

**Political Subdivision:** Tell City - Troy Twp School Corporation  
**County:** Perry  
**Date of Submission:** October 1, 2009  
**Date of Referendum:** November 3, 2009

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

1) **Cost per square foot of the buildings being constructed as a part of the controlled project**

<u>Building</u>	<u>Renovation Cost/Square Foot</u>	<u>New Construction Cost/Square Foot</u>
Tell City Jr. and Sr. High School	\$110	\$167

2) **Effect that approval of the controlled project would have on the political subdivision's tax rate**

The effect that the approval of this project would have on the debt service tax rate is estimated to be \$0.28 in budget year 2023. There will not be an impact on any other tax rates of the School Corporation resulting from this project. See Exhibit A.

3) **Maximum term of the bonds or lease**

The maximum term of the Bonds is 20 years and the maximum term of the lease is 21 years. The Notice of Adoption of Preliminary Determination, which was published on July 23, 2009, includes this information and is contained in Exhibit B.

4) **Maximum principal amount of the bonds or the maximum lease rental for the lease**

The maximum principal amount of the Bonds is \$10,000,000 and the maximum annual lease rental is \$910,000. If it is of economic benefit to the School Corporation, the Project may be funded by the issuance of Build America Bonds (BABs). If BABs are issued, the net effect to the taxpayers is expected to be equal to or less than that shown above, however the actual maximum annual lease rental will be \$1,076,000 prior to receiving the 35% interest credit from the U.S. Treasury. See Exhibit B.

5) **Estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.**

The estimated interest rates range from 3.45% to 6.40% averaging 5.98% with total interest costs of \$7,310,818 over the 20-year life of the bond issue. If it is of economic benefit to the School Corporation, the Project may be funded by the issuance of Build America Bonds (BABs). If BABs are issued, the net effect to the taxpayers is expected to be equal to or less than that shown above, however the estimated interest rates range from 4.95% to 7.90% averaging 7.46% with total interest costs of \$8,923,567 prior to receiving the 35% interest credit from the U.S. Treasury. See Exhibit B.

6) **Purpose of the bonds or lease**

See Exhibit C for a project description.

7) In the case of a controlled project proposed by a school corporation (if applicable):

(A) Current and proposed square footage of school building space per student

<u>Building</u>	<u>Current Square Footage</u>	<u>Square Feet/Student</u>	<u>Proposed Square Footage</u>	<u>Square Feet/Student</u>
William Tell Elementary School	141,040	188	141,040	164
Tell City Jr. High School	70,780	202	0	0
Tell City Sr. High School	176,040	356	183,880	250

(B) Enrollment patterns within the school corporation

See Exhibit D.

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(C) Age and condition of the current school facilities

See Exhibit E.

