

Financial Condition

As Reported through Indiana's Fiscal Indicators

January 2022

House Enrolled Act 1315 (2018) established the Fiscal and Qualitative Indicators Committee, under the direction of the state's Distressed Unit Appeal Board (DUAB). Through public hearings and meetings in June – October, 2018, the committee developed indicators used to evaluate the financial condition of school corporations. In 2019, the DUAB reviewed indicators for each corporation and the director contacted several corporations to discuss their financial condition based on these indicators. TCSC might be one of those districts to meet with the DUAB Director in early 2022.

During the 2019 legislative session, Senate Enrolled Act 549 ("SEA 549") added a new requirement for school corporations pertaining to the Indicators. During a school corporation's annual Board of Finance meeting, the superintendent of the school corporation or the superintendent's designee shall submit a written report to the Board of Finance that assesses the financial condition of the school corporation using the Indicators. The Board of Finance shall review the submitted report. A specific format for this report is not outlined in SEA 549. However, the superintendent or the superintendent's designee should utilize the Indicators as the foundation for this report and can then add additional details or explanations as needed to provide the Board of Finance with an assessment of the school corporation's overall financial condition. This presentation satisfies that requirement.

The six (6) fiscal indicators and the data sources from which this information is obtained include:

1. **Average Daily Membership ("ADM")** - Average Daily Membership data provided by the Indiana Department of Education.
2. **Fund Balances** - Form 9 data as submitted by the school corporations to the Indiana Department of Education ("IDOE").
3. **Annual Deficit/Surplus** - Revenues: Form 9 data as submitted by the school corporations to DOE, Section 1, receipts for selected funds for Period 1 and Period 2 of the calendar year listed; Expenditures: Form 9 data as submitted by the school corporations to DOE, Section 2, expenditures for selected funds for Period 1 and Period 2 of the calendar year listed; Fund Balance: Form 9 data as submitted by the school corporations to the Indiana Department of Education ("IDOE"), Section 6, Ending Cash Balance as of December (Period 2) of the calendar year listed.
4. **Fund Balances as Percent of Expenditures** - Fund Balance: Form 9 data as submitted by the school corporations to the Indiana Department of Education ("IDOE"), Section 6, Ending Cash Balance as of December (Period 2) of the calendar year listed; Expenditures: Form 9 data as submitted by the school corporations to DOE, Section 2,

expenditures for selected funds for Period 1 and Period 2 of the calendar year listed.

5. **Revenue by Type** - Local Tax Receipts: Form 9 data as submitted by the school corporations to DOE; Other Local Revenue: Form 9 data as submitted by the school corporations to DOE, Section 1; Debt Revenue: Form 9 data as submitted by the school corporations to DOE; State Revenue: Form 9 data as submitted by the school corporations to DOE; Federal Revenue: Form 9 data as submitted by the school corporations to DOE.

6. **Operating Referendum Revenue as Percent of Total Revenue** - Operating Referendum Revenue: Form 9 data as submitted by the school corporations to DOE; Total Revenues: Form 9 data as submitted by the school corporations to DOE.

The information found on the [DUAB website](#) is interactive.

1. **ADM.** For TCSC's ADM, the data shows a decline of 8% between 2018 and 2021. This has been a trend for the past four years after the corporation experienced a peak in 2016 of 1712 students.

