

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 FOR A)
BALLOT QUESTION REGARDING)
LEBANON COMMUNITY SCHOOL)
CORPORATION, BOONE COUNTY)

No. 22-006-REF

FINDINGS AND FINAL DETERMINATION ON PROPOSED QUESTION SUBMITTED
JANUARY 28, 2022

1. Lebanon Community School Corporation (“Corporation”), proposes to issue bonds or enter into a lease to fund the 2022 Safety, Capacity, Efficiency, Renovation and Construction Project which includes the construction of a new elementary school and the renovation of and improvements to Harney, Hattie B. Stokes, Perry-Worth Elementary Schools, Lebanon Middle School and Lebanon High School and construction of operation/transportation facilities at the current capital referendum tax rate of \$0.2855 which was originally authorized by the 2010 Referendum, which is estimated to cost \$102,650,000 over 22 years.
2. Under Indiana law, the voters in the area served by the Corporation will vote in a referendum to approve or deny borrowing for the project and raise property taxes to support it.
3. Indiana law governs the format and wording of the ballot question for the referendum. Indiana Code 6-1.1-20-3.6(c).
4. Under Indiana law, “**the following question shall** be submitted to the eligible voters at the election”:

“Shall _____ (insert the name of the political subdivision) increase property taxes paid to the _____ (insert the type of taxing unit) by homeowners and businesses? If this public question is approved by the voters, the average property tax paid to the _____ (insert the type of taxing unit) per year on a residence would increase by _____ % (insert the estimated average percentage of property tax increase paid to the political subdivision on a residence within the political subdivision as determined under IC 6-1.1-20-3.6(n)) and the average property tax paid to the _____ (insert the type of taxing unit) per year on a business property would increase by _____ % (insert the estimated average percentage of property tax increase paid to the political subdivision on a business property within the political subdivision as determined under IC 6-1.1-20-3.6(o)). The political subdivision may issue bonds or enter into a lease to (insert a brief description of the controlled project), which is estimated to cost _____ (insert the total cost of

the project) over _____ (insert number of years to bond maturity or termination of lease) years. The most recent property tax referendum within the boundaries of the political subdivision for which the public question is being considered was proposed by _____ (insert name of political subdivision) in _____ (insert year of most recent property tax referendum) and _____ (insert whether the measure passed or failed)."

Indiana Code 6-1.1-20-3.6(c) (emphasis added).

5. The ballot question then must contain five parts:

- The name of the political subdivision.
- A brief description of the project.
- The estimated total project cost.
- The year in which the most recent property tax referendum within the boundaries of the political subdivision was held and whether the referendum passed or failed.
- The estimated average percent increase of taxes paid to the school corporation on residential and business property if the taxes are approved in the referendum, as certified by the county auditor.

6. The law also requires the Department to either approve the ballot language or recommend that it be modified to ensure that the description of the controlled project is accurate and not biased.

7. On January 28, 2022, the Department received the Corporation's proposed question from the Boone County Election Board. The proposed ballot question is as follows:

"Shall Lebanon Community School Corporation increase property taxes paid to the school corporation by homeowners and businesses? If this public question is approved by the voters, the average property tax paid to the school corporation per year on a residence would increase by 40.09% and the average property tax paid to the school corporation per year on a business property would increase by 40.09%. The political subdivision may issue bonds or enter into a lease to fund the 2022 Safety, Capacity, Efficiency, Renovation and Construction Project which includes the construction of a new elementary school and the renovation of and improvements to Harney, Hattie B. Stokes, Perry-Worth Elementary Schools, Lebanon Middle School and Lebanon High School and construction of operation/transportation facilities at the current capital referendum tax rate of \$0.2855 which was originally authorized by the 2010 Referendum, which is estimated to cost \$102,650,000 over 22 years. The most recent property tax referendum within the boundaries of the school corporation for which this public question is being considered was proposed by Lebanon Community School Corporation in 2010 and passed."

8. On January 25, 2022, the Department received from the Boone County Auditor, pursuant to IC 6-1.1-20-3.6(p), the estimated average percent increase to homesteads and business

property, respectively, of the property taxes that would be imposed by the Corporation if the referendum passes, as certified by the Boone County Auditor.

Accuracy and Bias

9. The Department must review the language of the public question to evaluate whether the description of the controlled project is accurate and is not biased against either a vote in favor of or a vote against the controlled project. The Department concludes that the description of the controlled project is not biased against either a vote in favor of or a vote against the controlled project.

Compliance of Language

10. The Department must review the proposed language for compliance with IC 6-1.1-20-3.6(c). The Department may either approve or reject the language. The Department concludes that the language is in compliance with IC 6-1.1-20-3.6(c).

Estimate of Average Percent Increase in Taxes

11. The estimated average percent increase in taxes, as certified by the Boone County Auditor under IC 6-1.1-20-3.6(p), is **40.09%** for homesteads and **40.09%** for business property.

Final Determination

WHEREFORE, based on the above findings and applicable law, the Department finds that the proposed language is in compliance with IC 6-1.1-20-3.6(c) and approves the language as proposed.

Dated this 28th day of January, 2022.

STATE OF INDIANA
DEPARTMENT OF LOCAL GOVERNMENT FINANCE

Wesley R. Bennett
Wesley R. Bennett, Commissioner
Department of Local Government Finance