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EXHIBIT A

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION

Tax Exempt Bonds

**PRELIMINARY SCHEDULE OF AMORTIZATION OF \$10,000,000 PRINCIPAL  
AMOUNT OF FIRST MORTGAGE BONDS, SERIES 2010**

Assumes Bonds dated May 15, 2010  
Net Interest Cost - 5.98%

Payment Date	Principal Balance (In \$1,000's)	Principal	Assumed Interest Rate (%)	Interest	Total Debt Service	Capitalized Interest	Net Debt Service	Budget Year Debt Service	Annual Lease Rental
1/15/2011	\$10,000			\$378,273.33	\$378,273.33	(\$378,273.33)	\$0.00	\$0.00	\$0
7/15/2011	10,000			283,705.00	283,705.00	(283,705.00)	0.00		
1/15/2012	10,000	\$165	3.45	283,705.00	448,705.00		448,705.00	448,705.00	903,000 (1)
7/15/2012	9,835	170	3.45	280,858.75	450,858.75		450,858.75		
1/15/2013	9,665	170	3.90	277,926.25	447,926.25		447,926.25	898,785.00	904,000
7/15/2013	9,495	175	3.90	274,611.25	449,611.25		449,611.25		
1/15/2014	9,320	180	4.30	271,198.75	451,198.75		451,198.75	900,810.00	906,000
7/15/2014	9,140	185	4.30	267,328.75	452,328.75		452,328.75		
1/15/2015	8,955	185	4.60	263,351.25	448,351.25		448,351.25	900,680.00	906,000
7/15/2015	8,770	190	4.60	259,096.25	449,096.25		449,096.25		
1/15/2016	8,580	195	4.90	254,726.25	449,726.25		449,726.25	898,822.50	904,000
7/15/2016	8,385	200	4.90	249,948.75	449,948.75		449,948.75		
1/15/2017	8,185	205	5.15	245,048.75	450,048.75		450,048.75	899,997.50	905,000
7/15/2017	7,980	210	5.15	239,770.00	449,770.00		449,770.00		
1/15/2018	7,770	215	5.35	234,362.50	449,362.50		449,362.50	899,132.50	905,000
7/15/2018	7,555	220	5.35	228,611.25	448,611.25		448,611.25		
1/15/2019	7,335	230	5.55	222,726.25	452,726.25		452,726.25	901,337.50	907,000
7/15/2019	7,105	235	5.55	216,343.75	451,343.75		451,343.75		
1/15/2020	6,870	240	5.70	209,822.50	449,822.50		449,822.50	901,166.25	907,000
7/15/2020	6,630	245	5.70	202,982.50	447,982.50		447,982.50		
1/15/2021	6,385	255	5.80	196,000.00	451,000.00		451,000.00	898,982.50	904,000
7/15/2021	6,130	260	5.80	188,605.00	448,605.00		448,605.00		
1/15/2022	5,870	270	5.90	181,065.00	451,065.00		451,065.00	899,670.00	905,000
7/15/2022	5,600	275	5.90	173,100.00	448,100.00		448,100.00		
1/15/2023	5,325	285	6.00	164,987.50	449,987.50		449,987.50	898,087.50	904,000
7/15/2023	5,040	295	6.00	156,437.50	451,437.50		451,437.50		
1/15/2024	4,745	305	6.05	147,587.50	452,587.50		452,587.50	904,025.00	910,000
7/15/2024	4,440	310	6.05	138,361.25	448,361.25		448,361.25		
1/15/2025	4,130	320	6.10	128,983.75	448,983.75		448,983.75	897,345.00	903,000
7/15/2025	3,810	330	6.10	119,223.75	449,223.75		449,223.75		
1/15/2026	3,480	340	6.15	109,158.75	449,158.75		449,158.75	898,382.50	904,000
7/15/2026	3,140	350	6.15	98,703.75	448,703.75		448,703.75		
1/15/2027	2,790	365	6.20	87,941.25	452,941.25		452,941.25	901,645.00	907,000
7/15/2027	2,425	375	6.20	76,626.25	451,626.25		451,626.25		
1/15/2028	2,050	385	6.30	65,001.25	450,001.25		450,001.25	901,627.50	907,000
7/15/2028	1,665	395	6.30	52,873.75	447,873.75		447,873.75		
1/15/2029	1,270	410	6.35	40,431.25	450,431.25		450,431.25	898,305.00	904,000
7/15/2029	860	425	6.35	27,413.75	452,413.75		452,413.75		
1/15/2030	435	435	6.40	13,920.00	448,920.00		448,920.00	901,333.75	907,000
Totals		<u>\$10,000</u>		<u>\$7,310,818.33</u>	<u>\$17,310,818.33</u>	<u>(\$661,978.33)</u>	<u>\$16,648,840.00</u>	<u>\$16,648,840.00</u>	<u>\$17,202,000</u>

(1) Interim Lease Rental payment due June 30, 2011.

