

# SUMMARY OF OPERATIONAL ASSESSMENT FINDINGS AND EFFICIENCY OPPORTUNITIES IN THE INDIANAPOLIS PUBLIC SCHOOLS

PREPARED FOR THE INDY CHAMBER

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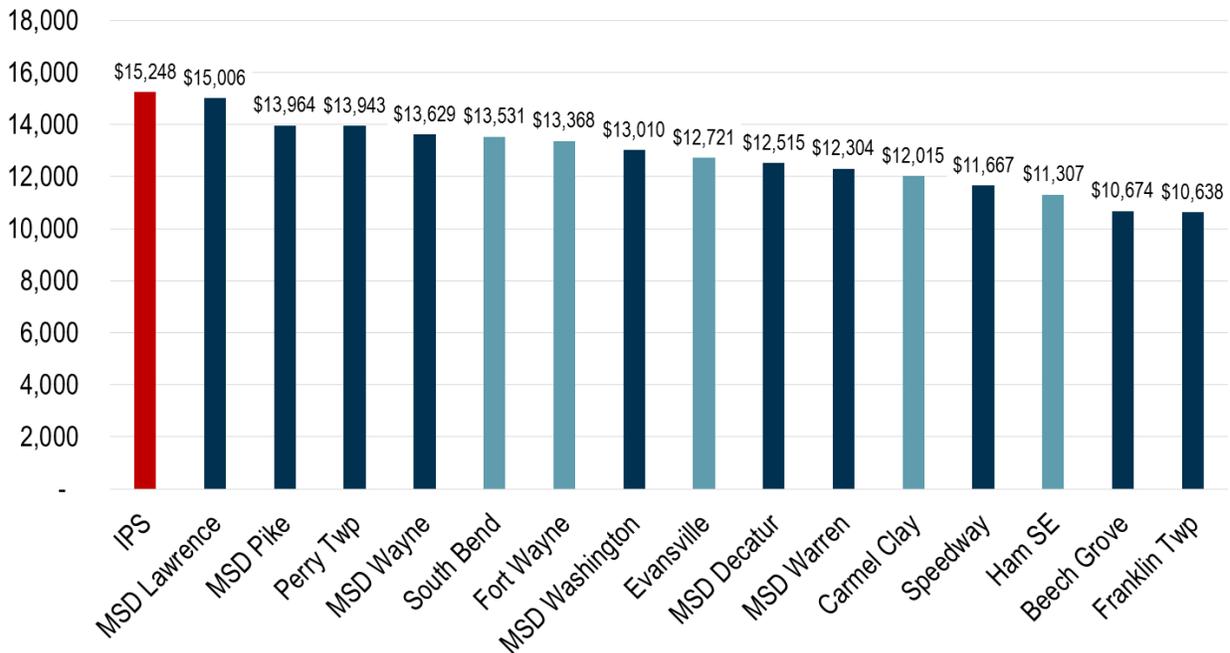
**Introduction**

Over the last approximately 110 days, a team comprised of Faegre Baker Daniels Consulting (“FBDC” or “Faegre”) and Policy Analytics, LLC (“PALLC”) consultants (collectively “the Project Team”) has worked collaboratively with Indianapolis Public Schools (“IPS” or “the District”) personnel to identify and quantify opportunities for operational efficiencies that will drive more resources to the classroom by significantly increasing salaries for teachers and principals while also protecting the interests of taxpayers. Throughout this process, the relationship between the Indy Chamber, the Project Team, and the IPS administration has been professional and productive. In fact, many of the most compelling efficiency options included in the transformation models described herein come from discussions with IPS leaders who recognize the challenges that the District faces and who are thinking creatively about how to address them.

This summary of findings and opportunities precedes the release of a comprehensive operational assessment that will follow. That forthcoming document catalogues the details of the research conducted and the efficiency options identified.

