

No stream rises higher than its source. What ever man might build could never express or reflect more than he was. He could record neither more nor less than he had learned of life when the buildings were built.

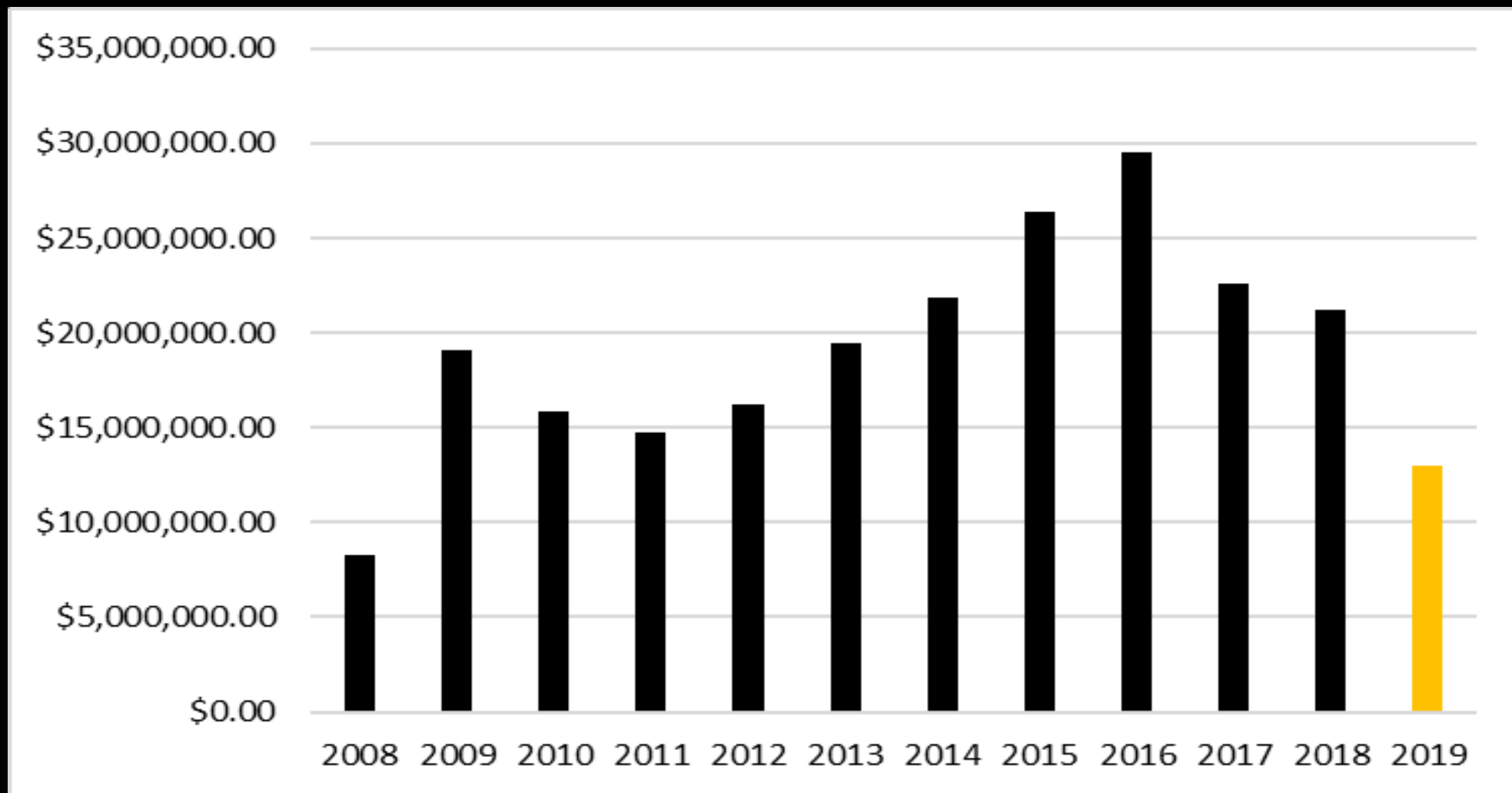
Frank Lloyd Wright

Our schools are at a critical juncture.  
Tonight, I will:



Reflect on our current financial,  
staffing, and programming status.  
Discuss strategies for financially  
protecting those things that  
matter most.

