



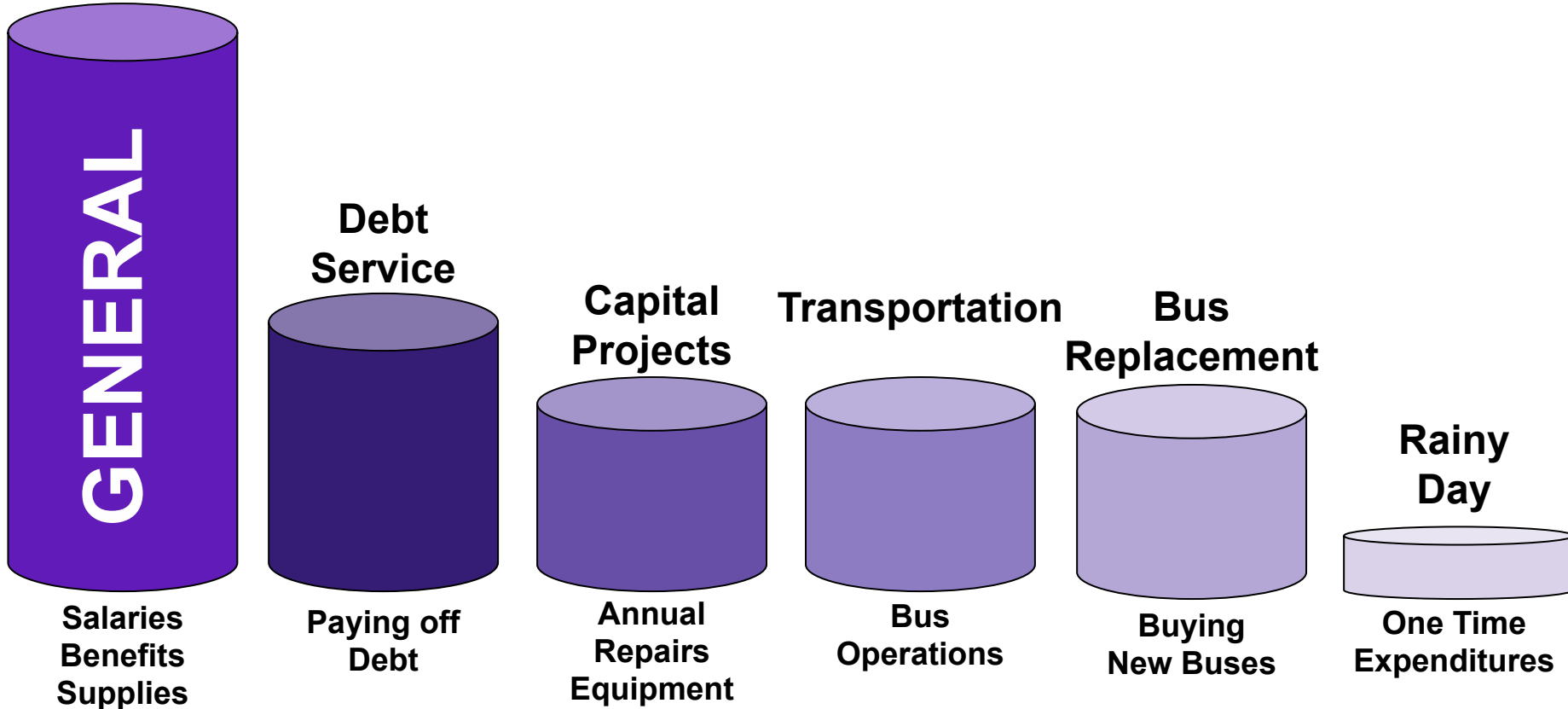
WE ARE WAYNE!
GREAT SCHOOLS :: GREAT COMMUNITY

Metropolitan School District of Wayne Township

Budget Presentation

August 2020

Review of School Budgeting

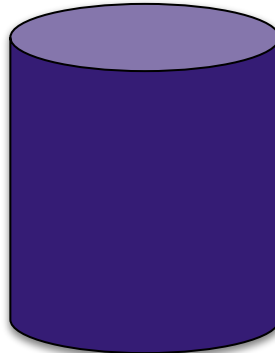


Review of School Budgeting



