

Wayne *Forward*

Financial Update
June 22, 2026

Objectives

- Provide context related to Financial pressures that led to previous referendums in MSD Wayne Township

- Share information on the financial history and future of MSD Wayne Township with the Board and Community

- Provide Information to the Board in consideration of a referendum campaign



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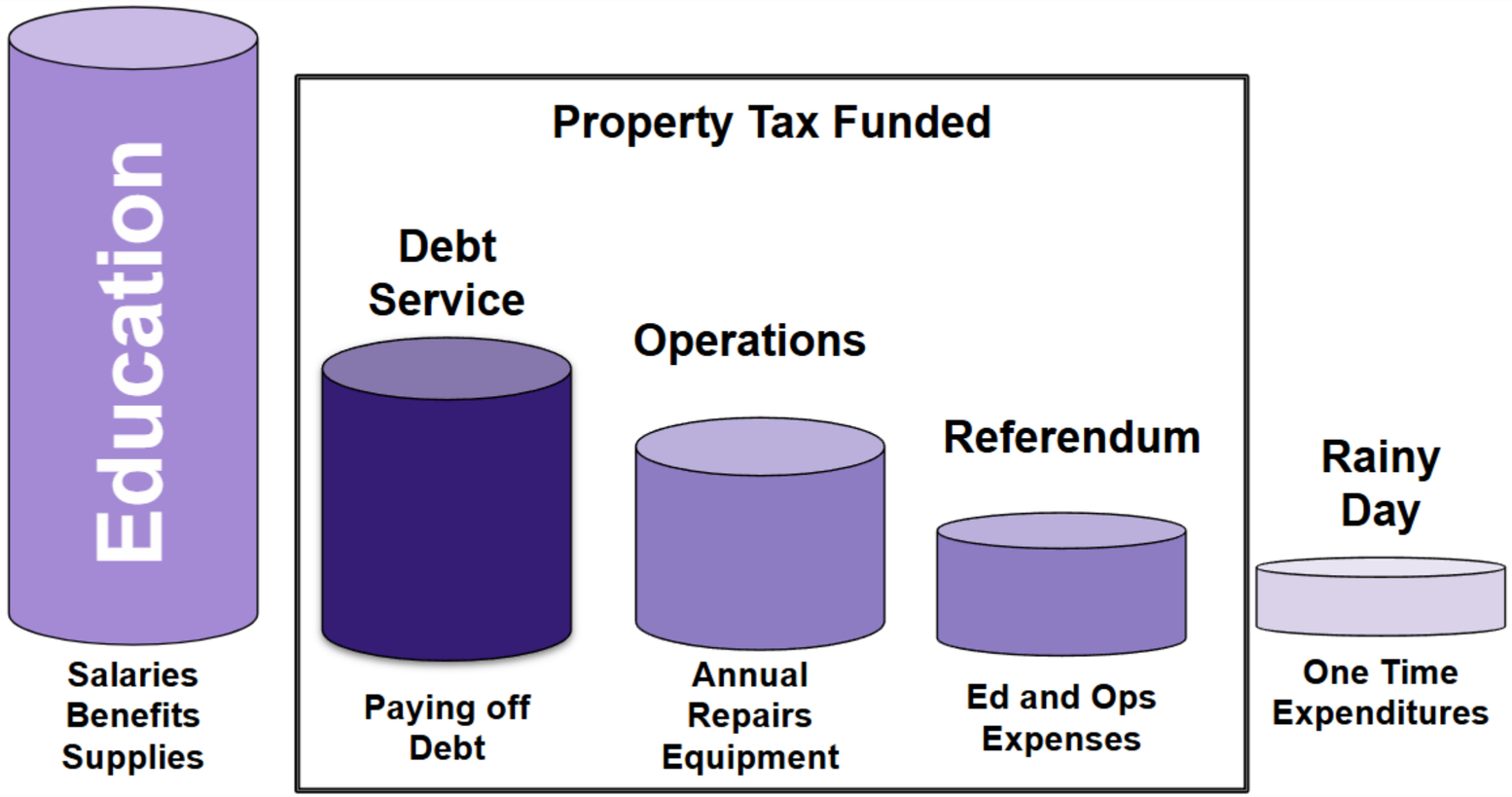
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School Funding Basics



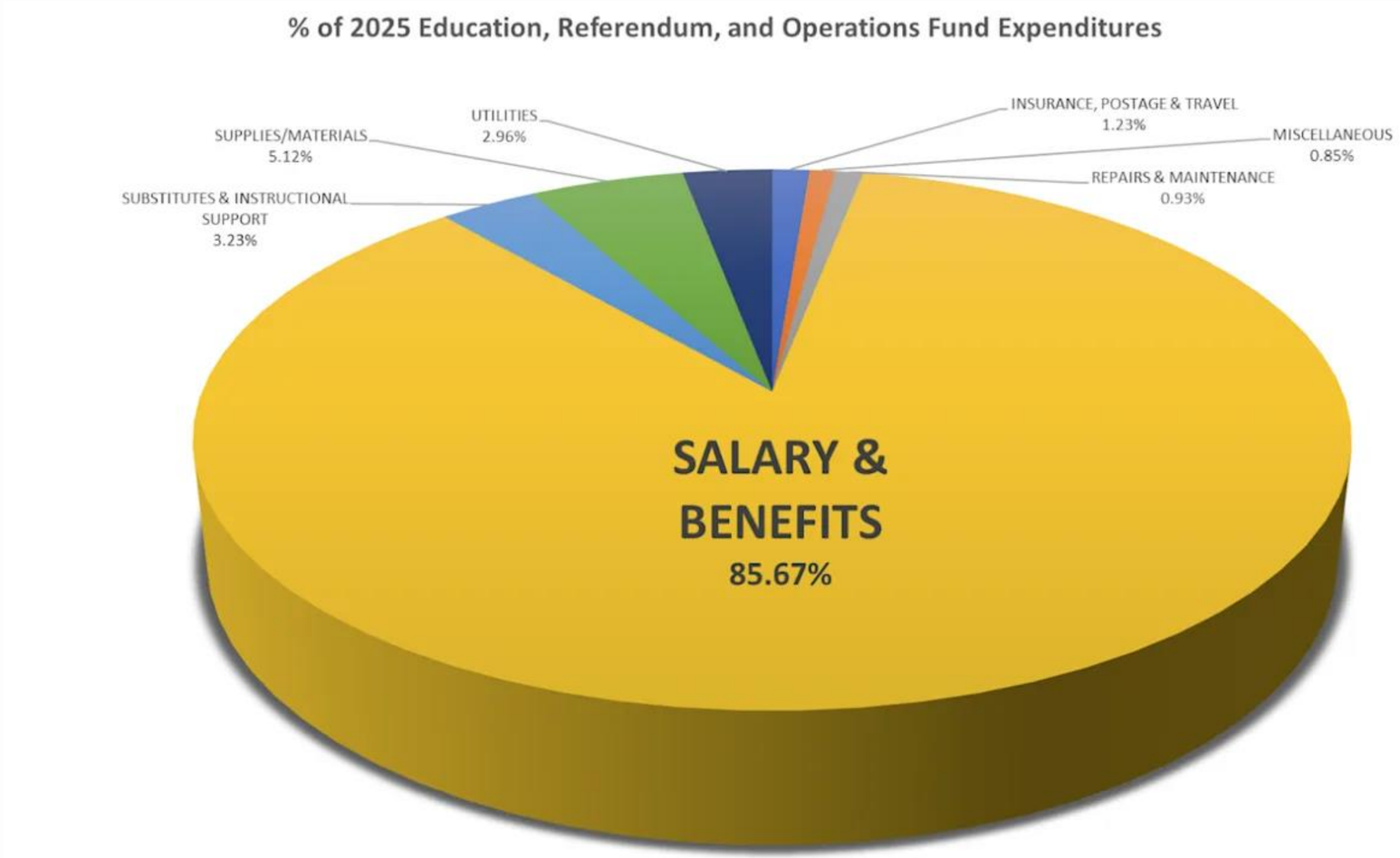


School Funding Basics





How do we spend our funds?



