



*Jefferson County Farm Bureau supports better schools,
but in a more fiscal and responsible way. We are
recommending our members to **vote NO** on the Madison
Consolidated Schools Referendum.*

Financial Impact...For the Community

- Building Project Bond Amount: \$40,470,000
- Interest Cost @ 5.32% (Projected) \$28,468,515
- **Total Cost** **\$68,938,515**
- The maximum annual payment is: **\$ 4,268,000**
- The maximum term of the bond is 19 years.
- **Referendum debt is not protected by the property tax caps.**
- **Property taxes will increase.**
- **In 2013, MCS received \$3,383 per student in property tax revenue which is more than \$1,300 per student per year than surrounding schools. (See graph on page #3)**

<https://secure.in.gov/dlgf/files/Information Filing - Madison Referendum 140321.pdf>

MCS Building Project Plans

Madison High School: Cost: \$32,500,000 (est.)

Add new gymnasium, locker rooms, and classrooms
Renovate Salm Gymnasium to New Fine Arts Center
Relocate media center and main office area
Demolish former media center and classrooms

E.O. Muncie: Cost: \$2,000,000 (est.)

Demolish classroom wings
Creation of Early Childhood Education Center

Anderson Elementary: Cost: \$7,500,000 (est.)

Addition of classrooms, office, media center, cafeteria,
Playground renovations

*** Interest Cost @ 5.32% (Projected) \$28,468,515**

Questions?? – Email – schoolfacts@seidata.com

Breakdown of Total Maximum Projected Cost to Community

\$68,938,515

Jefferson County VOTERS residing in the Madison Consolidated School district will be able to cast their vote for/against this important decision during the primary election, May 6, 2014.

[Referendum debt is not protected by the property tax caps!!](#)

Concerns with the MCS Referendum

Financial Impact...For the Community

Responsibility...For the Future

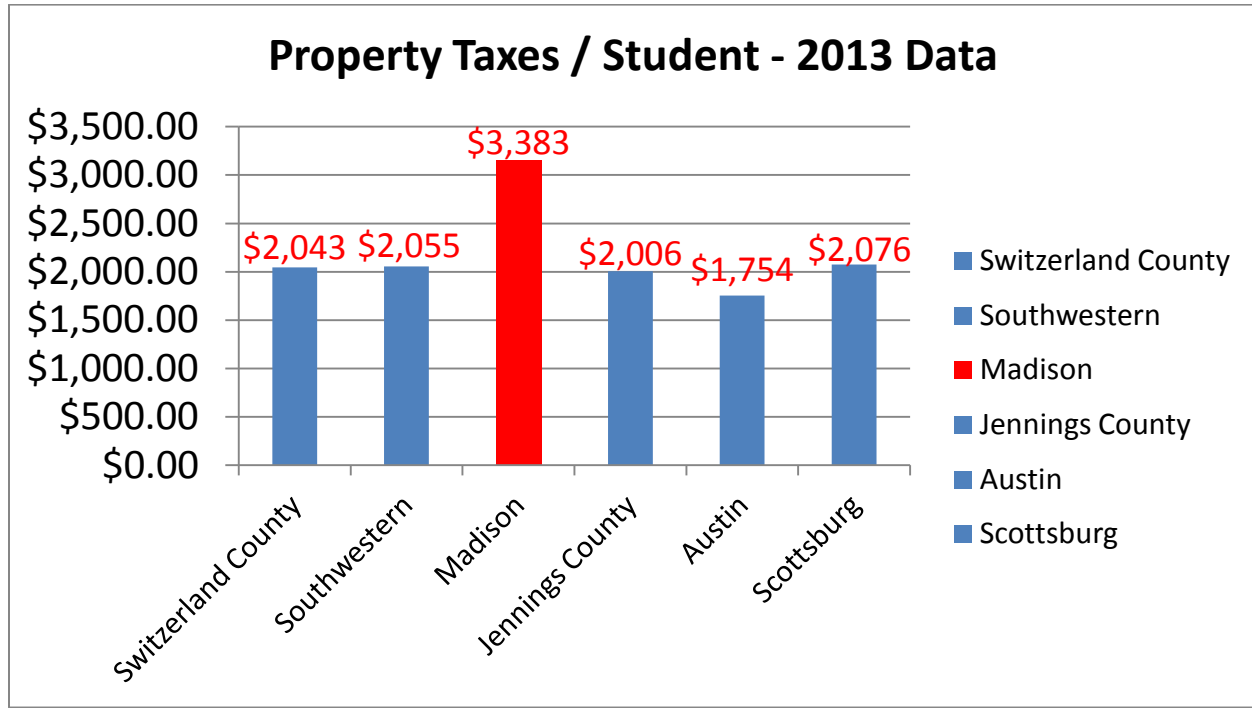
Accountability...For the kids and their future

