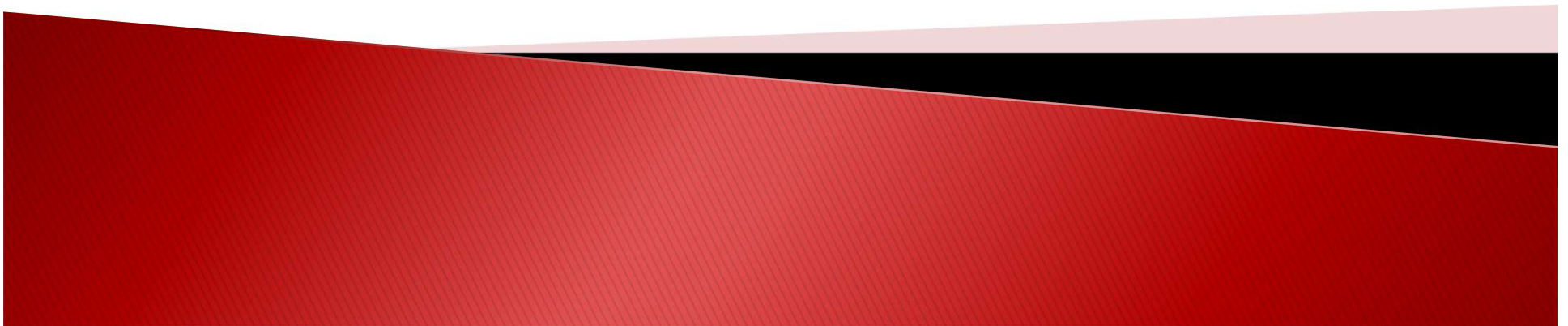


West Lafayette Community School Corporation: Budget and Referendum

May 22, 2023

Larry DeBoer



Characteristics of the West Lafayette School Corporation

Measure	West Lafayette	Indiana Median/Average
Land Area (square miles)	4.3	105.2
Enrollment, 2023	2,420	1,776 (median)
Enrollment Growth, 2013-2023 (Public Corps.)	9.8%	-2.0%
Average Household Adjusted Gross Income (2020, 47906 zip)	\$83,243	\$65,650
Net Assessed Value per Pupil, 2023	\$482,723	\$387,233 (median)



2023 West Lafayette School Corporation Budget

Fund Name	2023 Certified Budget	2023 Certified Levy	2023 Certified Net Assessed Valuation	2023 Certified Tax Rate
REFERENDUM	8,228,714	7,072,079	1,911,372,791	0.3700
RAINY DAY	1,200,000	-	1,168,188,843	-
DEBT SERVICE	6,152,155	6,279,015	1,168,188,843	0.5375
EDUCATION	17,568,525	-	1,168,188,843	-
OPERATIONS	5,876,660	4,065,297	1,168,188,843	0.3480
TOTAL	39,026,054	17,416,391		1.2555

The Referendum Levy is 41% of the total levy, and 18% of the total budget.

West Lafayette CSC Tax Referendum, May 2010

- ▶ May 2010 primary election.
- ▶ Proposed tax rate maximum 43 cents per \$100 Assessed Value for a period of 7 years.
- ▶ Passed. Yes, 2,729 (65.5%); No, 1,435 (34.5%).
- ▶ Tax rate first levied in calendar 2011.
- ▶ Tax rate set at 37 cents in each year.




West Lafayette CSC Tax Referendum, May 2017

- ▶ May 2017 primary election.
- ▶ Proposed tax rate maximum 37 cents per \$100 Assessed Value for a period of 7 years.
- ▶ Passed. Yes, 2,105 (94.3%); No, 128 (5.7%).
- ▶ Tax rate continues at 37 cents each year.



Referendum Revenue and Tax Increment Finance (TIF)