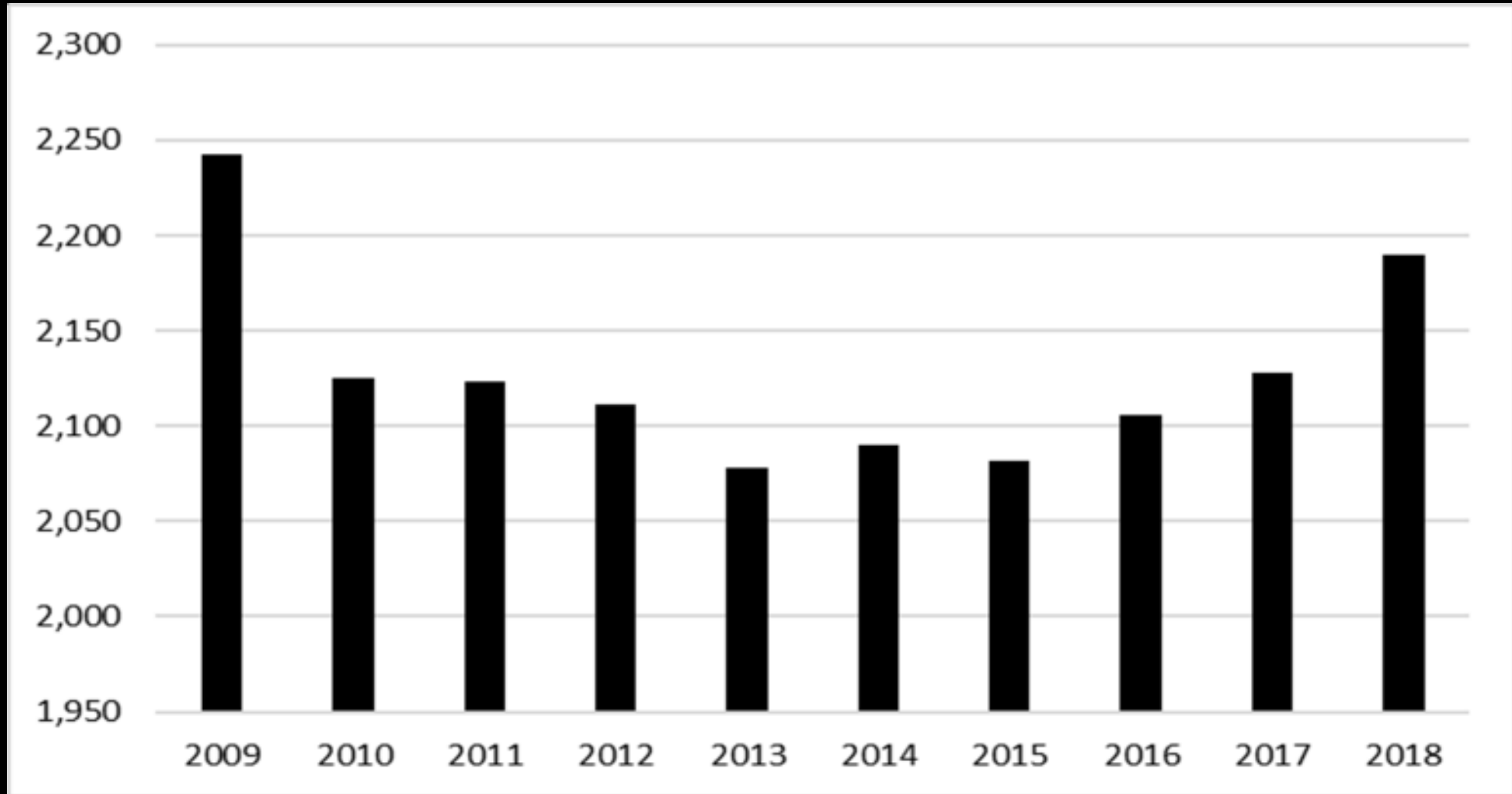
VCSC's cash balance, after five years of growth, has declined for the last three years



# The cash balance increased due to unsustainable austerity measures and one-off decisions

- Chauncey Rose closed
- Total number of staff decreased
- Staff buyouts
- Staff compensation restructured
- Replacement strategy for retiring or resigning staff
- Transportation services reduced, including elimination of field trips

While a high cash balance is desirable, it stretched our staff



# The cash balance has declined for a number of reasons

## Outside factors

- Decreased state funding
- Inflation
- Decreased federal funding
- Decrease in the total number of students

## Decisions made for a better VCSC

- Increase in the total number of staff, especially for safety and wellness
- Subsidizing tax cap impact on transportation
- Subsidizing textbook fees
- Attracting and retaining top staff through meaningful raises competitive with local districts

The per-student funding we get from the state is not keeping pace with inflation

2013-14	\$5,822.28
2014-15	\$5,837.42
2015-16	\$5,978.81
2016-17	\$6,175.89
2017-18	\$6,283.38
2018-19	\$6,362.00