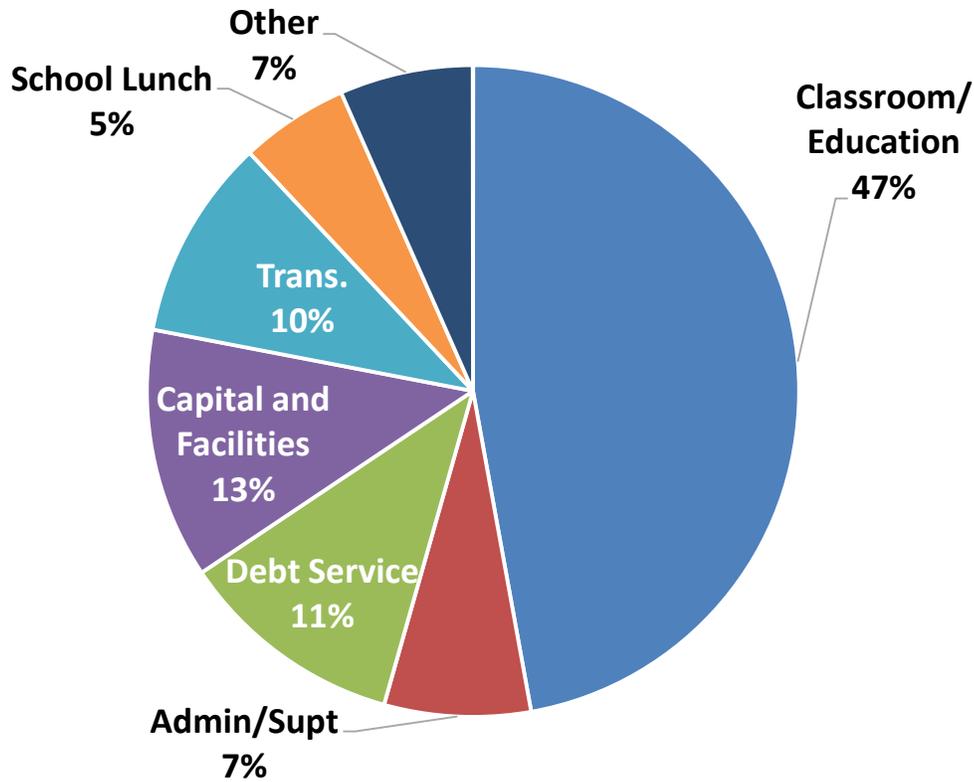
**Current Financial Status of IPS**

As of 2016-2017, IPS was well-funded on a per pupil basis in comparison to other Central Indiana school districts and other large school districts throughout the State:<sup>1</sup>



<sup>1</sup> Source: Indiana Form 9 records (FY 2016-2017); includes IPS-suggested accounting adjustments.

An analysis of the broad categories of IPS expenses follows:<sup>2</sup>



### **The Operational Assessment Process**

Over the course of this project, the Project Team has:

- Conducted more than 50 interviews with IPS senior executives, operational leads, teachers, educational experts, and community stakeholders;
- Requested and reviewed more than 100 documents from IPS;
- Toured multiple IPS facilities and spoken with principals and teachers;
- Conducted a wide review of best practices information from other urban, choice-rich districts (e.g. Denver, Detroit, New Orleans, and Washington) on issues related to facilities and transportation;
- Reviewed previous IPS-commissioned consulting studies on issues such as budgeting and the development of innovation network schools;
- Reviewed multiple articles by academics and non-profit educational think tank sources highlighting research and trends related to school operations and outcomes;

<sup>2</sup> Source: Indiana Form 9 records (FY 2016-2017); includes IPS-suggested accounting adjustments.

- Analyzed financial, staffing, and enrollment data – and developed quantitative models to reflect past and future trends;
- Reviewed IPS’ proposed list of capital referendum projects;
- Considered approximately 20 key operational areas in which efficiencies could have the most significant impact for IPS;
- Identified more than 50 potential efficiency options for consideration;
- Reviewed ideas with IPS staff and Board members and incorporated their input and modifications;
- Prepared a draft comprehensive operations assessment including all findings and options identified for IPS’ consideration;
- Made multiple presentations of the efficiency option ideas and collected their feedback;
- Identified efficiency option ideas deemed too aggressive and/or infeasible for IPS implementation and discarded them;
- Developed and refined separate eight-year financial projection models representing both Chamber and IPS approaches for pursuing efficiencies;
- Assessed what each organization’s model would require in the way of an operating referendum; and
- Modeled the impact of the operating and capital referenda that would be required by each organization’s proposed model on the various classes of IPS taxpayers.

