



Gary Community School Corporation
Doing What is Best for Students - Today - Tomorrow - Everyday

EMERGENCY MANAGER REPORT

DISTRESSED UNIT APPEALS BOARD (DUAB)

March 12, 2020

Prepared by



**Gary
Schools
Recovery, LLC**



Distressed Unit Appeals Board

Emergency Manager Report

Prepared by Gary Schools Recovery, LLC

March 12, 2020

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I.0 EMERGENCY MANAGER UPDATE

ACCOMPLISHMENTS

- ◆ Finalized the 2019/20 Federal Programs grant and re-submitted to DOE for final approval. Facilitated professional development training for the clerical staff on invoice procedures and proper documentation that is needed. Met with a legal team that we hired to help with our policies and procedures as well as a procurement manual. They will be back in March to give training to staff and help us finalize our manual. They will then conduct a mock internal audit to help us identify areas of need.
- ◆ I met with Gary Housing Authority administration to discuss building sales as well as a partnership going forward. I was informed that they are in the process of closing two of the section 8 projects down by the end of the school year. I am now working with them to get the numbers of how many students live in those particular units as it may impact our enrollment. These families will be receiving vouchers in the near future and can relocate wherever they find viable housing. I was invited to start attending their monthly board meetings and I plan on doing so.
- ◆ I met with Chuck Hughes, the President of the Chamber of Commerce. We discussed how the chamber and schools partner on a number of events and that we will continue to do so. I will start attending the monthly chamber meetings. My goal is to collaborate with the chamber on how we can initiate some new opportunities within our schools with their support.
- ◆ I met with the Chief of Police to discuss security in our schools. I offered to open all of our schools to the officers for lunch if they will come in as they have time to sit and have lunch with our kids. This will increase positive interactions between our kids and the police as well as offer positive male/female role models. We have had many police officers entering the schools to have lunch already.
- ◆ I met with the interim Dean of IUN, Mark Sperling, to discuss partnering with their education department for student teachers as well as starting a cohort program to grow our own teachers. We have developed an MOU and hope to have this solidified by next month to begin promoting. We will be using part of our Title money under “retention and recruitment” to pay for any of our paraprofessionals who have Associates degrees to get a BA in teaching if they sign a 3-year commitment with us. We will also offer for any one of our teachers who has a BA who want to get a MA plus 18 a cohort so that we can begin offering dual credit classes. This cohort will begin this summer.
- ◆ I traveled to Kokomo to visit their CTE program and also look at their guidance counselor procedures and data collection. Upon return, I scheduled our CTE Director to go to Kokomo to visit and she will go there the third week of March. She will be learning how to start our 8th graders in the CTE program to enhance our efforts in graduation pathways as well as retaining students from 8th grade to high school.

- ◆ I have held two principals meetings to begin working on the process of them talking and looking at systems that need to be put in place consistently across the district. We are planning for next year and will have a comprehensive plan mapped out in the next few months.
- ◆ I have met with HR to discuss the challenges within that department. Together we are formulating an action plan on the systems that need to be in place and will have executable plan started within the next few months (some of the immediate items include signing up for job fairs, refining our documentation methods and establishing training for the district on mandatory trainings such as social media use, etc.).
- ◆ I met with the President of the Union as well as the Regional representative for AFT. We discussed some small personnel issues that we resolved as well as discussed the length of the school day for students and staff. We agreed to meet at least monthly to work on a plan moving forward.
- ◆ We partnered with Sylvan Learning Center to offer tutoring sessions to our seniors to assist them in passing the ASVAB test. This testing and tutoring began in March.
- ◆ We have initiated a team to start putting together a school pandemic plan. We are meeting this week with the Health department, city officials and our school nurses to develop a protocol. In addition, we are posting signs in all of the students' bathrooms on hand washing protocol. I am also working with my principals on developing plans in case we have to close the schools temporarily. We are collaborating with our neighboring districts on this effort.

2.0 COMMUNICATIONS REPORT



Gary Schools Communications Update

3/12/2020

Social Media Snapshot

 **6,475**
Followers as of March 3, 2020

 **347**

 **205**



GCSC Connections Corner Newsletter



As Seen Around the District Black History Celebrations



As Seen Around the District Dads and Donuts at Bethune



As Seen Around the District

Congratulations to our West Side Leadership Academy orchestra students Samuel Coleman and Naomi Martin who earned a gold medal and a gold medal with distinction respectively in the ISSMA competition in Indianapolis on Feb. 29!



As Seen Around the District

We welcomed Dr. Paige McNulty to her new role as Interim Emergency Manager. Community Meet and Greets are being planned for the upcoming weeks.



Upcoming Dates in the District

March 10th - Advisory Board Meeting

March 12th - DUAB Meeting in Indianapolis

March 17th - GCSC on WLTH Radio

March 20th - Professional Development Day

March 20th - Emerson VPA Teacher Reunion

March 23-27 - Spring Break

March 31st- Fiscal Management Board Meeting

3.0 OUTLINE OF EARLY RETIREMENT PROGRAM

GCSC proposes to offer an early retirement package in the spring of 2020.

- ◆ Teachers at least 60 years old and with at least 10 years of service with the district would be eligible
- ◆ Approximately 119 teachers meet the criteria for participation
- ◆ The target number of participants is 35
- ◆ Participants would receive a cash payment
- ◆ Timing of program registration would be March 18 through April 10
- ◆ The program would be implemented at the end of 2019-20 school year

The early retirement package will require approval from the following organizations.