School Year: 2020-21

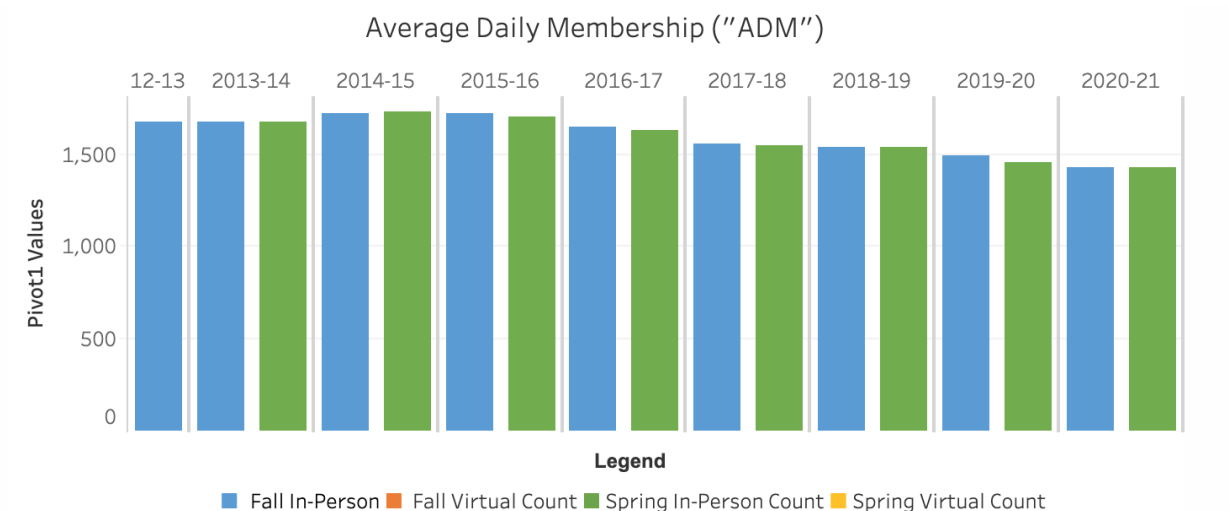
Coloring: Spring In-Person Count

Time Of Year: Spring

ADM: 1,423

	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Fall In-Person Count	1,666.75	1,669.50	1,712.00	1,716.50	1,642.00	1,552.00	1,532.00	1,487.00	1,427.00
Fall Virtual Count								0.00	1.00
Spring In-Person Count		1,674.00	1,721.00	1,693.50	1,625.00	1,542.00	1,529.00	1,455.00	1,423.00
Spring Virtual Count								0.00	1.00

[Download Data Here](#)



Fall 2020-2021, TCSC reported an average daily membership of 1427. In February of 2021 the spring ADM was 1423, a loss of 4 students. The Fall ADM of any given school year establishes the funding level for January-June of the next year (or first six months of the budget year). While the spring ADM establishes the funding for July-December of the same year. The trend for TCSC until this year has been a steady decline in enrollment. Fall 2021 ADM, reflects a potential stabilization in enrollment for TCSC.

2. Fund Balances. Although total Fund Balances have increased in recent years, we will begin to see a decline as we tapped into the cash balances and rainy day funds to meet expenses. The data in DUAB indicates that the current funds are considered adequate and appropriate. The report printed here is for all funds incited. By going to the web site, you can click on the individual funds to see that specific fund balance.

Education Fund Cash Balance

Budget Year	Cash Balance	Percentage of Budget
2019	\$552,061*	5%
2020	\$203,000*	2%
2021	\$209,974	2%
2022 (Projected)	\$1,131,675**	10.8%

* Transfer from Rainy Day Fund

** Without Transfer to Operations Fund

Operation Fund Cash Balance

Budget Year	Cash Balance	Percentage of Budget
2019	\$2,421,061	52%
2020	\$2,079,946	47%
2021	\$1,900,217	44%
2022 (Projected)	\$2,285,983	56%