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Financial History





MSD Wayne Finance History

2008



Property Tax Cap Legislation is passed

2010



Constitutional Amendment property tax cap is felt by municipalities



The financial picture is significantly altered due to **property tax cap** circuit breaker impact in MSD Wayne Township



Indiana Property Tax Caps (Circuit Breaker)



1.0% CAP: Residential Homesteads

- Applies to primary residence



2.0% CAP: Farmland & Non-Homestead Residential

- Includes rental homes, agricultural land



3.0% CAP: Business & Commercial Property

- Includes industrial property, commercial buildings

Property taxes assessed above these caps are NOT collected.

MSD Wayne Finance History

2015

MSD Wayne Township Community Approves First Referendum ($0.35)

2019

MSD Wayne Township Community Approves Second Referendum ($0.35), bringing the total of both referendums to $0.70 per $100 of Assessed Value



2023

EXPIRED

MSD Wayne Township does not renew the 2015 referendum providing property tax relief to homeowners



MSD Wayne Finance History

Tax Relief

2023
Referendum ends, property tax relief to homeowners

Legislativa

2024
SEA 1 is passed

2025-2031
SEA 1 impact begins

FALL EVEN YEARS

SEA 1 Shifts in when schools can ask for community support via referendum. Only fall even year elections

STOP

Current Referendum Expires
Current MSD Wayne Township Referendum expires at the end of 2027



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Financial Impact and the need for a Referendum

Circuit Breaker Impact

- 2025 Operations Fund Certified Levy = $25.4 Million

- 2025 Operations Fund Net Levy = $4.1 Million - Dollars Received







What does the operations fund cover?