- ◆ The GCSC Teachers Union
- ◆ Indiana Education Employment Relations Board

4.0 VIABLE DEFICIT REDUCTION PLAN UPDATE #4

EXECUTIVE SUMMARY AND DEFICIT REDUCTION BY INITIATIVE AND YEAR

VIABLE DEFICIT REDUCTION PLAN UPDATE #4

DISTRESSED UNIT APPEALS BOARD (DUAB)

Executive Summary and Deficit Reduction by Initiative and Year

February 29, 2020



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I.0 EXECUTIVE SUMMARY UPDATE #4 FEBRUARY 29, 2020

SUMMARY STATEMENT

As of December 2019, the Gary Community Schools Corporation (GCSC) projects an annual operating fiscal deficit of approximately \$6,000,000. The projected annual deficit has decreased from approximately \$11,000,000 in January 2019 and \$18,000,000 in January 2018 when the original Viable Deficit Reduction Plan (VDRP) was presented. When Gary Schools Recovery LLC (GSR) began serving as Emergency Manager in August 2017, GCSC's annual operating fiscal deficit was approximately \$22,000,000.

In addition to the annual operating fiscal deficit, GCSC has accumulated long-term debt of approximately \$83,000,000 and short-term debt of approximately \$1,000,000 for a total debt of approximately \$84,000,000. The annual debt has decreased from approximately \$104,000,000 in June 2017. Of the \$104,000,000 of total debt in June 2017, approximately \$87,000,000 was long-term debt and approximately \$16,000,000 was short-term debt.

This report presents the original Viable Deficit Reduction Plan (VDRP), the first VDRP update (VDRPU1), second VDRP update (VDRPU2), the third VDRP update (VDRPU3), and the fourth VDRP update (VDRPU4). The original VDRP and the updated VDRPs document a credible plan for GCSC to eliminate the annual fiscal deficit and begin to pay down the accumulated long-term debt through 31 deficit reduction initiatives.

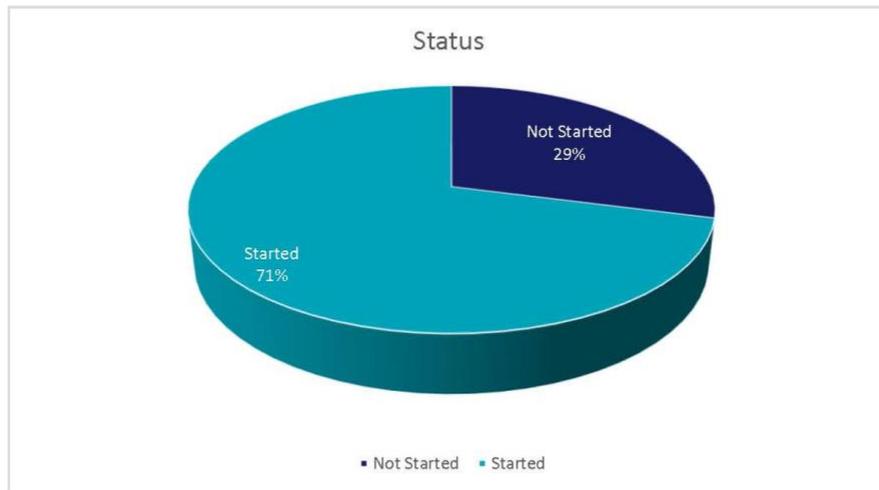


INITIATIVES STARTED AND START DATES

The original VDRP identified and documented 28 present and 3 future initiatives to eliminate the annual deficit and begin to pay down the accumulated long-term debt.

The following chart displays as of December 2019 the status of all 31 present and future initiatives in following three classifications.

1. Not started
2. Started
3. Completed



The following chart displays the start date of the 28 present initiatives. Each bar represents the number of initiatives starting by quarter and year.



VARIANCE ANALYSIS

Although more than two-thirds of the 31 identified initiatives have started, not every initiative that has started has begun to yield deficit reduction. For most initiatives, deficit reduction will follow significant precursor and foundational activities. These activities will yield deficit reduction in future months.

The following table highlights the variance between the projected deficit reduction and the actual deficit reduction both by initiative and in total as of December 2019.

INITIATIVE	VDRP SUBMITTED 01/31/18 PROJECTED DEFICIT REDUCTION AS OF DECEMBER 31, 2019	VDRP UPDATE #3 07/31/19 ACTUAL DEFICIT REDUCTION AS OF DECEMBER 31, 2019	VARIANCE	STATUS	ESTIMATED DEFICIT REDUCTION START DATE
2.A.	\$ 8,241,508	\$ -	\$(8,241,508)	Not started	Q3 2020
2.B.	\$507,500	\$475,888	\$(31,612)	Started	Q3 2018
2.C.	\$75,000	\$52,637	\$(22,363)	Started	Q1 2019
2.D.	\$5,000,000	\$ -	\$(5,000,000)	Not started	Q1 2020
2.E.	\$(500,000)	\$ -	\$500,000	Not started	Q3 2021
2.F.	\$2,600,400	\$(2,150,500)	\$(4,750,900)	Started	Q3 2018
2.G.	\$391,360	10,880	\$(280,480)	Started	Q3 2018
2.H.	\$315,677	\$ -	\$(315,677)	Not started	Q3 2021
2.I.	\$416,400	\$7,800	\$(378,600)	Started	Q3 2018
2.J.	\$190,933	\$38,147	\$152,786	Started	Q4 2018
2.K.	\$72,000	\$58,876	\$(13,124)	Started	Q1 2018
2.L.	\$80,000	\$80,000	\$ -	Started	Q2 2018
2.M.	\$715,732	\$798,734	\$83,002	Started	Q3 2018
2.N.	\$375,000	\$345,410	\$(29,590)	Started	Q1 2018
2.O.	\$2,015,504	\$26,389	\$(1,989,115)	Started	Q2 2019