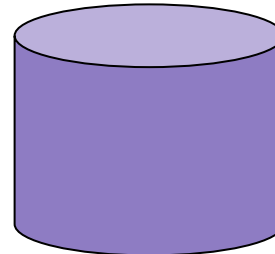
**Salaries
Benefits
Supplies**

**Debt
Service**



**Paying off
Debt**

Operations



**Annual
Repairs
Equipment**

**Rainy
Day**



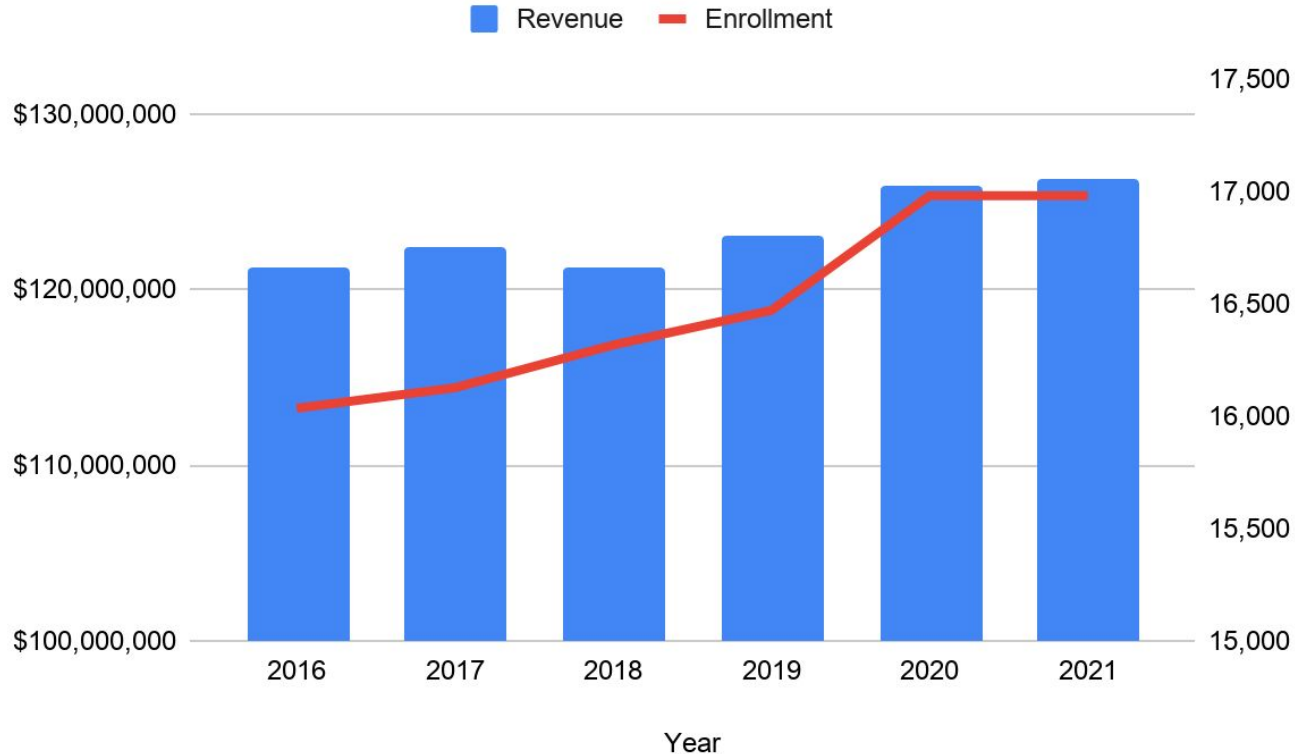
**One Time
Expenditures**

Authority to Spend...