### **Key Areas of Focus and Findings**

The Project Team examined about 20 general operational areas within IPS, but the most impactful efficiency options centered on a smaller number of areas. Some of those key areas - with relevant findings - included:

#### **Teachers and Principals**

- Within the school, research indicates that the quality of teachers and principals has the most impact on students’ educational outcomes.
- IPS teacher and principals are underpaid relative to their peers at other large school districts in the region, especially at the mid-career and late-career levels.
- IPS loses about 25% of its teachers each year to attrition.<sup>3</sup>
- Other urban districts are having some success in improving teacher retention through the use of data analytics tools.
- IPS has a lower student teacher ratio (11.2 to 1)<sup>4</sup> than other large school districts in the region.
- Research indicates that teacher quality is a more important factor in academic outcomes than is a slightly lower student/teacher ratio.

#### **Transportation**

- IPS spends about 10% of its total budget (more than \$40 million annually) on transportation.

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<sup>3</sup> Source: 2018 employee data provided by IPS on 5/20/2018.

<sup>4</sup> Source: IPS’ presentation to the Indy Chamber, 2/23/2018. This calculation excludes IPS non-LEA innovation schools

- IPS spends at least \$7-\$10 million more on transportation each year than the amount of money it receives from local property taxes to pay for transportation.<sup>5</sup>
- IPS already uses a private partner for about two thirds of its standard routes.
- As of late February 2018, the budget for transportation services was expected to rise by more than \$5 million annually by School Year (SY) 2025-2026.<sup>6</sup>
- In April 2018, IPS announced changes to the transportation system for SY 2018-2019 that would result in savings of approximately \$1.5 million annually by reducing extracurricular trips, field trips and after-school activities.<sup>7</sup>
- IPS provides more service and spends more on transportation per student than other school districts that also offer school choice, such as Denver and Detroit.<sup>8</sup>
- Many other urban school districts rely on public transportation to transport older students.
- IPS is working with IndyGo on a pilot program for high school students at Shortridge High School and a smaller pilot for Tech High School.
- Some charter schools in Indianapolis already partner with IndyGo for high school student transport.

### Facilities

- IPS spends about 13% of its total budget on facilities and capital.
- IPS owns about 8.4 million square feet of facilities, an amount of space bigger than the Pentagon.
- IPS has facility capacity for about 43,160 students, but it will have an expected enrollment of 31,429 students in IPS school buildings in 2018-2019.<sup>9</sup>
- IPS' inventory of buildings has a median age of 56 years.
- Even with just four operating high schools, IPS expects the average utilization rate of those facilities to be approximately 69%.<sup>10</sup>
- Broad Ripple High School is an in-demand facility with high interest and substantial market value based on an immediate, time-sensitive opportunity.

### Central Office and Other Non-Academic Staff

- Approximately 52% of the District's 4,397<sup>11</sup> employees in SY 2017-2018 are not teachers.
- Autonomous schools that rely less on central office functions educate a growing proportion of the District's students.
- There are about 344 individuals who could be classified as filling central office-type positions.

<sup>5</sup> Source: IPS' "Superintendent's SY 2018-2019 Budget Proposal" presentation on 3/5/2018.

<sup>6</sup> Source: IPS' presentation to the Indy Chamber, 2/23/2018.

<sup>7</sup> Source: IPS' "SY 2017-18 Q3 Finance Update" presentation on 4/26/2018.

<sup>8</sup> Source:

[https://www.urban.org/sites/default/files/publication/88481/student\\_transportation\\_educational\\_access\\_0.pdf](https://www.urban.org/sites/default/files/publication/88481/student_transportation_educational_access_0.pdf)

(Accessed 4/24/2018).

<sup>9</sup> Source: "IPS 2017 Fall ADM PK-13 Facilities Utilization (For Publication), February 7, 2018."