INITIATIVE	VDRP SUBMITTED 01/31/18 PROJECTED DEFICIT REDUCTION AS OF DECEMBER 31, 2019	VDRP UPDATE #3 07/31/19 ACTUAL DEFICIT REDUCTION AS OF DECEMBER 31, 2019	VARIANCE	STATUS	ESTIMATED DEFICIT REDUCTION START DATE
2.P.	\$1,100,000	\$1,100,000	\$ -	Started	Q1 2018
2.Q.	\$(681,789)	\$ -	\$681,789	Not started	Q2 2020
2.R.	\$ 363,155	\$976,407	\$613,252	Started	Q3 2018
2.S.	\$630,000	\$1,901,445	\$1,271,445	Started	Q3 2018
2.T.	\$5,751,356	\$11,818,153	\$6,066,797	Started	Q3 2018
2.U.	\$1,796,190	\$821,695	\$(974,495)	Started	Q3 2018
2.V.	\$253,575	\$44,525	\$(209,050)	Started	Q2 2019
2.W.	\$ -	\$ -	\$ -	Started	Q4 2019
2.X.	\$(242,000)	\$(142,500)	\$99,500	Started	Q2 2018
2.Y.	\$(1,357,232)	\$(414,662)	\$942,570	Started	Q3 2018
2.Z.	\$ -	\$195,000	\$195,000	Started	Q1 2019
2.AA.	\$50,000	\$ -	\$(50,000)	Not started	Q1 2021
2.AB.	\$ -	\$ -	\$ -	Started	Q1 2018
3.A.	\$ -	\$ -	\$ -	Not started	TBD
3.B.	\$ -	\$ -	\$ -	Not started	TBD
3.C.	\$ -	\$ -	\$ -	Not started	TBD
Sum of All	\$ 8,160,268	\$16,174,324	\$(11,985,944)		

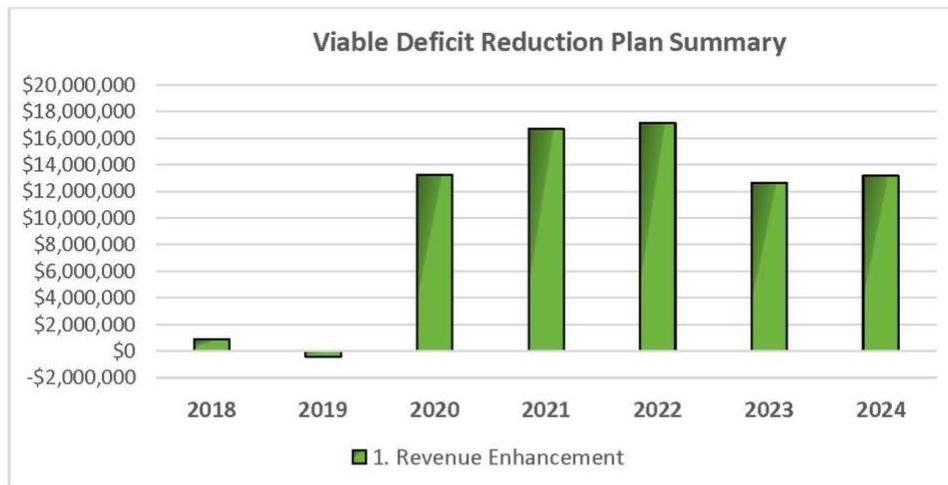
FISCAL IMPACT SUMMARY

The VDRP, VDRPU1, VDRPU2, VDRPU3 and VDRPU4 details 28 present and 3 future initiatives for GCSC to eliminate the annual deficit and begin to pay down the accumulated long-term debt. The present initiatives detailed in the VDRP, VDRPU1, VDRPU2, VDRPU3 and VDRPU4 may generate revenue, reduce costs, require an investment, or a combination of these actions. The net benefit for each present initiative is the sum of all revenue generated, costs reduced, or investment required for each initiative.

The charts on the following pages detail the fiscal impact of all VDRPU4 initiatives.

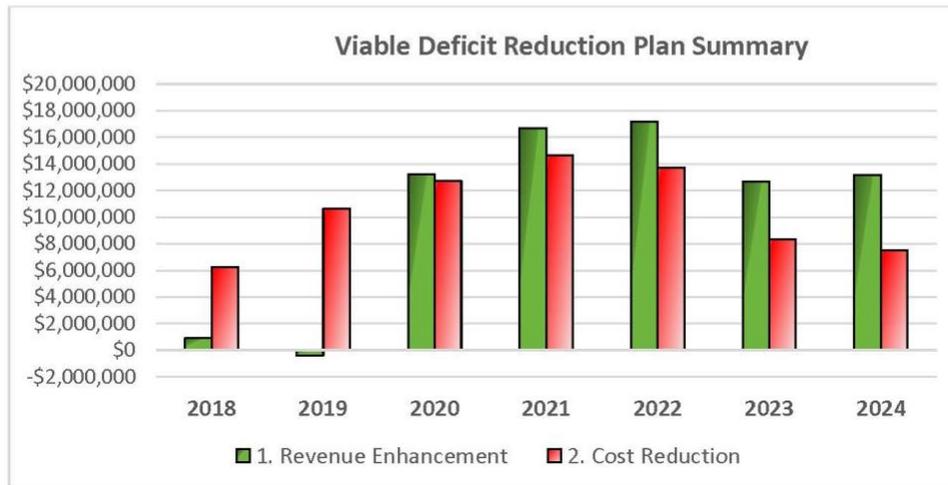
REVENUE ENHANCEMENT

The following chart details the sum of revenue generated for all present initiatives by year. Revenue generated is represented as the green bars.