Transportation
- Drivers, Mechanics, Parts, Fuel

Student Safety
- School Police, Security Systems

Custodial Services
- Custodians, Maintenance, Grounds, Supplies

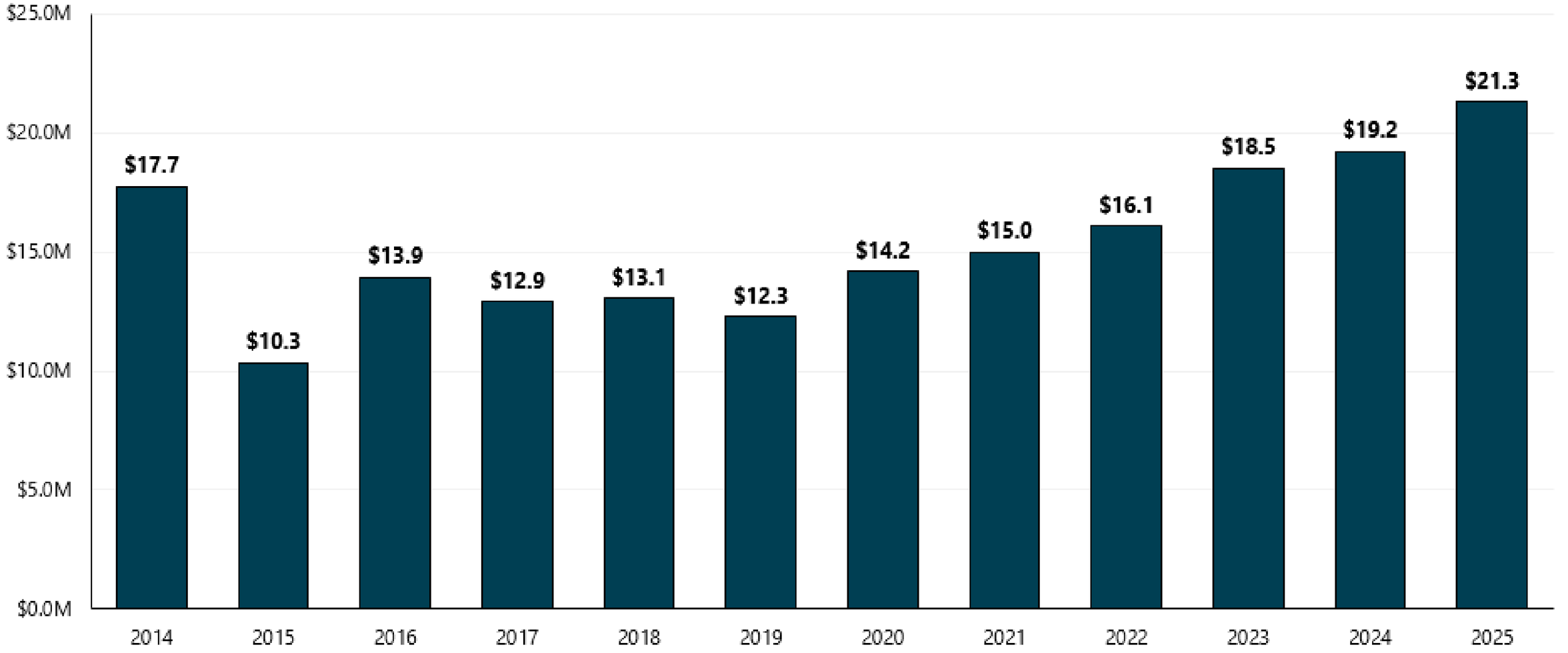
Utilities
- Power, Gas, Water, Sewer

Technology
- Devices, Infrastructure, Internet

Property Casualty Insurance

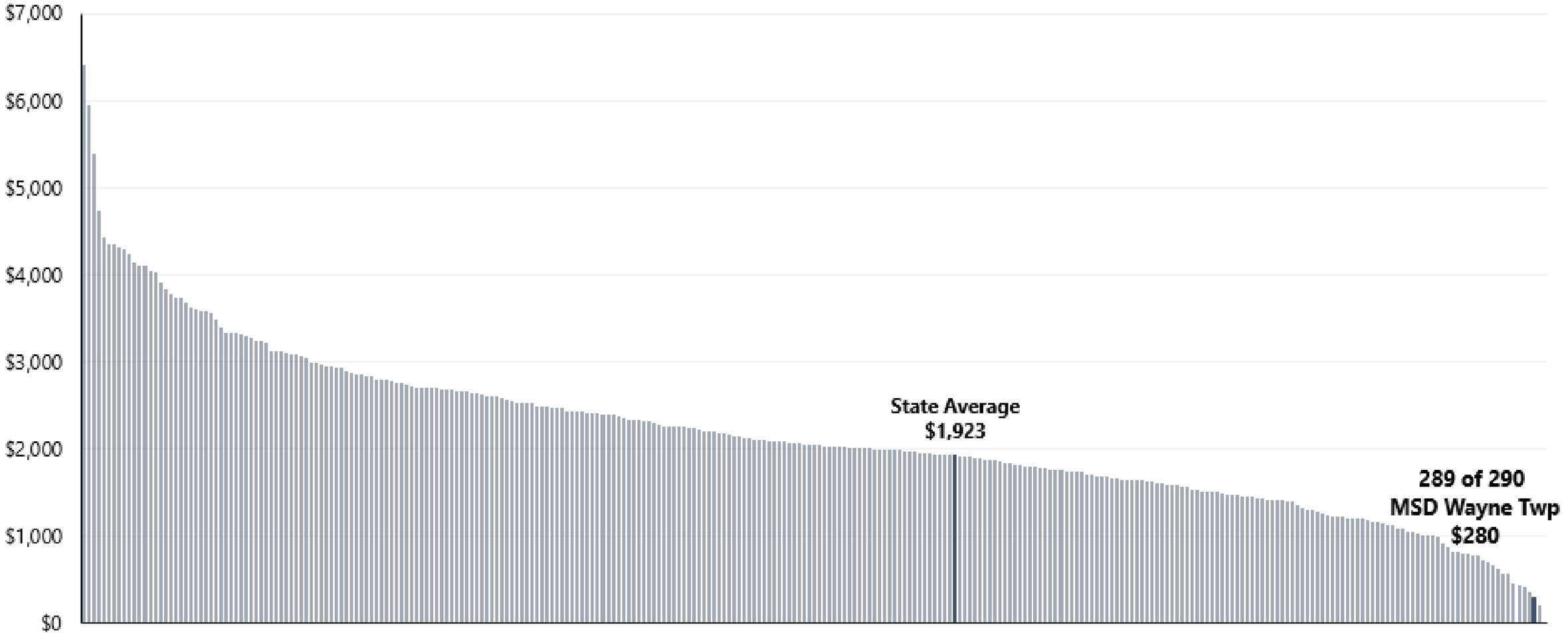
Operations Circuit Breaker History

Dollars in Millions

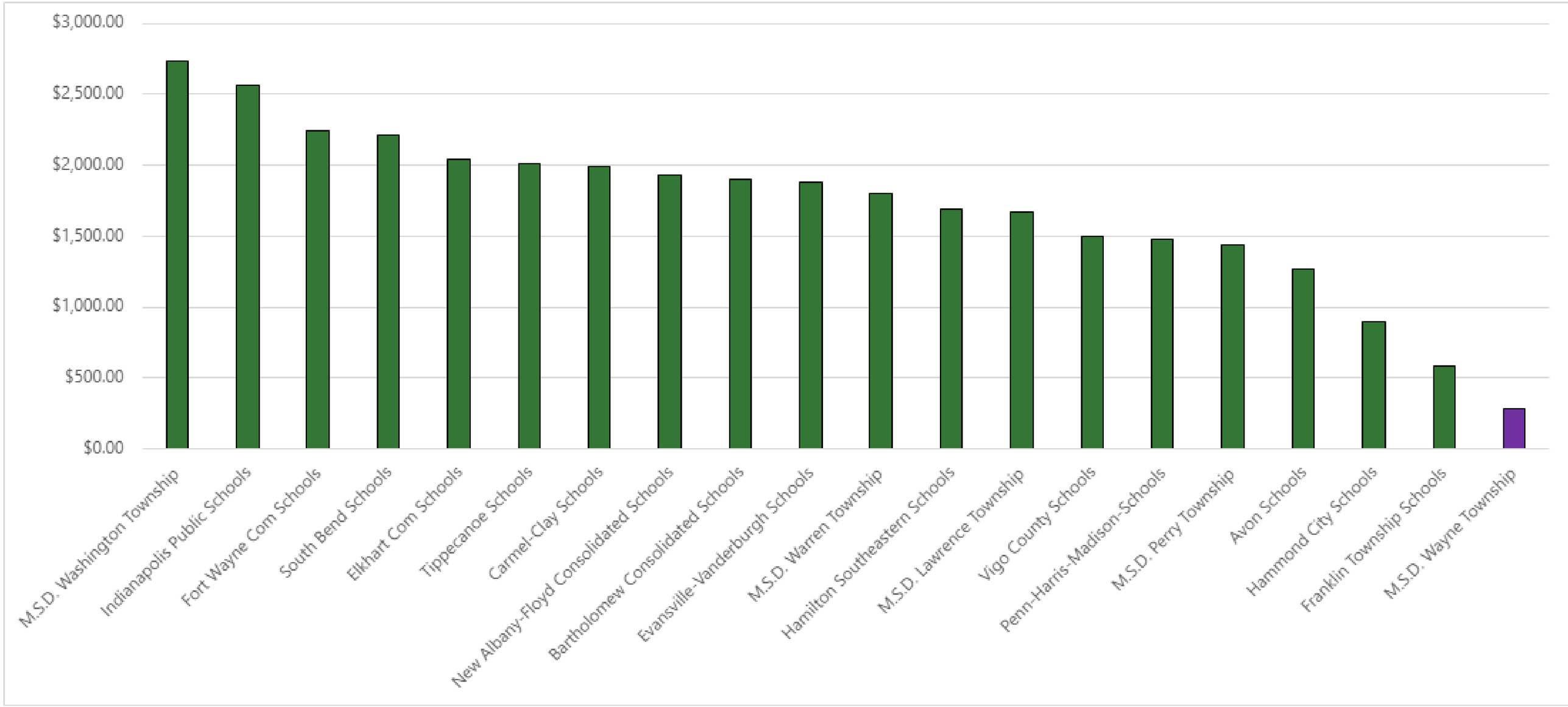


Operations Net Levy per Non-Virtual Student

Calendar Year 2025 (pre-Charter Share)



2025 Operations Fund Collection Per Student - 20 Largest School Districts

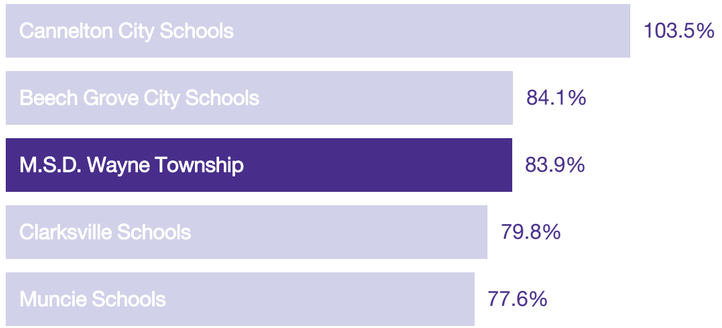




Circuit Breaker: A Statewide Disparity

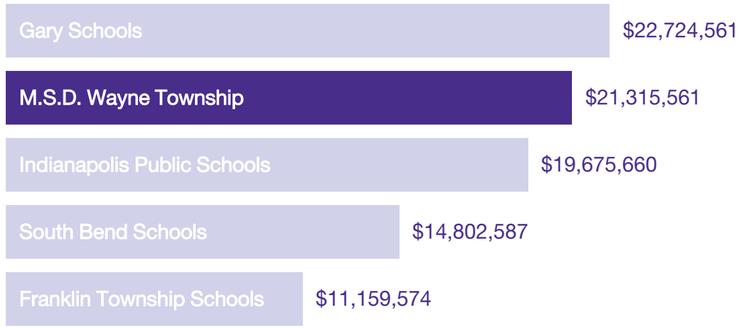
MSD Wayne faces one of the heaviest financial burdens in Indiana, ranking near the top in both percentage and total dollar impact.