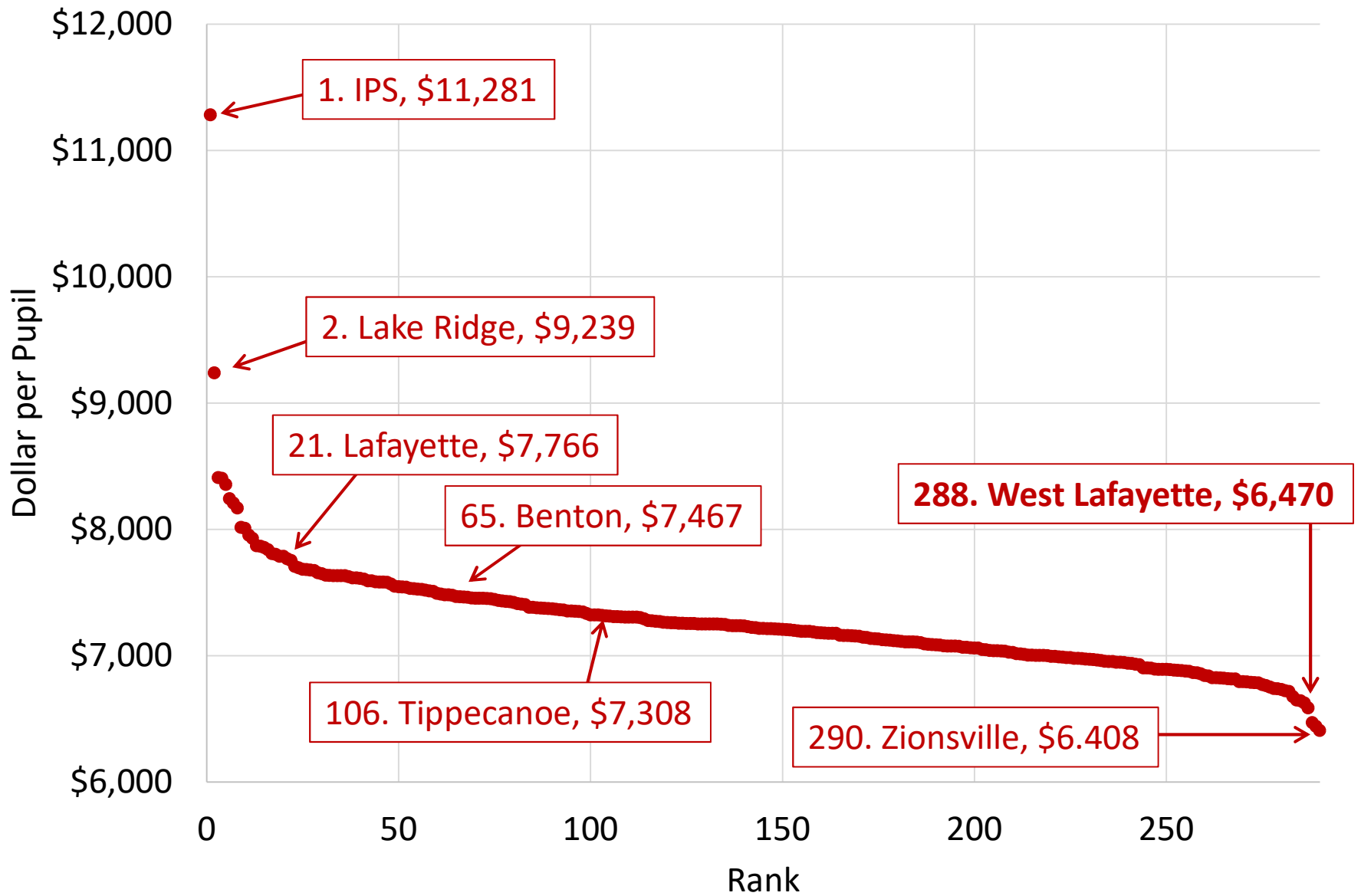
- ▶ West Lafayette's referendum rate applied to Net Assessed Value including TIF NAV.
 - ▶ Net Assessed Value for referendum rate = \$1,911 million; NAV for other tax rates = \$1,168 million. Referendum rate raises 63% more revenue per penny.
 - ▶ 39% of West Lafayette CSC's net AV is in TIF districts. The statewide average is 9%.
 - ▶ Controversy during West Lafayette's May 2010 referendum. Higher rate would provide more funds for tax increment finance districts as well as West Lafayette Schools.
 - ▶ The Indiana General Assembly to exempted referendum rates from TIF the next year.
- 