<sup>10</sup> Source: IPS report: "REINVENTING IPS HIGH SCHOOLS: Facility Recommendations to Strengthen Student Success in Indianapolis Public Schools", June 2017.

<sup>11</sup> Source: 2018 employee data provided by IPS on 5/20/2018.

- A prior IPS-commissioned consultant study projected that a 50% reduction in central office staffing was possible as the District develops more autonomous schools.<sup>12</sup>
- The District has about 35% more custodians than its peer school districts based on data from a prior IPS-commissioned consulting study.<sup>13</sup>
- There is no individual within the IPS administration whose sole job is to focus on completing operational efficiency projects.

### Employee Healthcare

- The District's current healthcare plan spending is about \$35 million per year.<sup>14</sup>
- The District projects that the cost of healthcare will continue to grow by 8% annually for the next eight years.<sup>15</sup>
- If that trend were to occur and the total number of IPS employees remains constant, the District would be spending an average of almost \$15,000 per employee by 2026.
- There are tested strategies that organizations have used to reduce the rate of increase in the cost of healthcare while maintaining its quality.

### Review of Progress

After conducting research and interviews to develop efficiency options, the Project Team worked to develop credible estimates of the potential savings from the efficiency options identified, if implemented. Based on these efficiency options and their estimated impact, the Indy Chamber selected a series of proposed changes to IPS' operating model that would, if implemented, provide enough estimated savings to enable IPS to fund a 16 % pay increase for its teachers and \$150,000 salaries for its principals *without* requiring any operating referendum. Based on the input received from IPS in further meetings and discussions, however, the Indy Chamber directed the Project Team to discard a number of the more ambitious efficiency options proposed in that model.

Specifically, the Indy Chamber adjusted its model by *removing or reducing* the impact of such *previously considered* efficiency options as:

- Requiring that IPS teachers pay half of the "employee share" of their retirement contribution (eliminating this option reduced the projected eight-year savings by an estimated \$16.8m);
- Targeting a District-wide reduction of 11,240 excess seats (reducing the number of seats that IPS could dispose of to 9,644 reduced the projected eight-year savings by an estimated \$22.5m);<sup>16</sup>

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<sup>12</sup> Source: ERS presentation "Planning for the Future IPS School Portfolio", 4/2017.

<sup>13</sup> Source: ERS presentation "Resource Equity in IPS", 2/2016.

<sup>14</sup> Source: IPS and Apex Benefits.

<sup>15</sup> Source: IPS' presentation to the Indy Chamber, 2/23/2018.

<sup>16</sup> The latest model includes a further reduction in the excess seat capacity estimate to approximately 8,600. Closing schools to achieve a District-wide seat reduction is a complex process, likely involving redistricting, debt restructuring, and other operational changes.

- Closing the Arsenal Tech facility (reducing the eight-year savings by an estimated \$33m);
- Converting from a K-8 to an Elementary School/Middle School model (eliminating any savings specifically identified with this option);
- Implementing reference-based health insurance pricing (reducing eight-year savings by an estimated \$60.9m); and
- Reducing Central Office staff by 75% (changing the proposed reduction to 50%,<sup>17</sup> reducing estimated eight-year savings by \$23.4m).

Following more discussions with IPS personnel to refine and clarify opportunities and estimates, the Indy Chamber directed the Project Team to further revise its eight-year financial model.

**This final revision resulted in an Indy Chamber proposed model that projects for IPS a cumulative need for \$100 million in additional operating funds over the next eight years, which includes funding significant teacher and principal salary increases and a reasonable cash balance for IPS.**

Features of the updated Chamber model include:

- A revised baseline developed with IPS' review and input;
- Efficiency options that represent significant changes in the IPS operating model that are based on input from IPS employees and/or case studies from other organizations;
- Significant operational efficiencies and savings in areas like transportation, facilities, central office and other non-academic staff, and healthcare;
- Revenue to IPS from the sale of the Broad Ripple High School facility based on an existing opportunity;
- An adjusted estimated financial IPS baseline **surplus** before including the cost of almost \$250 million over eight years in additional employee compensation, most of which will go to teachers and principals;
- A plan to share proportionately with IPS innovation schools the resources for teacher and principal raises; and
- A commitment by the Chamber to find the private resources needed to support the personnel necessary to make these transformational changes, including an IPS Chief Operating Officer and an Enterprise Development Director, the individual who would be tasked with leading IPS transformation projects.

