



School City of Hammond

Proposed Renewal of School Operating Referendum

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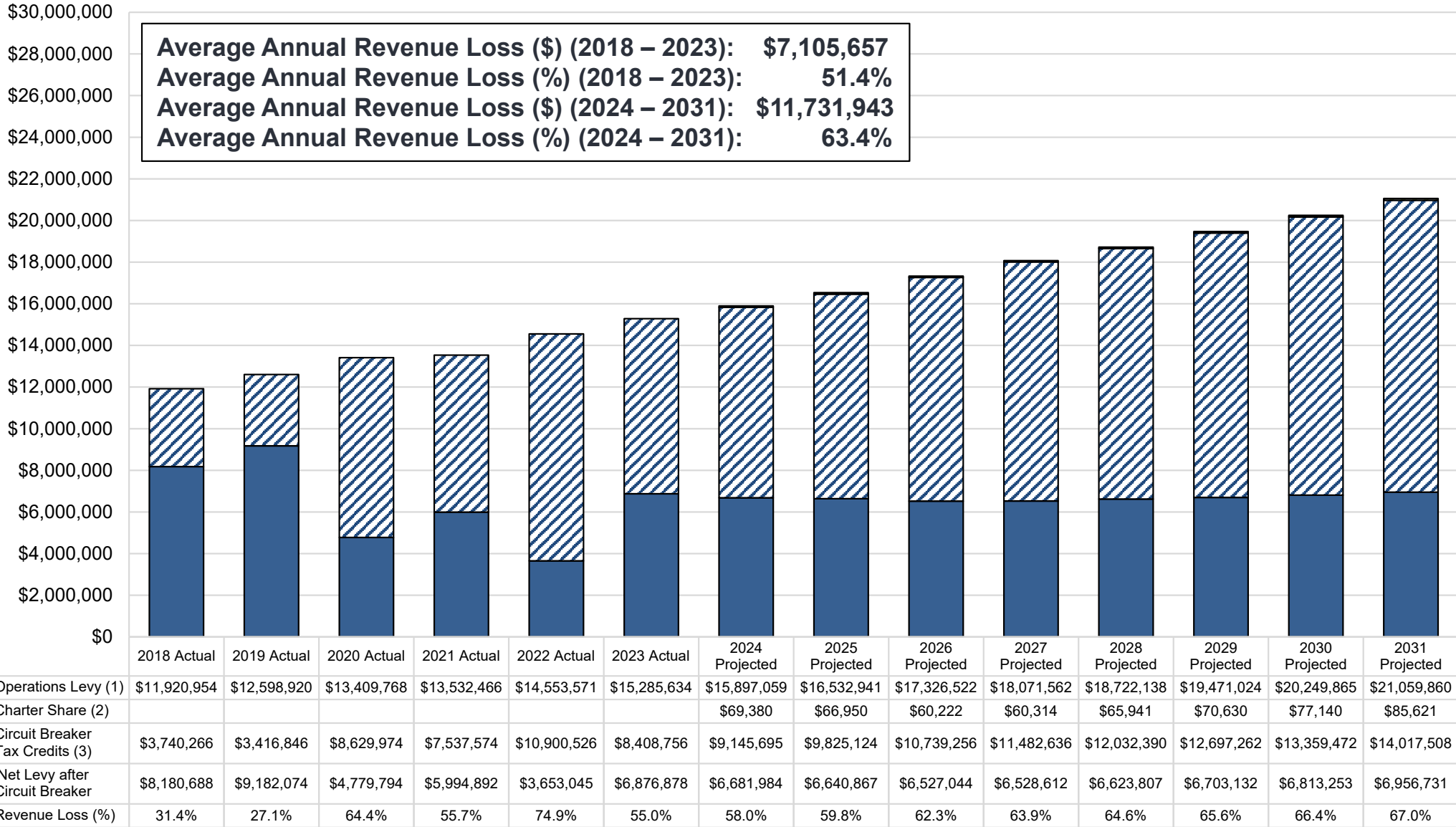


PROPOSED RENEWAL OF \$0.4400 OPERATING REFERENDUM

Proposed Renewal of Operating Referendum	
Proposed Maximum Operating Referendum Tax Rate (1):	\$0.4400
Existing Operating Referendum Tax Rate (2018 – 2023) (2):	\$0.4400
Proposed Increase to Existing Operating Referendum Tax Rate:	\$0.0000
Term of Proposed Operating Referendum:	8 years (2024 – 2031)
2023 Certified Operating Referendum Levy (3):	\$14,675,825

