MAXIMIZING COMMUNITY AND STUDENTS

Securing Our Future

The Financial Trajectory and 2026 Operating Referendum for Michigan City Area Schools

August 2026

Our District

- Proudly serving approximately 4,600 students and families across Michigan City and surrounding communities
- More than 700 employees committed to opportunity, excellence, and pride
- Eight elementary schools, two middle schools, one high school, plus early learning and career and technical education



Michigan City Area Schools
Opportunity ★ Excellence ★ Pride

Our Students

- About 1 in 4 students receive special education services
- 14% participate in high-ability or gifted programming
- 72.1% qualify for free or reduced-price meals



Michigan City Area Schools
Opportunity ★ Excellence ★ Pride

Our Student Diversity

2025–26 racial and ethnic breakdown

- 40.2% White
- 35.2% Black
- 12.7% Hispanic
- 11.1% Multiracial
- 0.5% Asian
- 0.1% American Indian/Alaska Native
- 0.1% Native Hawaiian/Pacific Islander



Percentages may not total 100% due to rounding.

Michigan City Area Schools
Opportunity ★ Excellence ★ Pride

Our Academics

Class of 2026 outcomes

- 340 Michigan City High School graduates
- 3,542 college credits earned — saving families more than $760,000
- 70 Early College completers, including 31 Indiana College Core earners and several Promise Scholars
- 114 academic or technical honors diplomas
- 72 21st Century Scholars representing about $8.9 million in scholarships



Michigan City Area Schools

Opportunity ★ Excellence ★ Pride

Our Programs

College, career and technical pathways

- 11 innovative LaPorte County CTE programs at two locations
- Programs serve juniors and seniors from seven area high schools
- 52 MCHS graduates earned 126 technical certifications in 2026
- 18 graduates earned Work Ethic certifications
- Students can earn high school and college credit plus industry certifications



Michigan City Area Schools
Opportunity ★ Excellence ★ Pride

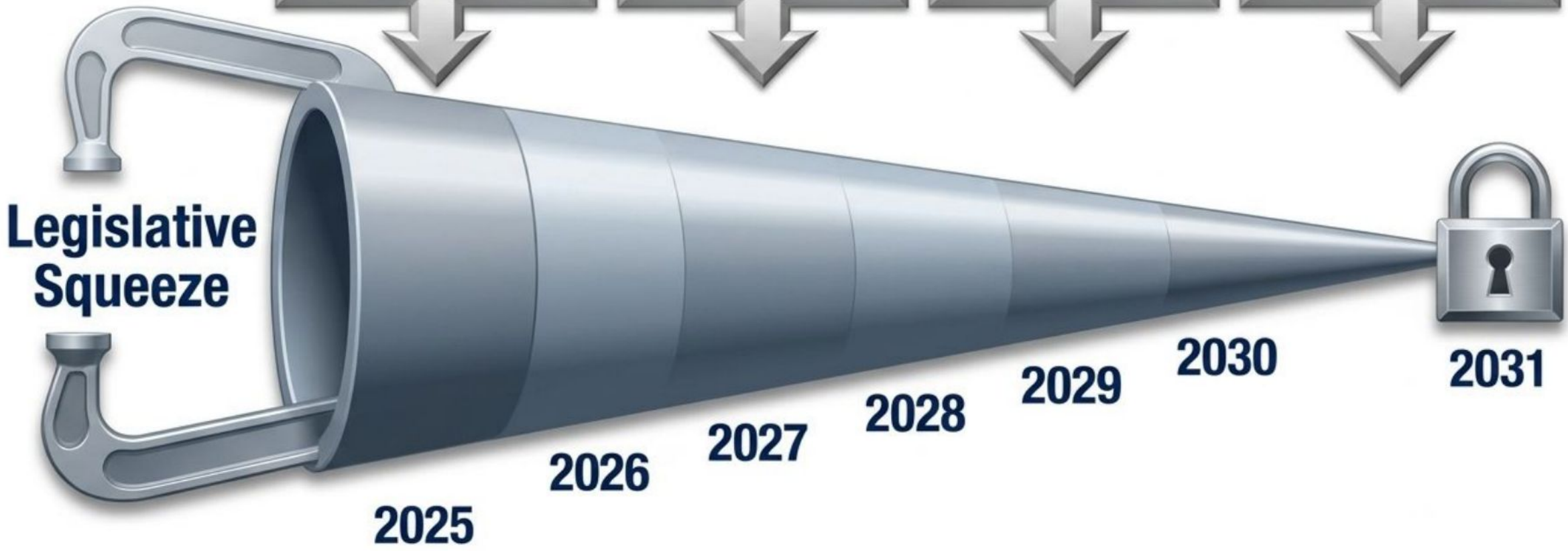
The Approaching Storm: SEA-1 Alters the Local Tax Base

SEA-1 (2025) contains provisions that permanently change the tax base for local governmental units moving forward.