### **Other Considerations Regarding Efficiency Options**

There are a number other efficiency options that the Project Team identifies in its forthcoming report that could provide significant, but currently unvalued savings and/or additional revenues. That is, these represent additional savings opportunities or overall service quality improvements that are not counted in the Chamber's current proposal.

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<sup>17</sup> The latest Chamber model includes a shortened timeline for the 50% reduction in central office staff from eight to five years.

Some of these include:

- Capturing savings from a reduction in the estimated 8,600 excess seat count prior to school year 2020-2021;
- Gaining some net revenue from IPS facilities leased to other organizations, such as IPS' current lease agreement with the Oaks Academy;
- Giving principals the ability to keep 50% of school savings realized from their school budgets to spend on school priorities;
- Focusing on increasing the number of Special Education students in self-contained classrooms to a level that is closer to the State guidelines;
- Reducing the number of software packages that IPS supports by 25% over the next five years;
- Reducing IPS' total software license costs by 10% within two years;
- Moving to a third-party payroll vendor;
- Increasing the amount received by IPS from innovation schools for information technology ("IT") support;
- Consolidating the IT and Telecommunications functions;
- Standardizing innovation agreements with school operators generally;
- Continuing IPS' practice of conducting recurring dependent healthcare eligibility audits and rigorously verifying all newly enrolled dependents;
- Continuing the existing spousal exclusion program for those instances where spouses are able to obtain health insurance coverage from their own employer;
- Continuing IPS' existing best practices related to healthcare eligibility;
- Increasing IPS' marketing efforts to expand the customer base of contract schools for which IPS provides meals;
- Partnering with Indianapolis Public Library to get every IPS student a library card; and
- Partnering with Indianapolis Public Library to roll out a "Shared Services" model in IPS.

### **Chamber Projections and Proposed IPS Operational Changes**

Discussions between the Chamber and the IPS team about the financial projections associated with each other's proposed changes to IPS operations have been fruitful, adding to the Chamber's understanding of the District's challenges and increasing the accuracy of the Project Team's estimates. The Chamber's financial model underlying its proposed \$100 million operating referendum for IPS is as follows:<sup>18</sup>

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<sup>18</sup> The estimates included in these projections are not to be understood as guarantees of savings. They are simply good faith estimates made based on the information received from IPS within the timeframe allowed. The Chamber recognizes that all management decisions are solely IPS' to make.

**Indy Chamber Eight-Year Fiscal Modeling Outcome**  
*Combined Annual Net Operating Surplus (Deficit) in Education and Operations Funds, Dollars  
in Millions*

<b>Model Elements</b>	<b>Cumulative 8-Year Impact</b>
<b>A IPS Baseline (no modeled efficiency options or investments)</b>	<b>(\$318.7)</b>
<b>Efficiency Options</b>	
<b>B</b> General Efficiency Options	\$61.5
<b>C</b> Additional Modeled Savings	\$8.6
<b>D</b> Transportation Savings	\$121.3
<b>E</b> Central Staff Savings	\$32.7
<b>F</b> Custodial Savings	\$18.5
<b>G</b> Excess Facility Capacity Savings	\$100.4
<b>H</b> Broad Ripple High School Revenue	\$8.0
<b>I</b> Teacher Savings	\$126.3
<b>J Summation of Efficiency Options (Sum B-I)</b>	<b>\$477.4</b>
<b>K Baseline + Efficiency Options [A+J]</b>	<b>\$158.7</b>
<b>Educational Investments</b>	
<b>L</b> Teacher and Principal Salary Increases	<b>(\$243.2)</b>
<b>M</b> Operating Balance	<b>(\$15.0)</b>
<b>N Total Educational Investments [L+M]</b>	<b>(\$258.2)</b>
<b>O Adj'd Baseline + Efficiency Options + Ed. Investments [K+N]</b>	<b>(\$99.5)</b>