Average State Funding Increase = 1.58%

# State funding estimates for the next two years will not keep pace with inflation

**2019**

**\$102,629,190**  
**(14,363 enrolled)**

**2020**

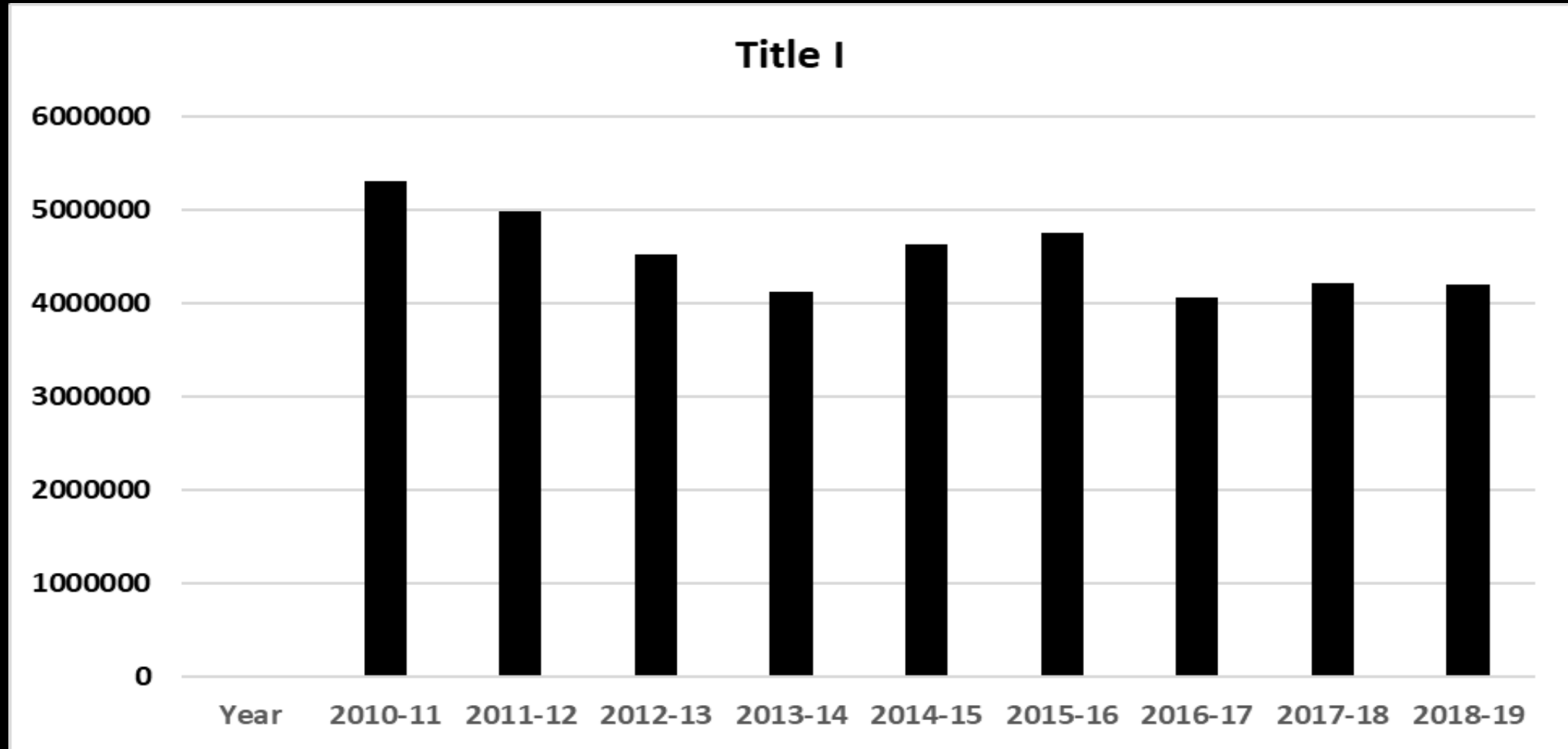
**\$103,510,670**  
**(14,169 enrolled)**  
**0.9% increase**

