

**DEPARTMENT OF LOCAL GOVERNMENT FINANCE  
100 NORTH SENATE AVENUE  
IGC-N, ROOM N1058  
INDIANAPOLIS, INDIANA 46204**

**IN THE MATTER OF THE REVIEW )  
OF PROPOSED LANGUAGE AND )  
ESTIMATED RATE CERTIFICATION )  
FOR A BALLOT QUESTION REGARDING ) No. 13-011-REF-A  
SCHOOL CITY OF MISHAWAKA, )  
ST. JOSEPH COUNTY )**

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**AMENDED FINDINGS AND FINAL DETERMINATION ON PROPOSED QUESTION  
SUBMITTED JULY 3, 2013**

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1. On July 3, 2013, the Department of Local Government Finance (“Department”) received an e-mail from the St. Joseph County Election Board (“Board”) presenting a proposed ballot question for a referendum sought by the School City of Mishawaka (“Corporation”).
2. The Board requested that the Department review this proposed question:

“Shall the School City of Mishawaka, St. Joseph County, Indiana, issue bonds or enter into a lease to finance the 2014/2015 School Building Basic Renewal/Restoration and Safety Project which consists of restoring all or a portion of the basic site and building components including safety and accessibility measures to all or any portion of Battell Elementary School, Beiger Elementary School, Emmons Elementary School, Hums Elementary School, LaSalle Elementary School, Liberty Elementary School, Twin Branch Elementary School, John Young Middle School, Mishawaka High School, the Administrative Center and Service Buildings, Baker Field and any building that the Board of School Trustees determines is in response to a natural disaster, an accident or an emergency that makes the building unavailable for its intended use, which is estimated to cost not more than \$28,000,000 and is estimated to increase the property tax rate for debt service by \$0.2944 per \$100 of assessed valuation?”
3. Pursuant to IC 6-1.1-20-3.6(c), the Department estimated the tax rate increase and in doing so relied on the Corporation’s proposed debt from the project, assessed valuation of the property in the area served by the Corporation, and an amortization schedule submitted by the Corporation. Based on this information, the Department determined the estimated maximum tax rate increase of the project to be \$0.3099 per \$100 of assessed valuation. In light of representations made by the Corporation’s financial advisor, the Department understood the annual lease rental payments reflected in the amortization schedule to already

account for miscellaneous revenue. The Department certified the rate and approval of the proposed public question language on July 8, 2013.

4. On July 8, 2013, the Corporation's financial advisor contacted the Department alleging that the lease rental payments reflected in the amortization schedule do not already account for miscellaneous revenue.
5. Specifically, the Corporation, through its financial advisor, represents that its maximum annual lease rental payment will be \$2,188,000, less excise tax and financial institutions tax revenue of \$109,400 (approximately 5%), thus requiring a property tax levy of \$2,078,600. To fund this levy will require a tax rate of \$0.2944 per \$100 of assessed valuation (\$2,078,600 divided by \$7,061,405 (the Corporation's 2013 certified assessed value of \$706,140,553 divided by 100)).

#### **Final Determination**

WHEREFORE, based on the above findings and applicable law, the Department finds that the proposed language is in compliance with 6-1.1-20-3.6(c) and approves the language as proposed. The Department certifies a rate of \$0.2944 per \$100 of assessed valuation. Any previous Order on this matter is hereby rescinded.

Dated this 9th day of July, 2013.

STATE OF INDIANA  
DEPARTMENT OF LOCAL GOVERNMENT FINANCE

  
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Micah G. Vincent, Commissioner  
Department of Local Government Finance

STATE OF INDIANA  
DEPARTMENT OF LOCAL GOVERNMENT FINANCE

I, Michael E. Duffy, Staff Attorney for the Department of Local Government Finance, hereby certify that the above is an order of the Commissioner of the Department of Local Government Finance made this date in the above-entitled matter and that the Commissioner has personally signed the same under his statutory authority.

WITNESS MY HAND AND SEAL, of the Commissioner on this the 9th day of July, 2013.

  
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Michael E. Duffy, Staff Attorney  
Department of Local Government Finance