

CENTER GROVE COMMUNITY SCHOOL CORPORATION

2012 BUDGET PREPARATION SCHEDULE

Scheduled **Actual**

Feb. 1, 2011	02/01	Enrollment projections completed and reviewed by Cabinet
April 1, 2011	08/05	First draft of staffing decisions made by Cabinet
June 1, 2011	07/18	All budget request forms and worksheets completed and returned to the Business Office
July 1, 2011	08/01	Business Office review of all budgets completed
July 15, 2011	08/15	First budget draft presented to Cabinet
August 15, 2011	08/15	Public discussion of the budget at regular Board meeting
August 26, 2011		Date of 1st publication of the proposed 2012 Budget, Bus Replacement Plan, and Capital Projects Fund Plan
Sept. 2, 2011		Date of 2nd publication of the proposed 2012 Budget, Bus Replacement Plan, and Capital Projects Fund Plan
Sept. 16, 2011		Official ADM Enrollment Count
Sept. 19, 2011		Public hearing of the proposed 2012 Budget, Bus Replacement Plan, and Capital Projects Fund Plan
Oct. 17, 2011		Proposed 2012 Budget, Bus Replacement Plan, and Capital Projects Fund Plan adopted by the Board at a regular meeting
Oct. 18, 2011		File adopted budget and tax levies with County Auditor
Oct. 21, 2011		Publish Notice of Adoption of the Capital Projects Plan
November 2011		DLGF hearing
December 2011		Auditor certifies pay-2012 Assessed Values
December 2011		Rates published by the County Auditor
January 2012		DLGF provides 1782 draft notice
February 2012		Final 2012 budget received

Assessed Value History

Pay Year	Amount	Change	Comments
1997	\$298,800,670		
1998	\$314,456,610	5.24%	
1999	\$333,052,510	5.91%	
2000	\$362,445,820	8.83%	
2001	\$378,893,170	4.54%	
2002	\$1,206,194,110	X 3.18	Change to True Tax Value; should have multiplied by 3.
2003	\$2,001,044,580	65.90%	Re-assessment year
2004	\$2,059,118,680	2.90%	
2005	\$2,168,245,180	5.30%	
2006	\$2,295,503,980	5.87%	
2007	\$2,520,158,340	9.79%	Trending make-up year; inventory tax reduction of \$27,906,300
2008	\$2,623,539,190	4.10%	
2009	\$2,087,882,638	-20.42%	Decrease due to a new homeowner's deduction
2010	\$2,105,148,527	0.83%	
2011	\$2,113,790,317	0.41%	
The years below are projected:			
2012	\$2,135,000,000	1%	
2013	\$2,156,000,000	1%	
2014	\$2,178,000,000	1%	

2012 BUDGET WORKSHEET

Fund	2011	2012	Change '11 to '12	Notes
General	\$42,475,000 \$0.0000	\$41,800,000 \$0.0000	-\$675,000 N/C	The budget for 2011 reflects the total before any budget cuts were made.
Transp.	\$3,270,000 \$0.1251	\$3,360,000 \$0.1334	+\$90,000 +\$0.0083	Budget for 2012 based on new max levy increased 2.9%.
Bus Replace.	\$950,238 \$0.0372	\$1,190,000 \$0.0058	+\$239,762 -\$0.0314	The 2010 budget was cut below our original request. New DOE regulations for this fund are still being established.
Debt Service	\$12,940,000 \$0.5157	\$12,919,000 \$0.5264	-\$21,000 +\$0.0107	Total needs have decreased slightly, but last years rate was lower because our cash needs were lower.
Pension Bond Fund	\$1,055,680 \$0.0478	\$1,055,000 \$0.0438	-\$680 -\$0.0040	Bond payments from this fund remain basically unchanged through 2013.
CPF	\$6,700,000 \$0.2605	\$7,025,000 \$0.2765	+\$325,000 +\$0.0160	The maximum tax rate is determined by a formula, and this determines the maximum budget.
Totals	\$67,390,918 \$0.9863	\$67,349,000 \$0.9859	-\$41,918 -\$0.0004	0.06% decrease 0.04% decrease

Note: The above figures reflect budgets and rates after adjustments for SB199 tax neutrality.