Ability to Spend...



2016-2021 General/Education Fund



Education to Operations

From General Fund to Operations Fund

- Business Office
- Human Resources
- Utilities
- Custodial & Maintenance
- Property Insurance
- Superintendent's Office
- Security Officers

From CPF to Education Fund

- Technology Related Expenses



Education Fund Appropriation

Form 3 Advertisements

Budget Year	Calendar Year Appropriation	School Year	Enrollment	\$/Student-State Aid	Percent Change in Student Aid
2021	\$112,193,430	2020/2021	16,890	\$7,474	1.1%
2020	\$118,474,505	2019/2020	16,890	\$7,392	1.9%
2019	\$105,908,806	2018/2019	16,470	\$7,255	1.3%
2018	\$122,695,847	2017/2018	16,316	\$7,160	0.76%
2017	\$121,637,000	2016/2017	16,126	\$7,106	2.5%
2016	\$118,297,781	2015/2016	16,035	\$6,932	-

Tax Rate Management

- Previous Strategy
 - Levy Driven - Projected Loss of Overall Tax Revenue
 - Insufficient Funds for Capital Plans
- Future Strategy
 - Rate Driven - Projected Increase of Overall Tax Revenue - Debt Service Rate set at \$0.90
 - Little to No Impact on Taxpayers
 - Payment Structure
 - Boxes Out or Protects Tax Revenue for District
 - Increases Ability to Address Capital Plans



2021 Debt Service Plan

Appropriation

2021---\$29,705,757 (EST)

2020---\$32,227,599

2019---\$24,193,079

2018---\$23,654,502

2017---\$23,211,280

2016---\$22,936,704

Debt Service Rate

\$0.9240 (EST)