The deductions contained in SEA 1 phase in over the period between 2026 and 2031 (pay year).

In 2027, the de minimis business personal property exemption is increased to $2M.

Once SEA-1 is fully implemented, net assessed values are projected to **increase by a heavily restricted ~3% annually.**



Financial Headwinds: The $5.8M Tax Cap Drain

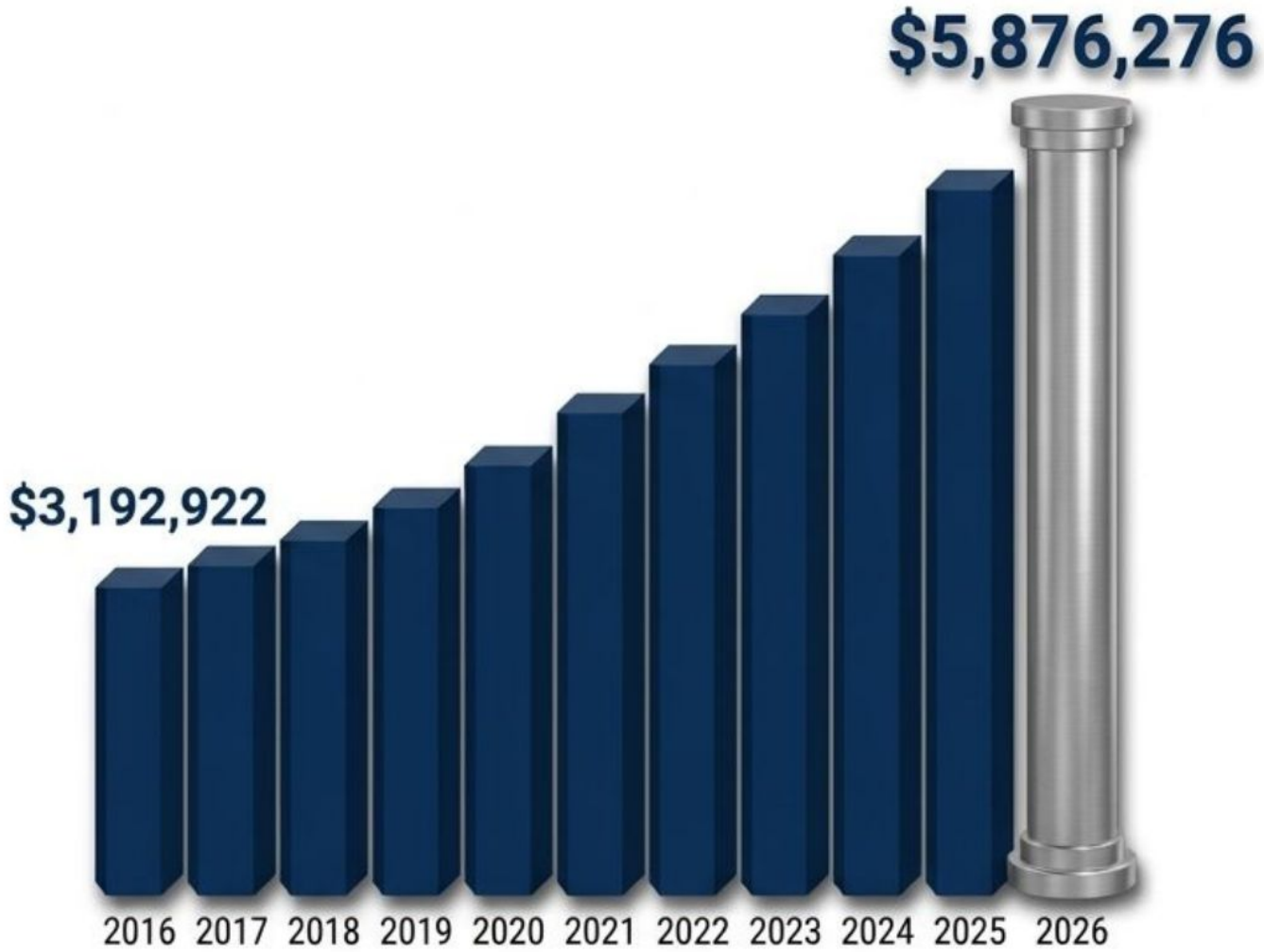
Circuit Breaker Losses:

- 1% Credit (Owner Occupied Homestead)
- 2% Credit (Other Residential/Ag Land)
- 3% Credit (Commercial/Industrial/Business)

Homestead Residential Credit:

New credit for homestead residential properties equal to the lesser of 10% of the taxpayer liability or $300 (applied after Constitutional circuit breaker caps).

Note: Debt Service Fund is not protected from this in 2026, but is protected in 2027+.



The Drain: Annual Tax Cap Losses have surged by nearly 85% in one decade

IN THE STATE OF INDIANA, SCHOOL FUNDING IS STRICTLY REGULATED BY LAW, CATEGORIZING REVENUE INTO SPECIFIC, NON-INTERCHANGEABLE BUCKETS.

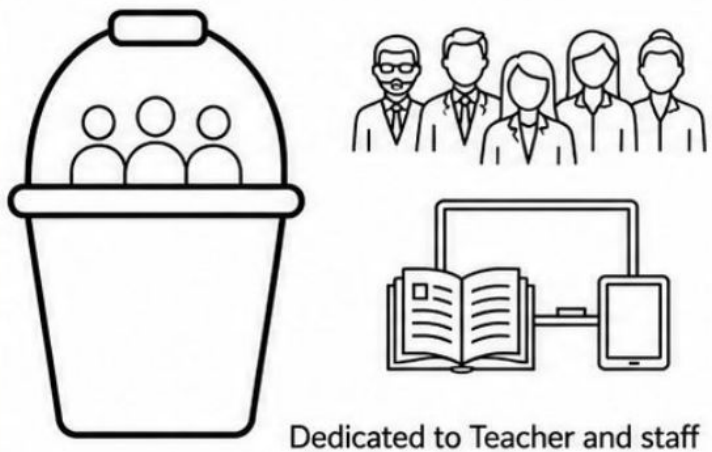
Indiana school funds have different purposes. By law, the dollars in these accounts are not interchangeable and must be used for their specific designated goals.

DEBT FUND



Covers Buildings, Roofs, HVAC, and Safety; this fund cannot generally be used for salaries or daily operations.

EDUCATION FUND



Dedicated to Teacher and staff salaries and Classroom expenses; it is funded largely by state tuition support and student enrollment.

OPERATIONS FUND



Covers Transportation, Utilities, and Maintenance to support the day-to-day operation of Michigan City Area Schools.

THE BOTTOM LINE

A district can improve facilities while also facing difficult staffing or compensation decisions because each fund has separate legal restrictions.

The Operations Fund: Keeping Schools Running Safely

Transportation: School buses, drivers, monitors

Facilities & Maintenance: Grounds crews, repairs, building upkeep

Custodial: District-wide cleaning and sanitation

Safety & Operations: School Resource Officers, student security, essential district administration



THIS FUND DOES NOT SUPPORT CLASSROOM INSTRUCTION.

What Have We Done to Reduce Expenses?



Reviewing and renegotiating contracts and services to seek savings



Re-evaluating our programs and structures to ensure we are operating efficiently and effectively



Established new processes to determine how staffing decisions are made



Right-sizing staffing levels, programs, and structures



Continued advocacy with our legislators

Michigan City Area Schools

MAXIMIZING COMMUNITY AND STUDENTS

Proactive Stewardship: Actions Already Taken

We have reviewed contracts, right-sized programs, and established strict new staffing structures to ensure highly efficient operations.



The tipping point: mandates now outpace internal discipline

Three pressures are converging at the same time.

Force 1

$2M+

Internal reductions exhausted

Force 2

SEA 1

Unavoidable revenue squeeze

Force 3

$5.8M+

Annual tax-cap drain

External legislative forces have mathematically outpaced our internal efficiency.

Without immediate intervention, operations will fail—and history will repeat itself.