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION

Tax Exempt Bonds

SUMMARY OF PROJECTED DEBT SERVICE TAX RATE

Budget Year	Outstanding Debt (Unaudited)	Proposed First Mortgage Bonds	Total Debt Service	Tax Levy	Net Assessed Value	Estimated Existing Debt Service Tax Rate	Estimated Proposed Debt Service Tax Rate	Estimated Combined Debt Service Tax Rate
	(1)		(2)	(3)	(4)	(5)	(6)	(7)
2007	\$1,893,600		\$1,893,600	\$1,704,240	\$324,835,770	\$0.5208		\$0.5208
2008	1,686,000		1,686,000	1,517,400	344,869,550	0.5266		0.5266
2009	1,698,000		1,698,000	1,528,200	296,277,807	0.5554		0.5554
2010	1,711,000		1,711,000	1,539,900	296,277,807	0.5197		0.5197
2011	1,722,000	\$903,000	2,625,000	2,362,500	296,277,807	0.5231	\$0.2743	0.7974
2012	1,738,000	904,000	2,642,000	2,377,800	296,277,807	0.5280	0.2746	0.8026
2013	1,751,000	906,000	2,657,000	2,391,300	296,277,807	0.5319	0.2752	0.8071
2014	1,769,000	904,000	2,675,000	2,407,500	296,277,807	0.5374	0.2752	0.8126
2015	1,778,000	904,000	2,682,000	2,413,800	296,277,807	0.5401	0.2746	0.8147
2016	1,769,000	905,000	2,674,000	2,406,600	296,277,807	0.5374	0.2749	0.8123
2017	1,774,000	905,000	2,679,000	2,411,100	296,277,807	0.5389	0.2749	0.8138
2018	1,787,000	907,000	2,694,000	2,424,600	296,277,807	0.5428	0.2755	0.8183
2019	1,801,000	907,000	2,708,000	2,437,200	296,277,807	0.5471	0.2755	0.8226
2020	1,810,000	904,000	2,714,000	2,442,600	296,277,807	0.5498	0.2746	0.8244
2021	1,824,000	905,000	2,729,000	2,456,100	296,277,807	0.5541	0.2749	0.8290
2022	1,824,000	904,000	2,728,000	2,455,200	296,277,807	0.5541	0.2746	0.8287
2023	1,824,000	910,000	2,734,000	2,460,600	296,277,807	0.5541	0.2764	0.8305
2024		903,000	903,000	812,700	296,277,807		0.2743	0.2743
2025		904,000	904,000	813,600	296,277,807		0.2746	0.2746
2026		907,000	907,000	816,300	296,277,807		0.2755	0.2755
2027		907,000	907,000	816,300	296,277,807		0.2755	0.2755
2028		904,000	904,000	813,600	296,277,807		0.2746	0.2746
2029		907,000	907,000	816,300	296,277,807		0.2755	0.2755

(1) See page 1.

(2) Assumes a financial institutions/license excise factor of 10%, with 90% payable from a property tax levy.

(3) Based upon the certified net assessed value for years payable 2007 through 2009, with no growth assumed thereafter.

(4) Represents estimated debt service for outstanding and proposed debt. Per \$100 of Net Assessed Value.

(5) Based upon the 2006 pay 2007 actual debt service tax rate.

(6) Based upon the 2007 pay 2008 actual debt service tax rate.

(7) Based upon the 2008 pay 2009 actual debt service tax rate.

**EXHIBIT B**

## **NOTICE OF ADOPTION OF PRELIMINARY DETERMINATION**

Notice is hereby given pursuant to Indiana Code 6-1.1-20-3.5 that the Board of School Trustees of Tell City-Troy Township School Corporation (the "School Corporation") did, on July 21, 2009, make a preliminary determination to enter into a lease for the renovation of and improvements and additions to the Tell City High School building (the "Project"). The lease will be for a maximum term of 21 years with a maximum annual lease rental of \$910,000. The maximum annual lease rental has been estimated based upon an estimated principal amount of bonds of \$10,000,000 and estimated interest rates ranging from 3.45% to 6.40% and total estimated interest costs of \$7,310,818.33. If it is of economic benefit to the School Corporation, the Projects may be funded by the issuance of Build America Bonds. If Build America Bonds are issued the net effect to the taxpayers is expected to be equal to or less than that which is shown above, however the actual maximum annual lease rental will be \$1,076,000 with estimated interest rates ranging from 4.95% to 7.90% and total estimated actual interest costs of \$8,923,566.67 prior to receiving the 35% interest credit from the U.S. Treasury.

