

Political Subdivision: Danville Community School Corporation
County: Hendricks County
Date of Submission: October 4, 2019
Date of Referendum: November 5, 2019

Pursuant to Indiana Code Section 6-1.1-20-3.6(l), the following information is being provided:

1. The cost per square foot of any buildings being constructed as part of the controlled project.

<u>Building Being Constructed/Renovated</u>	<u>Cost per Square Foot*</u>
Danville North Elementary	\$64.46
Danville South Elementary	\$75.18
Danville Community Middle School	\$12.91
Danville Community High School	\$141.00

*Preliminary, subject to change.

2. The effect that approval of the controlled project would have on the political subdivision's property tax rate.

The effect that the approval of this project would have on the exempt debt service tax rate is estimated at a maximum of \$0.6845. The first debt service levy for the bonds is anticipated in 2021. There will not be an impact on any other tax rates of the School Corporation resulting from this project. Due to the retirement of existing non-exempt debt, the combined exempt and nonexempt debt service tax rate due to existing debt is projected to increase by a maximum of \$0.0824 compared to the 2019 debt service tax rate.

3. The maximum term of the bonds or lease.

The maximum term of any series of bonds is 20 years and the maximum term of the lease is 22 years.

4. The maximum principal amount of the bonds or the maximum lease rental for the lease.

The maximum principal amount of the bonds is \$53,000,000 and the maximum annual lease rental is \$5,606,000.

5. The estimated interest rate that will be paid and the total interest costs associated with the bonds or lease.

The estimated interest rates range from 3.85%-6.45%, with an estimated total interest cost of \$41,345,121 over the life of the bond issue.

6. The purpose of the bonds or lease.

The Bonds are being issued for the purpose of renovations of and improvements to school facilities including Danville Community High School, Danville Community Middle School, North Elementary School, and South Elementary School, including site work, maintenance improvements and the purchase of equipment and technology.

7. In the case of a controlled project proposed by a school corporation:

(a) The current and proposed square footage of the school building space per student;

<u>School</u>	<u>Existing Square Footage</u>	<u>Existing Square Feet / Student</u>	<u>Proposed Square Footage*</u>	<u>Proposed Square Feet / Student*</u>
Danville North Elementary	91,530	166	91,530	166
Danville South Elementary	80,630	207	80,630	207
Danville Community Middle School	188,575	243	188,575	243
Danville Community High School	223,795	279	257,795	321

* Preliminary, subject to change.

(b) Enrollment patterns within the school corporation; and

<u>Grade</u>	<u>School Year</u>				
	<u>2014/2015</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>	<u>2018/2019</u>
Pre-K	12	17	8	0	0
K	176	188	174	183	199
1	190	186	186	177	174
2	182	188	186	194	179
3	172	186	190	186	199
4	188	178	186	193	191
5	191	180	187	190	209
6	185	186	180	184	195
7	213	180	190	181	194
8	217	224	183	189	177
9	194	214	223	196	192
10	200	187	205	225	187
11	216	194	180	204	217
12	193	199	183	173	206
Grade 12+/Adult	<u>2</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>2</u>
Totals	<u>2,531</u>	<u>2,509</u>	<u>2,463</u>	<u>2,478</u>	<u>2,521</u>