RISING COSTS OVER TIME

MCAS adopted costs | 2019 compared with 2025

EXPENSE CATEGORY	2019	2025	INCREASE
SCHOOL BUS Adopted bus replacement budget	$576,000	$1,000,000	↑ 74%
MEDICAL INSURANCE Districtwide employee medical benefits	$9.0M	$12.2M	↑ 35%
PROPERTY + CASUALTY INSURANCE Property and casualty coverage	$325,823	$486,850	↑ 49%

Even after careful budgeting, the cost of serving students continues to rise.

Note: Categories are reported independently and are not intended to be added together.

Impact of a $4,000,000 Annual Reduction

Affecting all students, all schools, and essential daily operations.

TRANSPORTATION

- Reduced bus routes and expanded walking zones
- Fewer transportation services

ACADEMIC PROGRAMS

- Reduced instructional supports and student services
- Impacts to extracurricular and enrichment opportunities

$4,000,000
IN ANNUAL REDUCTIONS

STUDENT SUPPORT & STAFFING

- Reductions in counselors, coaches, instructional support, and school leadership
- Fewer supports for students and families

OPERATIONS, SAFETY & FACILITIES

- Reduced custodial and maintenance services
- Fewer school safety resources, including SRO support

Michigan City Area Schools

MAXIMIZING COMMUNITY AND STUDENTS

Why can’t we move money from another fund?

Indiana school funds are restricted by law—and enrollment loss reduces the dollars available for instruction.

1 FUND RESTRICTIONS

Debt Service Fund

- Restricted to specific bonded projects
- Cannot fund salaries or recurring operating expenses
- May cover approved one-time purchases

Education-to-Operations Transfer

MCAS is already transferring the maximum 15% allowed by the state.

2 ENROLLMENT IMPACT

280

FEWER STUDENTS

Loss of more than $2 MILLION in Education Fund revenue

3 THE DECISION

OPTION 1

Pass the operating referendum

Recoup revenue lost through SEA 1 and tax caps.

OPTION 2

Cut vital services

Transportation, staffing, and services would be reduced to balance.

MCAS is one of the hardest-hit school districts in Indiana due to tax caps.

Referendum Proposal

Protecting opportunities for students, staff, and schools.



The referendum at a glance

A focused, time-limited investment in students, staff, and schools.



8-YEAR REFERENDUM

On the November 3, 2026 ballot
for an eight-year term.



$10 MILLION PER YEAR

Approximately $10 million annually
to support students, staff, and schools.

November presents a clear choice

THE 2013 WARNING

If the referendum fails

- School closures, repeating the tragic loss of Elston Middle and Niemann Elementary
- Complete loss of elementary extracurricular activities, including sports
- Severe reduction in middle school opportunities
- Mass enrollment flight and brain drain to better-funded districts

THE FUTURE

If the referendum succeeds

- Maintain all current, high-quality programming
- Add dedicated social workers and success coaches
- Increase safety personnel (SROs) protecting middle and elementary students
- Add behavior specialists to support classroom environments

SECURING OUR FUTURE

BALLOT QUESTION

Investing in the people, programs and learning environments our students need to thrive.



LaPorte County Career & Technical Education • A.K. Smith Career Center

DRAFT BALLOT LANGUAGE

Shall the Michigan City Area Schools increase property taxes paid to the School Corporation for no more than eight (8) years to support the Maximize Community and Students (MCAS) initiative which will sustain educational and operational funding stability in response to reductions in property tax revenue by recruiting and retaining teachers and staff, supporting essential student health and safety initiatives, and maintaining class sizes, academic programs, and opportunities to meet educational needs. **This will be achieved by imposing a property tax rate that does not exceed $0.2998** and results in a maximum annual amount that **does not exceed $10,000,000. If this operating referendum public question is approved by the voters, the property's annual property tax bill for a median residence of $200,000 would increase by $260 per year.**

MISLEADING

The additional $260 will NOT be what you pay in additional taxes per year.

For more information please call (219) 873-2000 or email wmccollum@mcas.k12.in.us

SECURING OUR FUTURE

CALCULATOR

See what the proposed operating referendum would mean for your household.

EducateMC.net/Calculator



Lake Hills Elementary • Indiana-certified STEM Magnet School

$10M Referendum Impact on Total Liability ($200K Homestead Taxpayer)

Home Gross Assessed Value (GAV)

200000

Published benchmark examples range from $150,000 to $400,000. Values outside that range are extrapolated and marked as less precise.