**2021**

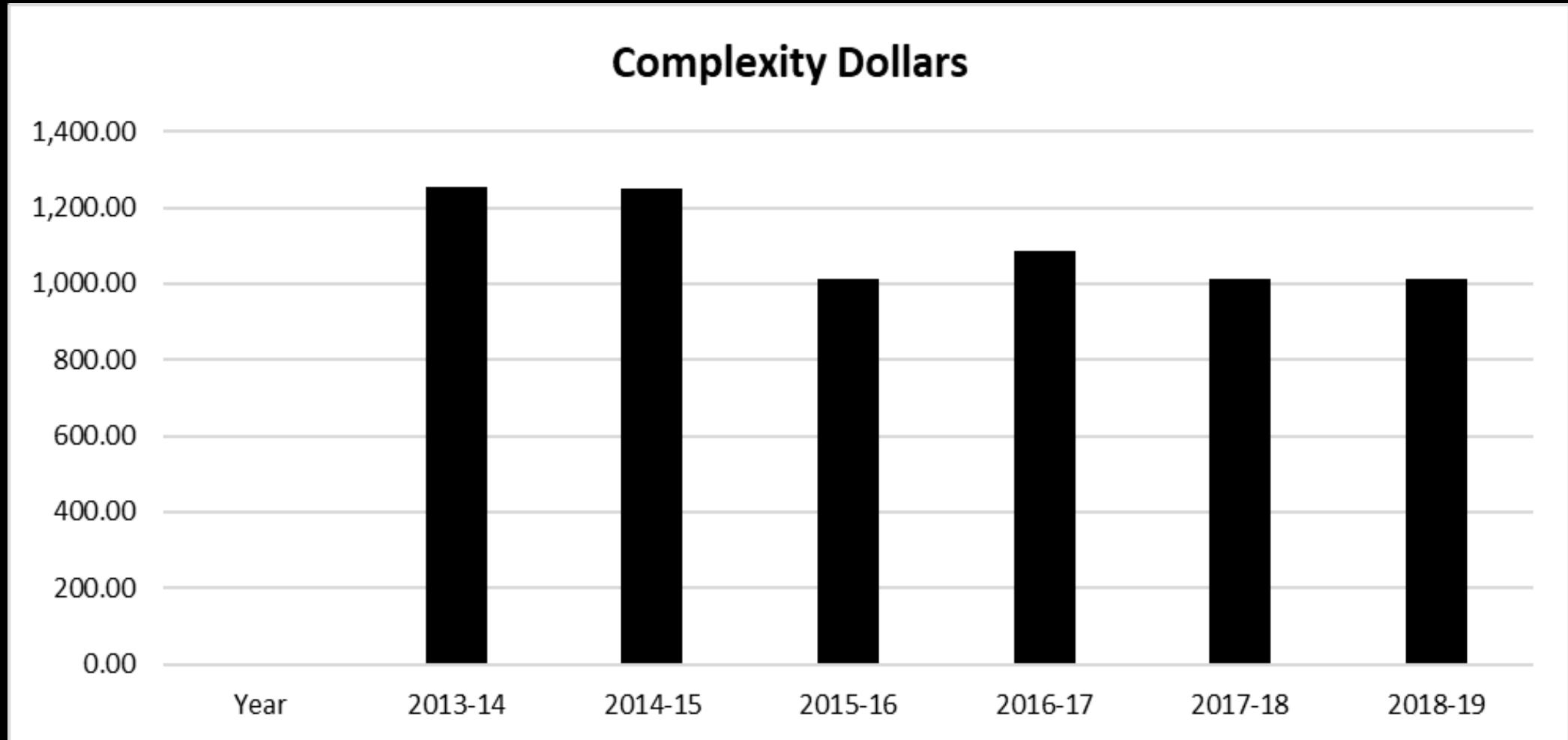
**\$104,883,387**  
**(14,040 enrolled)**  
**1.3% increase**



We have more students living in poverty, but federal funding for those students is declining



# State funding for students living in poverty is also declining



# Our student needs are increasing, but enrollment numbers are decreasing—meaning less funding



80 year low in  
national  
population  
growth



Vigo County is  
shrinking, not  
growing



Fewer school-  
aged children



Vigo County  
children have  
choices  
outside of  
VCSC

The latest population estimates by the U.S. Census Bureau show that there were an estimated 81,075 births in Indiana in 2018. This marks the state's **lowest annual tally** since 1987 and continues Indiana's decline in birth rates that began a decade ago with the onset of the Great Recession.

Population growth in Indiana continues to be driven by a handful of metropolitan areas. Chief among these is the **Indianapolis-Carmel-Anderson metro area**, which added nearly 22,000 residents last year, accounting for 69 percent of Indiana's net growth in 2018.

# Indiana Growth Rate

*Indiana Business Research Center, Indiana  
University Kelley School of Business*

Renewed investment  
in our schools can  
turn Vigo County  
**BLUE!**



# Enrollment Trends

According to the DOE Compass Website, VCSC enrollment has declined by 1,292 students over the past 10 years.

We must retain students, but we must also be a vital part of attracting families to Vigo County



One student =  
**\$6,326.39** in state  
funding



157 students =  
**\$1 million** in state  
funding



# Vigo County families don't always choose VCSC, which costs VCSC funding

**15,115**

Vigo County students in  
2018-19

**14,295**

Chose VCSC

**357**

Chose a virtual school

**294**

Chose a another public  
school

**169**

Attended non-public  
school via Indiana  
Choice (155 St. Patrick  
School)