The specific changes to the current IPS operating model proposed by the Chamber are described below, identified by the line letter in the financial projection above:

Line	Summary Description	Chamber Proposed Efficiency Option	Chamber Justification
A	Baseline	The Chamber's Baseline incorporates the IPS 8-year financial projection presented in February 2018. It differs from IPS' original financial projection in that it assumes a 1% annual increase in the per student revenue received from the State of Indiana. It includes several minor revenue adjustments provided by IPS since the original projection. The Baseline projects a \$318.7 million cumulative deficit for IPS over the next eight years if no operational changes are made beyond those previously announced by IPS.	The 1% annual estimated increase in per student revenues from the State is consistent with the general approach taken in similar financial projections developed for Indiana school districts and other public organizations.
B	General Efficiency Options <sup>19</sup>	Contract out the remaining IPS nurse positions.	IPS already contracts out for some of the nurses it needs at a substantial savings per position.
B	General Efficiency Options	Reduce bi-lingual assistants and other English as a Second Language ("ESL") program costs consistent with an expected decline in participants.	The Chamber proposes reductions in these positions (entirely through attrition) and costs based on projected continued declines in the participating student population.
B	General Efficiency Options	Reduce classroom assistants consistent with an expected decline in students.	The Chamber proposes reductions in these positions (entirely through attrition) based on projected continued declines in the IPS student population (excluding innovation network schools).
B	General Efficiency Options	Transition IPS' telephone system to Voice over Internet Protocol ("VoIP").	Reducing telephony costs by transitioning to VoIP technology is a proven efficiency and service improvement strategy for large organizations.

<sup>19</sup> Line B in the financial projection above represents the cumulative savings and/or revenue impact of several proposed efficiency options that follow.

Line	Summary Description	Chamber Proposed Efficiency Option	Chamber Justification
B	General Efficiency Options	Implement healthcare self-insurance for IPS.	Organizations the size of IPS can achieve significant savings through healthcare self-insurance, and IPS will soon have the claims history in place to do so again.
B	General Efficiency Options	Expand IPS employee health savings account usage.	Incentivizing and increasing the use of health savings accounts is a proven strategy to reduce the rate of healthcare cost increases.
B	General Efficiency Options	Implement a managed print services (“MPS”) contract.	Reducing print and copy costs through a contract with an MPS provider is a proven efficiency strategy for large organizations.
B	General Efficiency Options	Reduce non-school administrator positions.	It is the Chamber’s position that some non-school administrative positions should be reduced in order to direct more resources to the classroom.
B	General Efficiency Options	Capture savings from reducing teacher attrition rates.	Significantly reducing the annual rate of IPS teacher attrition (currently approximately 25%) through increased pay and the use of data analytics approaches should lead to savings in IPS teacher recruitment and training costs.
B	General Efficiency Options	Secure for general use by IPS the value of its \$17 million food service balance by way of a waiver from the Federal government.	A waiver for the use of this amount balance could be secured from the Federal government.
C	Additional Modeled Savings <sup>20</sup>	Contract out for IT desktop support.	Reducing IT desktop support costs through a specialized provider is a proven efficiency strategy.
C	Additional Modeled Savings	Achieve prescription drug savings through rebates.	Per IPS’ benefits provider, this is an existing industry practice resulting in significant prescription cost savings for similar large organizations.

<sup>20</sup> Line C in the financial projection above represents the cumulative savings and/or revenue of several additional proposed efficiency options – developed later in the review process - that follow.