Quick adjust

Use the slider or type a value from $50,000 to $1,000,000.

ESTIMATED TOTAL NET CHANGE

$48.00 increase

Sum of 2027–2034 net changes.

AVERAGE ANNUAL CHANGE

$6.00 increase

Total net change ÷ 8 years.

AVERAGE MONTHLY CHANGE

$0.50/month increase

Total net change ÷ 96 months.

Year	Without Referendum (Pre-SEA-1)	With Referendum (Post-SEA-1)	Estimated Change in Total Tax Bill
2027	$2,000	$2,027	**$27.00 increase**
2028	$2,010	$2,035	**$25.00 increase**
2029	$2,031	$2,051	**$20.00 increase**
2030	$2,061	$2,073	**$12.00 increase**
2031	$2,102	$2,102	$0.00 no change
2032	$2,155	$2,150	**$5.00 savings**
2033	$2,220	$2,208	**$12.00 savings**
2034	$2,298	$2,279	**$19.00 savings**

MCAS is part of a statewide funding challenge

CORE INSIGHT

Legislative changes under SEA 1 are forcing districts across Indiana to make difficult choices about basic operational funding.

MCAS is not alone.

38 SCHOOLS

Expected to be impacted and face operating referendums by November 2026.

Without additional local funding, cuts to student transportation and essential safety services become unavoidable.

Securing Our Future:
What the Referendum Supports

A $10M annual investment to protect, maintain, and enhance the MCAS experience.



65% | $6,500,000:
Academic Programs

*Including but not limited to appropriate class sizes, career and technical workforce development, teacher recruitment and retention, and literacy development.

20% | $2,000,000:
Educationally Related Programs

*Including but not limited to transportation services, student extracurricular opportunities, and support services.

15% | $1,500,000:
Safety and Security Measures

*Including but not limited to school resource officers, student mental health supports, student behavioral supports (including Success Coaches and Behavior Specialists), and enhanced safety capital investments.

The Crossroads: The Cost of Inaction

Without this funding, external legislative forces will force devastating cuts.



School Closures

Repeating the tragic loss of community anchors like Elston Middle and Neimann Elementary.

Extracurricular Devastation

A complete and total loss of elementary extracurricular activities, including all sports.

Program Gutting

A severe and immediate reduction in middle school opportunities and electives.

Mass Enrollment Flight

The inevitable result—a severe brain drain to better-funded districts, permanently shrinking our community's foundation.

Transparent Taxpayer Impact

Maximizing Community and Students.

The Baseline: $200,000 Homestead Assessed Value

The Math: Total net impact over 8 years (2027 to 2034) = $48 total

$0.50 a month.

Indiana State Teachers Association

Education Support Professional of the Year Award



Indiana
DEPARTMENT OF EDUCATION

Indiana Teacher of the Year Finalist



Indiana State Teachers Association

Community Service Award



Indiana Music Education Association

EXCELLENCE IN COMMUNITY



BARKER middle school

MC Rotary

Service Above Self

EDUCATOR OF THE YEAR



PRESIDENTIAL AWARDS FOR EXCELLENCE IN MATHEMATICS AND SCIENCE TEACHING

STEM STATE FINALIST



Indiana
DEPARTMENT OF EDUCATION

2027 Indiana Teacher of the Year Finalist



MICHIGAN CITY AREA SCHOOLS

THE IMPACT IS REAL

MCAS OUTPERFORMED PREDICTED RESULTS ACROSS ALL THREE MEASURES

After accounting for poverty, demographics, enrollment, spending, and English learners

GRADE 3 ILEARN

ELA & MATH PROFICIENCY

+8.9

PERCENTAGE POINTS VALUE ADDED

23.5%actual • **14.6%**predicted

TOP QUINTILE

GRADE 8 ILEARN

ELA & MATH PROFICIENCY

+4.6

PERCENTAGE POINTS VALUE ADDED

11.3%actual • **6.7%**predicted

QUINTILE 2

SAT BENCHMARK

COLLEGE-READY SHARE

+3.9

PERCENTAGE POINTS VALUE ADDED

9.6%actual • **5.7%**predicted

QUINTILE 2

OUR TEACHERS ARE MAKING AN IMPACT.