\$0.9025

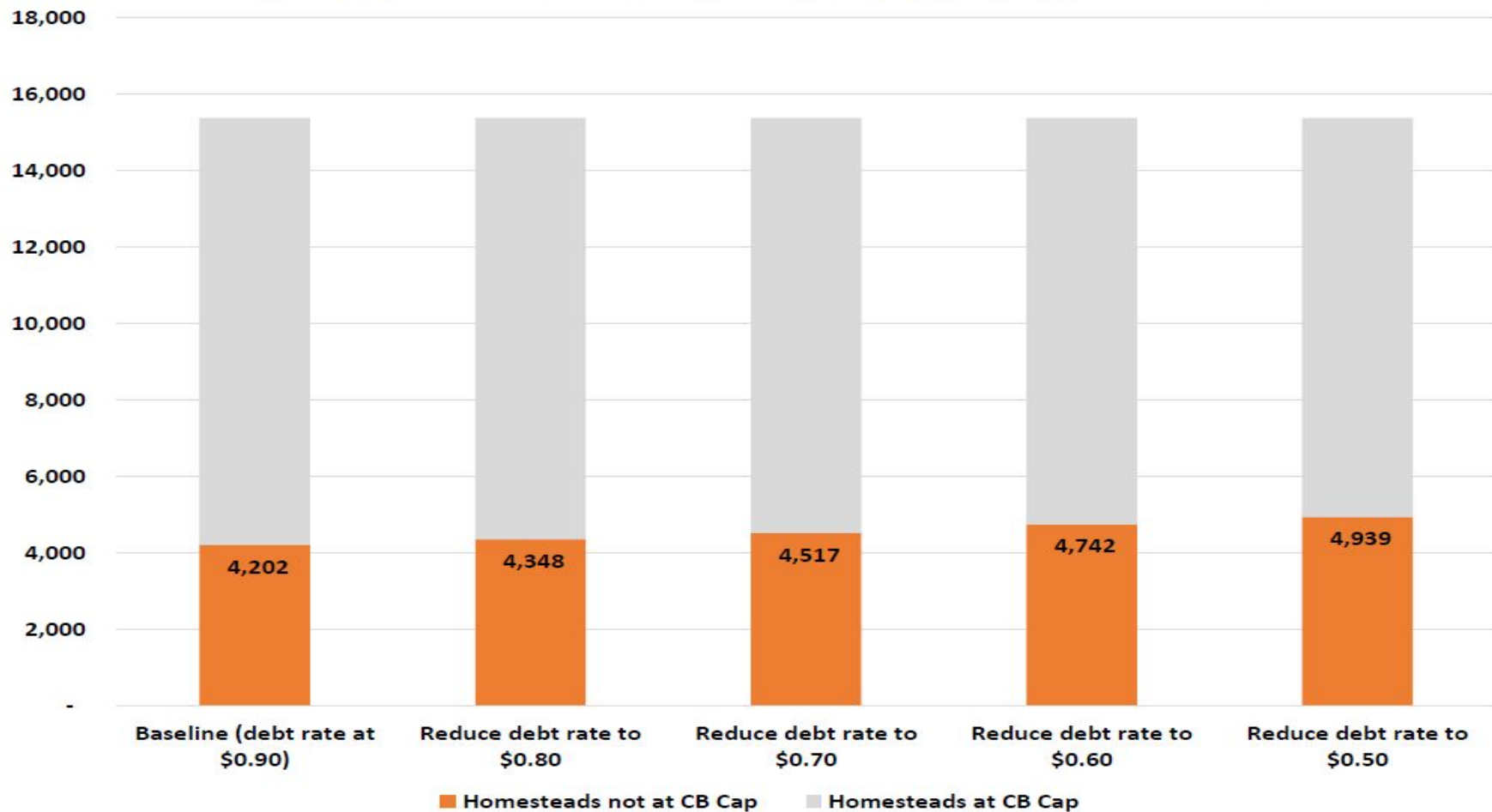
\$0.8113

\$0.9279

\$0.9479

\$1.1005

MSD Wayne - Impact of Debt Service Reduction on Homesteads at the Cap



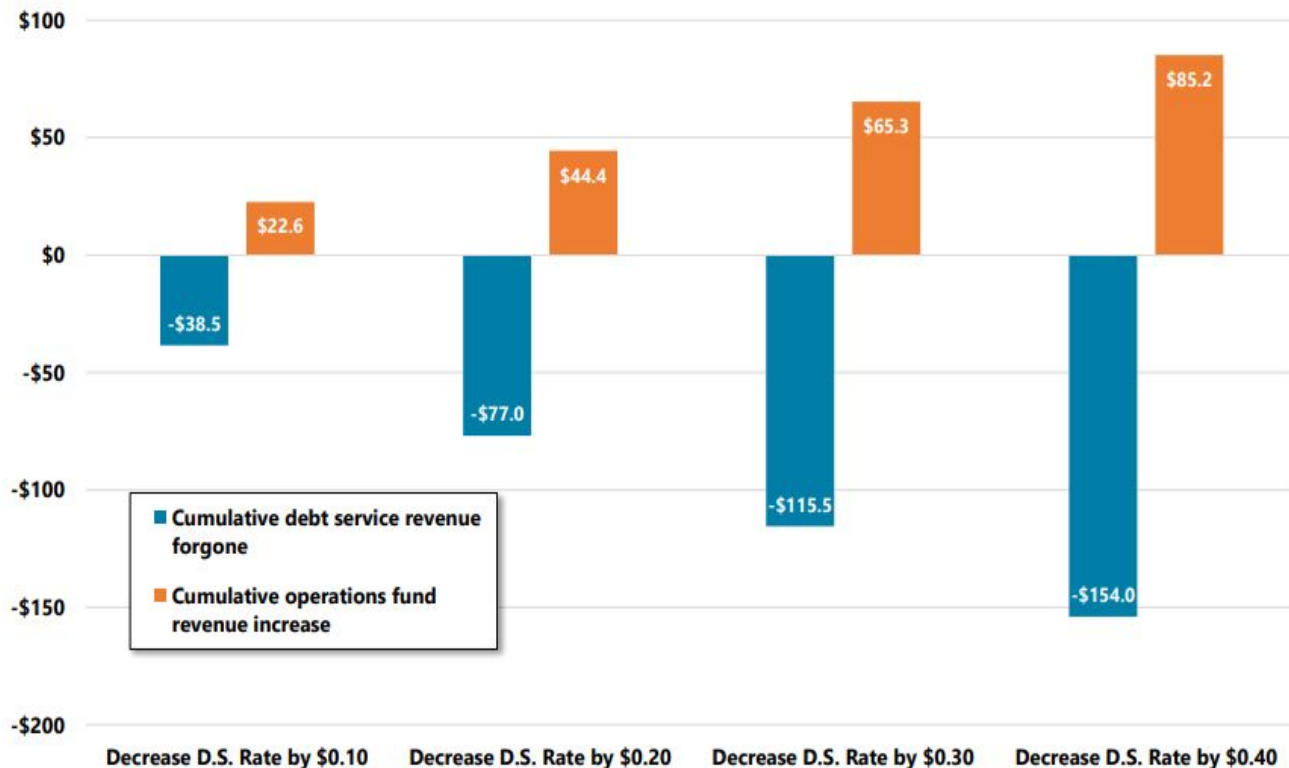
Cumulative Impacts

MSD Wayne maximizes its property tax revenues by maintaining its debt service rate at \$0.90.

However, maintaining the debt service rate restricts the growth of the operations fund.

A long term cash flow analysis of capital needs, debt service capacity, and referendum proceeds is necessary to manage the most effective tax rate structure.

Cumulative Impact of Debt Service Alternatives *(cumulative 2020-2030)*



Estimated Change of Future Debt Tax Rate

	NAV	NAV		With 2020 GO Bonds	With 2021 Bonds	With 2022 Bonds
Year	Assumptions	Growth Rate	Current Tax Rate	Tax Rate	Tax Rate	Tax Rate