Indiana School Funding Formula

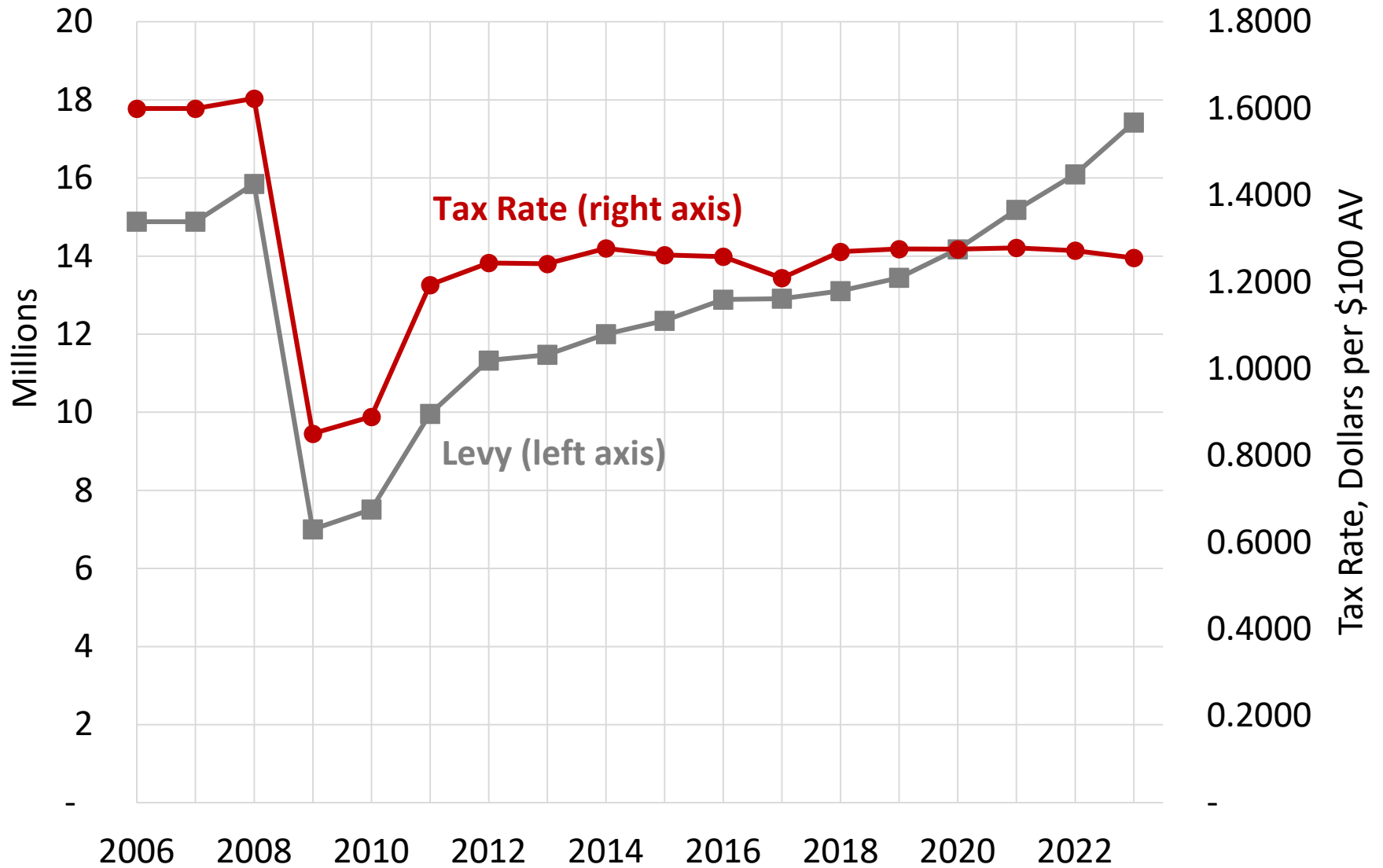
- ▶ In FY 2022 West Lafayette Schools received \$15.3 million in state tuition aid. \$14.1 million came from the basic grant.
- ▶ The basic grant has foundation and complexity components. The foundation component was calculated as \$5,995 per ADM.
- ▶ The complexity grant was based on the share of students eligible for SNAP (food stamps), TANF (Federal welfare) or Foster Care. Essentially, school corporations received an added \$3,775 per eligible pupil.
- ▶ Because West Lafayette is a high income community, the school district receives less from the complexity component than do most districts.



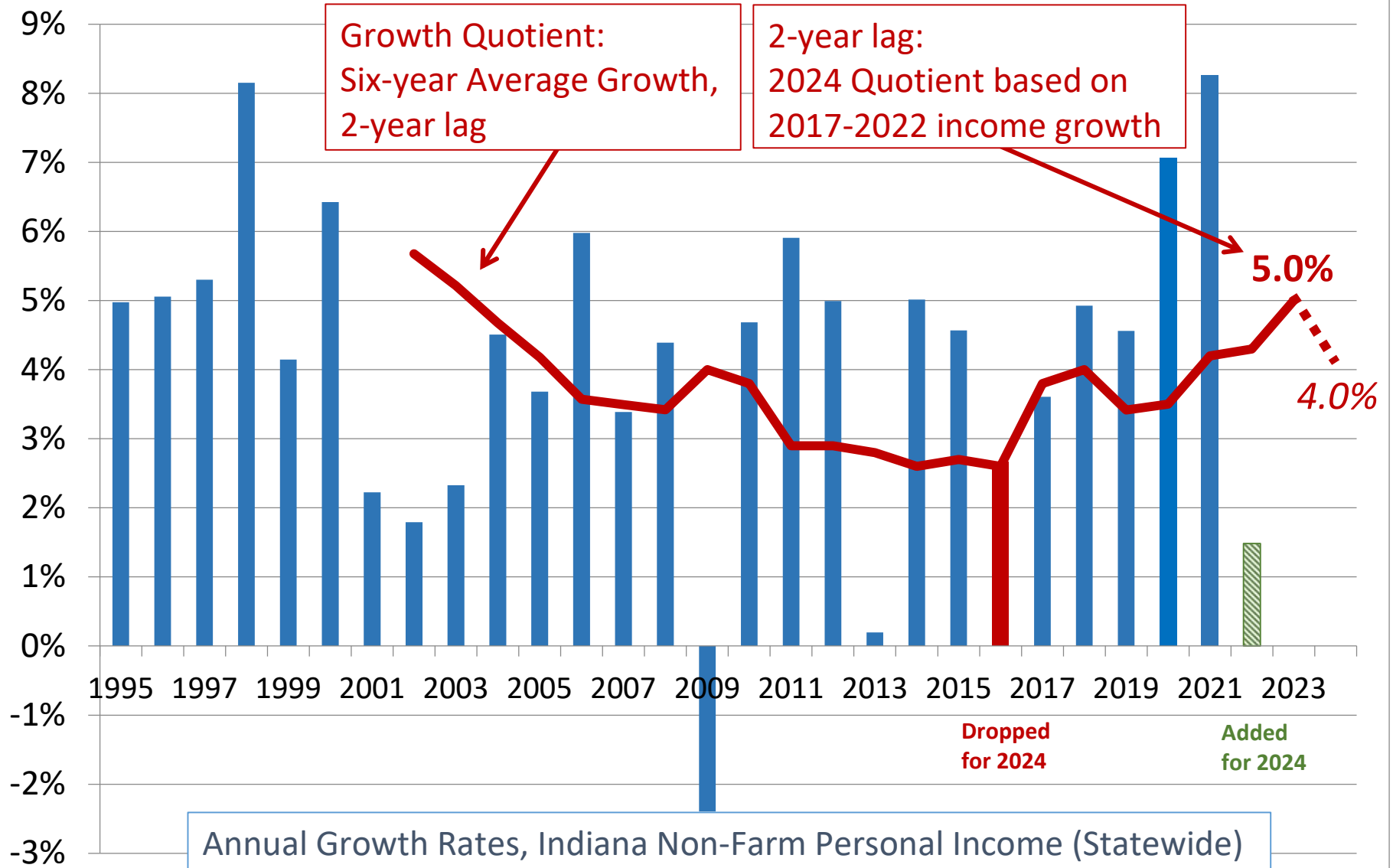
Total Tuition Support per Pupil, FY 2022