Top 5 School Districts by % Impact



3rd
Worst in State

Top 5 School Districts by Dollar Impact



2nd
Worst in State



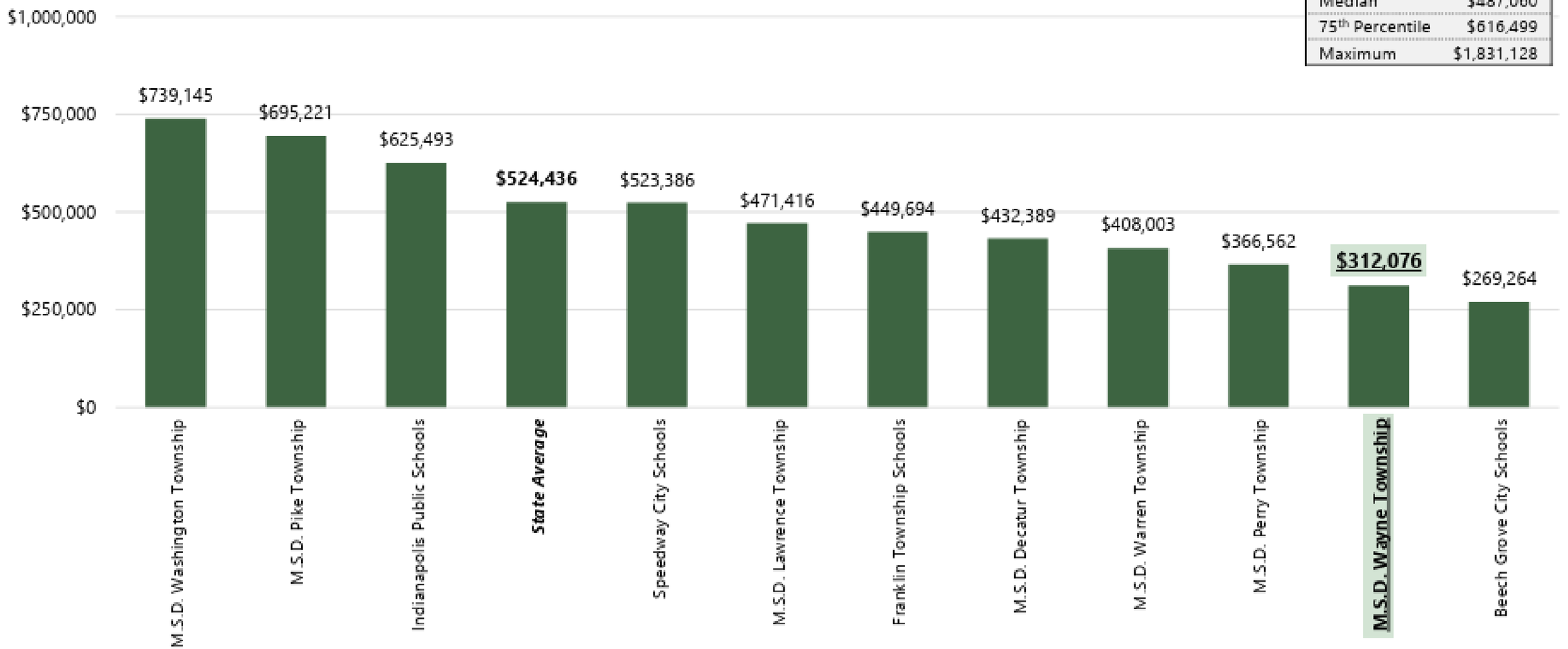
Why do tax caps hit MSD Wayne Township so hard?

- We work within the system that exists.
  - Every Community is unique
  - Tax Base - Residential vs. Business
  - 89% of homes are over the cap
  - Net Assessed Value Per Student

2026 NAV per Student

Schools within Marion County

	NAV per Student
Minimum	$37,512
25th Percentile	$387,160
Median	$487,060
75th Percentile	$616,499
Maximum	$1,831,128



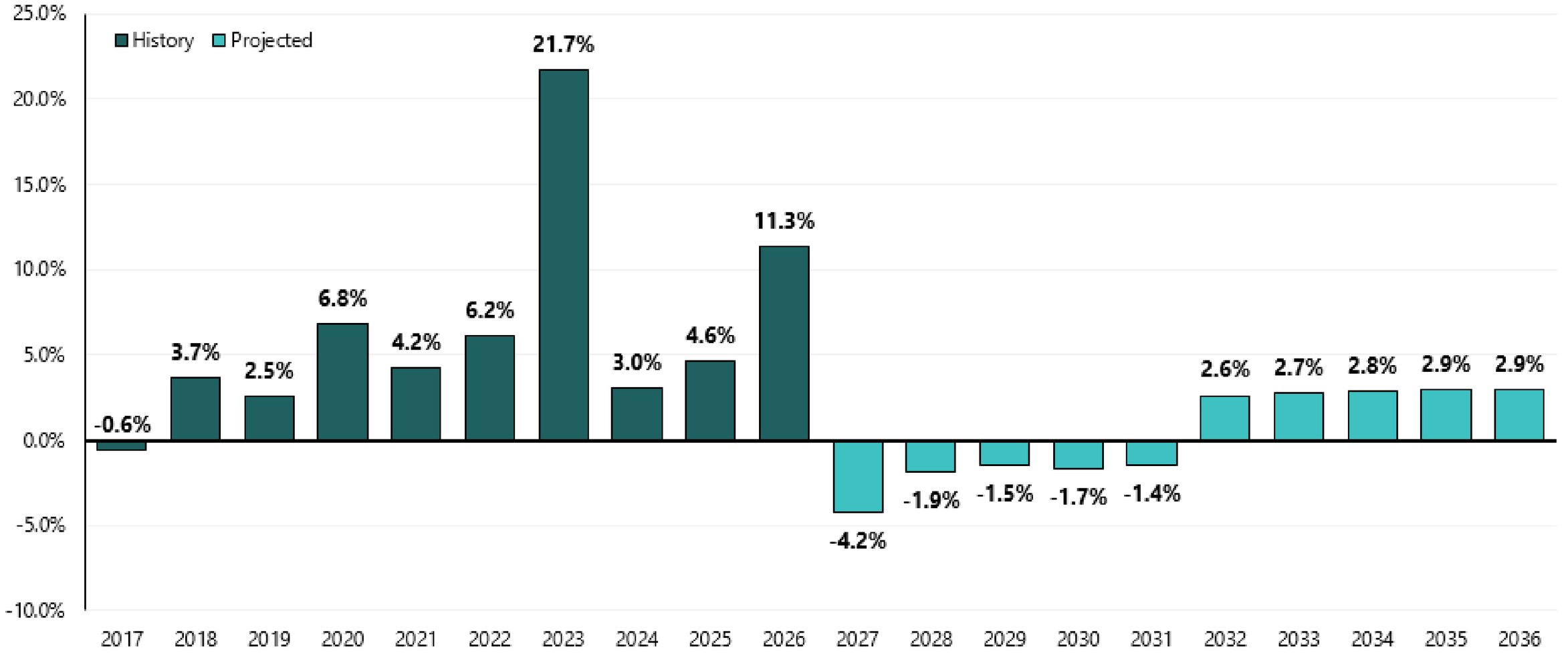


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Managing Our Finances in a Season of Change