2020	2,943,114,362	-	\$0.9025	\$0.9025	\$0.9025	\$0.9025
2021	3,021,200,000	2.65%	\$0.8706	\$0.9024	\$0.9024	\$0.9024
2022	3,108,200,000	2.88%	\$0.7356	\$0.8276	\$0.9025	\$0.9025
2023	3,197,900,000	2.89%	\$0.7605	\$0.7584	\$0.8297	\$0.9024
2024	3,290,400,000	2.89%	\$0.7651	\$0.7645	\$0.8332	\$0.8346
2025	3,385,500,000	2.89%	\$0.7693	\$0.7690	\$0.8356	\$0.7930
2026	3,483,300,000	2.89%	\$0.6295	\$0.6295	\$0.7047	\$0.7704
2027	3,929,500,000	12.81%	\$0.5682	\$0.5682	\$0.6256	\$0.6831
2028	4,041,600,000	2.85%	\$0.5399	\$0.5399	\$0.5957	\$0.6640
2029	4,156,900,000	2.85%	\$0.3658	\$0.3658	\$0.4201	\$0.6130
2030	4,275,300,000	2.85%	\$0.2775	\$0.2775	\$0.3303	\$0.3831

Five Year Expenditures



Operations

- Transportation is provided by MSD Wayne Township
- Aging Bus Fleet
- 1-1 Technology
- 25 Year Maintenance Plan
- Building Infrastructure, Roofing, Paving