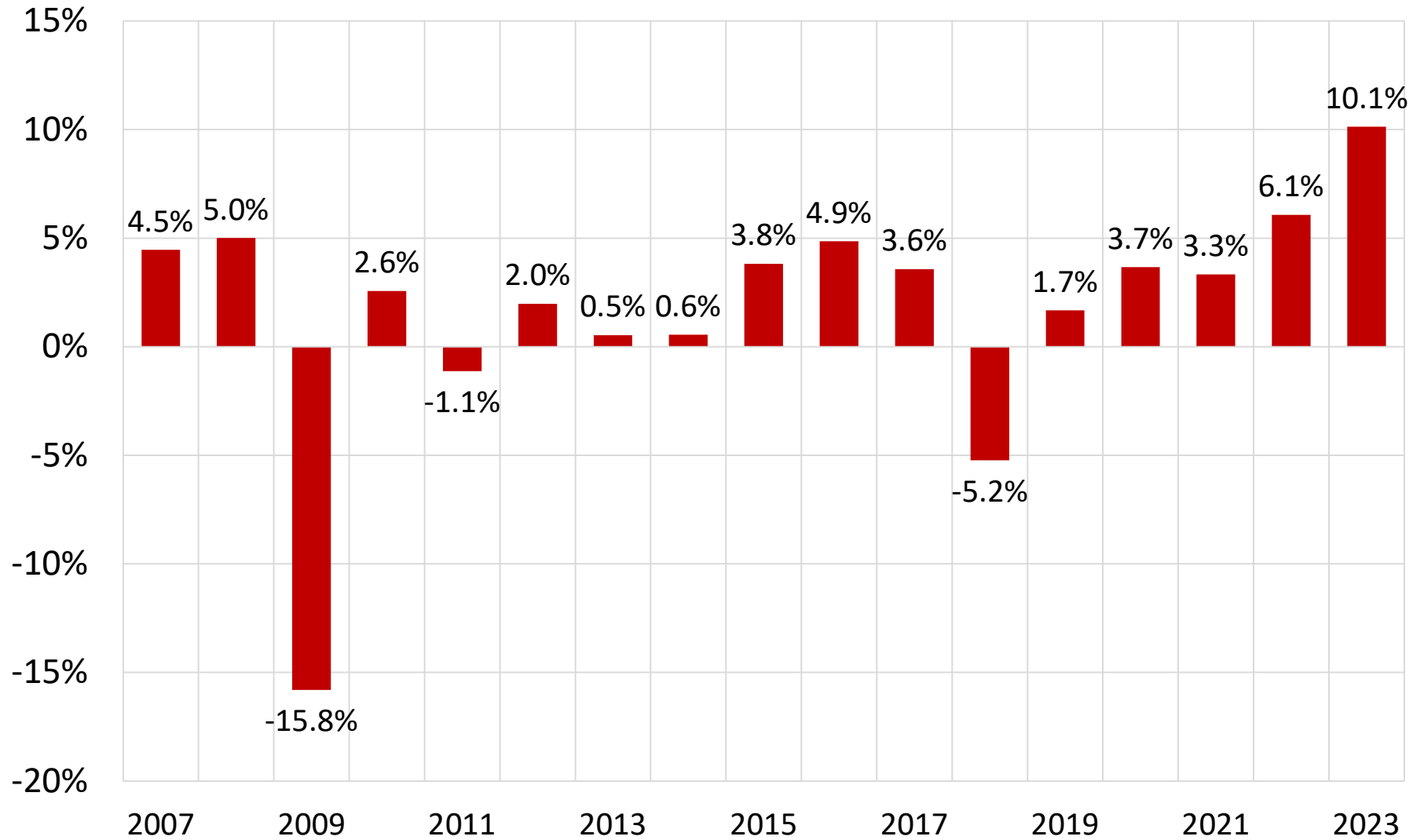
West Lafayette Schools, Total Levy and Total Tax Rate, 2006-23



Calculation of Property Tax Maximum Levy Growth Quotient 2002 - 2023 and Estimate for 2024



West Lafayette Schools, Percent Change in Net Assessed Value (General, TIF excluded)



Series1

Property Tax Rate Percentiles, 2023

Unit Rates, Counties, Cities/Towns and School Corps.

