



## Q & A Information for Washington Township Schools Community

**Question:** Why are referendums needed? Don't school districts get enough money from taxes?

**Answer:** The short answer is no, we don't get enough tax money!

Some taxes go to the State (Income and Sales) and some stay at the local level (property).

**OPERATING REFERENDUM:** The MSDWT General Fund (GF) is our largest fund and is used primarily to pay wages and benefits (91% of expenses). GF revenue is provided by the State through a school funding formula written by the General Assembly every two years when a new state budget is approved. The formula has a base foundation funding level which means we receive so many dollars for every student enrolled in our district. In 2009 the foundation funding amount was \$4,825 per student. It declined for the next three years to a low of \$4,280 per student. While a \$545 decline in funding may not appear significant, when multiplied by the 2012-13 student count of 10,530, that's a loss of funding of \$5,738,850. In 2015-16, we are for the first time receiving an amount per student higher than we did in 2009, \$4,967 per student. However, if the 2009 amount were adjusted for inflation, it would still be higher than our current level of funding.

For MSDWT to provide the academic programs the children of Washington Township deserve, the district has asked the Washington Township community to support an Operating Referendum for the past 14 years. These additional dollars have allowed MSDWT to maintain quality programs and keep our highly qualified staff.

**PROJECT OR CONSTRUCTION REFERENDUM:** A construction referendum becomes necessary when a school district has a need for major capital improvements of its buildings and grounds. While MSDWT has a Capital Projects Fund (CPF), as do all school districts, the majority of revenue in that fund is committed to ongoing annual expenses and is not able to support major capital improvements. When considering the nature and scope of improvements necessary in Washington Township, it becomes clear that an alternative source of funding is required. That alternative source of funding is a construction referendum. Once a project is approved by the voters, bonds can be sold to raise the necessary funds. Then our facilities can get the much needed updates by enhancing safety and security, solve our capacity issues, and improve efficiency and technology.

**Links to Support Resources:** Dept. of Local government Finance <http://www.in.gov/dlzf/8789.htm>

Master Facility Planning Information <http://www.msdt.k12.in.us/2016/01/master-facility-planning/>

**Staff Contact for More Information:** Joe Licata, Chief Business Officer, [jlicata@msdt.k12.in.us](mailto:jlicata@msdt.k12.in.us)  
317-845-9400

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