- (1) The proposed operating referendum tax rate of \$0.4400 per \$100 of net assessed valuation is for the purpose of funding the Renew Our Hammond Schools—Invest in Our Community Program consisting of teaching positions, staff positions, educational programs, school programs, school bus transportation programs, school health, equity, safety, and security programs.
- (2) The School City of Hammond’s existing operating referendum tax rate of \$0.4400 was approved by voters in November 2017 for a seven-year term beginning in 2018.
- (3) Per the Department of Local Government Finance (“DLGF”). Total annual revenue received will vary depending upon miscellaneous revenue collections and fluctuations in future assessed valuations.

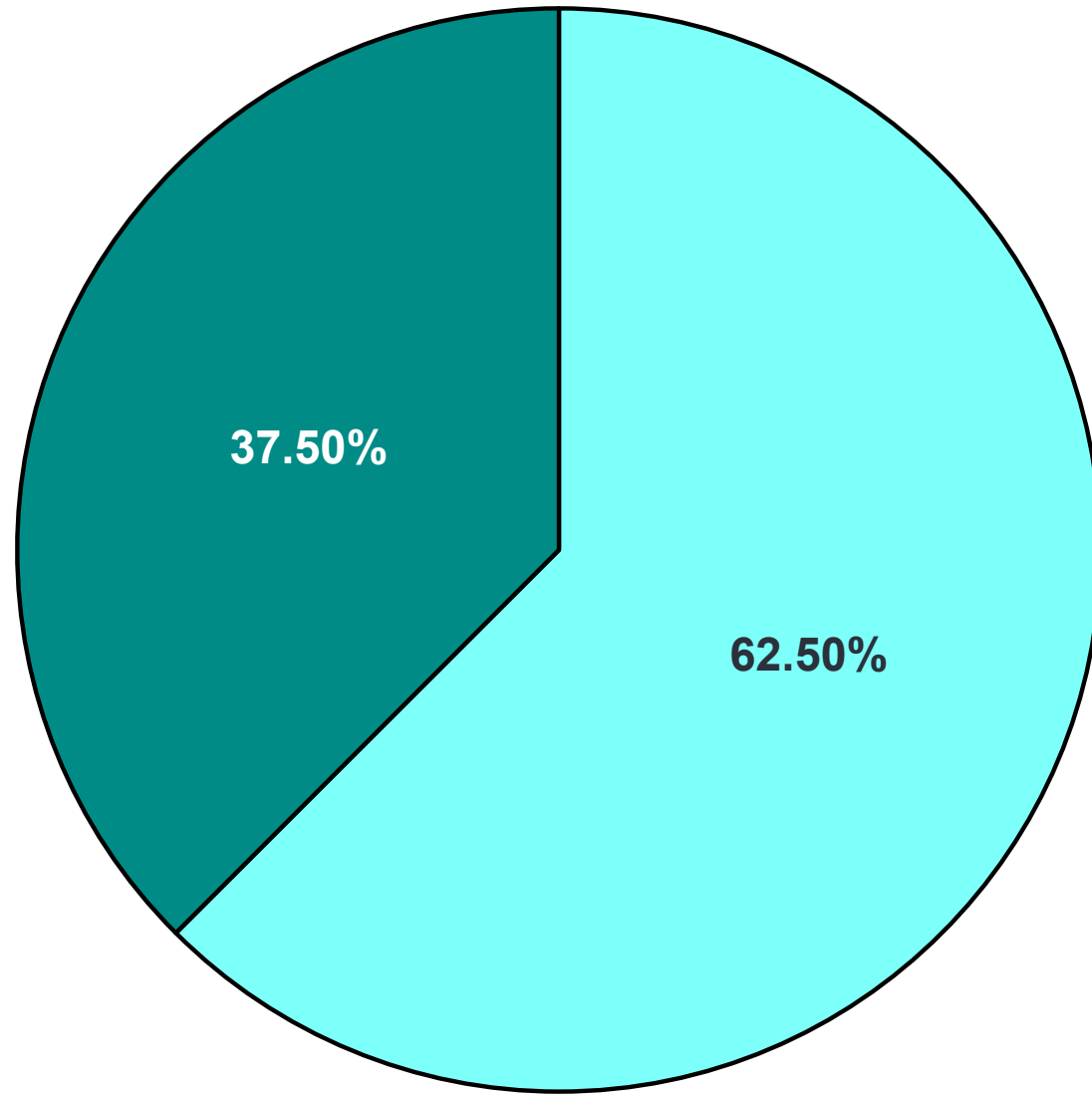
IMPACT OF CIRCUIT BREAKER ON OPERATIONS FUND – ACTUAL AND PROJECTED



Average Annual Revenue Loss (\$) (2018 – 2023): \$7,105,657
Average Annual Revenue Loss (%) (2018 – 2023): 51.4%
Average Annual Revenue Loss (\$) (2024 – 2031): \$11,731,943
Average Annual Revenue Loss (%) (2024 – 2031): 63.4%

(1) 2018 – 2023 reflect gross certified Operations Fund levies, per the DLGF. 2024 – 2031 reflect projected gross levies based upon projected maximum levy growth, per Policy Analytics, LLC.
 (2) Reflects estimated distributions of Operations Fund levies to charter schools per SEA 391.
 (3) 2018 – 2023 reflect Circuit Breaker Tax Credits allocated to the Operations Fund, per the DLGF. 2024 – 2031 reflect projected circuit breaker tax credits based upon assuming the School Corporation's debt service tax rates are maintained at current levels, per Policy Analytics, LLC.