Referendum Question on the May 6, 2014 Ballot

“Shall Madison Consolidated Schools issue bonds or enter into a lease to finance the renovation of and improvements to Madison Consolidated High School, E.O. Muncie Elementary School and Anderson Elementary School, which is estimated to cost not more than \$40,470,000 and is estimated to increase the property tax rate for debt service by a maximum of \$0.4028 per \$100 of assessed valuation over the 19 year life of the bonds?”

[https://secure.in.gov/dlgf/files/Information Filing - Madison Referendum 140321.pdf](https://secure.in.gov/dlgf/files/Information_Filing_-_Madison_Referendum_140321.pdf)

\$1300 X 2920 students = \$3,796,000 additional revenue compared to neighboring schools.



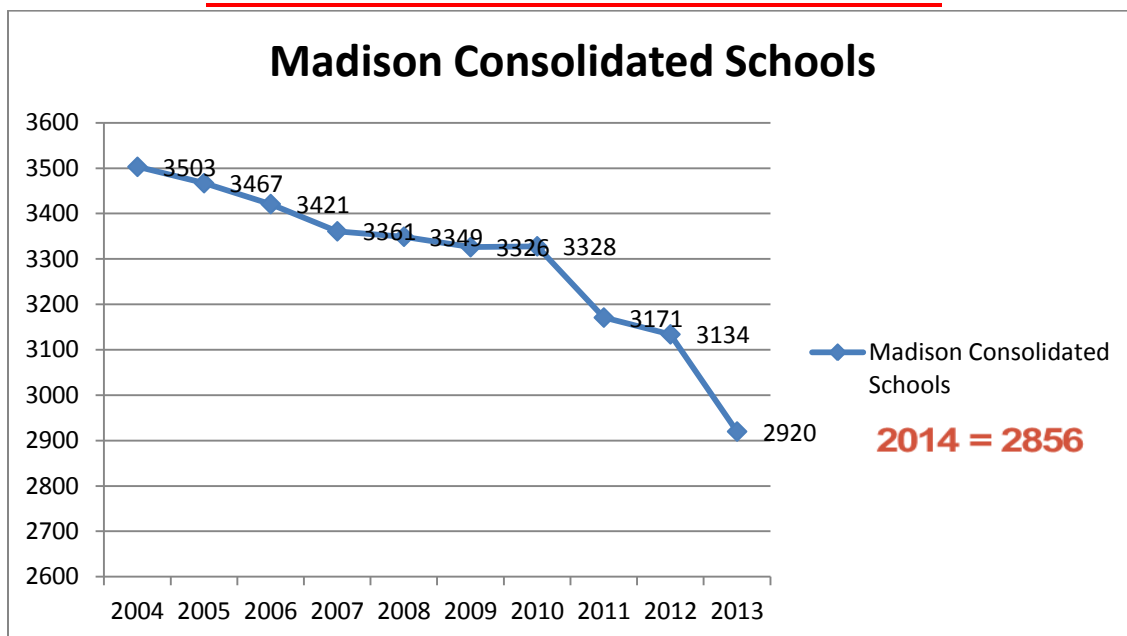
Local Tax Collections for MCS

Calendar Year	2008	2009	2010	2011	2012	2013	*2014 (Budgeted)
Debt Service	\$3,171,452	\$2,952,431	\$3,008,840	\$3,266,469	\$3,121,847	\$3,591,928	\$3,655,805