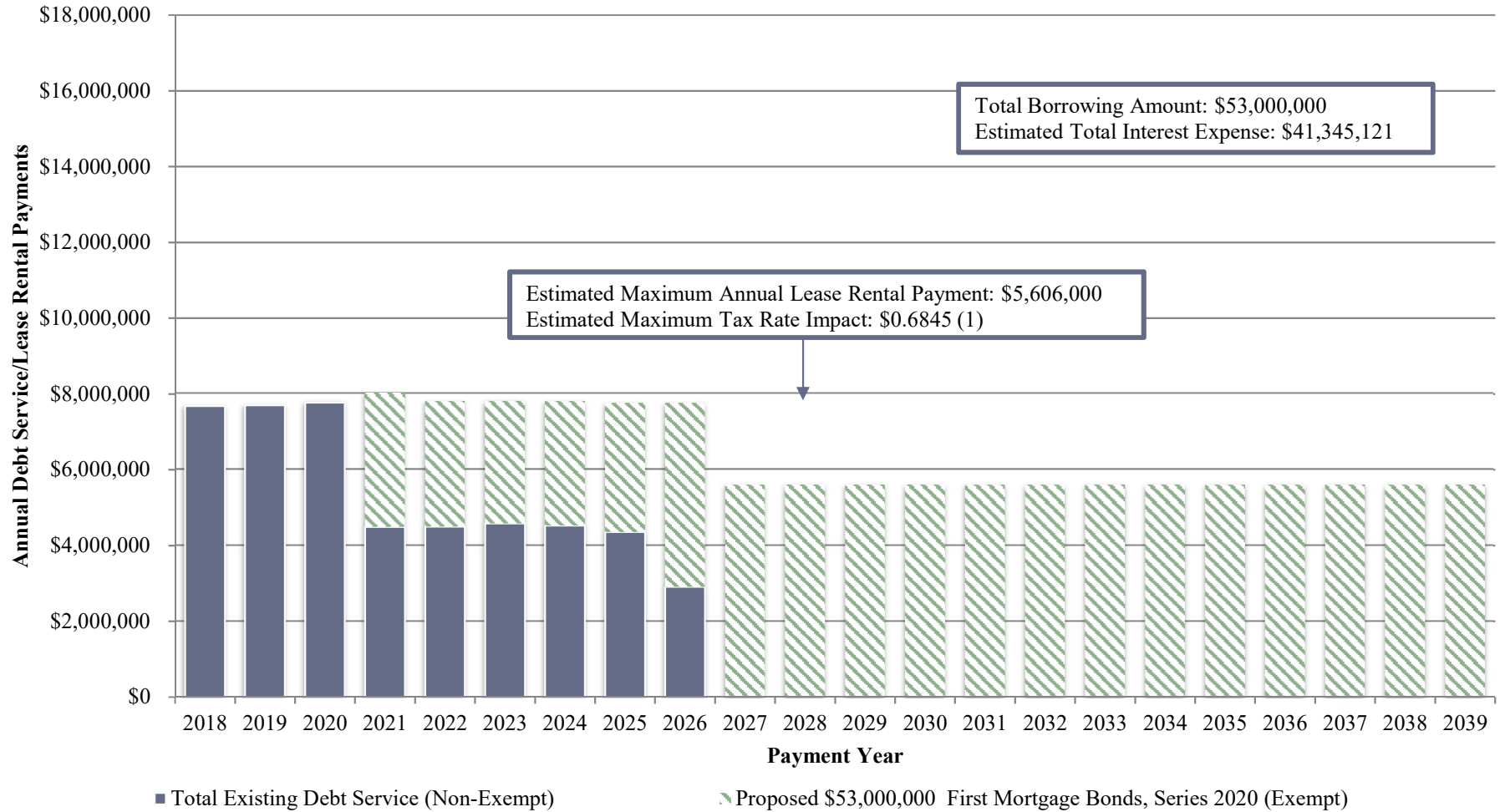
Source: Indiana Department of Education.

(c) The age and condition of the current school facilities.

<u>School</u>	<u>Year Constructed and Renovated</u>	<u>Conditions</u>
Danville North Elementary	1963, 1999	Poor to Fair
Danville South Elementary	1992	Fair to Good
Danville Community Middle School	2009	Good
Danville Community High School	1972, 2004	Poor to Good

APPENDIX A

SCHEDULE OF EXISTING & PROPOSED ANNUAL DEBT SERVICE/LEASE RENTAL PAYMENTS
(School Construction Referendum)



Note: Does not include Taxable General Obligation Pension Bonds of 2003, unreimbursed textbooks, interest on temporary loans and fees.

