

**METROPOLITAN SCHOOL DISTRICT OF PERRY TOWNSHIP,
MARION COUNTY, INDIANA**

INFORMATION PROVIDED TO THE DEPARTMENT
OF LOCAL GOVERNMENT FINANCE IN ACCORDANCE
WITH INDIANA CODE 6-1.1-20-3.6(k) IN CONNECTION WITH THE
2011 SCHOOL SAFETY, MAINTENANCE AND IMPROVEMENT PROJECT

Dated March 16, 2011

1. **The name of the political subdivision and the county or counties in which it levies a property tax.** The name of the political subdivision is the Metropolitan School District of Perry Township, Marion County, Indiana, and it levies property taxes in a portion of Marion County, Indiana.
2. **The cost per square foot of any buildings being constructed as part of the controlled project.** See Exhibit A attached hereto.
3. **The effect that approval of the controlled project would have on the political subdivision's property tax rate.** The Department of Local Government Finance has certified to the Marion County Election Board that the property tax rate effect of the controlled project would be \$0.1371 per \$100 of assessed valuation.
4. **The maximum term of the bonds or lease.** The maximum term of any series of first mortgage bonds will not exceed twenty years, and the maximum term of any corresponding lease or leases or amendment or amendments to one or more leases will not exceed twenty-one years.
5. **The maximum principal amount of the bonds or the maximum lease rental for the lease.** The maximum principal amount of the first mortgage bonds will not exceed \$50,000,000, the maximum annual lease rental is \$4,714,000 (which is net of any funds received by the School Corporation from the United States of America as a result of the first mortgage bonds being issued under one or more federal tax credit programs), and the maximum aggregate lease rental over the entire term of the lease or leases or amendment or amendments to one or more leases is \$85,375,000 (which is net of any funds received by the School Corporation from the United States of America as a result of the first mortgage bonds being issued under one or more federal tax credit programs).
6. **The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.** The estimated maximum average interest rate that will be paid in connection with the first mortgage bonds is 5.69%, and based on this estimated maximum average interest rate, the total interest cost is \$35,269,454.
7. **The purpose of the bonds or lease.** The purpose of the bonds and lease are to finance the costs of the 2011 School Safety, Maintenance and Improvement Project as described in more detail in the resolution adopted by the Board of

Education of the School Corporation on January 10, 2011. A signed copy of this resolution is attached hereto as Exhibit B.

8. **The current and proposed square footage of school building space per student.** For this information, please see Exhibit C attached hereto.
9. **The enrollment patterns within the School Corporation.** For this information, please see Exhibit D attached hereto.
10. **The age and condition of the current school facilities.** For this information, please see Exhibit E attached hereto.

EXHIBIT A

	Cost Per Square Foot	Square Footage	Construction Cost of Building Addition
Southport High School	\$ 198.85	38,000	\$ 7,556,110
Perry Meridian High School	\$ 183.64	14,820	\$ 2,721,499
Clinton Young Elementary	\$ 196.73	4,900	\$ 963,961
Abraham Lincoln Elementary	\$ 196.73	4,900	\$ 963,961

EXHIBIT B

RESOLUTION #11-0013

**RESOLUTIONS OF THE BOARD OF EDUCATION OF THE
METROPOLITAN SCHOOL DISTRICT OF PERRY TOWNSHIP,
MARION COUNTY, INDIANA**

WHEREAS, the Board of Education (the "Board") of the Metropolitan School District of Perry Township, Marion County, Indiana (the "School Corporation"), has given consideration to certain renovation, expansion, upgrade, improvement and equipping projects at the existing school facilities operated by the School Corporation set forth in detail on Exhibit A attached hereto (collectively, the "2011 School Safety, Maintenance and Improvement Project"); and