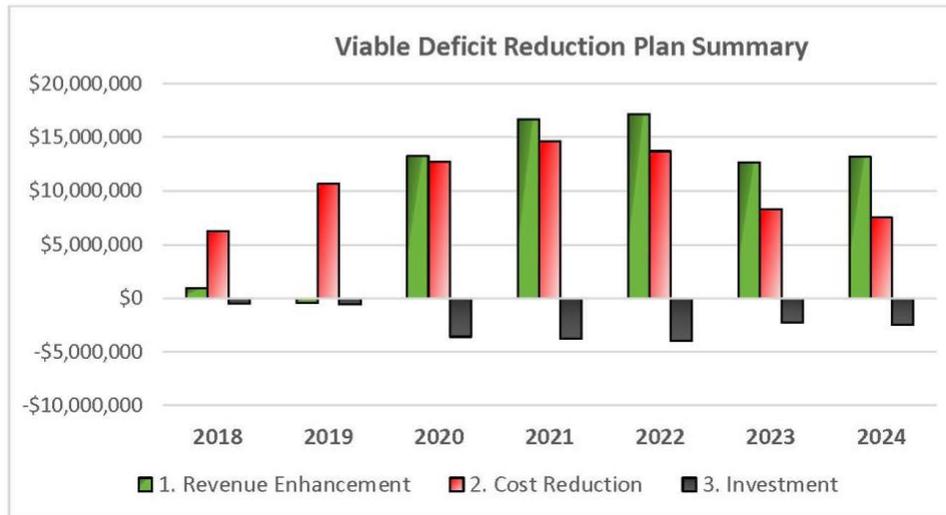
REVENUE ENHANCEMENT AND COST REDUCTION

The following chart details the sum of revenue generated and cost reductions for all present initiatives by year. Revenue generated is represented as the green bars. Cost reduction is represented as the red bars.



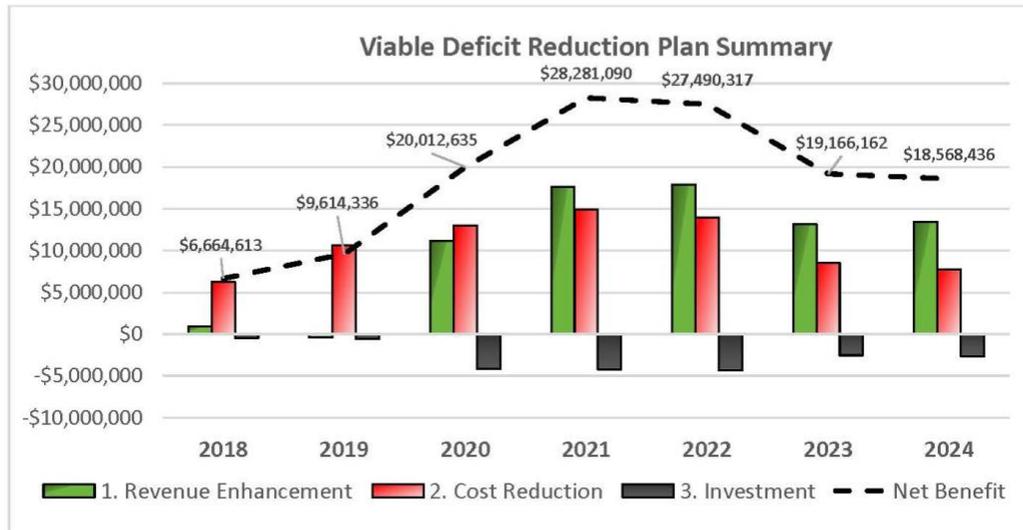
REVENUE ENHANCEMENT, COST REDUCTION, AND INVESTMENTS

The following chart details the sum of revenue generated, cost reductions, and required investments for all present initiatives by year. Revenue generated is presented as the green bars. Cost reduction is represented as the red bars. Required investments is represented as the black bars.



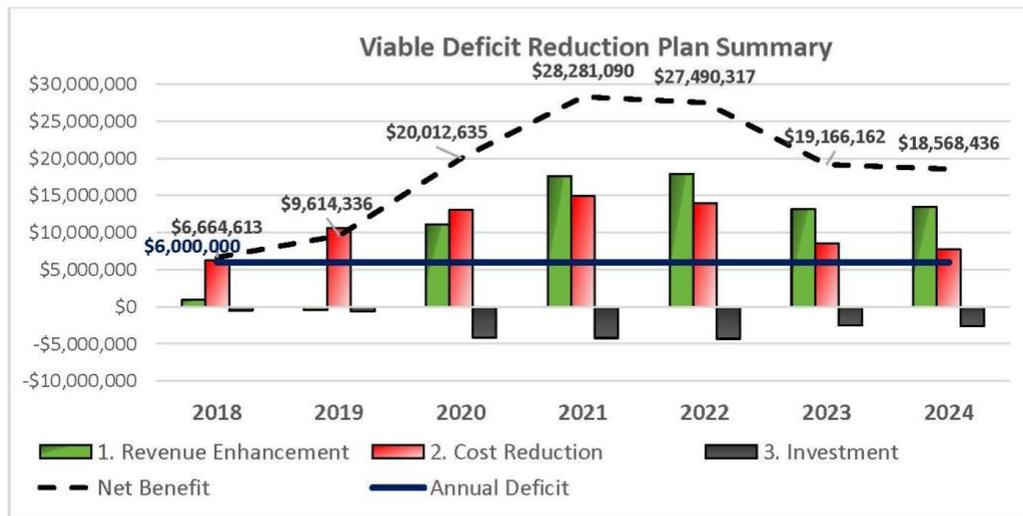
NET BENEFIT OF REVENUE ENHANCEMENT, COST REDUCTION, AND INVESTMENTS

The following chart adds the net benefit calculation and details the sum of revenue generated, cost reductions, and required investments for all present initiatives by year. Revenue generated is represented as the green bars. Cost reduction is represented as the red bars. Required investments are represented as the black bars. The net benefit is represented as the dashed line. The net benefit is the cumulative amount of all present initiatives by year.