(1) Based on the 2019 certified net assessed value of \$778,084,980. Assumes financial institutions/license excise factor of 5%. Tax rate per \$100. Max tax rate estimated is \$0.6845. With maturing debt, estimated total net debt service tax rate is \$0.0824. Impact to taxpayers will vary due to property assessed values and circuit breaker tax credits.

(Prepared by Baker Tilly October 4, 2019)
 (Preliminary Draft - Subject to Change)
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APPENDIX A

DANVILLE COMMUNITY SCHOOL CORPORATION

**SCHEDULE OF PROPOSED AMORTIZATION OF \$53,000,000 PRINCIPAL AMOUNT OF
UNLIMITED AD VALOREM PROPERTY TAX FIRST MORTGAGE BONDS, SERIES 2020**

Assumes Bonds dated November 17, 2020

Payment Date	Principal Outstanding (----In \$1,000's----)	Principal	Interest Rates (1)	Interest	Total Debt Service	Fiscal Year Debt Service	Annual Lease Rentals (2)
7/15/2021	\$53,000			\$2,009,705.06	\$2,009,705.06		
1/15/2022	53,000			1,519,945.00	1,519,945.00	\$3,529,650.06	\$3,535,000
7/15/2022	53,000	\$135	3.850%	1,519,945.00	1,654,945.00		
1/15/2023	52,865	135	4.050%	1,517,346.25	1,652,346.25	3,307,291.25	3,313,000
7/15/2023	52,730	95	4.050%	1,514,612.50	1,609,612.50		
1/15/2024	52,635	100	4.250%	1,512,688.75	1,612,688.75	3,222,301.25	3,228,000
7/15/2024	52,535	130	4.250%	1,510,563.75	1,640,563.75		
1/15/2025	52,405	130	4.450%	1,507,801.25	1,637,801.25	3,278,365.00	3,284,000
7/15/2025	52,275	195	4.450%	1,504,908.75	1,699,908.75		
1/15/2026	52,080	195	4.650%	1,500,570.00	1,695,570.00	3,395,478.75	3,401,000
7/15/2026	51,885	925	4.650%	1,496,036.25	2,421,036.25		
1/15/2027	50,960	945	4.800%	1,474,530.00	2,419,530.00	4,840,566.25	4,846,000
7/15/2027	50,015	1,345	4.800%	1,451,850.00	2,796,850.00		
1/15/2028	48,670	1,380	4.950%	1,419,570.00	2,799,570.00	5,596,420.00	5,602,000
7/15/2028	47,290	1,415	4.950%	1,385,415.00	2,800,415.00		
1/15/2029	45,875	1,450	5.100%	1,350,393.75	2,800,393.75	5,600,808.75	5,606,000
7/15/2029	44,425	1,485	5.100%	1,313,418.75	2,798,418.75		
1/15/2030	42,940	1,525	5.250%	1,275,551.25	2,800,551.25	5,598,970.00	5,604,000
7/15/2030	41,415	1,565	5.250%	1,235,520.00	2,800,520.00		
1/15/2031	39,850	1,605	5.400%	1,194,438.75	2,799,438.75	5,599,958.75	5,605,000
7/15/2031	38,245	1,650	5.400%	1,151,103.75	2,801,103.75		
1/15/2032	36,595	1,690	5.550%	1,106,553.75	2,796,553.75	5,597,657.50	5,603,000
7/15/2032	34,905	1,740	5.550%	1,059,656.25	2,799,656.25		
1/15/2033	33,165	1,785	5.700%	1,011,371.25	2,796,371.25	5,596,027.50	5,602,000
7/15/2033	31,380	1,835	5.700%	960,498.75	2,795,498.75		
1/15/2034	29,545	1,895	5.850%	908,201.25	2,803,201.25	5,598,700.00	5,604,000
7/15/2034	27,650	1,945	5.850%	852,772.50	2,797,772.50		
1/15/2035	25,705	2,005	5.950%	795,881.25	2,800,881.25	5,598,653.75	5,604,000
7/15/2035	23,700	2,060	5.950%	736,232.50	2,796,232.50		
1/15/2036	21,640	2,125	6.050%	674,947.50	2,799,947.50	5,596,180.00	5,602,000
7/15/2036	19,515	2,185	6.050%	610,666.25	2,795,666.25		
1/15/2037	17,330	2,255	6.150%	544,570.00	2,799,570.00	5,595,236.25	5,601,000
7/15/2037	15,075	2,325	6.150%	475,228.75	2,800,228.75		
1/15/2038	12,750	2,395	6.250%	403,735.00	2,798,735.00	5,598,963.75	5,604,000
7/15/2038	10,355	2,470	6.250%	328,891.25	2,798,891.25		
1/15/2039	7,885	2,545	6.350%	251,703.75	2,796,703.75	5,595,595.00	5,601,000
7/15/2039	5,340	2,630	6.350%	170,900.00	2,800,900.00		
1/15/2040	2,710	2,710	6.450%	87,397.50	2,797,397.50	5,598,297.50	5,604,000
Totals		<u>\$53,000</u>		<u>\$41,345,121.31</u>	<u>\$94,345,121.31</u>	<u>\$94,345,121.31</u>	<u>\$94,449,000</u>

