Porter Township School Corporation

2027 Budget Presentation

School Funding 101

Education Fund

Operations Fund

Federal, Local & State Funds

Debt Fund

Referendum Fund

Federal, Local, & State Funds

Special Types of Funds

- Federal - Reimbursable
  - Title I, II, III, & IV
  - Food Service
  - Special Education
- Local - Pre-funded
  - Rainy Day
  - Local Grant Awarded Funds Supporting Education
- State - Reimbursable & Pre-funded
  - Formative Assessment
  - Common School Loans
  - Secured School Safety
  - Teacher Appreciation

Education Fund

=

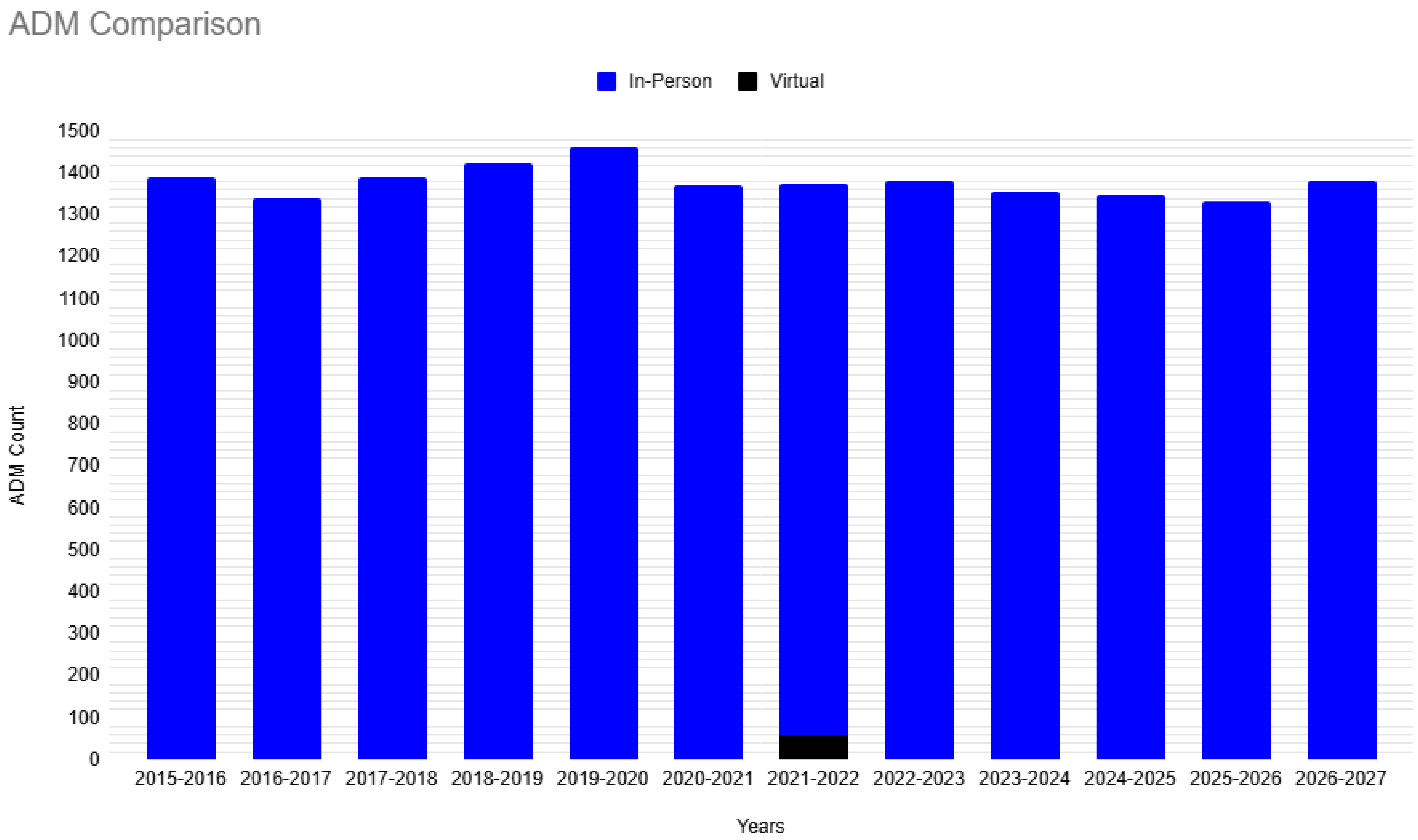
ADM (Average Daily Membership)