Percentile	Counties	Cities/ Towns	School Corps.
10%	0.2898	0.2926	0.7053
25%	0.3676	0.5230	0.8454
50% (median)	0.4706	0.8506	0.9712
75%	0.6278	1.2796	1.1971
90%	0.8310	1.8085	1.4716

Tippecanoe County: 0.4156

West Lafayette City: 0.8709

W. Lafayette Schools: 1.2555

Property Tax Rate Percentiles, 2023

District Rates, City/Town and Rural

Percentile	All Districts	City/Town Districts	Rural Districts
10%	1.3042	1.6919	1.1839
25%	1.5586	2.0509	1.3832
50% (median)	1.9660	2.5659	1.6344
75%	2.6160	3.1137	1.9201
90%	3.3493	3.9879	2.3008

WLCSC: WL City & Library: 2.7737

WLCSC: WL City, Tipp. Lib.: 2.6573

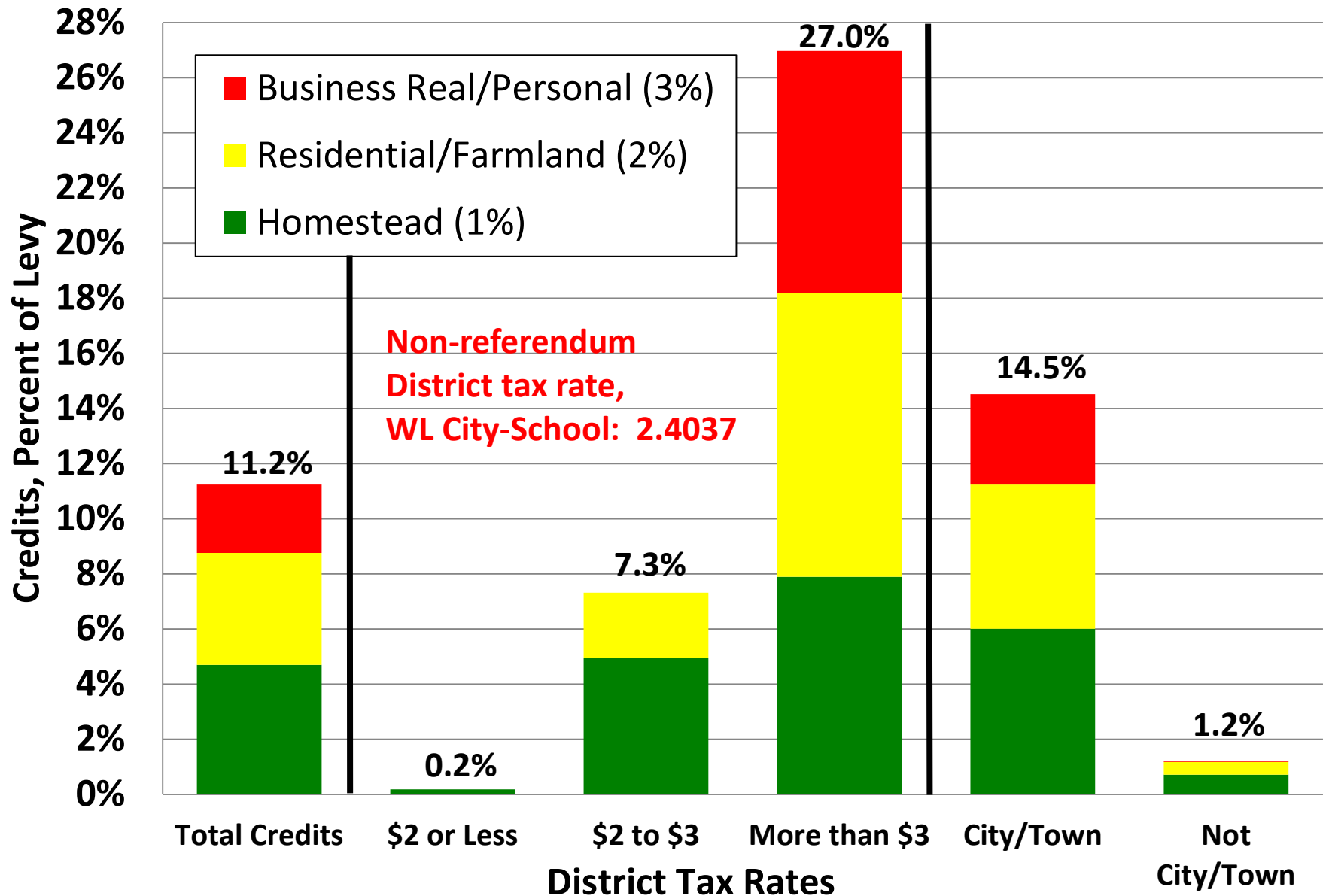
WLCSC: outside WL City: 1.9118

Constitutional Property Tax Caps

- ▶ Limit taxpayer property tax bills to percentages of gross assessed value, 1% for homesteads, 2% for other residential and farmland, 3% for business real and personal.
- ▶ Tax bills are reduced to cap levels with tax cap credits, which are subtracted from tax bills to bring them down to the caps.
- ▶ Credits are money that taxpayers do not pay, and revenue that local governments do not receive.