WHEREAS, pursuant to Indiana Code § 6-1.1-20-3.5, if the Board proposes to impose property taxes to pay lease rentals on any construction, renovation, improvement, remodeling, alteration or expansion project, which is not excluded under Indiana Code § 6-1.1-20-1.1, it must conduct a public hearing on the preliminary determination to proceed with such project prior to the Board's adopting any resolution or ordinance making a preliminary determination to enter into a lease; and

WHEREAS, pursuant to Indiana Code § 20-26-7-37, a public hearing must be held if the Board proposes to construct, repair or alter a school building at a cost of more than \$1,000,000 that would be financed by a lease agreement, issuing bonds, or any other available method; and

WHEREAS, notice of said hearings have been given in accordance with Indiana law; and

WHEREAS, interested people have been given the opportunity to present testimony and ask questions concerning the 2011 School Safety, Maintenance and Improvement Project, and this Board has heard public input at a public hearing held this date concerning the 2011 School Safety, Maintenance and Improvement Project; and

WHEREAS, the Board, being duly advised, finds that it is in the best interests of the School Corporation and its citizens for the purpose of financing all or any portion of the 2011 School Safety, Maintenance and Improvement Project to enter into negotiations with one or more Indiana nonprofit school building corporation (the "Building Corporation") to acquire all or any portion of the any of the facilities operated or to be operated by the School Corporation, and enter into a lease or leases or an amendment or amendments to an existing lease or existing leases (collectively, the "Lease") with the Building Corporation, as lessor, for all or any portion of the facilities operated or to be operated by the School Corporation, in order to better serve the residents of the School Corporation, by allowing the Building Corporation to issue first mortgage bonds in one or more series in an original aggregate principal amount of approximately Fifty Million Dollars (\$50,000,000); and

WHEREAS, the Board expects to pay for certain costs of the 2011 School Safety, Maintenance and Improvement Project or costs related to the 2011 School Safety, Maintenance and Improvement Project (collectively, the "Expenditures") prior to the issuance of such first mortgage bonds, and to reimburse the Expenditures with proceeds received by the School Corporation upon the issuance of such first mortgage bonds by the Building Corporation; and

WHEREAS, the Board desires to declare its intent to reimburse the Expenditures pursuant to Treas. Reg. § 1.150-2 and Indiana Code §5-1-14-6(c).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE METROPOLITAN SCHOOL DISTRICT OF PERRY TOWNSHIP, MARION COUNTY, INDIANA, AS FOLLOWS:

Section 1. The Board hereby makes a preliminary determination that there exists a need for the 2011 School Safety, Maintenance and Improvement Project. Accordingly, the Board hereby makes a preliminary determination that to the extent permitted by law the Board will take all of the necessary steps to enter into the Lease with the Building Corporation for all or any portion of the facilities operated or to be operated by the School Corporation, pursuant to which the Building Corporation and the School Corporation will finance all or any portion of the 2011 School Safety, Maintenance and Improvement Project. The School Corporation and the Building Corporation will finance all or any portion of the 2011 School Safety, Maintenance and Improvement Project through (1) one or more series of first mortgage bonds issued by the Building Corporation, as lessor, in an original aggregate principal amount of approximately Fifty Million Dollars (\$50,000,000) (the "Bonds"), or such greater amount in the case of the issuance of any bonds all or a portion of which will be used to refund all or a portion of the Bonds. The proposed Lease with respect to each series of Bonds will have term not to exceed twenty-one (21) years. The proposed term of each Lease or addendum thereto will begin on the date such Lease or addendum thereto is recorded by the School Corporation and the Building Corporation in connection with the 2011 School Safety, Maintenance and Improvement Project. Based on an estimated maximum average interest rate that will be paid in connection with the Bonds of five and sixty-nine hundredths percent (5.69%) per annum, the total interest cost associated therewith will not exceed \$35,269,454 (which amount is net of any funds received by the United States of America as a result of any or all of the Bonds being issued under one or more federal tax credit programs). Including interest costs, the maximum annual lease rental to be paid by the School Corporation under the proposed Lease is \$4,714,000 (which amount is net of any funds received by the United States of America as a result of any or all of the Bonds being issued under one or more federal tax credit programs), and the maximum total lease rental over the term of the Lease is \$85,375,000 (which amount is net of any funds received by the United States of America as a result of any or all of the Bonds being issued under one or more federal tax credit programs), not taking into account any funds of the Building Corporation available for capitalized interest. The School Corporation's certified total debt service fund tax levy for 2009 pay 2010 (which is the most recent certified tax levy) is \$9,142,773 and the School Corporation's debt service fund tax rate for 2009 pay 2010 (which is the most recent certified tax rate) is \$0.2823 per \$100 of assessed value. The School Corporation's estimated total debt service fund tax levy for 2010 pay 2011 is \$14,336,075 and the School Corporation's estimated debt service fund tax rate for 2010 pay 2011 is \$0.4633 per \$100 of assessed value. The estimated total maximum debt service fund tax levy for the School Corporation and the estimated total maximum debt service fund tax rate for the School Corporation after the issuance of the Bonds are anticipated to occur no earlier than 2012 pay 2013 and will be \$17,281,265 and \$0.5585 per \$100 of assessed value, respectively, as a result of the payment of the lease rentals under the Lease. The percent of the School Corporation's outstanding long term debt, together with the outstanding long term debt of other taxing units that include any of the territory of the School Corporation, compared to the net assessed value of taxable property within the School Corporation is approximately six and three quarters percent (6.75%).