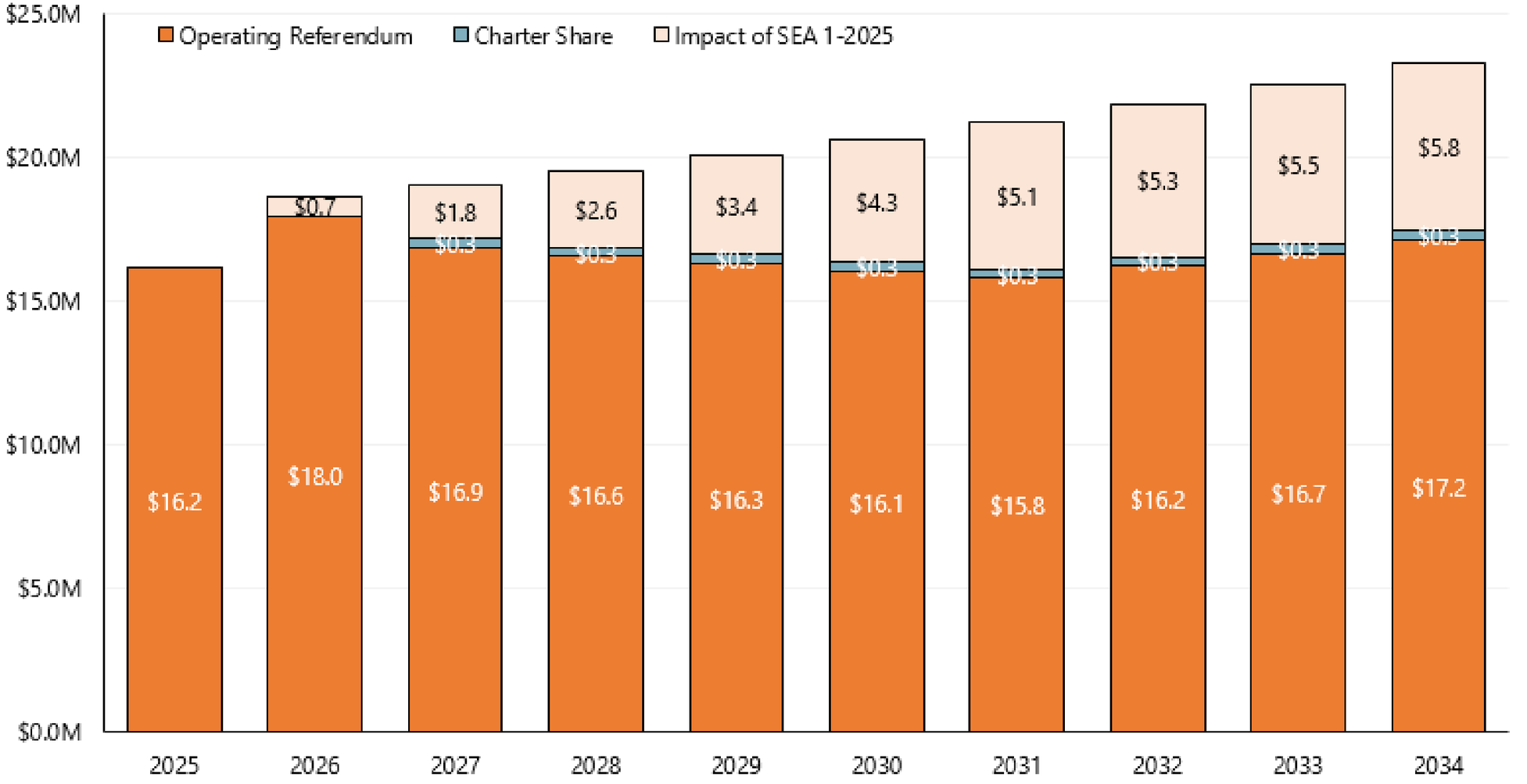
Referendum NAV Annual Projection



Operating Referendum Projection

Dollars in Millions

- The current max Operating Referendum rate is **$0.3500** per $100 of assessed value.
- Because the tax base is expected to decrease due to SEA 1-2025 provisions, the same rate will produce **less revenue** in the future.
- A renewed operating referendum will be subject to revenue sharing to charter schools.
  - Current charter share is **1.9%** with 294 charter students.