Tax Cap Credits as Percent of Levy, 2023



West Lafayette Schools Circuit Breaker Credits, 2023

- ▶ Total Credits: \$1,258,149
- ▶ Total Levy: 17,416,391
- ▶ Credits % of Levy: **7.2%**

But all the credits are subtracted from the operations fund

- ▶ Operations Fund: \$4,065,297
- ▶ Credits % of Op. Fund: **30.9%**

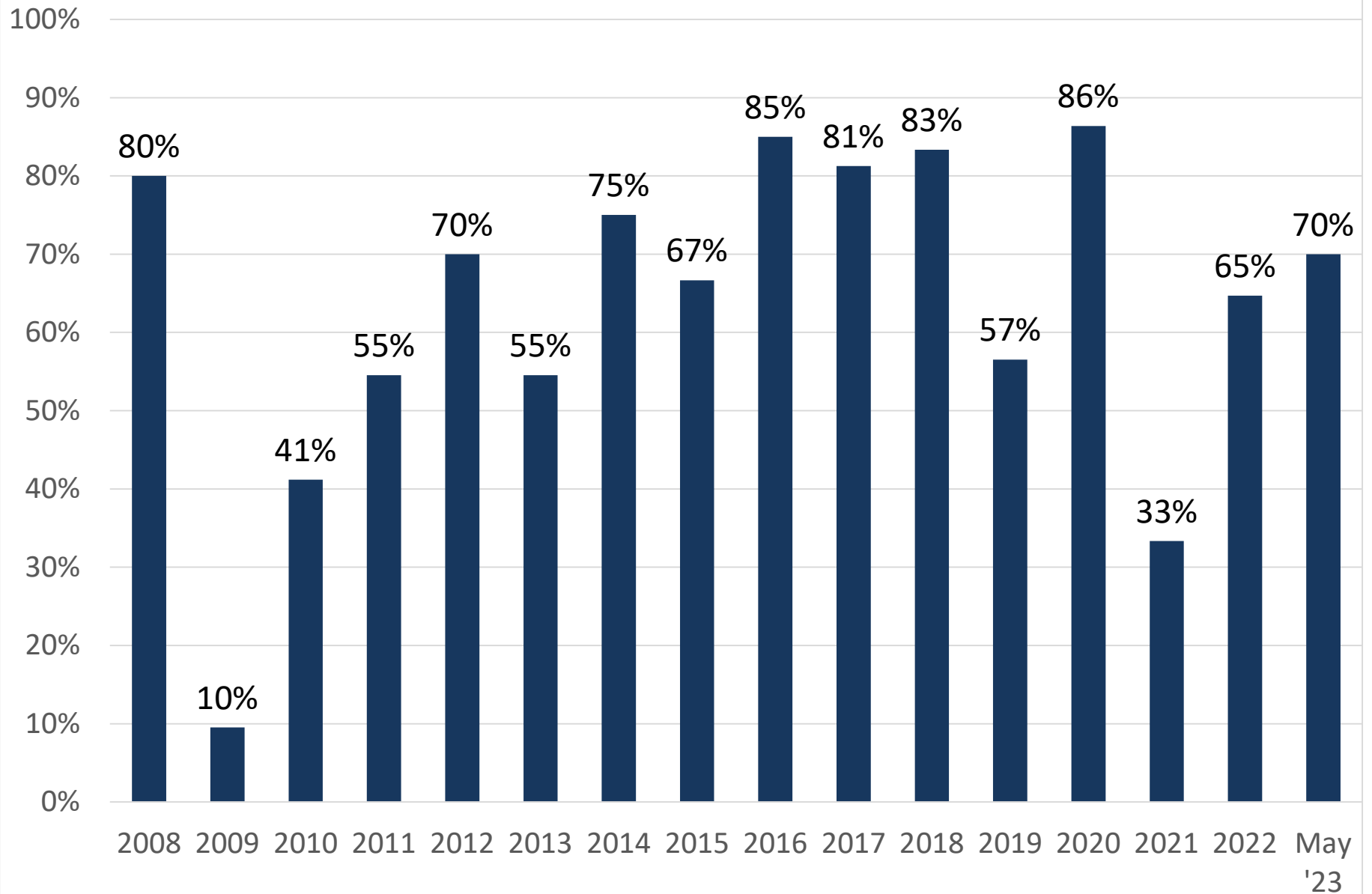


School Referendum Results, May 2023

Unit	County	Project	Amount (mil)	Tax Rate	Percent Voting Yes
Clinton Central	Clinton	Operating		0.1500	83.6%
Fremont	Steuben	Operating		0.1963	45.9%
IPS	Marion	Capital	410.0	0.2066	59.2%
Warren Twsp.	Marion	Operating		0.3000	52.3%
Mishawaka	St. Joseph	Operating		0.2434	62.2%
Highland	Lake	Operating		0.3204	47.7%
Munster	Lake	Operating		0.4196	72.1%
Speedway	Marion	Operating		0.5900	79.2%
Tri-County	Benton, Jasper, White	Operating		0.2737	58.7%
Tri-Creek	Lake	Operating		0.2050	34.1%