The estimated completion date of the 2011 School Safety, Maintenance and Improvement Project is December 31, 2013. The Board estimates that the operational costs associated with the 2011 School Safety, Maintenance and Improvement Project will have no impact on the School

Corporation's tax rate upon completion of the 2011 School Safety, Maintenance and Improvement Project. If ever permitted by law, the Board expects to file one (1) or more new facility adjustments as permitted under Indiana Code 20-45-5 in connection with the additions which are part of the 2011 School Safety, Maintenance and Improvement Project.

Section 2. A notice of the foregoing preliminary determinations set forth in Section 1 of this resolution shall be given in accordance with Indiana Code § 6-1.1-20-3.5. In the event that a sufficient petition requesting the application of the local public question process to the proposed lease rental payments and/or debt service payments on the Bonds related to the 2011 School Safety, Maintenance and Improvement Project has been filed as set forth in Indiana Code § 6-1.1-20-3.5, the Superintendent of the School Corporation (the "Superintendent") or his designee is authorized to file the necessary documents to request the holding of a special election on the Bonds, the Lease and the 2011 School Safety, Maintenance and Improvement Project in accordance with Indiana Code § 6-1.1-20-3.6(d), and the question recommended to be submitted by the Marion County Auditor to the registered voters at the election conducted under Indiana Code § 6-1.1-20-3.6 shall be as follows: "Shall the Metropolitan School District of Perry Township, Marion County, Indiana, issue bonds or enter into a lease to finance the 2011 School Safety, Maintenance and Improvement Project in order to provide 21st Century learning environments that are safe and secure for all students, which is estimated to cost not more than \$50,000,000 and is estimated to increase the property tax rate for debt service by \$0.1371 per \$100 of assessed valuation based on the assumption that the debt service fund tax rate would otherwise be \$0.00?"

The Superintendent or his designee is authorized to make any and all changes or modifications to the form of the question recommended to the Marion County Auditor and the Marion County Election Board which the Superintendent or his designee deem necessary or desirable to convey the purposes and goals of the 2011 School Safety, Maintenance and Improvement Project and the intentions of the Board.

Section 3. The Board hereby declares its official intent that to the extent permitted by law, to execute the Lease with the Building Corporation, and to request the Building Corporation to issue the Bonds in one or more series or issues, which Bonds will not exceed an original aggregate principal amount of approximately Fifty Million Dollars (\$50,000,000), and to reimburse costs of the 2011 School Safety, Maintenance and Improvement Project consisting of the Expenditures from proceeds of the sale of such Bonds.