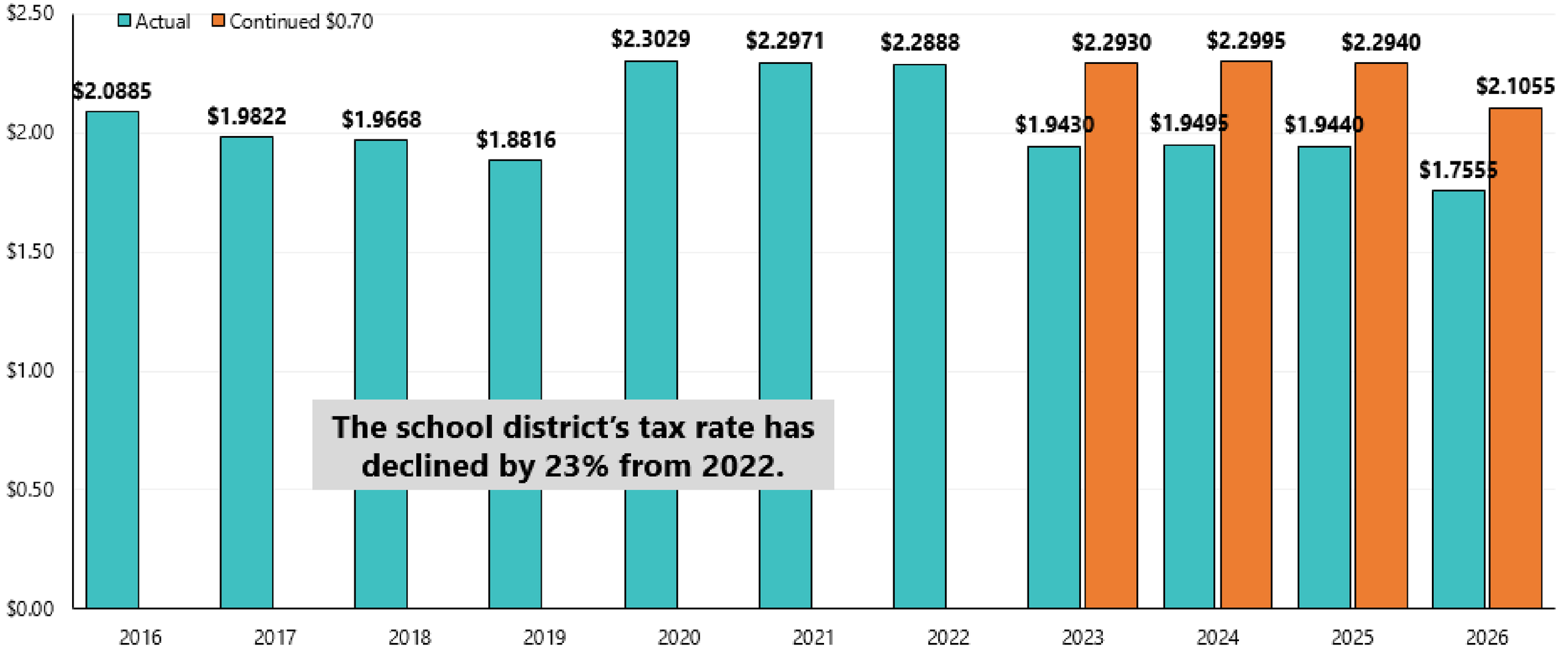


SEA 1 Commission and Cost Savings

- **Eliminated 108 Positions**
  - Including administrative, certified, and classified positions
- **Negotiated no raises for 25-26 school year**
- Renegotiated Vendor Contracts
- Implemented Black and White Printing
- Reduced and Eliminated Overtime
- Modified Trash Pickup Schedule
- Implemented Energy Savings
- Centralized Processes
- Extended Curricular Material Usage
- Responded to enrollment declines



Total School Rate History



MSD Wayne Success



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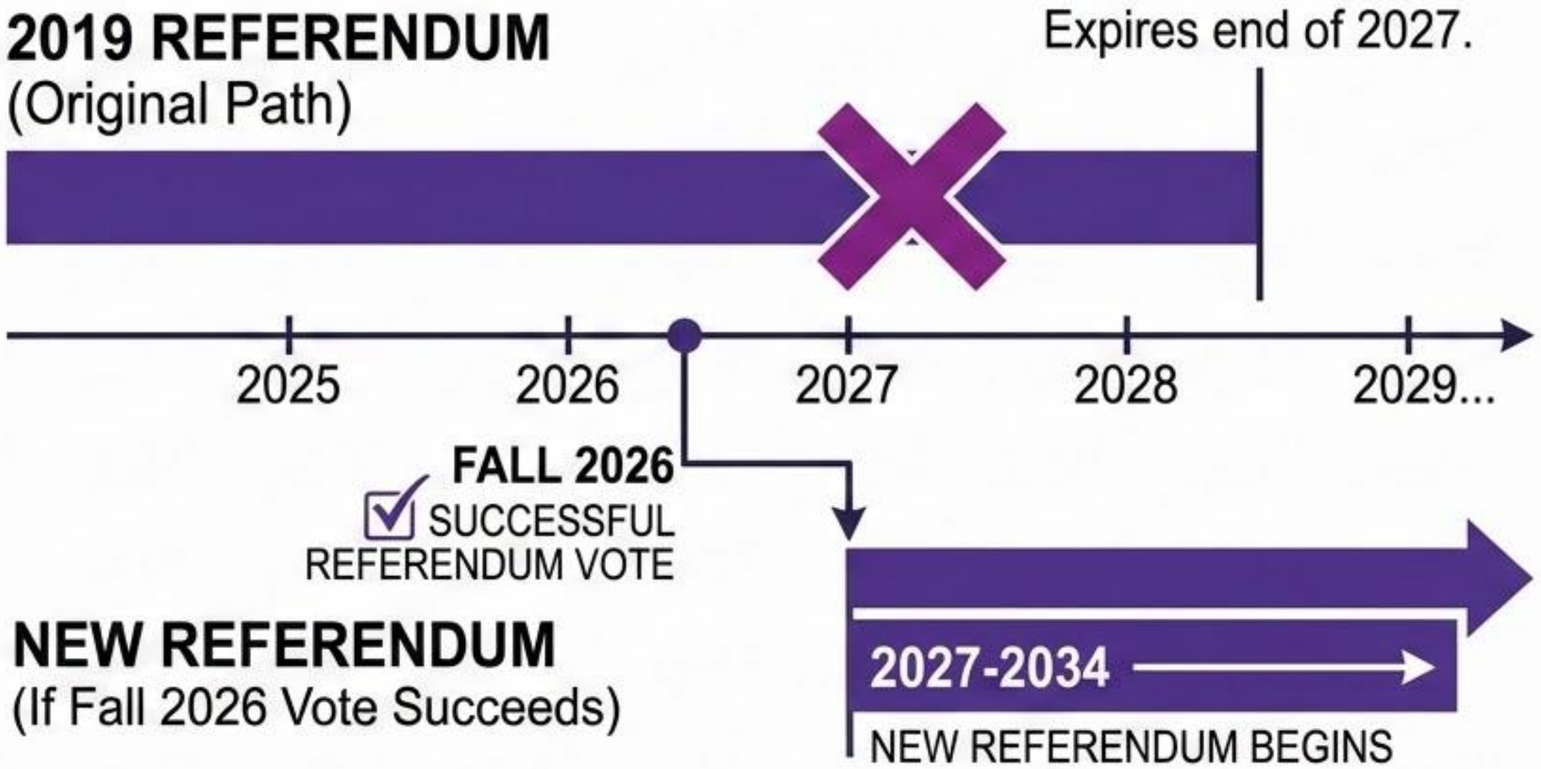
Proposed Referendum





Replacement of the current referendum

REFERENDUM TIMELINE: If successful in Fall 2026.



Proposed Referendum Question

- "Shall the Metropolitan School District of Wayne Township increase property taxes paid to the school district for no more than eight (8) years for the purpose of funding the Wayne Forward Initiative to sustain educational and operational stability in response to reductions in property tax revenue, including recruiting and retaining classroom teachers, funding student safety and school security, and maintaining daily educational operations by imposing a property tax rate that does not exceed $0.70 and results in a maximum annual amount that does not exceed $41,019,552. If this operating referendum public question is approved by the voters, for a median residence of $200,000, the property's annual property tax bill would increase by $605 per year. The most recent operating referendum public question proposed by the school district was held in 2019 and passed.”