Cash Balance Overall Funds

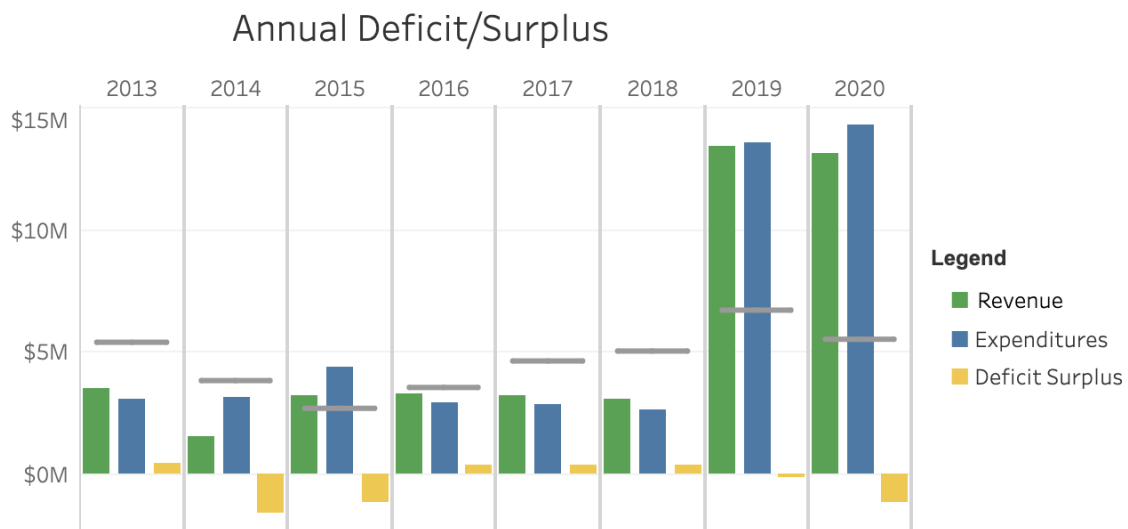
Budget Year	Cash Balance	Percentage of Budget
2019	\$6,684,956	39%
2020	\$5,494,790	38%
2021	\$5,579,293	34%
2022 (Projected)	\$6,629,472	40%

Comparisons of Cash Balances from other districts

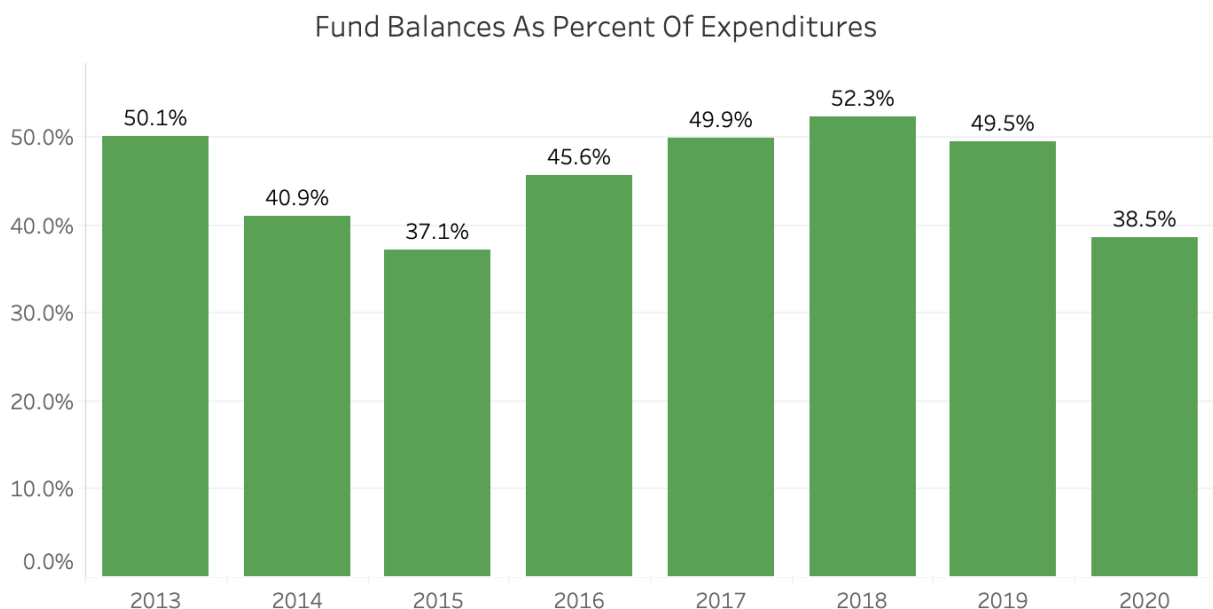
End of Year 2020 Cash Balance as % of Expenditures