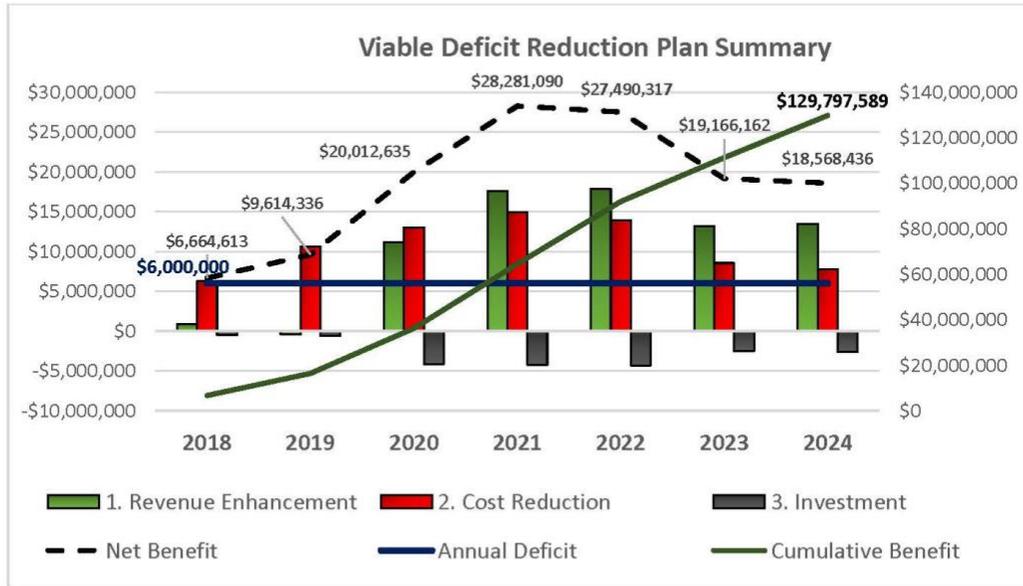
NET BENEFIT OF REVENUE ENHANCEMENT, COST REDUCTION, AND INVESTMENTS COMPARED TO ANNUAL DEFICIT

The following chart adds a horizontal blue bar representing the \$6,000,000 annual deficit of GCSC. As previously presented, the net benefit calculation details the sum of revenue generated, cost reductions and required investments for all present initiatives by year. Revenue generated is represented as the green bars. Cost reduction is represented as the red bars. Required investments are represented as the black bars. The net benefit is represented as the dashed line. The net benefit is the cumulative amount of all present initiatives by year.



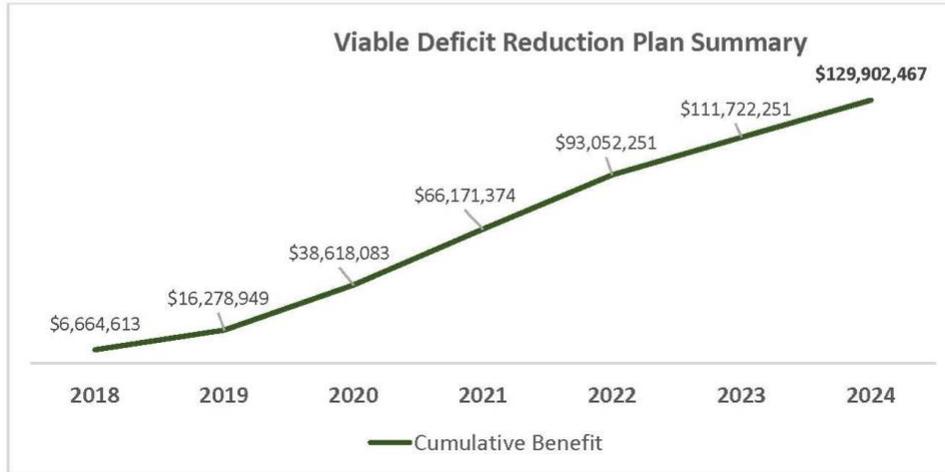
NET BENEFIT OF REVENUE ENHANCEMENT, COST REDUCTION, AND INVESTMENTS COMPARED TO ANNUAL DEFICIT WITH CUMULATIVE BENEFIT

The following chart adds a diagonal green line representing the cumulative benefit of all present initiatives and a right axis corresponding to the cumulative benefit. As previously presented, the net benefit calculation details the sum of revenue generated, cost reductions, and required investments for all present initiatives by year. Revenue generated is represented as the green bars. Cost reduction is represented as the red bars. Required investments are represented as the black bars. The net benefit is represented as the dashed line. The net benefit is the cumulative amount of all present initiatives by year.