Operations Fund

\$23,695,369 Estimated Operations Fund Appropriation for 2021

\$21,482,047 DLGF Estimated 2021 Max Levy

-\$15,000,000 DLGF Estimated 2021 Circuit Breaker Impact

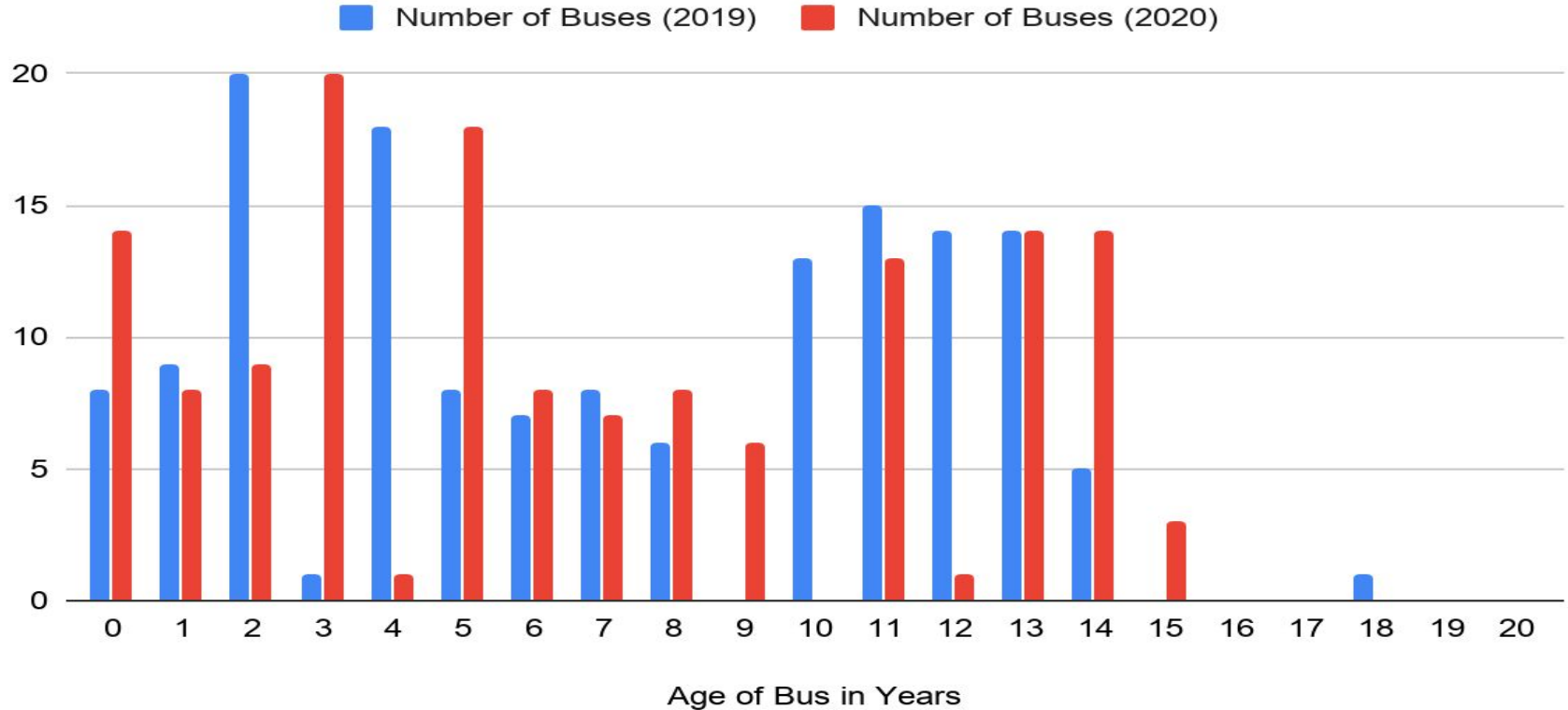
\$ 6,482,047 Estimated Operations funds received

+\$19,084,000 Anticipated Transfer from Education Fund (15%)

\$25,566,047 Operations Fund Revenues Received



Age of Bus Fleet (2019 vs. 2020)



