



Dear Mississinewa Community,

We appreciate the voices of our community members who are actively engaging in this important discussion about the future of our schools. Your perspectives—whether as homeowners, business owners, parents, or retirees—are invaluable in shaping decisions that will impact us all. We recognize the challenge of balancing necessary facility improvements with affordability, and we are committed to providing clear, transparent information to help every resident make an informed decision.

Our schools are the heart of our community, and they need our support now more than ever. Mississinewa Community Schools is seeking approval for a **\$87 million referendum** to modernize our aging facilities. This is not about cosmetic upgrades—it's about ensuring our schools are safe, accessible, and equipped to meet the needs of 21st-century learning.

Some may ask, “**Can we afford this?**” But the real question is, “**Can we afford not to?**” Strong schools are essential for attracting families, businesses, and economic growth. Currently, our aging facilities are falling behind, making it harder to draw new investments and young families seeking quality educational opportunities for their children. Investing in our schools strengthens property values and fuels local economic development.

The Reality of School Funding Challenges

The **Debt Service Fund**, which supports construction and facility upkeep, is under increasing strain. While construction costs have risen by **5.5% annually** from 2010 to 2023, Debt Service revenue has only increased by **2.6% annually**, creating a **3.1% annual funding deficit** that continues to compound. Without action, our ability to maintain and improve school facilities will continue to diminish.

At the same time, **public schools in Indiana are being asked to do more with less funding**. Since 2010, the **Operations Fund** net levy has lagged behind inflation, with **non-discretionary costs**—including transportation, utilities, and insurance—accounting for **75.5% of the Operations Fund budget**.





Mississinewa Community Schools has already faced a **\$3.1 million loss** in the Operations Fund since 2016 and an additional **\$307,210 in losses due to Circuit Breaker funding reductions in 2024**.

Looking ahead to 2025, we were facing a **projected \$1.5 million deficit in the Education Fund**, but through careful financial planning—including absorbing certain staff positions and cutting non-staff expenses—we have been able to close that gap. However, there is only so much we can cut while still providing the high-quality education our students deserve.

The Impact of Proposed Legislation

In addition to our current financial challenges, **proposed state legislation threatens to further reduce school funding. Senate Bill 1**, part of Governor Braun’s property tax reform initiative, would cause Mississinewa Community Schools to **lose approximately \$759,719 from our total net levy in 2026**. This would have a **devastating impact** on our ability to maintain current operations, invest in necessary facility improvements, and provide essential student services.




This funding reduction would compound the financial strain we are already facing due to:

-  **A \$3.1 million loss from Circuit Breaker reductions since 2016**
-  **An additional \$307,210 lost in 2024 alone**
-  **Increased state-mandated salary requirements for teachers and staff**
-  **The expectation to provide free curricular materials without sufficient tuition support from the state**

Public schools are expected to meet increasing demands with fewer resources, and without adequate funding, we are left with difficult choices that impact students, staff, and the broader community. These legislative changes place **public education at risk** and make it even more critical that we come together to support our schools.

Why This Referendum Matters

This referendum is not about luxury—it is about necessity. It will support:

-  **ADA compliance** to ensure accessibility for all students
-  **Updated technology and learning spaces** to prepare students for the future
-  **Safe, modern facilities** that reflect our community’s values and priorities

Delaying these critical upgrades will only lead to higher costs in the future, placing an even greater financial burden on taxpayers down the line.

Join the Conversation

We understand that financial decisions impact everyone in our community, which is why we are committed to transparency and open dialogue. We invite you to be part of this important conversation by attending our next **Strategic Planning Session on February 12, 2025, from 6:00 to 8:00 p.m. in the Mississinewa High School Cafeteria**. This is an opportunity to ask questions, share concerns, and help shape the future of our district.

Together, we can build a stronger future for our students and our community.