(1) Based upon market interest rate assumptions, plus 1.50%. The actual interest rates will depend on the underlying credit securing the bonds and the market conditions at the time of the bond sale. The actual interest rates may vary materially from the rates assumed in this analysis.

(2) Debt service rounded up to the next \$1,000, plus \$5,000.

APPENDIX A

DANVILLE COMMUNITY SCHOOL CORPORATION

SUMMARY OF ESTIMATED TAX IMPACT - YEARLY & MONTHLY
Proposed School Construction and Operating Referenda

	School Construction Referendum
	\$53,000,000
	Borrowing
Estimated Annual Maximum Tax Rate (1) (2)	\$0.6845
	Operating Referendum
	\$1,556,170
	Annual Revenue
Estimated Annual Tax Rate (2)	\$0.2000
Estimated Annual Maximum	
Combined Tax Rate (1) (2)	\$0.8845

Market Value of Home (GAV)	Net Assessed Value (3)	Yearly Taxpayer Impact			Monthly Taxpayer Impact		
		School Construction	Operating	Total	School Construction	Operating	Total
\$50,000	\$10,000	\$68.45	\$20.00	\$88.45	\$5.70	\$1.67	\$7.37
75,000	16,500	112.94	33.00	145.94	9.41	2.75	12.16
100,000	32,750	224.17	65.50	289.67	18.68	5.46	24.14
125,000	49,000	335.41	98.00	433.41	27.95	8.17	36.12
150,000	65,250	446.64	130.50	577.14	37.22	10.88	48.10
168,400 (4)	77,210	528.50	154.42	682.92	44.04	12.87	56.91
200,000	97,750	669.10	195.50	864.60	55.76	16.29	72.05
250,000	130,250	891.56	260.50	1,152.06	74.30	21.71	96.01
500,000	292,750	2,003.87	585.50	2,589.37	166.99	48.79	215.78
\$1,560 (1 Acre of Ag. Land) (5)		\$10.68	\$3.12	\$13.80	\$0.89	\$0.26	\$1.15
\$100,000 Commercial/Rental Property		684.50	200.00	884.50	57.04	16.67	73.71

- (1) Assumes financial institutions/license excise factor of 5%.
- (2) Represents tax impact per \$100 of net assessed value for taxpayers. The tax rate is calculated by using the School Corporation's 2019 net assessed valuation of \$778,084,980.
- (3) Tax impact based upon net assessed valuation of home, which includes the standard deduction, supplemental homestead deduction, and the mortgage deduction.
- (4) Median home value within the Danville Community School Corporation, per the U.S. Census Bureau.
- (5) Assumes the agricultural land is assessed at \$1,560. Per the Department of Local Government Finance.

Note: Please note that this schedule shows projected taxes due for the capital and operating referendum funds. It does not reflect any changes in tax liability that may occur due to the retirement of existing debt.

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