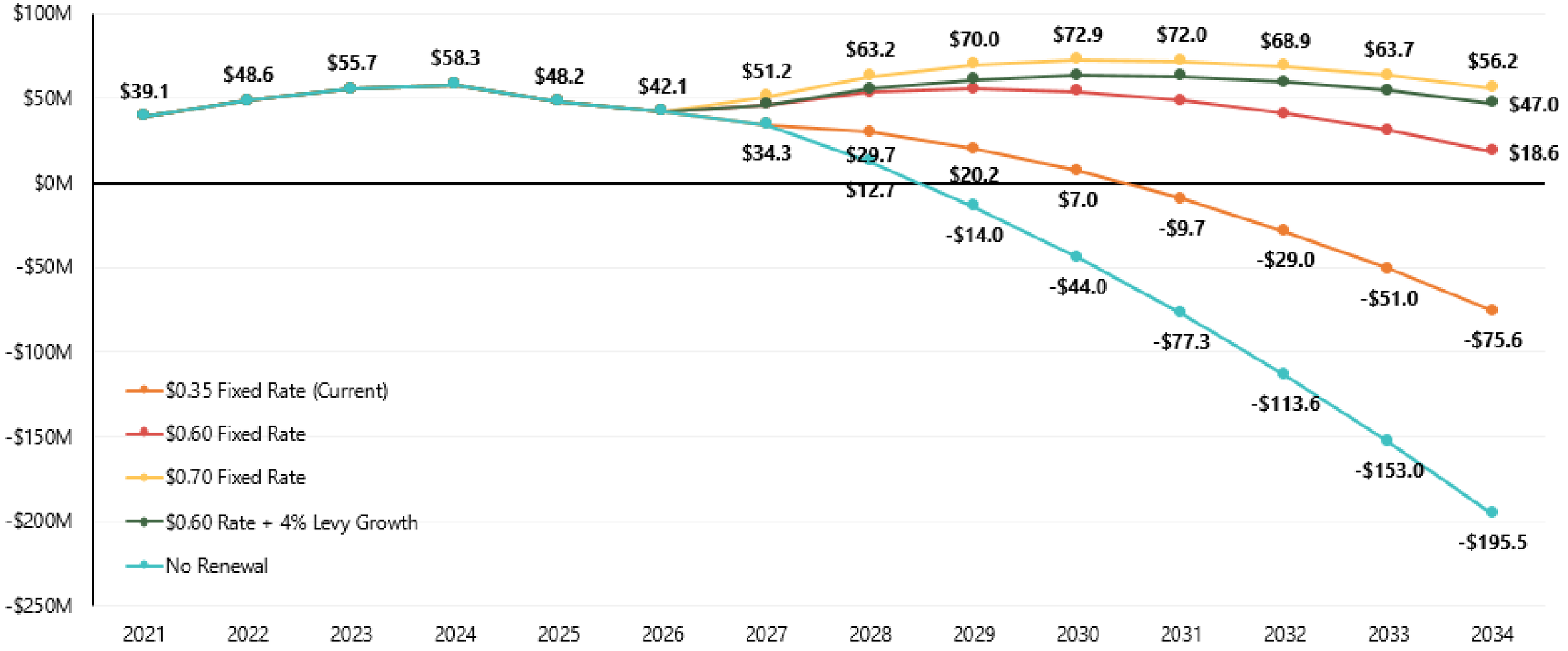
How much do we need?

- What are we asking for and how did we get here?
- SEA 1 forced us to look at a different reality
- Must predict 8 years down the road
  - Focus on Levy
  - Prevent the need to come back to the community
- **Continue the programs and services that have served our community well and provided pathways for success across the district.**