Education Fund

Count Day
October & February

2026-2027 School Year

Basic Grant $7,253 per Student



Education Fund

Other Revenue

- Preschool
- Student Instructional Supply Fees
- Vocational Support
- Bank Interest



Education Fund

Instructional Expenditures =
Academic Achievement & Student Support

- Teacher Salaries & Benefits
- Instructional Aide Salaries & Benefits
- Student Services Programs & Personnel
- Special Education Student Services & Personnel
- Student & Teacher Building-level IT Support Personnel
- Curricular Materials & Instructional Supplies
- Building Administration & Support Personnel

Levy Funds

Operations Fund, Debt Fund & Referendum Fund

- These funds receive revenue based on tax rates.
- These tax rates are driven by Certified Net Assessed Value (CNAV) of properties within a jurisdiction.
- The levy or rate, generate revenue based upon total CNAV for Porter Township School Corporation.
- Some Levy Funds, Referendums, are not subject to property tax caps.

Operations Fund

Based on Maximum Levy Growth Quotient

6%

Up to 15% of Education Revenue

Operations Fund

Other Types of Revenue

- Rentals of buildings to community programs, farmland, & other school corporations
- Bank Interest

Operations Fund

Capital Assets & Projects, Bus Replacements & Non-instructional Expenditures = Maintained Facilities

- Transportation
- Security Equipment & Personnel
- Utilities
- Custodial, Maintenance, Buildings & Grounds Personnel
- Central Administration Salaries & Benefits
- Operational Supplies & Services: Copier Leases, Insurance & Legal
- Non-instructional Technology

Debt Fund

Principal and Interest Due

	Lease Rental	Common School	GO Bonds	Total Estimated Budget
2027	$118,994	$187,288	$5,124,000	$5,430,282
2028	$116,994	$133,387	$5,353,000	$5,603,381
2029	$124,944	$54,976	$5,661,000	$5,840,920
2030	$122,744	$54,437	$5,486,000	$5,663,181
2031	$130,388	$13,547	$5,899,000	$6,042,935

Levy Funds

The relationship with CNAV & Tax Rate & Revenue (Levy Collected)

2022 - 2025 Tax Neutral

↑ CNAV = Tax Rate ↑ Levy

2026 - SEA 1 - Took $600K from Operations

↑ CNAV ↑ Tax Rate ↑ Levy

2027 - Taking another $591K from Operations ($1.19M)

↓ CNAV ↑↑ Tax Rate ↓ Levy

Levy Funds

Porter Township School Corporation

2026 Net Assessed Value

$930,405,708

2027 Net Assessed Value

$891,346,975

Down

$39,058,733

OR

4.2%

Levy Funds

Financial Options Under SEA 1

Operating Referendum

- Rate today will not generate the same revenue moving forward due to declining assessed value under SEA 1
- Asked to approve a higher rate than normally would
- Decision on how much of the levy to take in the first year when it generates more than needed
- Impact on taxpayers and community support