# Virtual Schools pose a growing threat to our funding

Indiana Virtual Pathways Academy – 139

Indiana Connections Academy – 106

Union School Corporation – 56

Insight School of Indiana – 29

Indiana Virtual School – 24

Indiana Connections Career Academy – 6

Other - 7

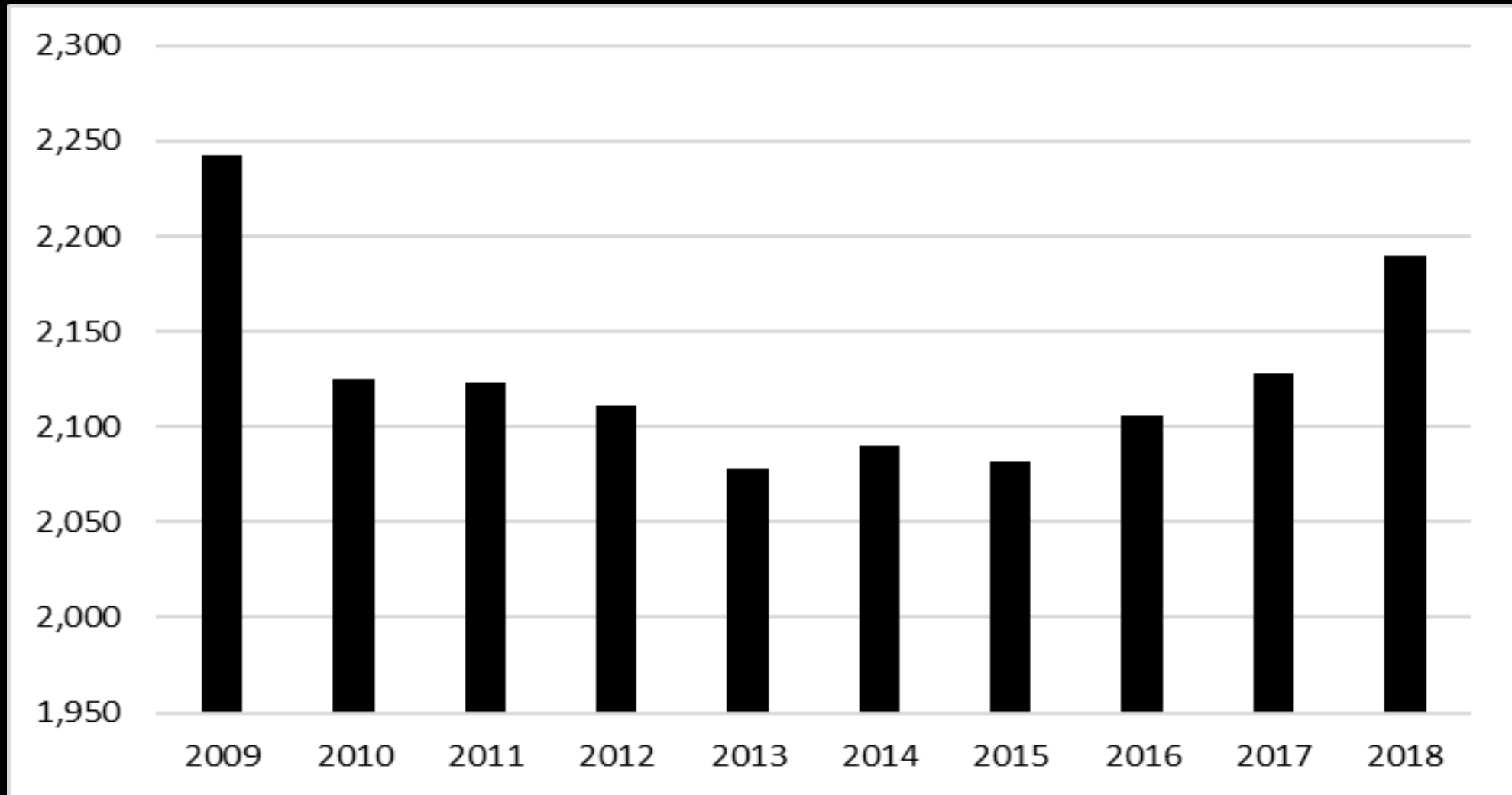
367 Students x \$6,362 = **\$2,334,854**

In 2019-20 VCSC will launch a virtual program to offer Vigo County families another choice.

# Increasing Number of Home School Students

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We have hired more staff in the last four years, focusing on safety, health, and wellness



# After Sandy Hook, VCSC made a significant commitment to Safety, Health, and Wellness



Every school now has a Student Protection Officer, up from 8 corporation-wide in 2012



Started a “Behavior Interventionist” position in 2016, now have 18 corporation-wide



Doubled the number of nurses from 5 to 10



Added 4 deans to assist in developing a positive school environment.



Increased number of counselors by 40% since 2014



Added 86 Educational Assistants to help teachers

# VCSC has also pursued and received grants to for Safety, Health, and Wellness

Project AWARE  
Grant – 2.8 million  
(five years)

Lilly  
Comprehensive  
Counseling Grant –  
1.4 million (four  
years)

21<sup>st</sup> Century  
Community  
Learning Centers  
Grant - \$900,000.00  
(four years)

## Tax Cap Loss

2010	-\$3,115,579.72
2011	-\$2,921,100.16
2012	-\$3,845,589.21
2013	-\$4,176,950.93
2014	-\$4,579,185.75
2015	-\$4,740,898.22
2016	-\$5,058,868.95
2017	-\$5,678,691.27
2018	-\$5,467,285.09



We are spending more on transportation  
because...