2015 Referendum

- Helps offset the impact of Property Taxes on the District
- Funds the following areas:
 - Transportation
 - Facilities
 - Maintenance

2019 Referendum

- Helps offset the impact of declining complexity funding
- Funds the following areas
 - Ben Davis University
 - Wayne Township Preschool
 - HOSTS
 - Safety and Security

AV & Tax History

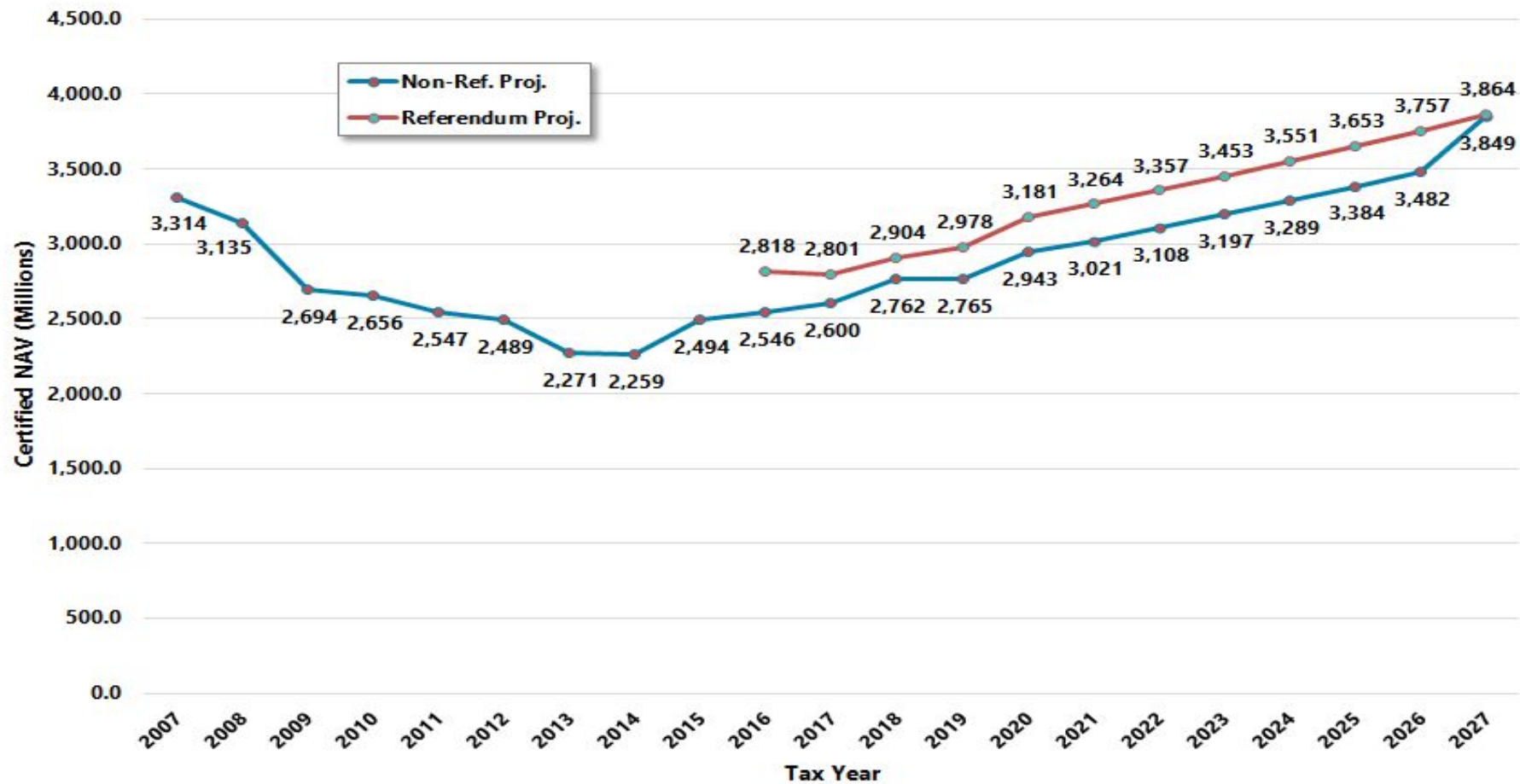
Year	Total Tax Rate	Increase From Last Year	CNAV (OPS and Debt)	Increase From Last Year	CNAV (Referendum)	Increase From Last Year
2015	\$1.4848		\$2,493,627,191			
2016	\$1.9962	25.62%	\$2,546,072,802	2.06%	\$2,817,679,806	
2017	\$1.8723	-6.62%	\$2,599,753,184	2.06%	\$2,800,715,528	-0.61%
2018	\$1.9668	4.80%	\$2,762,484,807	5.89%	\$2,904,266,306	3.57%
2019	\$1.8816	-4.53%	\$2,765,290,932	0.10%	\$2,978,263,593	2.48%
2020	\$2.3029	18.29%	\$2,943,114,362	6.04%	\$3,181,300,228	6.83%