CENTER GROVE COMMUNITY SCHOOL CORPORATION

COMPARISON of ADVERTISED and APPROVED TAX RATES

ADVERTISED

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Assessed Valuation	\$2,341,414,060	\$2,341,414,060	\$1,685,600,000	\$1,879,000,000	\$2,113,790,317	\$2,000,000,000
TAX RATE						
General	0.7404	0.7404	0.0000	0.0000	0.0000	0.0000
Referendum	0.0000	0.0000	0.0000	0.0000	0.1500	0.0000
Debt Service	0.4527	0.4527	0.7215	0.6191	0.6368	0.5619
Pension Debt	0.0430	0.0430	0.0561	0.0516	0.0588	0.0473
Capital Projects	0.3217	0.3217	0.4507	0.3322	0.3538	0.3045
Transportation Operating	0.1092	0.1092	0.1626	0.1426	0.1610	0.1424
Transportation Bus Replacement	0.0830	0.0830	0.1031	0.0945	0.1094	0.1062
SpEd Pre-School	0.0024	0.0024	0.0000	0.0000	0.0000	0.0000
ADVERTISED TOTAL TAX RATE	<u>1.7524</u>	<u>1.7524</u>	<u>1.4940</u>	<u>1.2400</u>	<u>1.4698</u>	<u>1.1623</u>

(Items in red not yet approved)

APPROVED

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Assessed Valuation	\$2,520,158,340	\$2,623,539,190	\$2,087,882,638	\$2,105,148,527	\$2,113,790,317	\$2,135,000,000
TAX RATE						
General	0.6622	0.6769	0.0000	0.0000	0.0000	0.0000
Debt Service	0.4109	0.4109	0.5599	0.5372	0.5157	0.5264
Pension Debt	0.0379	0.0366	0.0460	0.0460	0.0478	0.0438
Capital Projects	0.2750	0.2730	0.2857	0.2787	0.2605	0.2765
Transportation Operating	0.0817	0.0853	0.1193	0.1257	0.1251	0.1334
Transportation Bus Replacement	0.0302	0.0323	0.0313	0.0338	0.0372	0.0058
SpEd Pre-School	0.0019	0.0019	0.0000	0.0000	0.0000	0.0000
APPROVED TOTAL TAX RATE	<u>1.4998</u>	<u>1.5169</u>	<u>1.0422</u>	<u>1.0214</u>	<u>0.9863</u>	<u>0.9859</u>
Advertised Rate	1.7524	1.7524	1.4940	1.2400	1.4698	1.1623
Approved Rate	<u>1.4998</u>	<u>1.5169</u>	<u>1.0422</u>	<u>1.0214</u>	<u>0.9863</u>	<u>0.9859</u>
Difference	-0.2526	-0.2355	-0.4518	-0.2186	-0.4835	-0.1764



2012 Budget

CENTER GROVE COMMUNITY SCHOOL CORPORATION



Budget Hearing
September 19, 2011

9/13/2011

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Budget Adoption Calendar

- ◆ **August 15, 2011** **Budget discussed at the regular Board meeting**
- ◆ **August 26, 2011** **Budget advertised**
- ◆ **September 2, 2011** **Budget advertised the 2nd time**
- ◆ **September 19, 2011** **Budget Hearing**
Bus Replacement Plan Hearing
Capital Projects Plan Hearing
- ◆ **October 17, 2011** **Budget Adoption by the Board**
Bus Replacement Plan Adoption
Capital Projects Plan Adoption

9/13/2011

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The Complete Budget on Our Web Site

- 1 • Go to www.centergrove.k12.in.us
- 2 • Click on “*Support Services*”
- 3 • Click on “*Budget and Finance*”
- 4 • Click on “*2012 Budget*”

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Agenda

◆ 2012 Major Budget Issues

- 1 Enrollment Changes
- 2 Full-Day Kindergarten Finances
- 3 Bus Replacement Procedures
- 4 Major Changes in the General Fund
- 5 Capital Projects Fund (CPF) Needs

