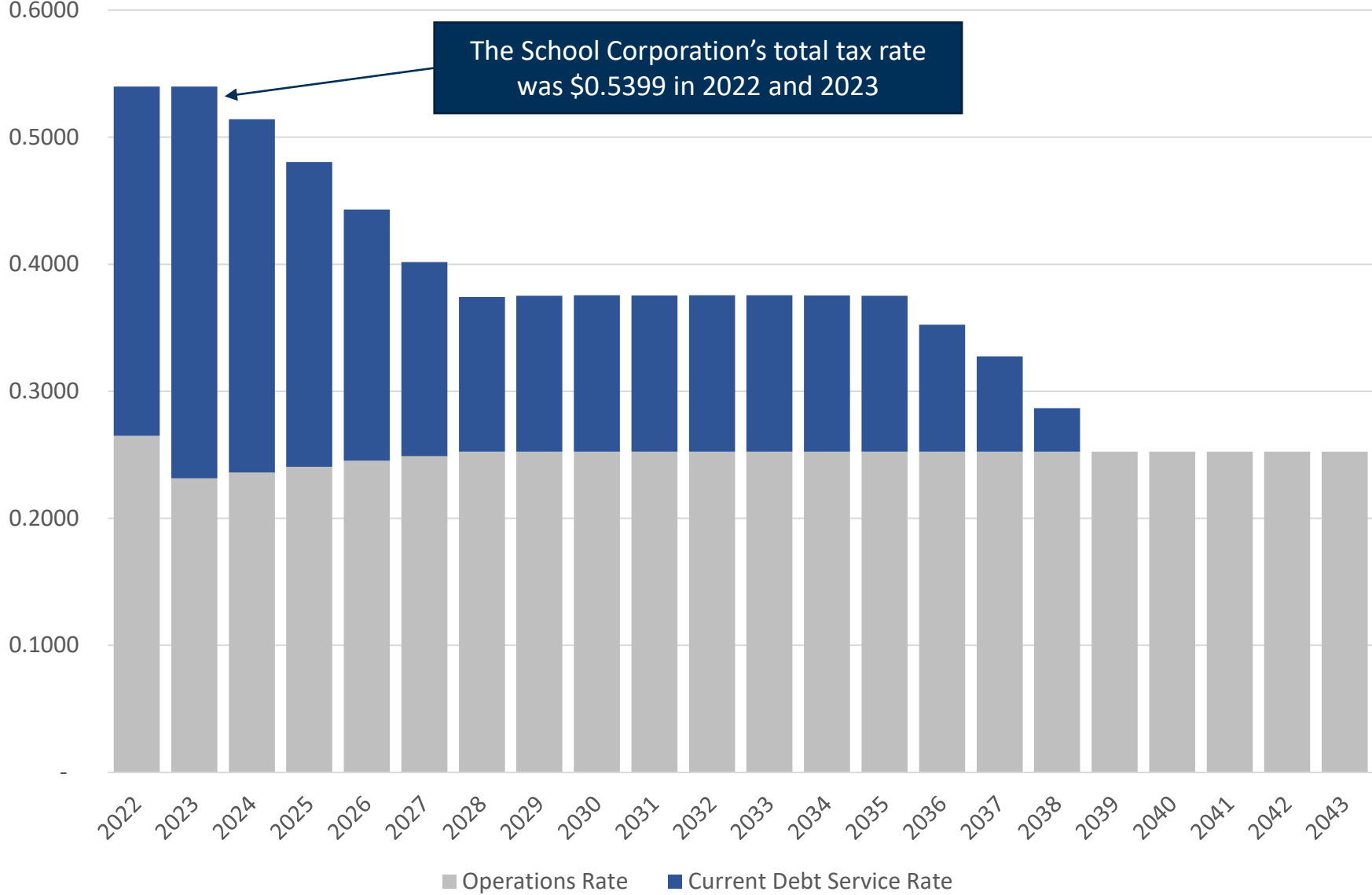
- School defines the amount
- Based on project scope
- Repaid through property tax

Needs typically
exceed capacity.