ONE CITY. ONE PACK. MOVING STUDENTS FORWARD.

Source: Ball State University CBER, "A Value-Added Measure of School Performance in Indiana" (2026), Tables B1-B3. Value added is the corporation-level difference between actual and model-predicted performance.

MCAS IREAD-3 PROFICIENCY

Student achievement trend | 2019–2026

+11.4 pts
growth from 2021 to 2026

309
students proficient in 2026

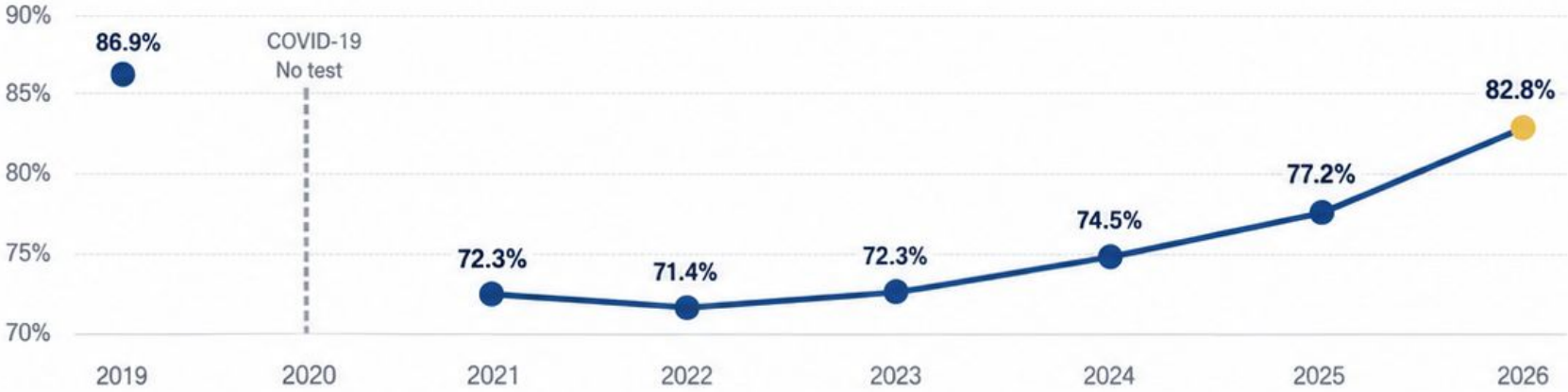
373
students tested in 2026

Strong rebound
Up 10.5 points since 2022

2026
82.8%
+5.6 points in one year

Four consecutive years of growth since 2022.

Proficiency trend



THE STORY IN THE DATA

Four straight gains

MCAS proficiency has increased each year since 2022.

+5.6 pts
increase from 2025 to 2026

YEAR	PROFICIENT	TESTED / COHORT	PROFICIENCY
2019	353	of 406	86.9%
2020	Not administered		COVID-19
2021	293	of 405	72.3%
2022	292	of 409	71.4%
2023	303	of 419	72.3%
2024	280	of 376	74.5%
2025	301	of 390	77.2%
2026	309	of 373	82.8%