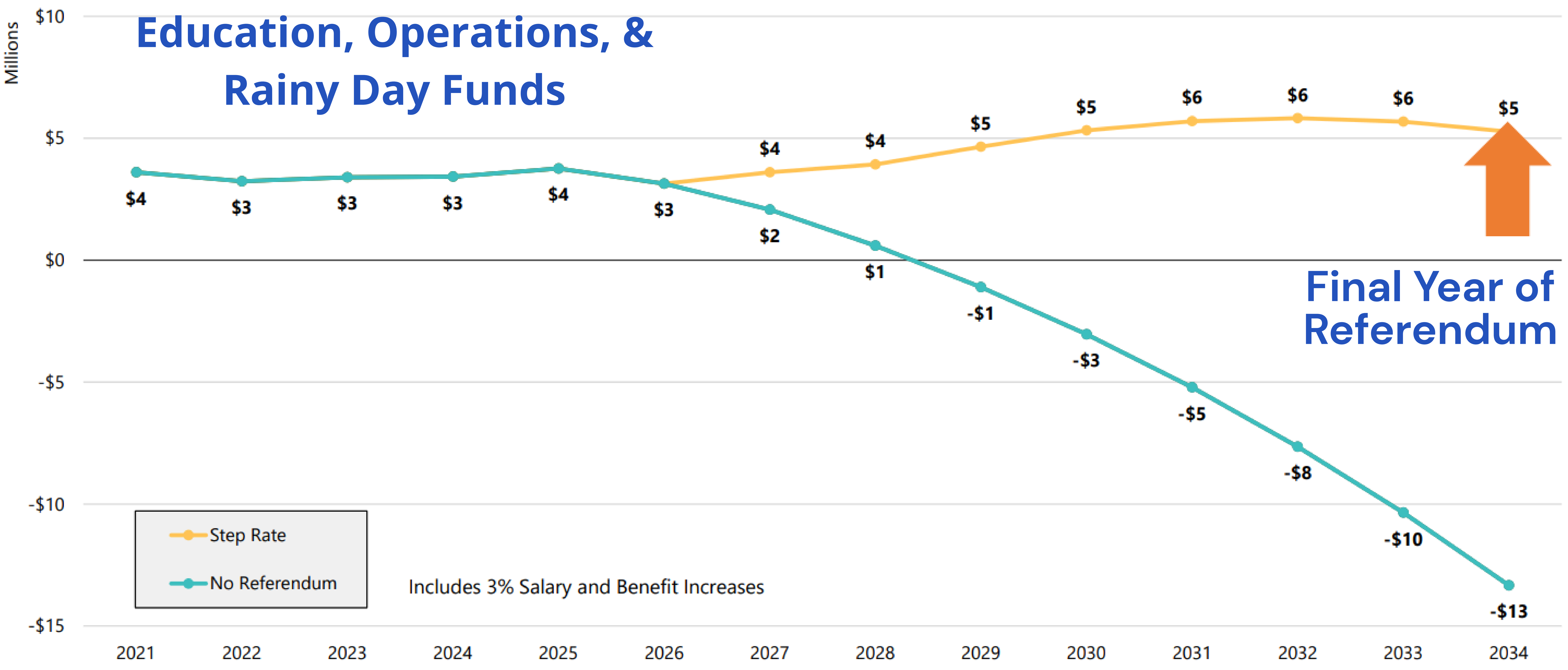
Combination

- A little of both

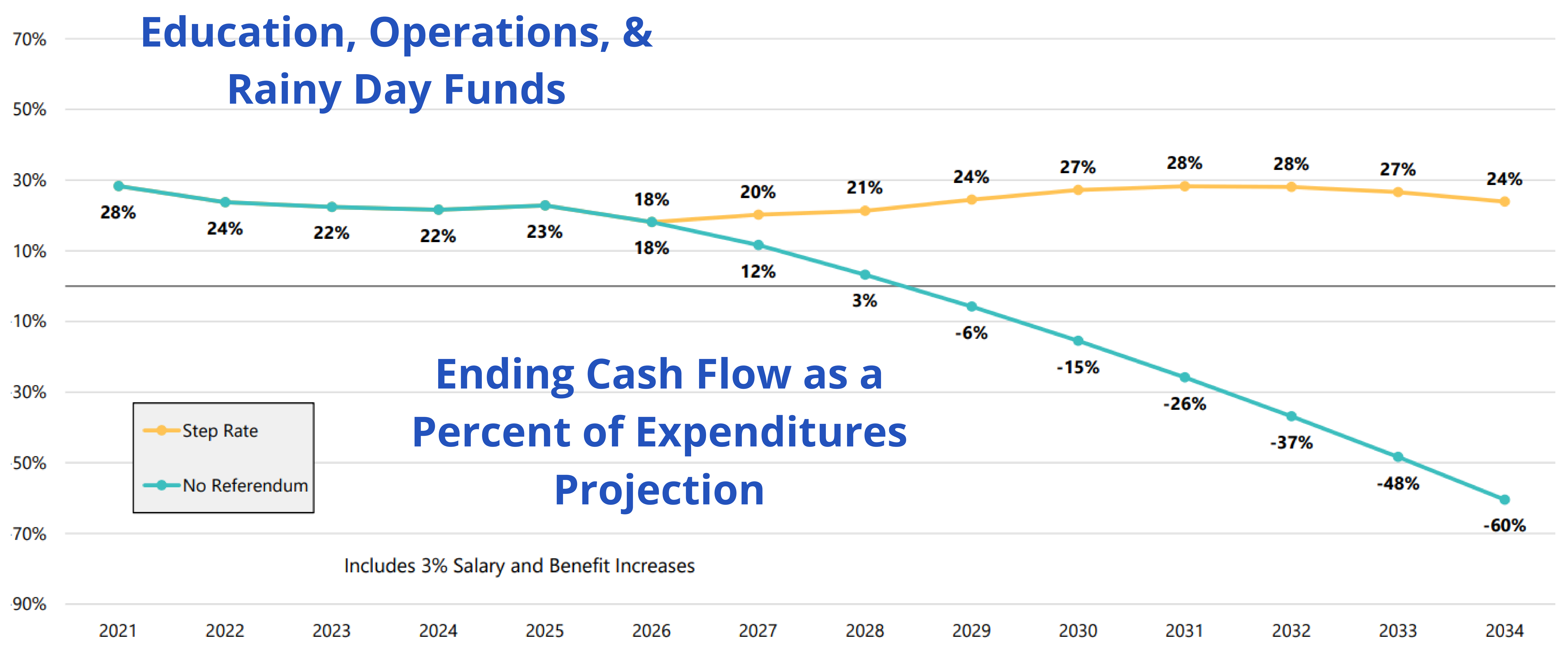
Cost Reductions

- Examine expenditures on a peer comparison basis
- Review historical expenditures for cost efficiencies
- Potential impact on employees, classrooms, and students
- May not find the full amount of cuts