The School Corporation's current debt service levy is \$1,645,527 and the current rate is \$0.5554. After the School Corporation enters into the proposed lease and the bonds are issued, the debt service levy will increase by a maximum of \$819,000 and the rate will increase by a maximum of \$0.28. If Build America Bonds are issued the net effect to the taxpayers is expected to be equal to or less than that which is shown above, however the debt service levy will increase by a maximum of \$968,400 and the debt service rate will increase by a maximum of \$0.33 prior to receiving the 35% interest credit from the U.S. Treasury. The purpose of the lease is to provide for the construction of the Project. If a valid petition pursuant to I.C. 6-1.1-20-3.5 is received by the School Corporation, the proposed debt service or lease

payments must be approved in an election on a local public question held under I.C. 6-1.1-20-3.6.

Dated July 23, 2009.

/s/  
Secretary, Board of School Trustees  
Tell City-Troy Township School Corporation

*Send a copy to County Auditor and County Clerk*



EXHIBIT C

**Tell City Jr. and Sr. High School for the  
Tell City-Troy Township School Corporation**

**Project Description**

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With evolving and changing curricular focus, the most recent addition (1979) to the current Tell City High School building is now approximately 1/3 underutilized or vacant.

This large, mostly open area will be renovated and reconfigured to accommodate ten (10) general purpose classrooms, two (2) science laboratories and adjacent preparation rooms for 240 seventh and eighth grade students. Other areas within the current High School facility will be remodeled for use as a Junior High School Music area, Art classrooms, and a Graphics Arts classroom to be shared with High School students. Renovations are anticipated that will update special education classrooms that are designed to be used as High School or Junior High School special education facilities. A remodeled Family and Consumer Science classroom is a component of this new Junior High School within the current high school Building.

A new library and computer laboratory will be constructed as a link between the High School and Junior High School and will be a shared facility.

Both High School and Junior High School students will benefit from a new kitchen and an expanded cafeteria seating area. Kitchen equipment will be replaced as part of this work.

A remodeled and relocated office area and secure entrance to the current building will provide a safe and controlled environment that is now lacking in the current building.

At the conclusion of this renovation and small addition (8,000 sf.) to the current Tell City High School, the present Tell City Junior High School (71,000 s.f.) will be closed. The new grade level configuration in the Tell City-Troy Township School Corporation will be K-6 and 7-12 in two buildings.

EXHIBIT D



6350 Tell City-Troy Twp School Corp PK-12 837 17th St Tell City, IN 47586-1698 (812) 547-3300

As of Jan 5, 2009

**Tell City-Troy Twp School Corp - Enrollment Projection**

Year	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	Other	KG-6	7-12
2012-13	4	123	131	121	121	135	108	146	103	121	96	107	107	99	0	885	633
2011-12	4	123	122	120	137	108	147	102	123	99	112	113	99	102	0	859	648
2010-11	4	114	121	137	110	148	103	122	101	116	118	105	103	124	0	855	667
2009-10	4	113	137	109	150	103	123	100	118	122	109	109	124	134	0	835	716

**Tell City-Troy Twp School Corp - Enrollment**

2008-09	4	129	110	149	105	124	101	117	124	113	113	131	135	113	0	835	729
2007-08	9	106	143	106	130	104	120	128	123	114	136	135	117	136	0	837	761
2006-07	7	137	111	124	98	113	128	118	117	138	146	124	142	114	0	829	781
2005-06	10	93	130	104	128	127	120	122	138	153	130	153	115	131	0	824	820
2004-05	8	132	101	123	122	128	121	131	147	139	153	125	123	93	3	858	780