C	<b>Additional Modeled Savings</b>	Secure net revenue from selling the IPS central administration building.	IPS is in the process of ascertaining market interest in the facility and a low-end estimate of the value of the facility has been modeled.
D	<b>Transportation Savings</b>	<p>The Chamber proposes for IPS:</p> <ul style="list-style-type: none"> <li>• Phasing out “yellow bus” service for high school students by the 2019-2020 school year;</li> <li>• Contracting out for all remaining IPS “yellow bus” services;</li> <li>• Expanding IPS walk zones by 50%;</li> <li>• Identifying and then culling unnecessary stops; and</li> <li>• Reducing extracurricular and after school bus service.</li> </ul>	Each of these efficiency options is a practice currently in place in various other urban, choice-rich districts. The planned expansion of IndyGo service over the next few years and the central location of IPS high schools should enable wider IndyGo usage for IPS high school students. Contracting out remaining IPS “yellow bus” service offers some savings versus in-house provisions. IPS walk zones are generally comparable to some cities but less than others. Other communities (such as Boston) have had success in reducing unneeded bus stops by simply verifying the absence of a need. The level of extracurricular and after school bus service provided by IPS indicates opportunity for further efficiencies without negatively impacting educational outcomes.
E	<b>Central Staff Savings</b>	The Chamber proposes that IPS reduces central office staffing by 50% over the next 5 years.	IPS’ move towards autonomous schools naturally reduces the number of positions needed at the central office. A prior IPS-commissioned consulting study indicated that a 50% reduction in central staff was an appropriate target given the District’s strategic direction towards more autonomous schools.
F	<b>Custodial Savings</b>	Based on the Project Team’s research, the Chamber proposes that IPS implement a 26% reduction in the total number of custodian positions in School Year 2018-2019.	A prior IPS-commissioned consulting study reported that the median among peer schools is 7 custodians per 1000 students and IPS’ is approximately to 9.5 per 1000 students. <sup>21</sup> Applying the peer ratio to IPS and allowing for some additional custodians given the size of IPS’ facility holdings makes 26% an appropriate reduction.

<sup>21</sup> Source: 2018 employee data provided by IPS on 5/20/2018.

G	<b>Excess Facility Capacity Savings</b>	The District has approximately 8,600 seats more than it needs to accommodate current and future projected enrollment in IPS buildings. The Chamber model includes IPS achieving 25% of total estimated savings in operation and maintenance costs from disposing of excess seat capacity in 2020-2021 and achieving 100% of estimated, potential operation and maintenance savings the following year and throughout the remainder of the projection.	To accomplish a District average of a 90% utilization rate at IPS facilities, IPS' seat capacity should shrink to approximately 34,560. This would be a reduction of approximately 8,600 seats. Delegating the disposition of excess facilities and real estate to a professional organization tasked with accomplishing this will bring results beyond what IPS staff would be able to achieve given their other responsibilities. No estimate of any potential incremental net revenues from the disposition of IPS facilities is included in the model.
H	<b>Broad Ripple High School Revenue</b>	The Chamber has been made aware of a valuation of \$8 million for the facility for educational purposes.	Every indication is that a majority of area residents and local political leaders desire the property to be used for educational purposes, and there is an existing, time-sensitive opportunity for such use.
I	<b>Teacher Savings</b>	The Chamber believes that reducing the number of teaching positions by 12% (through attrition) is feasible.	The Chamber proposal reduces the number of teacher positions by 12% entirely through attrition. IPS reported 23,981 students and 2,140 teaching professionals in February 2018, equating to a student/teacher ratio of 11.2. <sup>22</sup> A reduction in the total number of teachers by 12% means that the new IPS student-teacher ratio (approximately 12.7 to 1) would still be 8.6% below the average ratio (approximately 13.9 to 1) of the other large Indiana school districts that IPS views as its peers (e.g. Pike, Wayne, Fort Wayne, Evansville-Vanderburgh). <sup>23</sup> The Chamber believes that the research supports that an increase in the quality of teachers is more important to student outcomes than slight increases in the student to teacher ratio.
J	<b>Summation of Efficiency</b>	This represents the total impact of all efficiency	N/A

<sup>22</sup> Source: IPS' presentation to the Indy Chamber 2/23/2018. This calculation excludes IPS non-LEA innovation schools.

<sup>23</sup> Ibid.