Debt Service (Retirement)	1,527,592	1,381,684	1,355,342	1,375,863	1,371,705	1,333,826	1,209,220
Capital Projects	3,547,322	3,025,122	2,896,452	3,185,431	1,809,431	2,969,345	4,108,288
Transportation	1,573,887	1,552,244	1,571,742	1,517,993	1,505,804	1,611,908	1,702,781
Bus Replacement	324,627	313,194	337,344	75,047	0	371,482	425,000
Total Taxes Collected	10,144,880	9,244,675	9,169,718	9,420,803	7,808,787	9,878,489	10,101,034
Tax Dollars per Student	3,018	2,760	2,756	2,918	2,491	3,383	3,536

Indiana Department of Local Government Finance - <https://secure.in.gov/dlgef/8789.htm>

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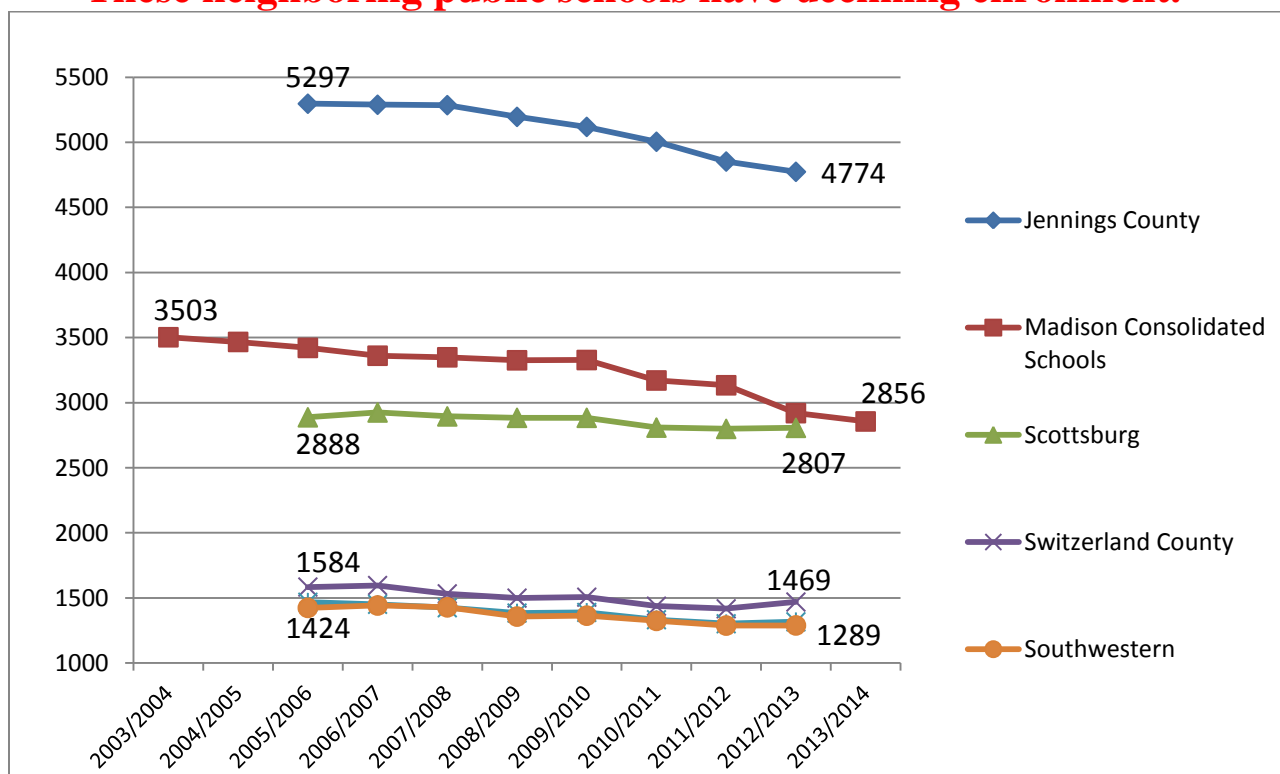
Madison Schools Student Enrollment



<https://secure.in.gov/dlgf/files/Information Filing - Madison Referendum 140321.pdf>

School Student Enrollment

These neighboring public schools have declining enrollment.