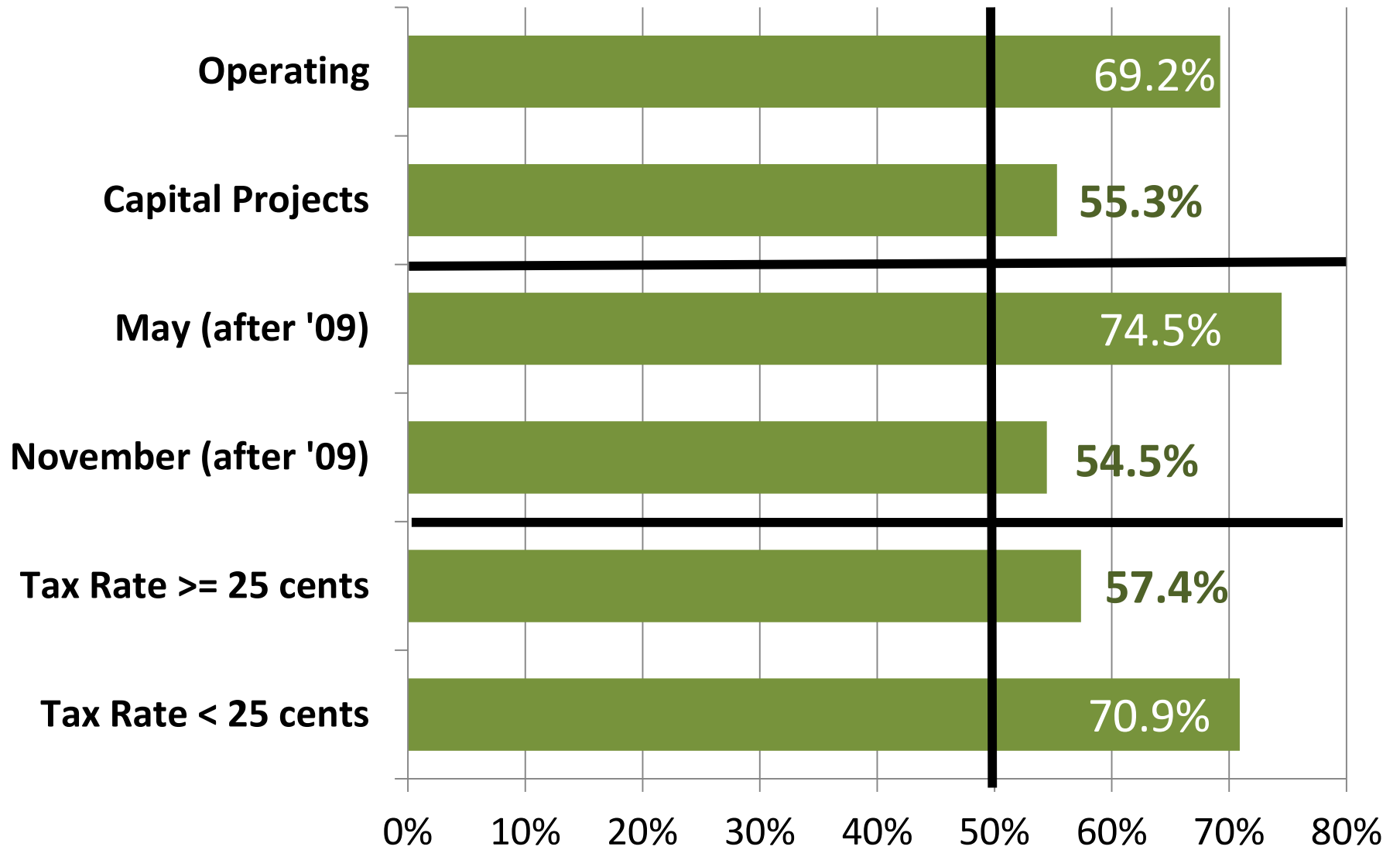


Percentage of School Referenda Passed, by Year, 2008-2023



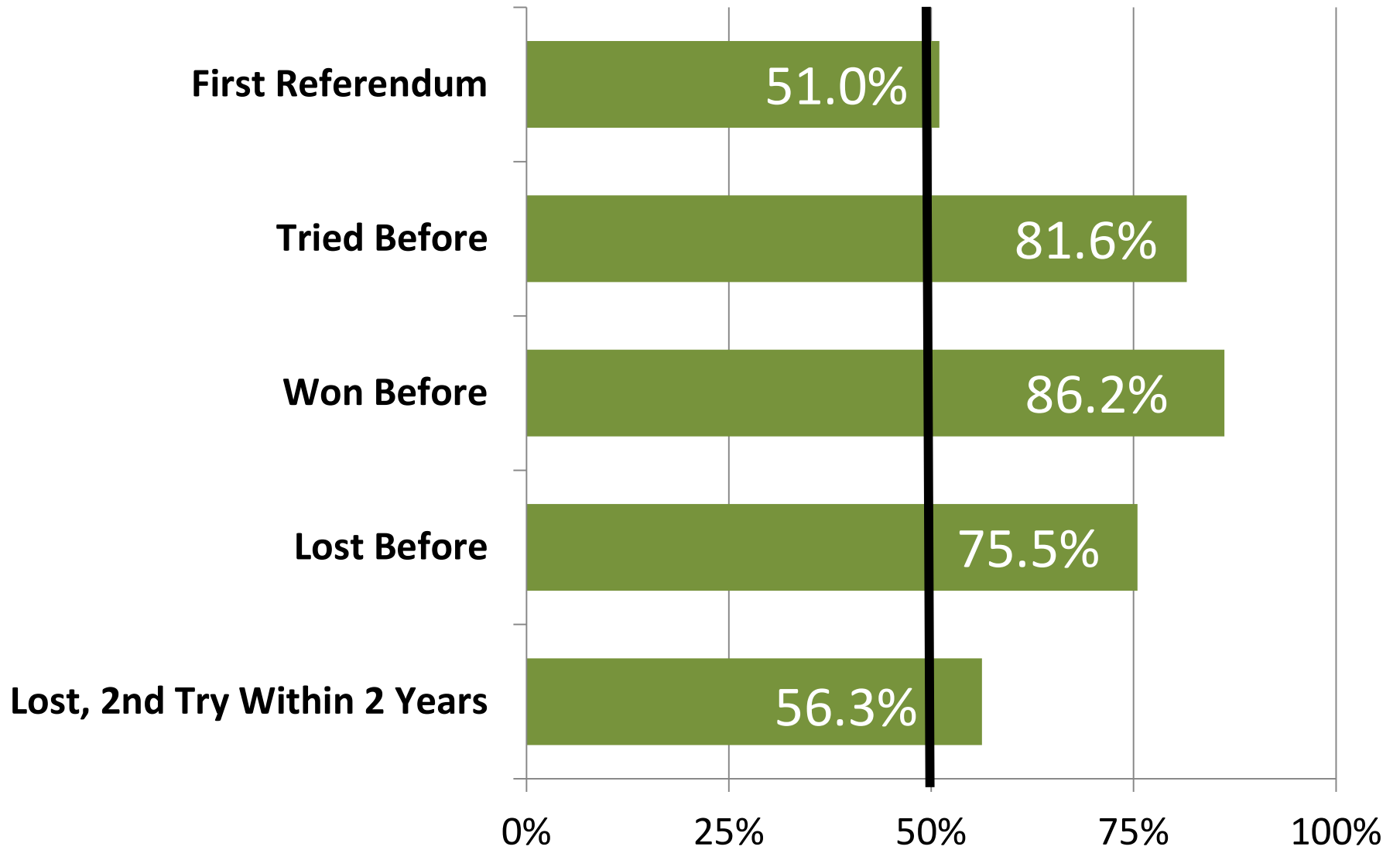
Indiana School Referenda Splits

Percent of Passed Referenda out of Total



Indiana School Referenda Splits

Percent of Passed Referenda out of Total



Change in Yes-Vote Percent Since Last Referendum

	Percent Yes, May '23	Most Recent Previous	Percent Yes, Previous	Change in Yes Percent
Clinton Central	83.6%	2016	63.9%	19.7%
Fremont	45.9%	2015	55.6%	-9.7%
IPS	59.2%	2018	71.2%	-12.0%
Warren Twsp.	52.3%	2018	65.0%	-12.7%
Mishawaka	62.2%	2016	70.7%	-8.5%
Highland	47.7%	Rookie		
Munster	72.1%	2017	67.9%	4.2%
Speedway	79.2%	2016	90.0%	-10.8%
Tri-County	58.7%	2017	92.0%	-33.3%
Tri-Creek	34.1%	Rookie		



Summary

- ▶ Referendum revenues are very important in the West Lafayette Schools budget.
- ▶ The referendum rate applies to assessed value in TIF districts, so it delivers much more revenue per penny.
- ▶ West Lafayette Schools get less state support than all but two other districts in Indiana.
- ▶ West Lafayette Schools' tax rate is in the top quarter among Indiana school districts. Taxpayers in West Lafayette pay rates higher than the median, but less than the 75th percentile.
- ▶ West Lafayette Schools' losses to circuit breaker credits are 7% of the levy, less than the state average of 11. District rates are less than \$3.
- ▶ The referendum was supported by 94% of voters in May 2017.
- ▶ 86% of all school corporations who have won before, win again.



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