NET FISCAL IMPACT

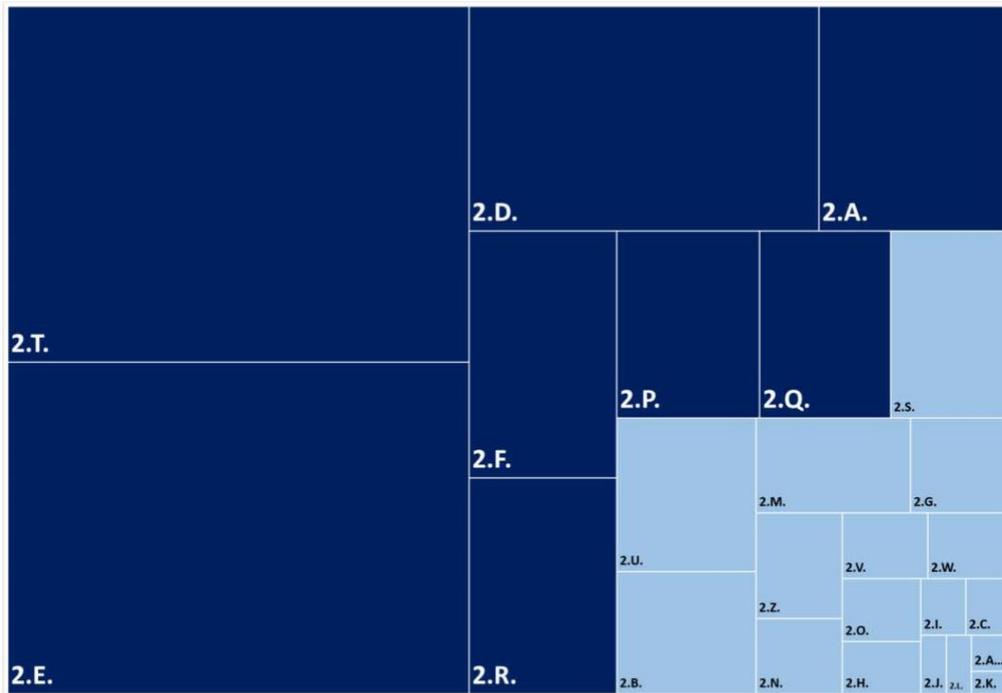
The cumulative net benefit of the VDRPU4 is approximately \$129,902,467 over a seven-year time frame represented in the chart below.



The VDRPU4 cumulative net benefit over a seven-year time frame is approximately \$22,000,000 or 14 percent less than the cumulative net benefit over a seven-year time frame in the original VDRP. Revisions to the future projected benefits of initiatives 2A – Suspend Common School Loan Payments, 2E – Local Referendum and 2I – Acquire/Implement On-line Program accounted for approximately \$20,000,000 of the \$22,000,000 (91%) of the net benefit reduction. Additional information for these revisions is provided in the body of this report (see applicable detail update information for each initiative).

INITIATIVES 7-YEAR NET BENEFIT

The following chart presents each present initiative in scale to the order of net benefit generated. The larger the box, the larger the net benefit. The number in the box corresponds to the initiative. Below this chart is a table of initiatives by number.



Approximately 82 percent of net benefits are derived from 8 initiatives, or 26 percent of the total initiatives, and are represented in the dark blue boxes.

1. 2.T. Reduction in Force and Attrition
2. 2.E. Local Referendum
3. 2.D. Pay for Success
4. 2.A. Suspend Common School Loan Payments
5. 2.F. Increase Enrollment
6. 2.R. Compete Custodian Services
7. 2.P. Reduce Cost of Employee Health Insurance
8. 2.Q. Building Energy Efficiency and Utility Rate Audit

All other initiatives derive the remaining approximate 18 percent of net benefits represented in the light blue boxes.

Please refer to the following table to crosswalk the initiative number to the initiative, presented in order from most to least net benefit.

LEGEND			
2.T.	Reduction in Force and Attrition	2.Z.	Sell Assets – Art, Buildings and Land
2.E.	Local Referendum	2.N.	Labor Cost Controls
2.D.	Pay For Success	2.V.	Relocate Administration Office
2.A.	Suspend Common School Loan Payments	2.W.	Negotiate Reduction of Legacy Accounts Payable
2.F.	Increase Enrollment	2.O.	Debt Restructuring
2.R.	Compete Custodian Services	2.H.	System of Great Schools
2.P.	Reduce Cost of Employee Health Insurance	2.I.	Acquire / Implement On-line Program
2.Q.	Building Energy Efficiency and Utility Rate Audits	2.C.	Maximize Medicaid Funds
2.S.	Compete Transportation Contract	2.J.	Community Crowdfunding
2.U.	School Closure / Consolidation	2.L.	Joint Purchasing Cooperative
2.B.	Maximize Federal Funds	2.AA.	Corporate Partners
2.M.	Food Service Fund Accounting	2.K.	Rent Building Space
2.G.	Co-location and Co-branding GACC and Ivy Tech		

SEA 567-2017 LEGISLATION

In 2017, the Indiana State Legislature passed Indiana Senate Enrolled Act 567 (SEA 567), which designated GCSC as a distressed political subdivision. This legislation also designated an Emergency Manager to assume operational control of GCSC. Effective August 1, 2017, GSR was named GCSC Emergency Manager and began operating GCSC. GSR appointed Dr. Peggy Hinckley as the operating Emergency Manager and Mr. Eric Parish as the Fiscal Officer. In November 2018, Dr. Pete Morikis replaced Dr. Hinckley as Emergency Manager.

GSR is required to submit this VDRP to the Distressed Units Appeals Board (DUAB) per the following section of SEA 567.