2016	-\$479,555.27
2017	-\$628,816.69
2018	-\$945,619.06

VCSC has absorbed \$2.2 million in textbook fees over the past 5 years by transferring funds from the general fund

2014	2015	2016	2017	2018
-300,489.40	-85,640.11	-1,039,329.71	-818,097.03	-14,125.51

A shrinking cash balance is only part of the story.

We cannot just look at the past: we must also look  
to the future.

# Chapter Two: Staffing

# Staff

All members of our school are important to the future and **success of our students**. We talk about the importance of connecting with our students. We talk about how important those connections are for **student learning and engagement** in their learning. This is true for all students and these connections can have **powerful impact on the learning in our schools**. You just never know **who will make that powerful impact** on a particular student who needs that connection the most.

Tia Dawson -Blog

# There are fewer ISU education graduates, and we must compete for them

Math (MS Only)	1	Elementary	48
Science (MS Only)	2	Elementary/Elem. Special Ed.	29
Life Science	3	Elementary/MS Math	5
Chemistry	2	Elementary/ELL	3
Earth/Space Science	1	Elementary/Early Childhood	1
Social Studies	11	Elementary/P-12 Special Ed.	1
Family Consumer Science	1	Special Ed. P-12	2
Business	2	Lang. Arts/MS & HS SPED	1
Art	3	Language Arts	4
Music (Gen. & Choral)	6	Math	7
Music (Gen. & Instrumental)	16		
Physical Education	7		

We struggle to fill open teaching positions

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Long Term Substitute Teachers



Beyond unfilled teaching positions, we struggle to fill essential staff positions

- Buildings and grounds
- Administrative Assistants
- Custodial
- Food service
- Bus drivers
- Educational assistants



# Vigo County's starting teacher salary is not as competitive as neighboring districts

School District	Salary	Experience
Northeast Sullivan	\$31,958.00	Yes
Southwest Sullivan	\$32,000.00	Yes
North Putnam	\$32,789.00	Yes
Bloomfield	\$33,000.00	Yes
North Central Park	\$34,000.00	Yes
North Vermillion	\$34,250.00	Yes
<b>Vigo County</b>	<b>\$35,000.00</b>	<b>No</b>
Greencastle	\$35,000.00	Yes
South Putnam	\$35,325.00	Yes
South Vermilion	\$36,000.00	Yes
Spencer Owen	\$36,000.00	Yes
Cloverdale	\$36,311.00	Yes
Clay	\$38,250.00	Yes

In 2017-18, VCSC's minimum and average salary was not competitive with districts in areas of population growth

School District	Minimum salary
<b>Vigo</b>	<b>\$34,000.00</b>
Avon	\$40,000.00
Hamilton SE	\$40,158.00
Plainfield	\$42,000.00
Wayne Township	\$42,500.00
IPS	\$40,000.00
Center Grove	\$38,123.00

# Chapter Three: Technology

We have significant technology needs,  
and the community has identified tech  
as an area of improvement

- We need to serve particular courses with better technology and equipment
- We need to bring our student to device ratio in line with other school systems
- We need to identify a new learning management system
- We need to make upgrades to the network and wireless system



# Chapter Four: Building Project

Goal:

Capital Projects Referendum: May 2021

# Capital Referendum

- Must be approved by the voters
  - Funded by property taxes
  - In place for 20 years
- An operational referendum is outside of the tax cap. (everybody contributes)

# Impact

- Homeowners
  - Renters
  - Fixed Income
  - Farm Land
- Commercial Property
  - Below the Cap
  - Above the Cap



VCSC's  
tax  
impact  
has been  
steady.

2010:	0.7513
2011:	0.738
2012:	0.7639
2013:	0.7748
2014:	0.7852
2015:	0.7878
2016:	0.7724
2017:	0.7903
2018:	0.8015
2019:	0.7537

A \$200 million capital referendum to transform VCSC  
would cost the owner of a \$200,000 home

\$0.3781

(19 years 8 months)

Gross Home Value = \$200,000	Y = \$369.59	M = \$30.80
1 acre ag. land = \$1,560.00	Y = \$ 5.90	M = \$ 0.49
\$100,000 Commercial Property	Y = \$378.10	M = \$31.51

A \$100 million capital referendum to transform VCSC  
would cost the owner of a \$200,000 home.