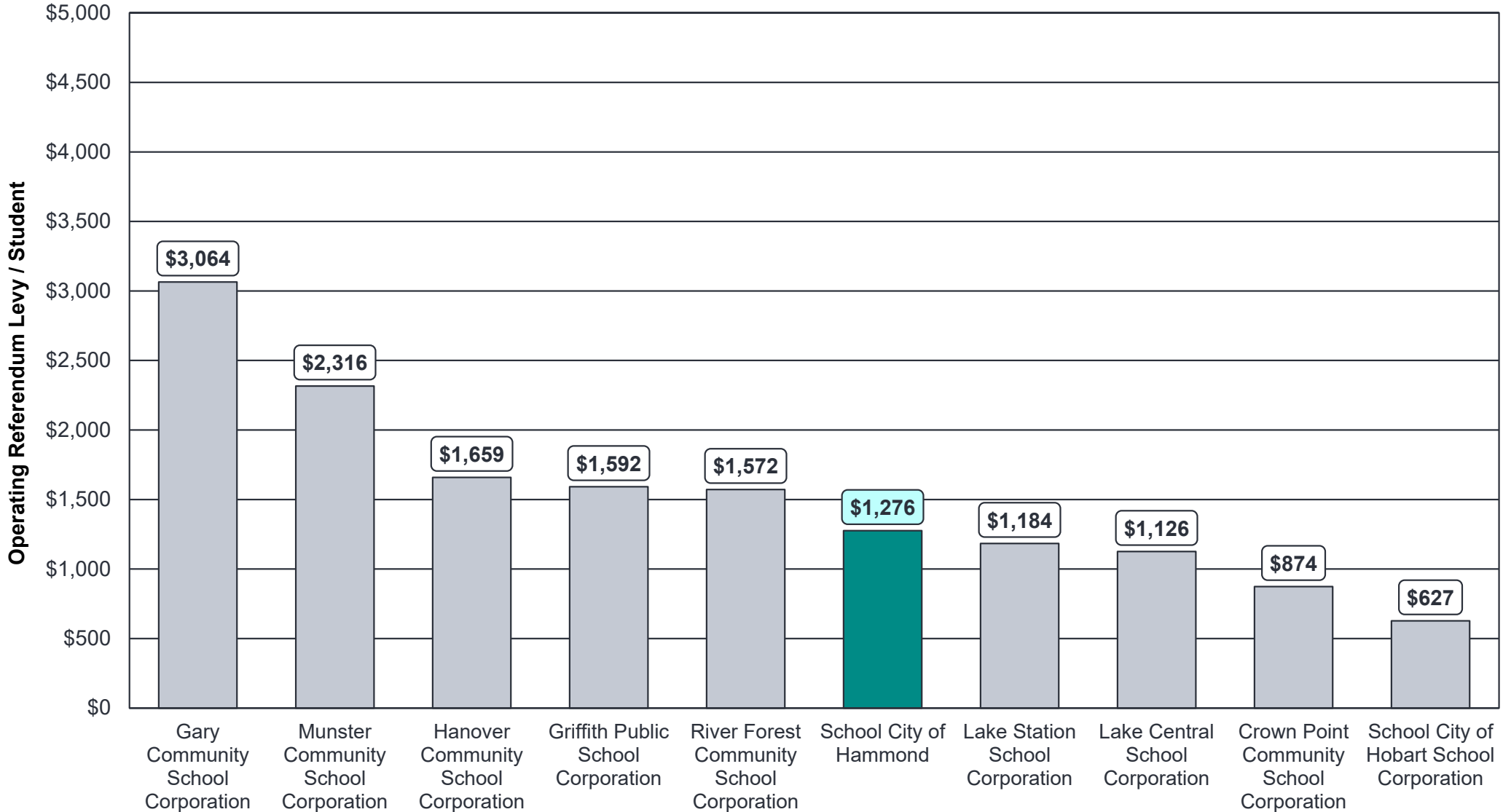
SCHOOL OPERATING REFERENDA IN LAKE COUNTY



■ With Operating Referendum ■ Without Operating Referendum



OPERATING REFERENDUM DOLLARS PER STUDENT – LAKE COUNTY SCHOOLS (2023)



Source: Enrollment information for the Indiana Department of Education. 2023 certified referendum levies per the DLGF.

REQUIRED PERCENTAGES FOR BALLOT QUESTION

- Calculations are made according to a State-prescribed formula.
- The formula requires the use of the average assessed valuation of a homestead and a business property in the School Corporation's district, as certified by the Lake County Auditor.
- Calculates the average property taxes that would be paid to the School Corporation for the proposed operating referendum as a percentage of what the average taxpayer would have paid the School Corporation in 2023 without the operating referendum.
- No calculation is made for the anticipated impact on total tax bills.
- Taxpayers are encouraged to refer to the following slide to determine the estimated impact of the proposed operating referendum on their tax bill.



PRELIMINARY FORM OF BALLOT QUESTION

“Shall the School City of Hammond continue to impose increased property taxes paid to the school corporation by homeowners and businesses for eight (8) years immediately following the holding of the referendum for the purpose of funding the Renew Our Hammond Schools - Invest in Our Community Program consisting of teaching positions, staff positions, educational programs, school programs, school bus transportation programs, school health, equity, safety, and security programs at a continued property tax rate of \$0.44? The property tax increase requested in this referendum was originally approved by the voters in 2017 and if extended will increase the average property tax paid to the school corporation per year on a residence within the school corporation by 50.37% and if extended will increase the average property tax paid to the school corporation per year on a business property within the school corporation by 45.07%.”