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Property Tax Caps: Exceeded

Property taxes that are approved by voters in a referendum are not subject to the property tax caps.

Therefore, any referendum may result in a property tax bill that exceeds the caps

1% of assessed value for homesteads

(owner-occupied residence)

2% for other residential properties and farmland

3% for all other property

References: DLGF Referendum Impact Calculator

<https://gateway.ifionline.org/CalculatorsDLGF/RefCalculator.aspx>

The Impact of the Referendum on Homeowners

<u>Market Value of Home</u>	<u>Your Current Property Taxes</u>		<u>Maximum-\$0.4028 Annually</u>
\$75,000	??	+	\$79.00
\$100,000	??	+	\$144.00
\$109,000 (Average)	??	+	\$168.000
\$150,000	??	+	\$275.00
\$200,000	??	+	\$406.00
\$250,000	??	+	\$537.00

Questions?? – Email – schoolfacts@seidata.com

The Impact of the Referendum on Commercial/Rental Property

What is Your Commercial Business /
Rental Property Assessed Value???

Commercial/Rental Property	Your Current Property Taxes		Maximum-\$0.4028 Annually
\$100,000	??	+	\$403.00
\$150,000	??	+	\$604.00
\$200,000	??	+	\$806.00
\$250,000	??	+	\$1,007.00
\$300,000	??	+	\$1,208.00

<https://gateway.ifionline.org/CalculatorsDLGF/RefCalculator.aspx>

The Impact of the Referendum on Landowners

These Values are Base Values for Farmland. (Per Acre)

What is Your Assessed Value on Your Farmland?

One Acre Agricultural Land	Your Current Property Taxes		Maximum-\$0.4028 Annually (Per Acre)
2014 Base Value-\$1760	??	+	\$7.09
2015 Base Value-\$2050	??	+	\$8.26
2016 Base Value-\$2420 (estimated)	??	+	\$9.75
2017 Base Value-\$2770 (estimated)	??	+	\$11.16

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Referendum Impact Calculator – Example

- 100 Acres of Farmland / Agricultural Land
- \$2050 Base Rate (Assessed in 2014-Pay 2015)
- Gross Assessed Value = **\$205,000**
- Estimated Maximum Annual Increase Due to Referendum = **\$826**
- Estimated Maximum Total Taxes to be Paid for Referendum in Future = **\$15, 689**

<https://gateway.ifionline.org/CalculatorsDLGF/RefCalculator.aspx>

Sources for More Information

Madison Consolidated Schools / Building Project

<http://futureofmadisonschools.blogspot.com/>

<http://www.madison.k12.in.us/info/the-building-project>

Indiana Department of Education

<http://www.doe.in.gov/>

Indiana Gateway for Government Units

<https://gateway.ifionline.org/>

Indiana Department of Local Government Finance

<https://secure.in.gov/dlgf/8789.htm>

Responsibility...for the Future

- An increase in property taxes will discourage new businesses from locating in Jefferson County.
- Why not use the facilities we have??
 - Anderson and Dupont Elementary Schools
- Why spend \$2 million on E.O. Munice, why not sell the building??
- Do we need a new gymnasium???
- There is a need for more community involvement in the project.
- Do we want to saddle the community with debt that we cannot afford??
- Vote for responsible spending, vote **NO** on the MCS building project.

* The effect of debt service tax rate of Referendum approval on Property Tax Rates Maximum Increase of \$0.4028 for budget years 2022-2033. The first debt service levy for the bonds is anticipated in 2017. The maximum term of the bonds is 19 years and the maximum term of the lease is 21 years. The maximum principal amount of the bonds is \$40,470,000 and the maximum annual payment is \$4,268,000. With an average interest rate of 5.32%, a total interest cost of \$28,468,515 is estimated over the life of the bond issue, which would give a total cost of \$68,938,515.