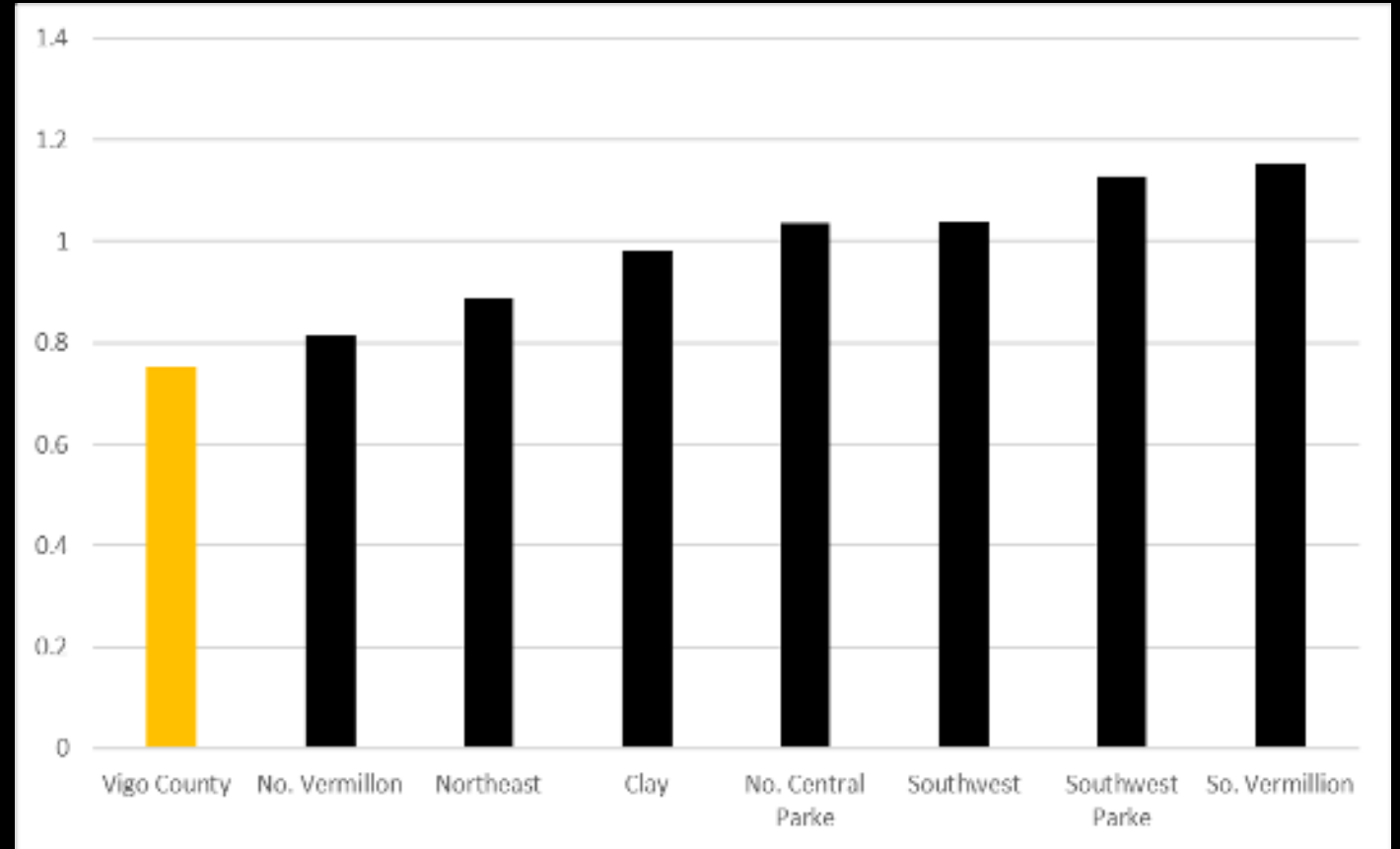
\$0.1891

(19 years 8 months)

Gross Home Value = \$200,000	Y = \$184.59	M = \$15.40
1 acre ag. land = \$1,560.00	Y = \$ 2.95	M = \$ 0.25
\$100,000 Commercial Property	Y = \$189.10	M = \$15.76

# VCSC receives far less investment from county taxes than our neighbors

Vigo County	0.7537
No. Vermillion	0.8135
Northeast	0.8897
Clay	0.9816
No. Central Parke	1.0361
Southwest	1.039
Southwest Parke	1.1284
So. Vermillion	1.1554



## Tax Cap Impact

2010	-\$3,115,579.72
2011	-\$2,921,100.16
2012	-\$3,845,589.21
2013	-\$4,176,950.93
2014	-\$4,579,185.75
2015	-\$4,740,898.22
2016	-\$5,058,868.95
2017	-\$5,678,691.27
2018	-\$5,467,285.09

# Tax rates of our peer group

District	Tax Rate	AV – Billion(s)
M.S.D. Wayne	1.8916	1.9
M.S.D. Perry	1.5594	3.4
Noblesville	1.4798	3.6
M.S.D Warren	1.4082	2.6
M.S.D. Lawrence	0.9588	5.0
Tippecanoe	0.8562	4.3
Carmel-Clay	0.8251	9.7
Vigo County	0.7537	4.1
Monroe	0.6313	6.8