ESTIMATED TAXPAYER IMPACT

		Prior Rate		Proposed Renewal Rate		Proposed Increase	
Operating Referendum Tax Rate (1):		\$0.4400		\$0.4400		\$0.0000	
<u>Market Value of Home</u>	<u>Net Assessed Value (2)</u>	<u>Monthly Tax Impact</u>	<u>Annual Tax Impact</u>	<u>Monthly Tax Impact</u>	<u>Annual Tax Impact</u>	<u>Monthly Tax Impact</u>	<u>Annual Tax Impact</u>
\$75,000	\$19,500	\$7.15	\$85.80	\$7.15	\$85.80	\$0.00	\$0.00
100,000	33,800	12.39	148.72	12.39	148.72	0.00	0.00
131,539 (3)	54,300	19.91	238.92	19.91	238.92	0.00	0.00
150,000	66,300	24.31	291.72	24.31	291.72	0.00	0.00
175,000	82,550	30.27	363.22	30.27	363.22	0.00	0.00
200,000	98,800	36.23	434.72	36.23	434.72	0.00	0.00
250,000	131,300	48.14	577.72	48.14	577.72	0.00	0.00
\$100,000 Commercial Property		36.67	440.00	36.67	440.00	0.00	0.00

(1) Per \$100 of assessed valuation.

(2) Tax impact based upon the net assessed valuation of home, which includes the standard deduction and supplemental homestead deduction. Pursuant to HEA 1260, for taxes payable in 2024 and thereafter, the homestead deduction will increase to a maximum of \$48,000 and the standard mortgage deduction will no longer be available. Additionally, the supplemental homestead deduction is expected to increase in 2024 and 2025; however, no increases to the supplemental deduction have been assumed in the above calculations as the increases are anticipated to be temporary.

(3) Reflects the average value of a homestead in the School Corporation's district for taxes payable in 2023, per Policy Analytics, LLC.





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