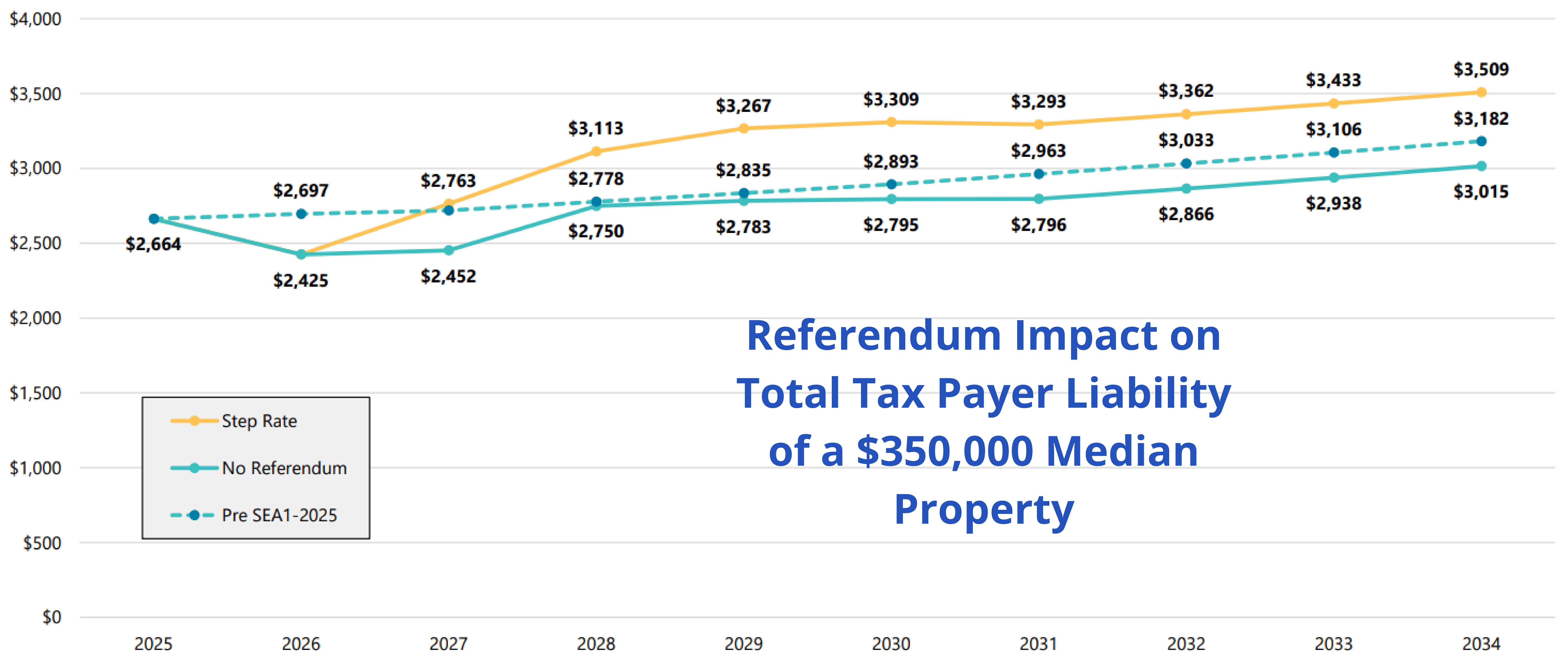
Operating Referendum Fund



Operating Referendum Fund



Operating Referendum Fund



Operating Referendum Fund

"Shall Porter Township School Corporation increase property taxes paid to the school corporation for no more than eight (8) years for the purpose of funding and sustaining educational and operational stability in response to reductions in property tax revenue, including maintaining essential health and safety initiatives, including the employment and retention of school resource officers, supporting and retaining teachers and staff, managing class sizes, maintaining essential student transportation and funding academic and support programs to meet the educational needs of all students, by imposing an property tax rate that does not exceed $0.3576 and results in a maximum annual amount that does not exceed $3,500,000. If this operating referendum public question is approved by the voters, for a median residence of $350,000, the property's annual property tax bill would increase by $599.00 per year."

Operating Referendum Fund

Estimate of the annual revenue expected to be collected from the referendum levy in the year 2027:	$1,600,000[1]
Specific purposes for which the referendum levy will be used:	**Estimate of the annual amounts that will be expended for each purpose:[2]**
Employment and retention of school resource officers	$143,000
Supporting and retaining teachers and staff	$138,000
Managing class sizes	$20,000
Student Transportation	$1,280,000
Academic and Support Programs	$14,000
Health and Safety Initiatives	$5,000

Year 1

Advertising

$0.2000

Approve at

$0.1721

Budget/Tax Rate History