9/13/2011

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Major Issues:

① Enrollment Changes

Past Data and 2011-12 Original Projections

	05-06	06-07	07-08	08-09	09-10	10-11	2011-12 Projected
Enrollment	7,277	7,338	7,508	7,551	7,618	7,665	7,715
Change From Previous Year	+142	+61	+170	+43	+67	+47	+50

Currently Enrolled (September 8): 7,603

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Most Up-to-Date Enrollment Data

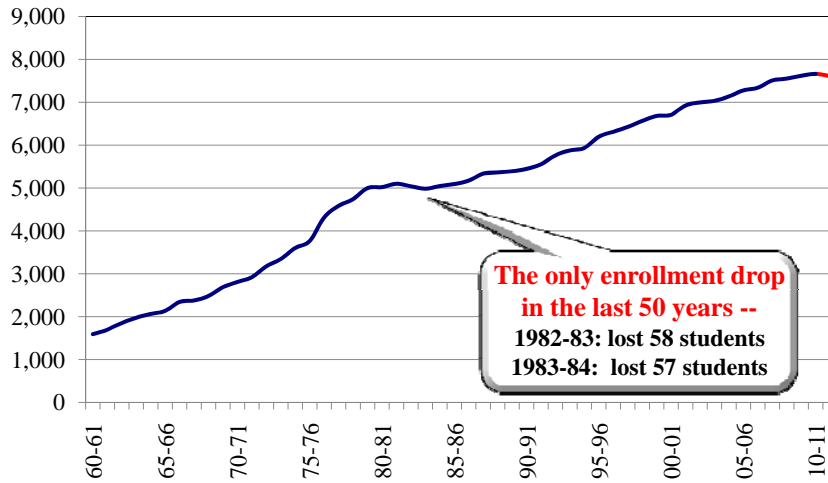
- Original projection from October 2010: 7,715
- August 26 projection (basis of a balanced budget as advertised): 7,635
- Current enrollment (9-8-11): 7,603
- Drop since budget advertisement: -32
- The State funding formula provides approximately \$4,700 per student (ADM)
- **This represents a revenue loss of \$130,000**

9/13/2011

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CGCSC Enrollment



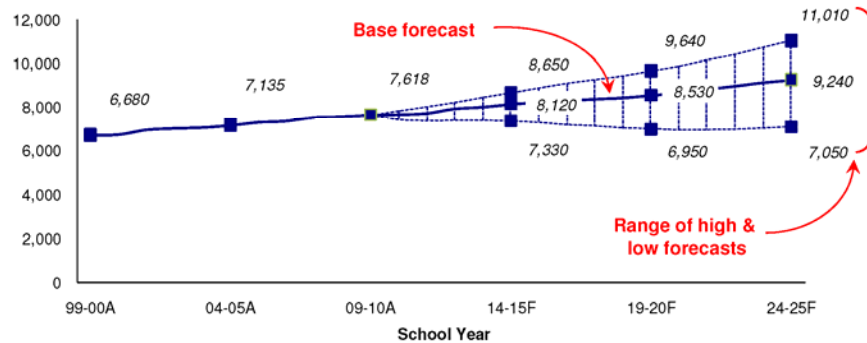
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Demographer's Report March 2010

Total Enrollment



Note: A indicates actual enrollment; F indicates enrollment forecast.

Prepared by: *Dr. Susan Brudvig, Ball State University*
(2011-12 projection of 7,350 to 8,010)

9/13/2011

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Major Issues:

② Full-Day Kindergarten Finances

- This past spring, the Board set the parent fee at \$2,520 per student based on a projected state payment of \$980.
- *We won't know until December how much we will get from the state for FDK.*
- *In December we will re-examine costs and revenues for FDK and we will adjust parent fees, if warranted, in January.*
- We assign KG aides and teachers based on average class size, not based on fees. Our procedures for assigning staff have not changed in the last few years:
 - Class size of 1 – 21: no aide
 - Class size of 22 – 24: half-time aide
 - Class size of 25 or more: full-time aide