	<b>Options</b>	options recommended (Sum of B thru I).	
K	<b>Baseline + Efficiency Options</b>	This represents the revised Baseline net of all of the recommended efficiency options (A+J).	N/A
L	<b>Teacher and Principal Salary Increases</b>	IPS teachers and principals should receive a 16% raise, accomplished in equal increments in 2018-2019 and 2020-2021, and all IPS employees (including teachers and principals) should receive 2% annual raises throughout the 8-year period.	Nothing that IPS controls is more important to educational outcomes than teacher and principal quality. IPS remains at the low end of the compensation market compared to regional peers, especially for mid-career and the most experienced teachers. Additionally, the Chamber believes that all innovation schools which are part of the IPS system should share a proportionate amount of the salary increase funds, understanding that the leadership teams of those schools have the sole authority to make the compensation decisions. Increasing IPS teacher and principal salaries without providing resources that would allow non-LEA innovation schools to do the same would put those schools at a competitive disadvantage when seeking to attract and retain quality teachers and principals.
M	<b>Operating Balance</b>	The Chamber believes an operating balance of 8% is adequate.	An 8% operating balance represents one month's reserves and is a sufficient minimum. Multiple additional but unvalued savings ideas have been presented that, if implemented, should further increase the District's cash balance.
N	<b>Total Educational Investments</b>	This represents the total impact of all efficiency options recommended (L+M).	N/A
O	<b>Adjusted Baseline + Efficiency Options + Educational Investments</b>	This represents the revised Baseline net of all of the recommended efficiency options plus the educational investments (K+N).	N/A

**Modeling the Impact of the Proposed Chamber Operating Referendum and the Previously Announced Capital Referendum on IPS Taxpayers**

The incremental impact of these referenda on various categories of IPS taxpayers is estimated as follows:

**Illustrative Impact of \$52M Capital and \$100M (Cumulative) Operating Referenda**

Market Value (Gross AV)	Current Taxes		Illustrative Referendum Amount					
	Net AV	Current Tax Liability	\$52M Capital <i>(Rate: \$0.0332)</i>		\$100M Operating <i>(Rate: \$0.0891)</i>		Cap + Op Ref. <i>(Rate: \$0.1223)</i>	
			Liability	Ch.	Liability	Ch.	Liability	Ch.
<b>Owner Occupied Residential</b>								
\$50,000	\$10,000	\$266	\$3	1.2%	\$9	3.3%	\$12	4.6%
\$100,000	\$32,750	\$871	\$11	1.2%	\$29	3.3%	\$40	4.6%
\$200,000	\$97,750	\$2,120	\$32	1.5%	\$87	4.1%	\$120	5.6%
\$300,000	\$162,750	\$3,201	\$54	1.7%	\$145	4.5%	\$199	6.2%
\$500,000	\$292,750	\$5,361	\$97	1.8%	\$261	4.9%	\$358	6.7%
\$1,000,000	\$617,750	\$10,761	\$205	1.9%	\$550	5.1%	\$756	7.0%
<b>Rental Residential</b>								
\$100,000	\$100,000	\$2,123	\$33	1.6%	\$89	4.2%	\$122	5.8%
\$500,000	\$500,000	\$10,616	\$166	1.6%	\$446	4.2%	\$612	5.8%
\$1,000,000	\$1,000,000	\$21,232	\$332	1.6%	\$891	4.2%	\$1,223	5.8%
\$10,000,000	\$10,000,000	\$212,320	\$3,320	1.6%	\$8,910	4.2%	\$12,230	5.8%
<b>Commercial/Industrial</b>								
\$100,000	\$100,000	\$2,755	\$33	1.2%	\$89	3.2%	\$122	4.4%
\$500,000	\$500,000	\$13,774	\$166	1.2%	\$446	3.2%	\$612	4.4%
\$1,000,000	\$1,000,000	\$27,547	\$332	1.2%	\$891	3.2%	\$1,223	4.4%
\$10,000,000	\$10,000,000	\$275,470	\$3,320	1.2%	\$8,910	3.2%	\$12,230	4.4%

*\*Current tax liability calculating using Center Twp (District 101) 2018 property tax rates*

The combined annual impact of the two referenda (the previously announced capital amount of \$52 million and the Chamber proposed \$100 million (cumulative) operating referendum) would increase the burden on IPS taxpayers by an estimated 4.4% to 7%. The average increase across all classes of taxpayers is 5.7%.