***Estimated Taxpayer Impact for an \$87 Million Capital Referendum (\$113M Total Project Cost) and a \$0.10 Operating Referendum Based upon Property**

Mississinewa Community School District

02/04/2025

Taxpayer Impact

	2025		2026	Base (2025)	\$113M Multiple		\$0.10 Operating Referendum	
	Gross AV	Net AV	Net AV	Net Liability	Net Liability	vs Base	Net Liability	vs Base
Owner Occupied Residential - Percentile								
25th Percentile	\$100,900	\$33,063	\$34,385	\$1,009	\$1,470	\$461	\$1,043	\$34
Median	\$128,000	\$50,000	\$52,000	\$1,280	\$1,978	\$698	\$1,332	\$52
75th Percentile	\$168,425	\$75,266	\$78,276	\$1,684	\$2,735	\$1,050	\$1,763	\$78
\$200K Parcel	\$200,000	\$95,000	\$98,800	\$1,009	\$3,326	\$1,326	\$2,099	\$99
\$300K Parcel	\$300,000	\$157,500	\$163,800	\$1,280	\$5,198	\$2,198	\$3,164	\$164
Non-Residential Property (per \$100K of GAV)								
Rental Residential	\$100,000	\$100,000	\$100,000	\$2,000	\$3,342	\$1,342	\$2,100	\$100
Farmland (2%)	\$100,000	\$100,000	\$100,000	\$2,000	\$3,342	\$1,342	\$2,100	\$100
Commercial/Industrial (3%)	\$100,000	\$100,000	\$100,000	\$3,000	\$4,342	\$1,342	\$3,100	\$100

\$0.10 Operating Referendum generates \$456,536

Below are some Questions and Answers related to the capital and operating referenda that we have received. We wanted to provide the hard data and facts related to these Questions for the community to be as well informed as possible.

Q & A

Q: Why is Mississinewa Community Schools (MCSC) proposing a Capital and Operating Referendum?

A: MCSC is seeking community support for an \$87 million Capital Referendum to upgrade and maintain school facilities and a \$0.10 per \$100 Assessed Valuation Operating Referendum to generate approximately \$450,000 annually for school safety initiatives, transportation needs, and competitive staff pay. These measures are necessary to address funding gaps and ensure the district can continue providing high-quality education while maintaining safe and modern facilities.

Q: Why does MCSC struggle with funding for school operations and facilities?

A: The primary reason is our district's low Net Assessed Value (NAV) per student. MCSC has a NAV per student of \$134,760, significantly lower than the state average of \$454,000. This limits the revenue available in our Debt Service Fund, which is used for facility maintenance and upgrades. Compared to other Grant County schools:

- MCSC: \$135,000 NAV/student (Lowest in the county)
- Oak Hill: \$262,000 NAV/student
- Madison-Grant: \$295,000 NAV/student
- Eastbrook: \$310,000 NAV/student
- Marion: \$349,000 NAV/student

Because of this lower NAV, MCSC collects less revenue per student, increasing the tax rate for necessary projects compared to neighboring districts.

Q: What are the financial constraints currently facing MCSC?

A:

1. Loss of Revenue from Tax Caps: In 2024, MCSC lost \$307,210 in the Operations Fund due to property tax caps. Over \$3.1 million has been lost since 2016 when the tax caps were implemented.
2. Limited Bonding Capacity: MCSC can only issue \$26 million in bonds for building projects between 2025-2038 unless a referendum is passed. This is insufficient to maintain facilities for the next 13 years.

3. Projected Budget Deficits: MCSC projected a deficit of \$1-1.5 million annually in the Operations, Education, and Rainy Day funds over the next 8 years, which would deplete our \$7.5 million cash balance.
4. Facility Capacity Issues: All MCSC buildings are at maximum capacity, necessitating expansion and strategic consolidation of resources.

Q: How will the Capital Referendum funds be used?

A: The \$87 million Capital Referendum will support a long-term strategic plan, including:

- Relocating grades 6-8 to the high school through a Middle School addition.
- Consolidating facilities to save on annual operational costs for utilities and staffing.
- Ensuring modern, efficient, and safe learning environments for students.