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Major Issues:

③ Bus Replacement Procedures

- ✓ We sold bonds in 2003 to eliminate our unfunded pension liability.
- ✓ For the past 8 years we have met the “tax-neutrality” provisions of these bonds in the same way:
 - ✓ Advertise a higher than needed Bus Replacement Fund tax rate and adopt this as part of the budget
 - ✓ Advertise a rate in the Pension Bond Fund
 - ✓ The DLGF reduces the Bus rate by an amount equal to the Pension rate to meet the tax-neutrality provision

Actual Rates From 2011

	Advertised	Final (after reduction)
Bus Replacement	\$0.1094	\$0.0372
Pension Bonds	\$0.0588	\$0.0478

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Possible Procedures for 2012

- A new law passed by the legislature requires the DLGF to adopt procedures for Bus Replacement levies (and tax rates).
- These procedures are still unclear but they may involve:
 - Restricting the number of buses we can purchase
 - Restricting the amount we can spend per bus
 - Restricting the total amount we can spend
 - Restricting our ability to use a higher tax rate for tax neutrality
- We have used high estimates for each of the above factors until we know what the final procedures will be. We can always reduce later but cannot increase.
- We expect 2012 to look something like this:

Expected Rates For 2012		
	Advertised	Final (after reduction)
Bus Replacement	\$0.1062	\$0.0058
Pension Bonds	\$0.0473	\$0.0438

Not enough to buy 1 bus

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Major Issues:

④ Major Changes in the General Fund

<u>Object</u>	<u>Description</u>	<u>2012</u> <u>Change</u>
120	Non-Certified Salaries	-\$271,898
110	Certified Salaries	-\$141,295
622/625	Utilities	-\$134,000
564.1	Johnson Cty. Sp. Services	-\$55,000
580	Travel	-\$53,850
564	Central Nine Vocational	-\$50,000
215/216	Teachers Retirement (TRF)	+\$72,428
222	Health Insurance	+\$63,399

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Personnel Changes (General Fund Budget) From 2010-11 to 2011-12

Teachers	Change
Elementary (KG)	-1.00
HS For. Language	-1.25
HS Lang. Arts	-0.50
HS Special Ed	+1.00
Classroom Total	-1.75

Non-Teachers	Change
KG Aides	-10.5
GR 01-05 Aides	+2.0
Class. Aides Total	-8.5
Asst. Supt.	-1.0
January 1 Cuts	-4.0
Custodians	-5.0
Total	-18.5

For 2012, we have moved 18.5 staff from other funds into the General Fund, including: 6.5 RTI/Rem Aides, 5 Lit Lab Aides, 6 Sp. Ed. Aides, and 1 Alt. Schl. Social Worker.

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Average Class Size Across the District by Year

Grade Level	2003	2004	2005	2006	2007	2008	2009	2010	Est. 2011
K	21	19	20	20	22	21	22	24	22
1	20	20	20	20	21	24	23	21	22
2	20	22	20	21	22	24	24	23	23
3	22	21	21	23	24	25	25	24	24
4	27	26	26	27	26	25	28	26	26
5	25	29	26	26	25	25	25	26	27

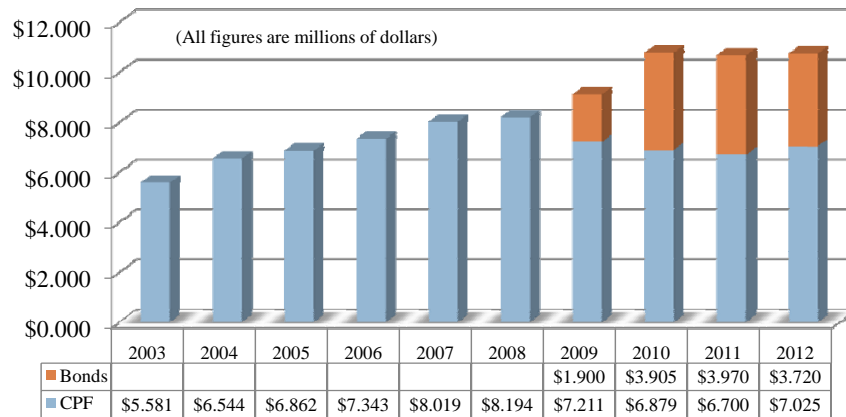
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Major Issues:

5 Capital Project Fund (CPF) Needs



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Total 2012 Costs in CPF and Bonds

Category	Amount
Technology	\$3,325,676
Building Improvement Projects	\$2,965,000
Equipment	\$1,304,000
Utilities	\$1,300,000
Maintenance Accounts	\$925,000
Energy Savings Projects	\$436,948
Emergency Account	\$330,000
Professional Fees	\$158,376
Totals	\$10,745,000

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Agenda

◆ Summary and Conclusions

- ⑥ Total Budget Amounts
- ⑦ Total Tax Rates
- ⑧ Operating Balance
- ⑨ Summary

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Budget Comparison 2011 - 2012

(after adjustments for SB199)

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>Change</u>	<u>Percent</u>
General Fund	\$42,475,000	\$41,800,000	-\$675,000	-1.6%
Capital Projects	\$6,700,000	\$7,025,000	+\$325,000	+4.9%
Transportation	\$3,270,000	\$3,360,000	+\$90,000	+2.8%
Bus Replacement	\$950,238	\$1,190,000	+\$239,762	+25.2%
Debt Service	\$12,940,000	\$12,919,000	-\$21,000	-0.2%
Pension Bonds	<u>\$1,055,680</u>	<u>\$1,055,000</u>	<u>-\$680</u>	+0.0%
Total	\$67,390,918	\$67,349,000	-\$41,918	-0.1%

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Comparison Tax Rates 2011-2012 (after adjustments for SB199)

	<u>2011 Rate</u>	<u>2012 Rate</u>	<u>Change</u>	<u>Adver.</u>
Capital Projects	\$0.2605	\$0.2765	+\$0.0160	\$0.3045
Transportation	\$0.1251	\$0.1334	+\$0.0083	\$0.1412
Bus Replacement	\$0.0372	\$0.0058	-\$0.0314	\$0.1062
Debt Service	\$0.5157	\$0.5264	+\$0.0107	\$0.5619
Pension Bond Fund	<u>\$0.0478</u>	<u>\$0.0438</u>	<u>-\$0.0040</u>	<u>\$0.0473</u>
Total	\$0.9863	\$0.9859	-\$0.0004	\$1.1611

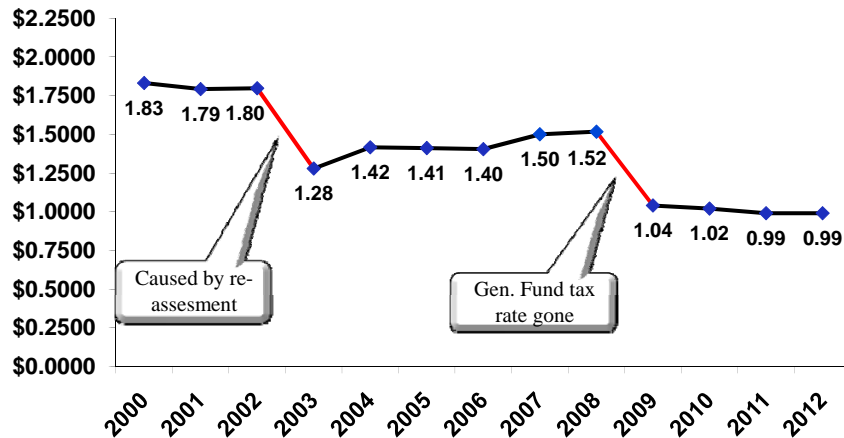
- Rates are only estimates, based on a 1% increase in assessed value.
- The right column is the “advertised rate.” We always advertise high to guard against errors in estimation or procedures.