	Education	Operations	Ed + Op+ R.D.
Tipton	2.1%	47.1%	38.5%
Marion	42.6%	27.3%	46.8%
Tri-Central	27.1%	40.7%	32.4%
Kokomo	18.2%	22.8%	21.4%
Hamilton Hts	4.8%	40.7%	49.8%
Sheridan	7.1%	30.3%	22.0%
Hamilton SE	8.2%	9.6%	15.8%
Noblesville	15.7%	12.1%	17.2%
Carmel	6.5%	17.0%	10.4%
MSD Wayne	3.5%	25.9%	18.1%
Plainfield	18.1%	40.7%	29.2%

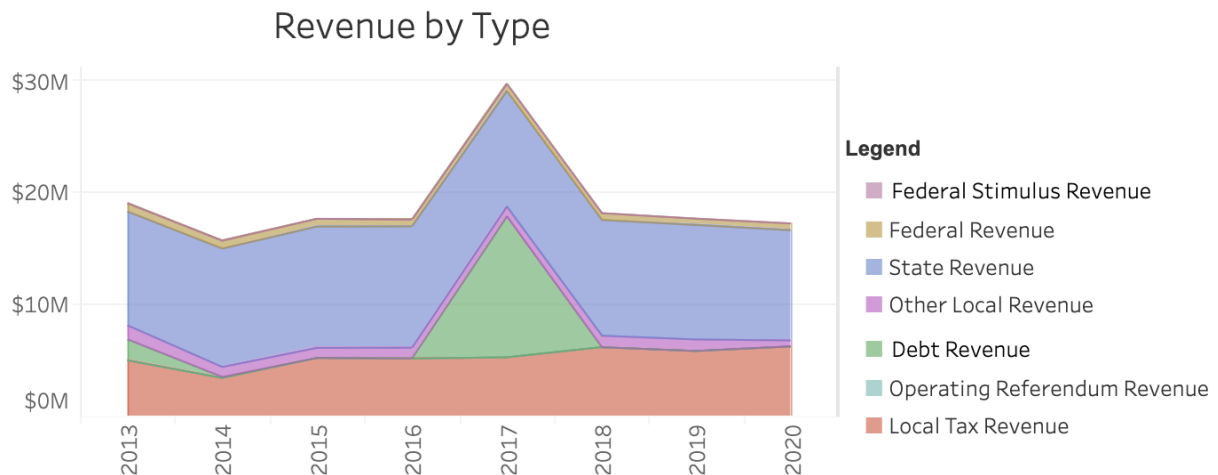
3. Annual Deficit/Surplus. This indicator provides a comparison of revenue to expenditures on a calendar year basis, including whether the school corporation had an operating deficit or surplus for that year. Expenditures have exceeded revenue since 2018. Although 2020 is not represented here, there will be a significant deficit in the Education Fund since we are spending 108% of the appropriation. By going to the web site, you can click on the individual funds to see that specific fund balance.



4. Fund Balances as Percent of Expenditures. An 8.3% fund balance (1 month of expenditures) is considered an absolute minimum for financial health. A 20% balance (or two (2) months of expenditures) is a desired target. This particular report shows a Total Fund Balance of 38.5%. However, this is inflated because of a healthy by Operation and Rainy Day Funds.



5. Revenue by Type. Local Tax revenue includes property tax income tax and other taxes as applicable. Other local revenue will include revenue sources such as rental income and sale of property. Debt revenue includes bond and loan proceeds. State revenue includes tuition support and other grants received from the State. Federal revenue includes grant funding received from the Federal government. This indicator is used to identify trends and any anomalies in revenue sources and also to identify an excessive dependence on operating referendum revenue (if applicable). Revenue for TCSC from all sources is within expected ranges, and TCSC has no operating referendum revenue. The spikes in 2012 and 2016 are Debt Revenue and indicate the bond issues that took place during those years. The report printed here is for all funds incited. By going to the web site, you can click on the individual funds to see that specific fund balance.



6. Operating Referendum Revenue as Percent of Total Revenue. TCSC has no referendum revenue.