As of Jan 5, 2009

**State Total Public School Enrollment Projection**

Year	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	Other	KG-6	7-12
2018-19	29680	75325	81788	79788	79157	79434	80531	81379	83085	80198	86093	82593	75970	74431	2978	557402	482370
2017-18	26982	75404	81733	79609	79069	79985	80671	81858	80437	81925	87674	80359	79707	72281	2526	558329	482383
2016-17	24529	75379	81557	79526	79625	80126	81157	79252	82168	83466	85280	84303	77408	70906	2138	556622	483531
2015-16	22299	75215	81464	80084	79764	80610	78570	80954	83709	81193	89474	81865	75918	70227	1803	556661	482386
2014-15	20272	75090	82032	80219	80233	78034	80237	82468	81431	85146	86940	80291	75181	69874	1537	558313	478863
2013-14	18429	75536	82156	80673	77649	79678	81706	80219	85409	82649	85348	79531	74810	70803	1348	557617	478550
2012-13	16754	75800	82657	78103	79332	81168	79555	84159	82900	81217	84306	79161	75872	70842	1111	560774	474298
2011-12	15231	76363	80047	79814	80841	79029	83502	81695	81446	80430	83901	80208	75885	69929	928	561291	471799
2010-11	13846	73817	81722	81299	78664	82937	80968	80228	80648	79915	85164	80219	74788	71633	771	559635	472367
2009-10	12587	75126	83257	79092	82487	80389	79420	79428	80152	80855	85458	79101	76637	72168	692	559199	474371

**Public School Enrollment**

2008-09	11443	76280	80932	82849	79886	78805	78542	78935	81171	80823	84476	81175	77300	72934	712	556229	477879
2007-08	10717	75415	85070	80501	78701	78179	78669	80087	81047	80793	84869	81914	78501	71696	450	556622	478820
2006-07	10096	79118	82623	79264	77983	78135	79647	79908	80934	82013	86754	82593	76653	69573	406	556678	478520
2005-06	10463	75500	80775	78272	77543	79047	78764	79555	82190	81975	88500	81016	73822	66978	327	549456	474481
2004-05	7883	73111	80225	77874	78303	78051	78289	80874	82323	82675	87758	78283	71784	63274	490	546727	466097
2003-04	5514	72288	79371	78236	77237	77451	79539	81050	83392	81441	84654	76593	68173	63843	1877	545172	458096
2002-03	5609	71543	80058	77480	76557	78867	79638	81738	81569	79199	81859	73198	68250	64059	2313	545881	448134
2001-02	6093	72326	79108	76600	77808	78951	80229	80549	79820	76951	78878	72971	67579	62865	4710	545571	439064
2000-01	5520	70712	78764	78004	78362	79709	79123	78988	77355	73845	79871	73148	67140	63449	4701	543662	434808
1999-00	4951	70413	80145	78741	79384	79121	77669	76702	74697	74492	80955	73488	68000	64583	4723	542175	436215

**EXHIBIT E**

## TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION

### AGE AND CONDITION OF CURRENT BUILDINGS

#### TELL CITY HIGH SCHOOL:

Originally constructed in 1928

Added gymnasium, cafeteria, and 8 classrooms in 1952

Added media center in 1960

Added science, vocational classrooms, pe gym, pool, and new mechanical room in 1979

Partial HVAC replacement and pool renovation in 2007

Partial HVAC replacement in 2008

Partial remodel of 1928 wing in 2009

This building still needs to finish remodel of 1929 wing, expansion and remodel of kitchen, renovation of science rooms, renovation of vocational section for grade 7-8 classrooms\*, finish HVAC replacement, remodel other sections of entire building.

\*the junior high building will be closed with grades 7-8 moving to the current high school building and grade 6 remaining at the elementary school.

#### TELL CITY JUNIOR HIGH SCHOOL:

Originally constructed in 1958

Remodeled and added to in 1979

This will be closed for student occupancy in this plan.

#### WILLIAM TELL ELEMENTARY SCHOOL:

Constructed in 1998 and 1999 – Occupied in 1999.

This building is in good shape and has space available for the 6<sup>th</sup> grade.