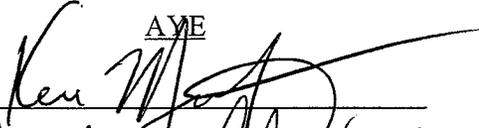
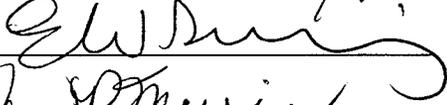
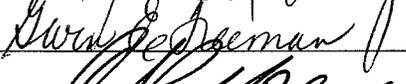
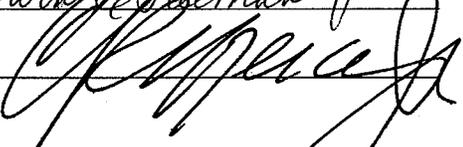
Section 4. Any and all actions previously taken by any member of the Board, the Superintendent, Associate Superintendent of the School Corporation, the Director of Operations of the School Corporation or the Chief Financial Officer of the School Corporation in connection with the foregoing preliminary determinations, including, but not limited to, publication of the notice of the public hearing held in connection with such preliminary determinations, be, and hereby are, ratified and approved.

PASSED AND ADOPTED this 10th day of January, 2011.

BOARD OF EDUCATION OF THE METROPOLITAN SCHOOL DISTRICT OF PERRY
TOWNSHIP, MARION COUNTY, INDIANA

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2011 School Safety, Maintenance and Improvement Project

Elementary Schools

Safety and security upgrades and improvements at one or more of the existing elementary schools based on the information received from the safety consultant hired by the School Corporation.

Improvements and upgrades to the mechanical systems at one or more of the existing elementary schools, including, but not limited to, replacing obsolete boiler and heating and air conditioning systems at one or more of the existing elementary schools.

Expansion at one or two of the existing elementary schools to relieve the overcrowded conditions in the kindergarten classrooms and provide for full-day kindergarten and special education pre-school.

Roof replacement and repair at one or more of the existing elementary schools, including, but not limited to, Mary Bryan Elementary School.

Miscellaneous improvement and renovation projects at one or more of the existing elementary schools.

Projects related to any of the foregoing projects.

6th Grade Academies and Middle Schools

Safety and security upgrades and improvements at one or more of the existing sixth grade academies and/or middle schools based on the information received from the safety consultant hired by the School Corporation.

Improvements and upgrades to the mechanical systems at one or more of the existing sixth grade academies and/or middle schools, including, but not limited to, replacing obsolete boiler and heating and air conditioning systems at one or more of the existing sixth grade academies and/or middle schools.

Miscellaneous improvement and renovation projects at one or more of the existing sixth grade academies and/or middle schools.

Projects related to any of the foregoing projects.

High Schools

Safety and security upgrades and improvements at the existing high schools based on the information received from the safety consultant hired by the School Corporation. It is anticipated that such safety and security upgrades and improvements will include, but not be limited to, increased surveillance cameras throughout the high schools as well as expansion of both high schools to relieve overcrowding in the classrooms, hallways and cafeterias.

Improvements and upgrades to the mechanical systems at both of the high schools, including, but not limited to, replacing obsolete boiler and heating and air conditioning systems at both high schools, repairing and upgrading the swimming pools at both high schools and renovating the tennis courts at Southport High School.

Roof replacement and repair at both high schools.

Miscellaneous improvement and renovation projects at both high schools.

Projects related to any of the foregoing projects.