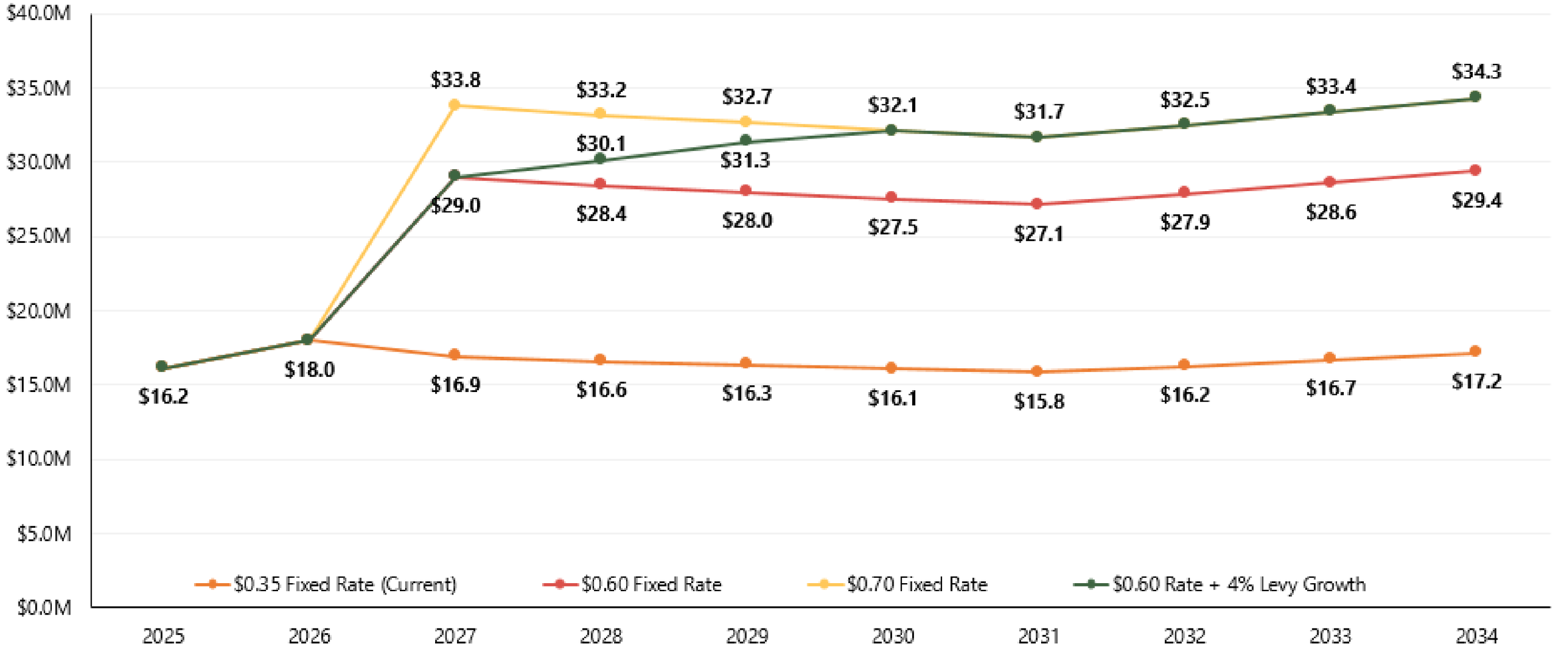


Ending Cash Flow Projection – 3% Salary + $7M Reductions

Education, Operations, Operating Referendum, & Rainy Day Funds

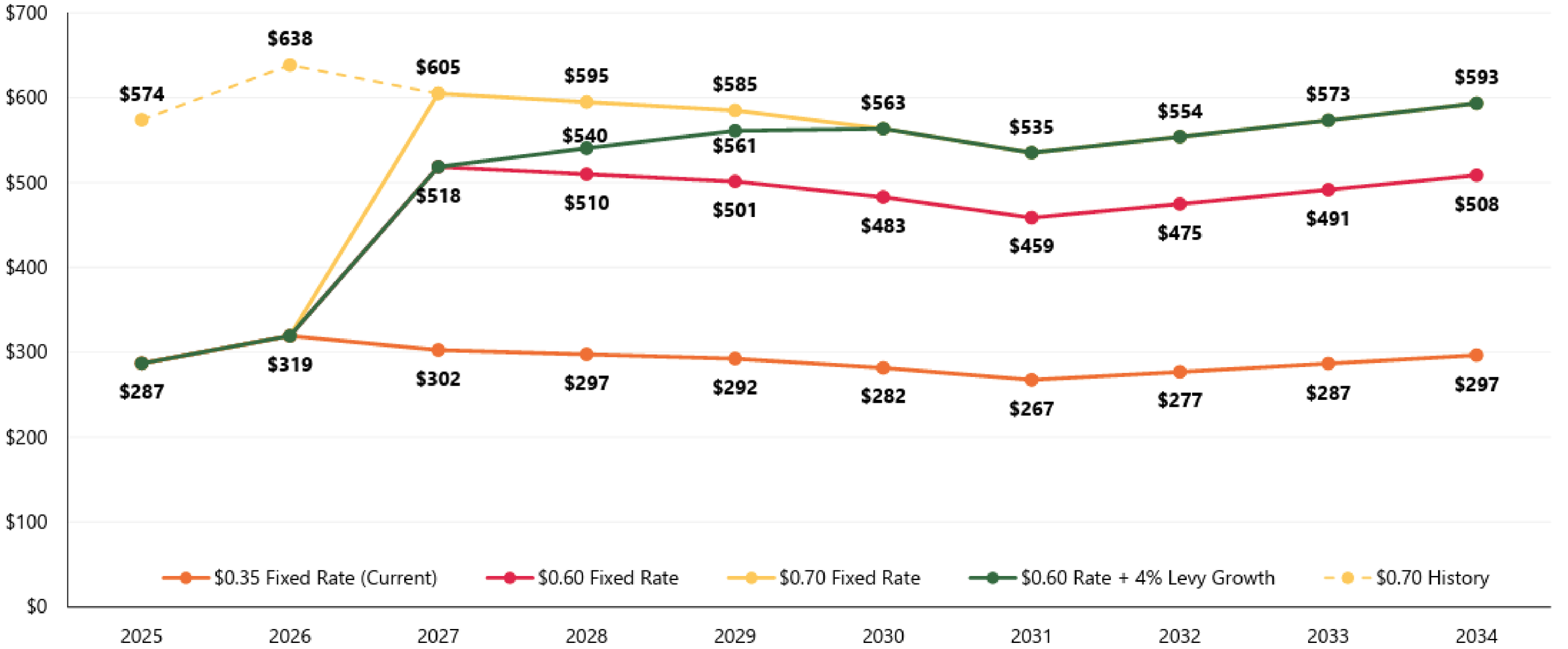


Operating Referendum Revenue



Referendum Impact Only on Median Taxpayer

2026 & 2027 Homestead GAV: $200,000



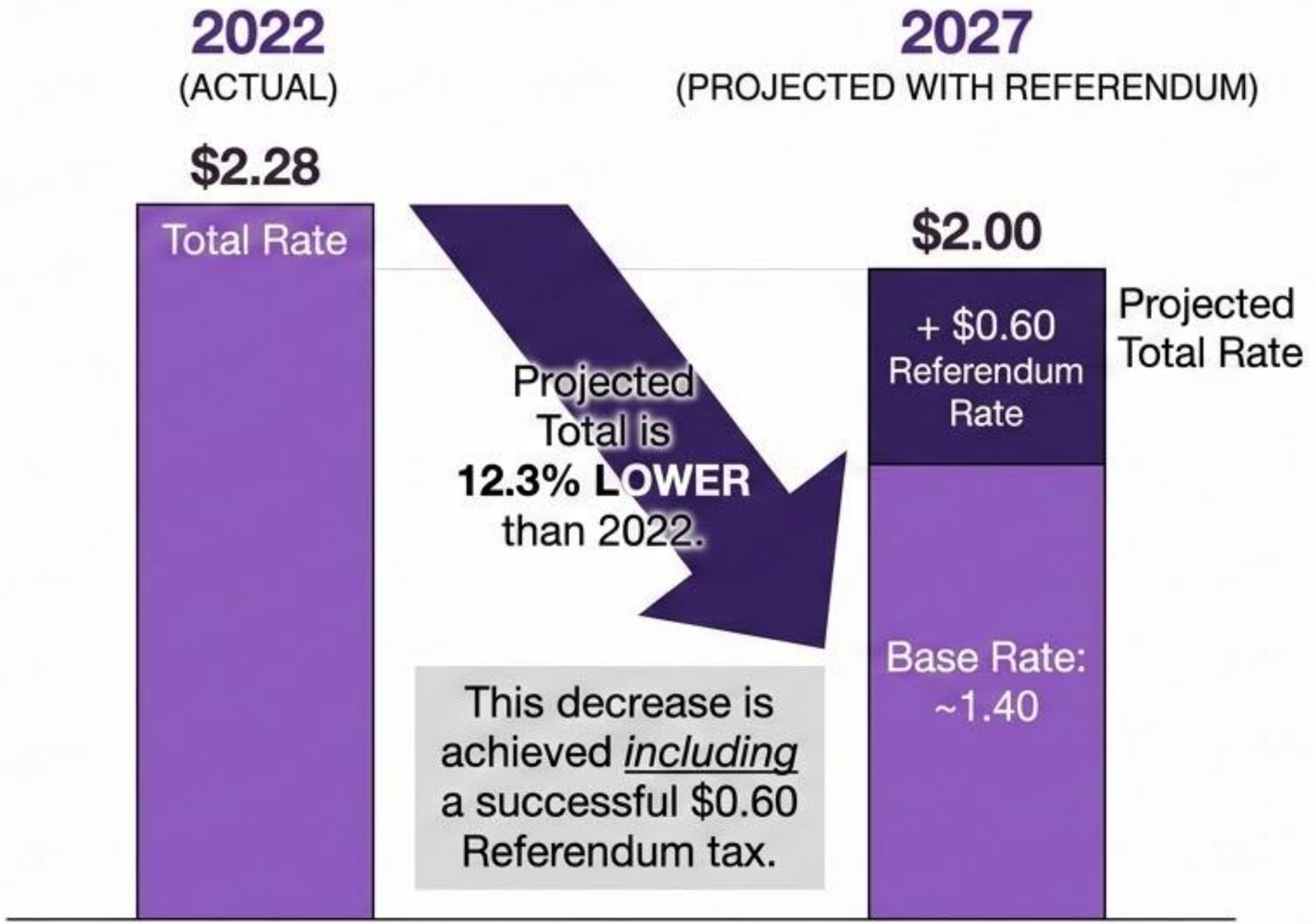
Referendum Calculator

- Link





Tax Rate with 2027 $0.60 Referendum



What if the referendum doesn't pass?

- Reducing over $20 Million in additional dollars is significant and will impact every school and program across the MSD Wayne Township.

- We will not have another opportunity to come back to the community until November of 2028



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- We are asking to continue the programs and services that have served our children well and provide pathways to success across the district.

- Should the board approve a resolution to move forward with a referendum, the choice would then rest with our community

- We do not take lightly the previous support of our community - we believe in our children and we believe in our community.





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