	2022	2023	2024	2025	2026
Education Fund	$9,380,327	$10,185,020	$11,788,911	$11,680,898	$11,362,548
Operations Fund	$5,651,793	$6,040,990	$5,588,463	$5,610,109	$4,946,920
Debt Fund	$3,682,929	$4,841,891	$4,822,931	$6,600,639	$6,435,645
Pension Fund	$125,512	$129,001	$127,029	$0	$0
Total Budget	$18,840,561	$21,196,902	$22,327,334	$23,891,646	$22,745,113
Operating Referendum	$0	$0	$0	$0	$0
Certified Net Assessed Value (CNAV)	$641,659,775	$749,990,164	$814,349,404	$929,237,528	$930,405,708
Total Tax Rate	$0.9674	$0.9674	$0.9674	$0.9674	$1.0358

Advertised/Adopted vs Approved Levy & Tax Rate

	2022	2023	2024	2025	2026
Advertised/Adopted Levy	**$6,439,740**	**$7,948,241**	**$8,464,559**	**$9,662,168**	**$9,976,437**
Approved Levy	**$6,207,418**	**$7,255,405**	**$7,878,016**	**$8,989,444**	**$9,637,135**
Advertised/Adopted Tax Rate	**$1.1151**	**$1.2456**	**$1.2215**	**$1.0398**	**$1.0723**
Approved Tax Rate	**$0.9674**	**$0.9674**	**$0.9674**	**$0.9674**	**$1.0358**
Certified Net Assessed Value (CNAV)	**$641,659,775**	**$749,990,164**	**$814,349,404**	**$929,237,528**	**$930,405,708**

2027 Proposed Advertised Budget/Levy/Tax Rate

	Education Fund	Operation Fund	Debt Fund	Sub - Total	Operating Referendum	Total
Proposed Budget	$11,500,000	$5,500,000	$6,057,496	$22,609,673	$1,600,000	$25,015,783
Advertised Budget						
Proposed Tax Rate		$0.4694	$0.7660	$1.2354	$0.2000	$1.4354
Advertised Tax Rate						
Levy	$0	$3,712,149	$5,549,983	$9,262,132	$1,600,000	$10,862,132
Certified Net Assessed Value (CNAV)		$891,346,975	$891,346,975		$800,000,000	

Porter Township School Corporation
2027 Budget Presentation

Thank You

“EVERY Student, EVERY Day, to Reach Their Fullest Potential”