EXHIBIT C

School	Current Total Square Footage	Current Square Footage per Student by Capacity*	Proposed Total Square Footage	Proposed Square Footage per Student by Capacity	Current Square Footage per Student by Current Enrollment	Proposed Square Footage per Student by Current Enrollment
A Lincoln	84,340	103.48	89,240	123.09	98.07	103.77
C Young	83,187	128.38	88,087	117.45	118.84	125.84
D MacArthur	64,760	113.22	64,760	113.22	108.29	108.29
Glenns Valley	71,826	138.13	71,826	138.13	131.07	131.07
H Burkhart	51,200	132.99	51,200	132.99	114.29	114.29
Homecroft	52,671	136.81	52,671	136.81	124.81	124.81
J Gray	92,638	129.75	92,638	129.75	153.88	153.88
M Bryan	83,563	133.92	83,563	133.92	133.92	133.92
R Parks	92,638	129.75	92,638	129.75	153.12	153.12
Southport	65,350	129.66	65,350	129.66	130.18	130.18
Winchester Village	63,966	115.25	63,966	115.25	96.63	96.63
Perry Meridian 6th Grade Academy & Middle School	294,880	159.39	294,880	159.39	178.50	178.50
Southport 6th Grade Academy & Middle School	315,817	183.08	315,817	183.08	191.29	191.29
Perry Meridian High School	430,927	229.83	445,747	176.53	193.76	200.43
Southport High School	399,728	245.23	437,728	194.55	183.95	201.44

*Many of the current facilities have a current student enrollment that is in excess of the current capacity for that facility

EXHIBIT D

MSD Perry Township - Enrollment Projection

	PK	KG	Gr 1	Gr 2	Gr 3	Gr 4	Gr 5	Gr 6	Gr 7	Gr 8	Gr 9	Gr 10	Gr 11	Gr 12	KG-6	Gr7-12	Total
2012-13	96	1,138	1,229	1,139	1,161	1,125	1,116	1,174	1,056	1,081	1,199	1,054	972	881	8,082	6,243	14,421
2011-12	96	1,138	1,159	1,156	1,129	1,125	1,172	1,044	1,070	1,104	1,209	1,073	950	852	7,923	6,258	14,277

MSD Perry Township - Enrollment

2010-11	210	1,052	1,107	1,121	1,091	1,186	1,046	1,100	1,084	1,117	1,148	1,145	1,103	1,058	7,703	6,655	14,568
2009-10	92	1,044	1,124	1,114	1,166	1,038	1,082	1,085	1,126	1,123	1,143	1,180	1,071	1,028	7,653	6,671	14,416
2007-08	78	1,076	1,193	1,047	1,094	1,099	1,125	1,102	1,097	1,149	1,164	1,152	964	932	7,736	6,458	14,272
2006-07	69	1,116	1,105	1,095	1,095	1,136	1,102	1,103	1,139	1,149	1,369	1,034	886	806	7,752	6,383	14,204
2005-06	68	1,010	1,062	1,109	1,122	1,113	1,080	1,096	1,118	1,183	1,229	987	901	764	7,592	6,182	13,842
2004-05	76	968	1,150	1,095	1,115	1,074	1,079	1,125	1,192	1,058	1,181	1,020	896	707	7,606	6,054	13,736

EXHIBIT E

AGE AND CONDITION OF SCHOOL FACILITIES

<u>School</u>	<u>Age</u>	<u>Condition</u>
Abraham Lincoln Elementary School	48	Fair
Clinton Young Elementary School	52	Fair
Douglas MacArthur Elementary School	45	Fair
Glenns Valley Elementary School	55	Poor
Homecroft Elementary School	52	Fair
Henry Burkhart Elementary School	52	Fair
Jeremiah Gray Elementary School	7	Good
Mary Bryan Elementary School	23	Fair
Rosa Parks Elementary School	6	Good
Southport Elementary School	47	Fair
Winchester Village Elementary School	38	Poor
Perry Meridian—6 th Grade Academy	5	Good
Southport—6 th Grade Academy	5	Good
Perry Meridian Middle School	39	Fair
Southport Middle School	47	Fair
Perry Meridian High School	36	Fair
Southport High School	55	Fair