Property Tax Talking Points

- Assessed values are determined by the Marion County Assessor's Office
 - This year's property tax increase is most greatly related to an unexpected increase in residential property values for 2019, pay 2020.
 - The referendum occurred in May and assessed values were received in August.
 - The referendum was conducted in May so plans could be made over the summer for the 2019 - 2020 school year.
 - As property values increase, so does the 1% property tax cap on our residences.
- The referendum is the approved \$0.35 per \$100 of assessed valuation. With an increase in our home values as determined by the Marion County Assessor's Office, this year there are more \$100's of AV.
 - The increases communicated during the 2019 referendum campaign were based on the assessed valuations and home values at that time.

Property Tax Talking Points

- Utilizing the data from the Marion County Assessor's Office, we also shared two real examples from actual property tax statements:
 - **2018 (pay 2019) home value: \$100,300**
 - Property taxes before tax caps (2007): \$1,623 annually
 - Property taxes after tax caps (2010): \$966 annually
 - Property taxes in 2018 with 2015 referendum: \$1,118*
 - Property taxes in 2020 with 2015 & 2019 referendums: \$1,233
 - *Note: home value has risen \$4,000 since 2010
 - A 4.1% increase over 9 years
 - **2018 (pay 2019) home value: \$209,700**
 - Property taxes before tax caps (2007): \$3,799 annually
 - Property taxes after tax caps (2010): \$1,866 annually
 - Property taxes in 2018 with 2015 referendum: \$2,512*
 - Property taxes in 2020 with 2015 & 2019 referendums: \$2,876
 - *Note: home value has risen \$25,000 since 2010
 - A 13.5% increase over 9 years



Referendum Funds 2021

- Potential Referendum Impact on Homeowner
 - 5% Increase on \$200,000 Home
 - Assessed Value Increase Tax Impact \$100/year for all taxing districts combined
 - Referendum Tax Impact \$45/year or \$3.75/month
- AV Projection for 2021
 - 4.8% Increase
 - However 2022/2023 could be flat to declining
- COVID-19 Impact on State Funding
 - Could see flat funding or decrease in the next budget
- TIF
 - \$238M in TIF Assessed Value
 - 5% Increase in AV = \$100,000 in new Revenue or 10% of new Referendum Revenue
- Overall Referendum Strategy

Timeline

- **August 10** - Budget presentation to Board
- **August 24** - Budget approved for advertising with Form 3 submitted to Gateway
- **September 14** - Public Hearing - Budget, Approve Operations Plan, Bus Replacement Plan, and Capital Assets Plan
- **October 12** - Adopt Proposed Budget, Approve Appeals if needed
- **October to December** - DLGF Budget Review
- **December 15** - Approvals from DLGF 1782 Statement