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Center Grove School Tax Rate 2000-2012



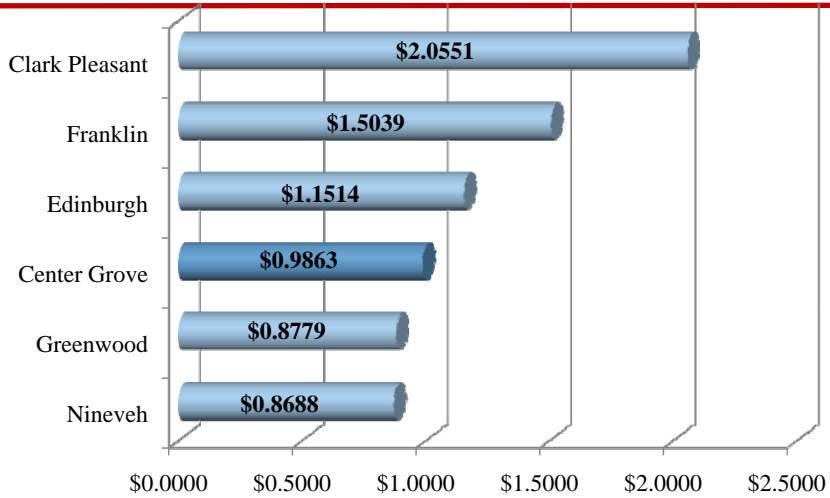
Tax rates for 1995 – 2001 have been divided by three to reflect the change to true tax value that took place in 2001.

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Johnson County 2011 Tax Rate Comparison



9/13/2011

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Impact-Sample Homeowner



Assume a \$300,000 home 2011 pay 2012

This shows tax bills will basically be unchanged for 2012.

(Tax rates and bills reference school taxes only.)

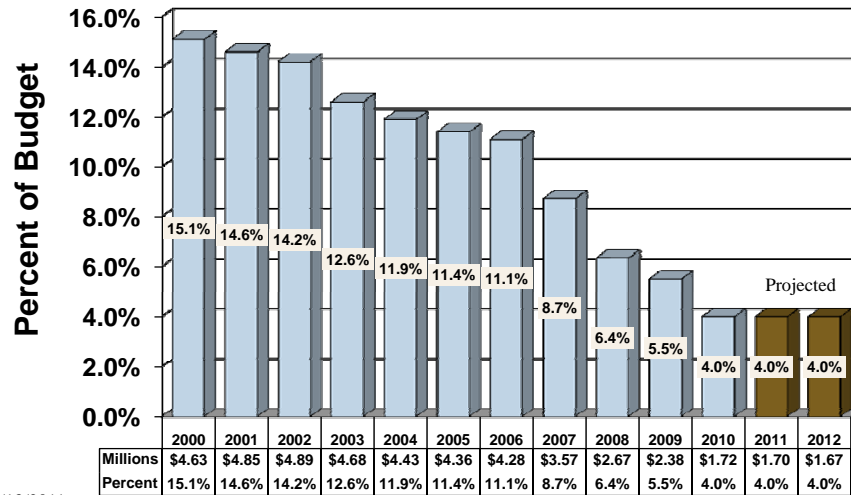
	2011	2012
Gross A.V.	\$300,000	\$300,000
- Homestead Deduction	(\$45,000)	(\$45,000)
- New Supplemental Ded. (35%)	(\$89,250)	(\$89,250)
- Mortgage Deduction	(\$3,000)	(\$3,000)
Equals Net A.V.	\$162,750	\$162,750
School District Tax Rate	\$0.9863	\$0.9859
School Tax Obligation	\$1,605.20	\$1,604.55

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2000-2010 General Fund Operating Balance Percent



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Budget Summary

- ✓ The General Fund has been reduced by **-\$675,000**
- ✓ All 6 funds combined have been reduced about **\$42,000** (less than 1/10 of 1%).
- ✓ We will be monitoring enrollment closely and report in October about the impact on our 2012 revenue.
- ✓ The total tax rate for 2012 should be unchanged at **\$0.99**.
- ✓ The budget overall is much better than we would have expected 6 months ago:
 - No layoffs of any staff
 - We are able to live within our means

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Future Activities

- ◆ **Sept. 19 – Budget Hearing**
- ◆ **Oct. 17 – Budget Approval**

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