Proficiency rate = students proficient / students tested or cohort





GO Miss
LEE Crew


VOLLEY OF LIFE
FUTURE WOLVE



MICHIGAN CITY
MICHIGAN CITY
GOLF PACK
2


DKNY NY
DKNY NY

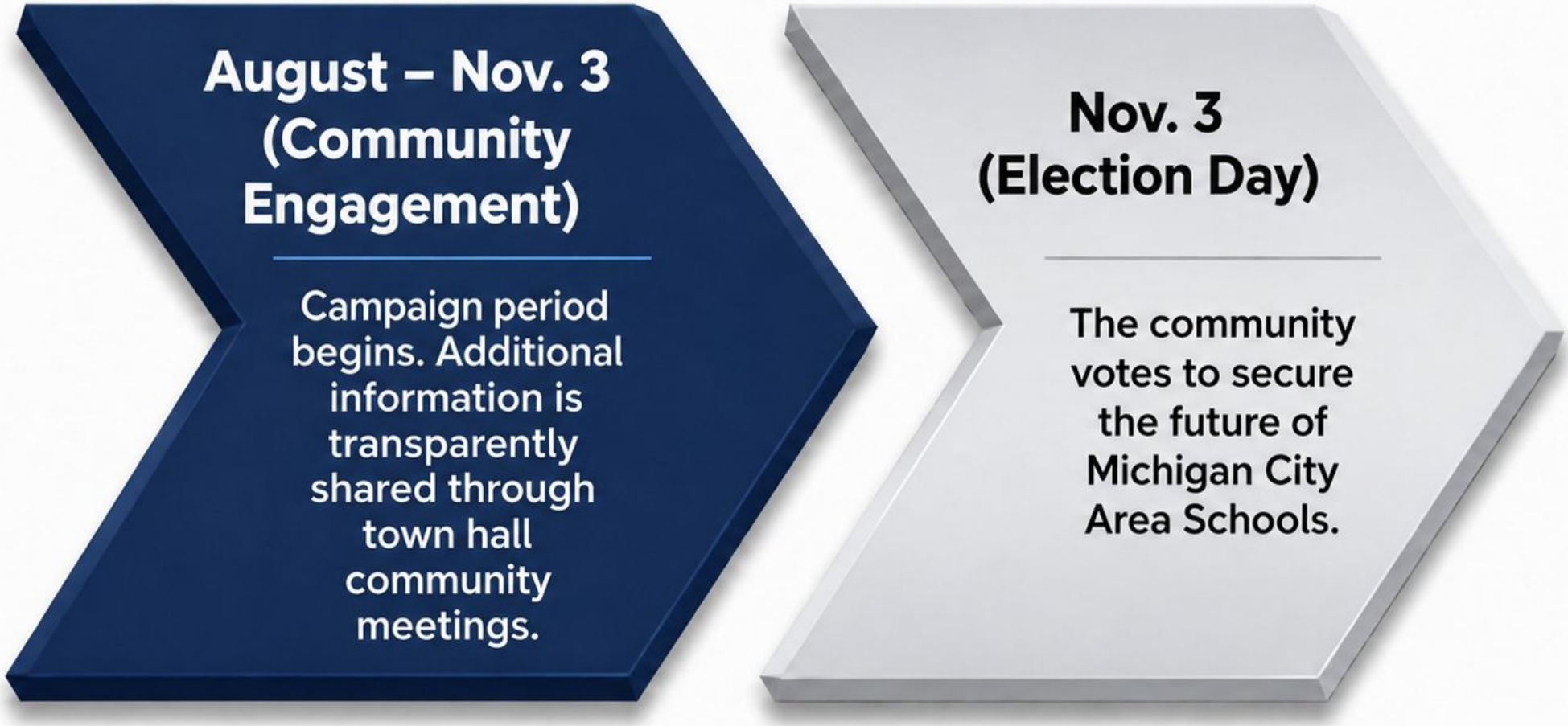
NEXT
LEVEL





CITY
CITY

The Referendum Runway: Mapping Our Path to November



Michigan City Area Schools

MAXIMIZING COMMUNITY AND STUDENTS



COMMUNITY MEETINGS

LEARN MORE ABOUT THE 2026 REFERENDUM CAMPAIGN

Join us for an important community conversation about the future of Michigan City Area Schools and the Operational Referendum that supports essential student services.

ALL MEETINGS TAKE PLACE AT 6:00 PM

THURSDAY SEPT. 24
Edgewood Elementary
502 Boyd Circle

THURSDAY OCTOBER 22
Krueger Middle School
2001 Springland Ave.

PRESENTATION BY
Dr. Wendel McCollum
Superintendent
Michigan City Area Schools

Following the presentation, there will be an opportunity for community questions and answers.

WE ARE M PROUD

ONE CITY, ONE PACK

STRONG SCHOOLS | STRONG COMMUNITY | ONE CITY, ONE PACK

Make your plan to vote

Key dates and voter information for the November 3, 2026 election.

3

KEY VOTING DATES

Election Day: November 3, 2026
Early Voting: October 6–November 2
Absentee Voting: Apply by October 22

REGISTER & FIND YOUR POLL

Scan the code or visit
indianavoters.in.gov

MCAS OPERATING REFERENDUM

Michigan City Area Schools

MAXIMIZING COMMUNITY AND STUDENTS

EducateMC.net/MCAS

Michigan City Area Schools

MAXIMIZING COMMUNITY AND STUDENTS

THANK YOU!



We’d love your Feedback