Q: How will the Capital Referendum impact taxpayers?

A: The tax impact for the median homeowner in MCSC (\$128,000 Assessed Value Property) will be approximately \$698 annually.

Q: How does the number of out-of-district students impact the district's finances?

A: MCSC serves 1,600 in-district students and 700 out-of-district students. These additional students generate approximately \$6.5 million in revenue. Without these students, MCSC would face severe financial cuts, potentially leading to staff layoffs, program eliminations, and the consolidation of elementary schools.

Q: What steps has MCSC already taken to improve its financial situation?

A: MCSC has made the following adjustments:

- Reduced the projected 2025 Education Fund deficit from -\$1.5 million to a surplus of \$20,000 by reallocating grant funds and cutting expenses.
- Cut online subscriptions and programs to free up funds for staffing.
- There is a plan in place to absorb certain staff positions through attrition during the spring/summer of 2025.
- Implemented a plan to absorb certain staffing positions to further reduce costs.

These proactive steps have positioned the district for financial stability in 2025, but long-term sustainability still requires additional funding from the referendum.

Q: How will the Operating Referendum funds be used?

A: The Operating Referendum will generate approximately \$450,000 annually for 8 years, funding:

- School Resource Officers (SROs) for enhanced safety.
- 911 Inform security programs.

- Verkada security systems.
- Bus replacement plans.
- Competitive staff salaries to retain and attract quality educators.

Q: How will the Operating Referendum impact taxpayers?

A: The tax impact for the median homeowner in MCSC (\$128,000 Assessed Value Property) will be approximately \$52 annually for 8 years.

Q: What happens if the referenda do not pass?

A:

1. Capital Referendum Failure: MCSC will be forced to make temporary, inefficient repairs to aging facilities, leading to higher long-term costs and poor use of taxpayer dollars.
2. Operating Referendum Failure: The district will have to make additional cuts beyond those already implemented, potentially impacting programs, staffing, and security measures.

Q: Why should the community support the referenda?

A: Investing in MCSC ensures:

- Improved educational opportunities for students.
- Financial sustainability for the district.
- Enhanced school safety and security measures.
- Long-term cost savings through strategic consolidation and upgrades.

Q: Will out-of-district students have to pay for a portion of this referendum tax amount?

A: No, out-of-district students do not contribute to local property taxes. The referendum tax amount is only applicable to property owners within MCSC's district boundaries. However, out-of-district students do contribute to the district's budget through the state funding formula, which allocates per-pupil funding based on enrollment. However, by not accepting out-of-district students we would have to decrease our staffing and programming by \$6.5 Million on an annual basis and we would still have the need to improve our facilities.

Q: What will happen to RJ Baskett Middle School if it doesn't continue to house 6-8th grade?

A: If RJ Baskett Middle School no longer houses grades 6-8, the district plans to:

- Tear down the original 1950s structure, annex, and 1970s structure.
- Retain the gym for school corporation use, community events, and Mississinewa Youth Sports.
- Maintain the cafeteria as a community center facility and staff professional development space.
- Repurpose the existing west-side science and arts classrooms into the district office.
- Construct a new transportation building where the 1950s and 1970s structures were located, allowing for a secure, centralized transportation hub. This will enable buses to be refueled

on-site instead of traveling to Westview, improving efficiency and security for the district's transportation operations.

Q: What will happen with the current administrative building?

A: The current administrative building will be converted into a Preschool and Early Learning Center to allow for future growth and expansion. It will allow the district to utilize a building that was originally meant for elementary-age students with minimal renovations. It is a centralized location that will allow for less traffic congestion at Westview.

By supporting these referenda, the community will help maintain and improve the quality of education while securing the financial stability of MCSC for years to come.

Your support is critical in shaping the future of Mississinewa Community Schools.

GO INDIANS!!



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"The secret in education lies in respecting the student." - Ralph Waldo Emerson