The Emergency Manager will deliver a viable structural deficit (annual expense versus annual revenues) reduction plan within six (6) months of taking over as Emergency Manager, i.e., not later than January 31, 2018, for DUAB review and approval. The structural deficit reduction plan shall identify the steps required to eliminate the School Corporation’s deficit over a reasonable period of time through a combination of

strategies, including cost-reduction, debt-restructuring and revenue enhancement while providing for the on-going operations of the School Corporation.

Also included in SEA 567 are the following two reports:

1. Audit and Financial Plan – Develop financial plans
2. Debt Resolution Plan – Long-term plan to retire all outstanding obligations

Due to the similarities and overlapping analysis and content of these two reports, they have been combined into the VDRP.

MULTIPLE PATHS TO FISCAL SOLVENCY

The VDRP, VDRPU1, VDRPU2, VDRPU3 and VDRPU4 identify and detail 31 initiatives to eliminate the GCSC annual fiscal deficit and address the accumulated long-term debt. The overarching theme of the VDRP, VDRPU1, VDRPU2, VDRPU3 and VDRPU4 is that there are multiple pathways to fiscal solvency for GCSC.

These multiple pathways are analogous to a candidate winning the U.S. presidency by securing at least 270 electoral college votes. In a presidential election there are multiple pathways to at least 270 electoral college votes. Throughout a campaign the candidate's path to at least 270 electoral college votes may change based on evolving assumptions, analysis, conditions, and situations. While the goal of at least 270 electoral college votes remains constant, the path to secure these votes may change.

The path to fiscal solvency for GCSC is similar to the path for at least 270 electoral college votes for a presidential campaign. The initial strategy may require change due to evolving assumptions, analysis, conditions, and situations. While the goal of fiscal solvency remains constant, the strategy and pathways taken will likely change based on numerous factors. Some initiatives may unfold and materialize as planned. Other initiatives may not materialize as planned or may change from the initial plan.

However, the 31 initiatives detailed in this report will allow GSR the flexibility to follow multiple pathways, change pathways as needed, and even develop new pathways as needed to achieve the ultimate goal of fiscal solvency for GCSC.

VDRP UPDATES

GSR is required to submit updates to the VDRP to the DUAB at least once every six months per the following section of SEA 567.

The Emergency Manager shall update the written financial plan at least once every (6) months after the date of providing the original written financial plan to DUAB or more frequently as needed in order to allow the written financial plan to reflect the most current financial status of the School Corporation.

The next update will be provided to DUAB on or before July 31, 2020.

POTENTIAL DEFICIT REDUCTION BY INITIATIVE AND YEAR

POTENTIAL DEFICIT REDUCTION BY INITIATIVE AND YEAR

The following table displays the projected deficit reduction by initiative and year based on the February 2020 update.

SECTION	INITIATIVE	YEAR						
		2018	2019	2020	2021	2022	2023	2024
2.A.	Suspend Common School Loan Payments	\$0	\$0	\$4,400,000	\$4,500,000	\$3,600,000	-\$1,800,000	-\$2,600,000
2.B.	Maximize Federal Funds	\$220,000	\$507,500	\$518,665	\$533,706	\$550,785	\$573,902	\$602,892
2.C.	Maximize Medicaid Funds	\$0	\$49,347	\$76,125	\$77,648	\$79,356	\$81,776	\$84,802
2.D.	Pay For Success	\$0	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$0	\$0
2.E.	Local Referendum	\$0	\$0	\$0	\$6,500,000	\$6,500,000	\$6,500,000	\$6,500,000
2.F.	Increase Enrollment	\$0	-\$1,830,400	\$1,936,000	\$2,032,800	\$2,134,440	\$2,241,162	\$2,353,220
2.G.	Co-location and Co-branding GACC and Ivy Tech	\$6,120	\$97,000	\$194,000	\$291,000	\$329,800	\$388,000	\$446,200
2.H.	System of Great Schools	\$0	\$78,919	\$157,838	\$157,838	\$157,838	\$157,838	\$157,838
2.I.	Acquire / Implement On-line Program	\$12,600	\$122,400	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000
2.J.	Community Crowdfunding	\$9,055	\$38,837	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
2.K.	Rent Building Space	\$36,000	\$22,876	\$19,656	\$19,656	\$19,656	\$19,656	\$19,656



POTENTIAL DEFICIT REDUCTION BY INITIATIVE AND YEAR

SECTION	INITIATIVE	YEAR						
		2018	2019	2020	2021	2022	2023	2024
2.L.	Joint Purchasing Cooperative	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
2.M.	Food Service Fund Accounting	\$399,367	\$399,367	\$399,367	\$399,367	\$399,367	\$399,367	\$399,367
2.N.	Labor Cost Controls	\$180,469	\$164,941	\$180,469	\$180,469	\$180,469	\$180,469	\$180,469
2.O.	Debt Restructuring	\$0	\$26,389	\$132,779	\$132,779	\$132,779	\$132,779	\$132,779
2.P.	Reduce Cost of Employee Health Insurance	\$550,000	\$550,000	\$650,000	\$800,000	\$850,000	\$850,000	\$850,000
2.Q.	Building Energy Efficiency and Utility Rate Audits	\$0	\$0	-\$1,215,548	\$533,759	\$533,759	\$2,419,145	\$2,419,145
2.R.	Compete Custodian Services	-\$46,435	\$1,022,842	\$1,022,842	\$1,022,842	\$1,022,842	\$1,022,842	\$1,022,842
2.S.	Compete Transportation Contract	\$454,603	\$1,146,842	\$515,194	\$515,194	\$515,194	\$515,194	\$515,194
2.T.	Reduction in Force and Attrition	\$4,824,321	\$6,993,832	\$4,100,673	\$3,859,457	\$3,859,457	\$3,859,457	\$3,859,457
2.U.	School Closure / Consolidation	\$169,232	\$652,463	\$952,463	\$952,463	\$952,463	\$952,463	\$952,463
2.V.	Relocate Administration Office	\$84,525	\$44,525	\$169,050	\$269,050	\$169,050	\$169,050	\$169,050
2.W.	Negotiate Reduction of Legacy Accounts Payable	\$0	\$0	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
2.X.	Marketing and Community Communication	-\$46,500	-\$96,000	-\$96,000	-\$96,000	-\$96,000	-\$96,000	-\$96,000