Current Debt Profile



Current Tax Rate Components

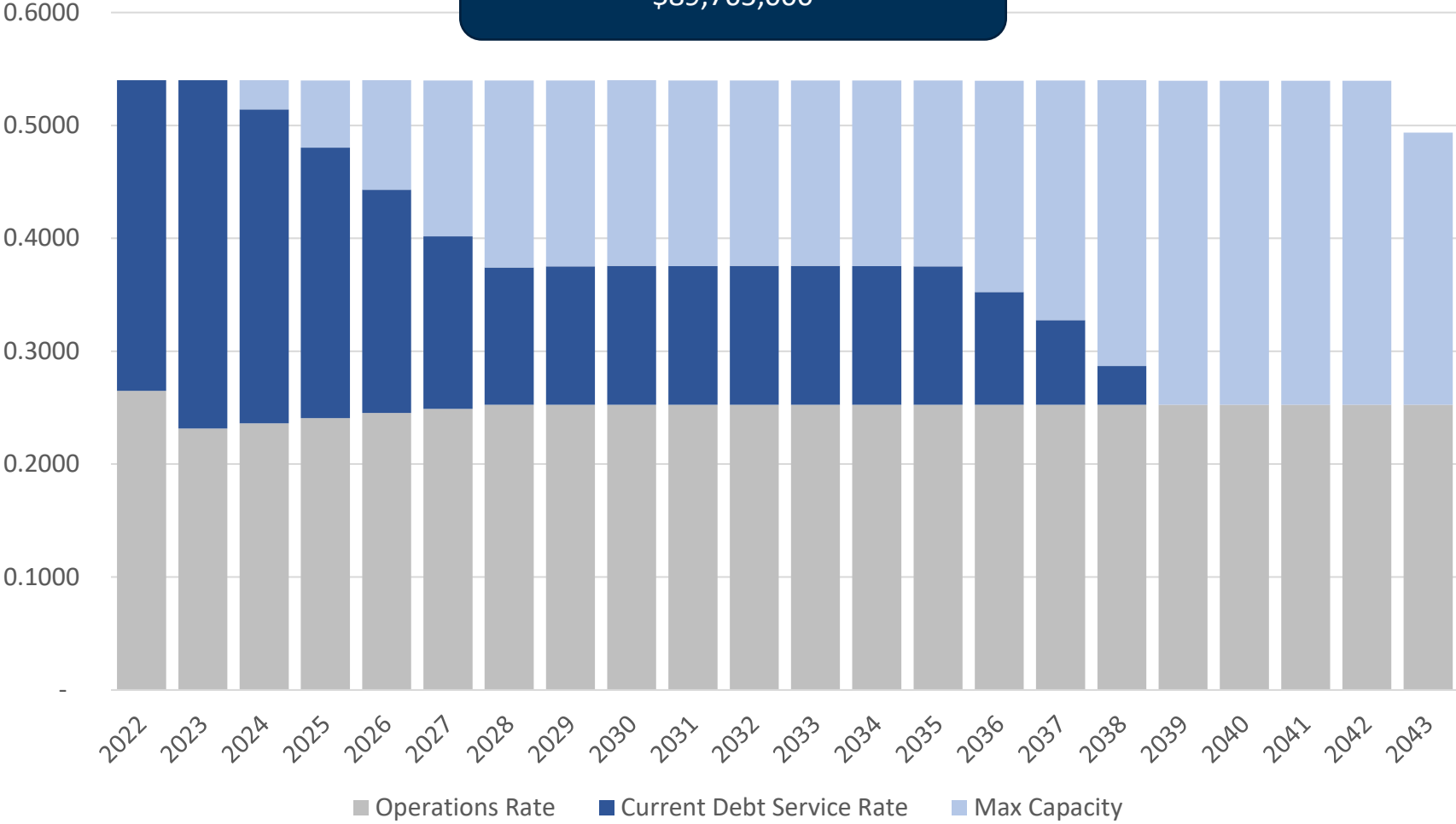


The School Corporation's total tax rate was \$0.5399 in 2022 and 2023

(1) Assumes 3% NAV Growth through 2028, and 0% thereafter. Results may vary
 (2) Assumes MLGQ Growth in the Operations Fund levy of 5.0% through 2026 and 4.5% in 2027 and 2028 and 0% thereafter. Results may vary.

Max Debt Service Capacity in 2023

Max Capacity in 2023 is estimated at \$89,765,000



(1) Assumes 3% NAV Growth through 2028, and 0% thereafter. Results may vary
 (2) Assumes MLGQ Growth in the Operations Fund levy of 5.0% through 2026 and 4.5% in 2027 and 2028 and 0% thereafter. Results may vary.
 (3) Assumes 5% Interest Rate for Max Capacity Bonds. Results may vary.

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