# Collective Tax Rate

STATS Indiana  
Indiana's Public Data  
Utility

Vigo	2	TERRE HAUTE CITYHARRISON TOWN	4.1456	93
Vigo	9	TERRE HAUTE CITY - LOST CREEK	4.1231	97
Vigo	23	TERRE HAUTE CITY - RILEY TOWN	4.1066	98
Vigo	14	TERRE HAUTE CITY -OTTER CREEK	4.1029	100
Vigo	5	TERRE HAUTE CITY - HC TWNSHIP	4.0943	101
Vigo	22	WEST TERRE HAUTE TOWN	3.7413	158
Vigo	10	SEELYVILLE TOWN	2.5704	582
Vigo	20	RILEY TOWN	2.5231	611
Vigo	19	RILEY TOWNSHIP - SANITARY	2.462	668
Vigo	24	LINTON TOWNSHIP - SANITARY	2.4396	685
Vigo	4	HONEY CREEK TOWNSHIP - SAN	2.4283	691
Vigo	13	OTTER CREEK TOWNSHIP - SAN	2.261	817
Vigo	8	LOST CREEK TOWNSHIP - SAN	2.2379	829
Vigo	52	HARRISON SANITARY	2.1929	854
Vigo	21	SUGAR CREEK TOWNSHIP	2.1323	903
Vigo	1	FAYETTE TOWNSHIP	2.1264	915
Vigo	17	PRAIRIETON TOWNSHIP	2.1093	925
Vigo	18	RILEY TOWNSHIP	2.1044	929
Vigo	16	PRAIRIE CREEK TOWNSHIP	2.1028	932
Vigo	3	HONEY CREEK TOWNSHIP	2.0707	967
Vigo	12	OTTER CREEK TOWNSHIP	1.9034	1155
Vigo	25	FAYETTE NEW GOSHEN FIRE	1.8997	1164
Vigo	15	PIERSON TOWNSHIP	1.889	1180
Vigo	11	NEVINS TOWNSHIP	1.8844	1182
Vigo	7	LOST CREEK TOWNSHIP	1.8803	1192
Vigo	6	LINTON TOWNSHIP 1	.854	1233

## Chapter Five: Solutions

A strong school system can attract growth  
in Vigo County



# There is no simple solution to address both current needs and future needs

- Do we consider a 8 million dollar reduction?

(Does not address staffing)

- Do we consider a 8 million dollar operational referendum?

- (Does not address staffing)

Do we consider a 10 + million dollar operational referendum?

(Address staffing)

or

- Do we consider a combination of the two approaches?

# There are several tried-and-true ways to reduce costs

1. Restructure Buildings
2. Reduce Staff
3. Freeze wages
4. Buyout long-term staff
5. Restructure staff compensation
6. Continue ignoring years of service in hiring
7. Reduce transportation services

An operational referendum would be in effect  
for 8 years.

$$.0231\% = \$1 \text{ million}$$

# Operational Referendums...

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must be approved by  
the voters.



are funded by property  
taxes.



stay in place for 8  
years.



are outside of the tax  
cap. (everybody  
contributes)

# Everyone contributes to an operational referendum

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Homeowners

---

Renters

---

Fixed income

---

Farmland owners

---

Commercial property owners

---

Those below the cap

---

Those above the Cap

\$10,000,000.00 Operating Referenda:  
Summary of Estimated Taxpayer Impact –  
Yearly & Monthly

\$0.2318  
(8 years)

Gross Home Value = \$100,000.00	Y = \$ 75.91	M = \$ 6.33
Gross Home Value = \$200,000.00	Y = \$226.58	M = \$18.88
1 acre AG land = \$1,560.00	Y = \$ 3.62	M = \$ 0.30
\$100,000.00 Commercial Property	Y = \$231.80	M = \$19.32

The best course is a combination of budget reduction and an operational referendum



VCSC will trim \$4 million in operating costs.



Community will fund a \$7 million operational referendum for safety, health, wellness, transportation, and staffing.



These measures will secure VCSC's finances for future growth.

# \$7,000,000.00 Operating Referenda: Summary of Estimated Taxpayer Impact – Yearly & Monthly

\$0.1622  
(8 years)

Gross Home Value = \$100,000.00	Y = \$ 53.12	M = \$ 4.43
Gross Home Value = \$200,000.00	Y = \$158.55	M = \$13.21
acre AG land = \$1,560.00	Y = \$ 2.53	M = \$ 0.21
\$100,000.00 Commercial Property	Y = \$162.20	M = \$ 13.52



An operational referendum will significantly impact the capital referendum.

If Vigo County wants to maintain or compete for state-wide population growth, our schools must stay committed to safety, security, wellness and transportation while continuing to provide an excellent staff.

No stream rises higher than its source!