POTENTIAL DEFICIT REDUCTION BY INITIATIVE AND YEAR

SECTION	INITIATIVE	YEAR						
		2018	2019	2020	2021	2022	2023	2024
2.Y.	Invest in Hardware, Software and Shared Services	-\$228,744	-\$185,918	-\$80,938	-\$80,938	-\$80,938	-\$80,938	-\$80,938
2.Z.	Sell Assets – Art, Buildings and Land	\$0	\$195,000	\$550,000	\$250,000	\$250,000	\$250,000	\$250,000
2.AA.	Corporate Partners	\$0	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
2.AB.	Internal Budget Control	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3.A.	Foundation and Philanthropic Involvement	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3.B.	Outside Capital Investments	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3.C.	Request Grants or Interest-Free Loans If Needed	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total		\$6,664,613	\$9,614,336	\$20,012,635	\$28,281,090	\$27,490,317	\$19,166,162	\$18,568,436



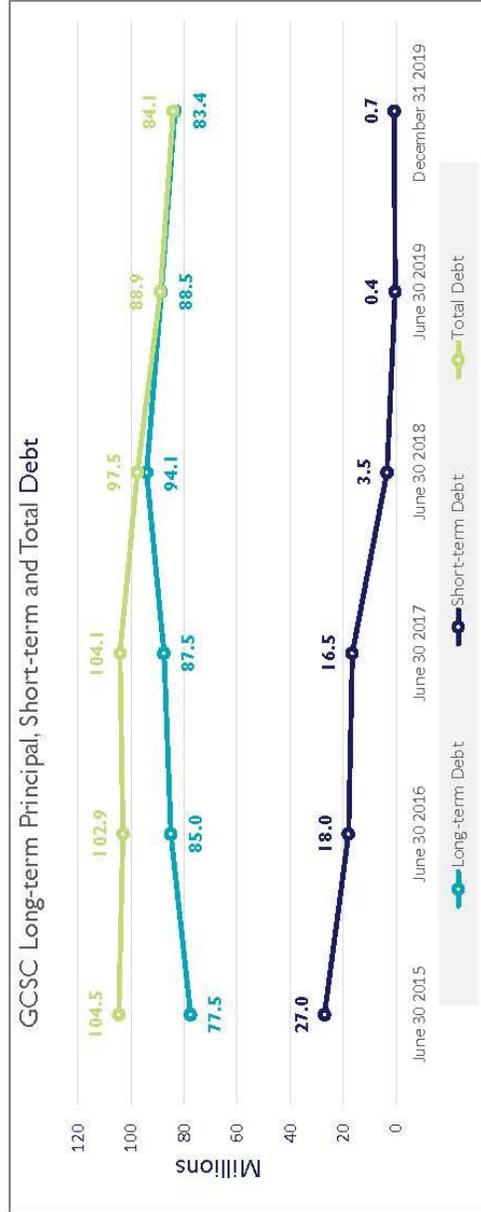
LONG-TERM PRINCIPAL, SHORT TERM AND TOTAL DEBT JUNE 30, 2015 TO DECEMBER 31, 2019

Gary Community School Corporation
 Long-term Debt Principal, Short-term Debt and Total-debt
 June 30, 2015 to December 31, 2019

	June 30 2015	June 30 2016	June 30 2017	June 30 2018	June 30 2019	December 31 2019
Long-term Debt	\$ 77,511,583	\$ 84,951,472	\$ 87,527,916	\$ 94,069,173	\$ 88,530,633	\$ 83,361,638.00
Short-term Debt	\$ 27,014,064	\$ 17,982,445	\$ 16,536,493	\$ 3,478,602	\$ 398,497	\$ 708,946.00
Total Debt	\$ 104,525,647	\$ 102,933,917	\$ 104,064,409	\$ 97,547,775	\$ 88,929,130	\$ 84,070,584.00

Long-term Debt:
 Common School Loans
 General Obligation Bonds
 Taxable Ad Valorem Bonds
 General Obligation Judgment Bonds

Short-term Debt:
 June 30 2015: Critical Vendor Forecast, Loan Request Petition, October 22, 2015, Presented by Martin, Arrington, Desai & Meyer's, P.C.
 June 30 2016: Projected Accounts Payable for 2016, Deficit Elimination Plan, September 23, 2016, Presented by Martin, Arrington, Desai & Meyer's, P.C.
 June 30 2017: Open Payables Report as of August 31, 2017 run by Gary Community School Corporation and provided to MGT
 December 31 2019: Open Payables Report as of December 31, 2019 run by Gary Community School Corporation and provided to MGT



PROJECTED FISCAL DEFICIT JUNE 30, 2017 TO DECEMBER 31, 2019

Gary Community School Corporation
 Projected Fiscal Deficit (rounded)
 June 30, 2017 to December 31, 2019

Fiscal Deficit	June 30 2017	June 30 2018	June 30 2019	December 31 2019
	\$ 22,000,000	\$ 15,000,000	\$ 11,000,000	\$ 6,000,000

