

**REGULAR MEETING
BOARD OF SCHOOL TRUSTEES
BROWNSBURG COMMUNITY SCHOOL CORPORATION**

The Board of School Trustees of the Brownsburg Community School Corporation met in a special business meeting on Monday, August 26, 2019 at Harris Academy, 725 South Green Street; Brownsburg, Indiana.

I. CALL TO ORDER

Mr. Phil Utterback, President of the Board, called the meeting to order at 7:45 p.m. Other Board members in attendance included Mr. Eric Hylton, Dr. Matthew Freije, and Mrs. Tiffany Dearman. Ms. Jessica Heffernan did not attend. Administrators present were Dr. Jim Snapp, Dr. Kat Jessup, and Mr. Shane Hacker.

II. OLD BUSINESS

A. Preliminary Determination Hearing on Financing for Transportation Project

Mr. Utterback opened the public hearing at 7:45 pm.

Mr. Hacker explained this is the second of two required public hearings for the bond project for the Transportation project. He shared that pursuant to Indiana Code, before a school corporation enters into a lease and/or issues bonds for the construction or renovation of a school building resulting in total costs in excess of the lesser of : (a) \$5,170,000; or (b) 1% of total gross assessed valuation of the property within the school corporation, it must hold two public hearings on its preliminary determination to do so and to receive comments from the public.

Mr. Utterback called for public comments. There were none.

Mr. Utterback closed the public hearing at 7:47 pm.

VIII. NEW BUSINESS

A. Recommendation to Approve Project Resolution

Mr. Hacker recommended the Board of School Trustees approve the Project Resolution for the 2020 Bonds-Transportation Center project. He explained that the resolution establishes the estimated costs of the project, the tax impact, and the timing o the project.

PROJECT RESOLUTION

WHEREAS, the Board of School Trustees (the "Board") of Brownsburg Community School Corporation (the "School Corporation") at a special meeting on August 26, 2019 held a public hearing in accordance with Indiana Code § 20-26-7-37 for the purpose of answering questions and listening to taxpayers' comments and any evidence they may present about the proposed construction of a Transportation Facility and related site improvements and the purchase of equipment and technology (the "Project"); and

WHEREAS, the Board has carefully studied all of the known options and feels that the proposed Project is in the best interests of the present and future students to be served by this facility; now, therefore,

BE IT RESOLVED, that the purpose of the Project is to provide an improved educational environment for students.

BE IT FURTHER RESOLVED, that the estimated hard and soft construction costs of the Project are \$21,500,000, with estimated costs of issuance (including capitalized interest less interest earnings and interim lease rental) of \$500,000, resulting in a total estimated Project cost of \$22,000,000.

BE IT FURTHER RESOLVED, that the estimated \$22,000,000 will be funded by one or more of the following: Operations Fund, common school fund loan, general obligation bond issue, and/or a building corporation bond issue with an anticipated impact on the Debt Service Fund tax rate of \$0.0794 per \$100 assessed valuation based on an estimated \$2,480,449,022 assessed valuation beginning in 2021. However, as existing obligations mature, the anticipated increase to the Debt Service Fund tax rate is expected to be \$0.00.

Dr. Freije made a motion to approve the recommendation; Mr. Hylton seconded the motion. The Board approved the motion by a vote of four (4) ayes; zero (0) nays.

B. Recommendation to Preliminary Determination Resolution

Mr. Hacker recommended the Board of School Trustees approve Preliminary Determination Resolution. He explained that the resolution establishes the maximums for the following:

- Terms of Lease
- Lease Rental
- Annual Debt Service Levy
- Annual Debt Service Rate

PRELIMINARY DETERMINATION RESOLUTION

WHEREAS, Brownsburg Community School Corporation (the "School Corporation") published a Notice of Preliminary Determination Hearings on August 1, 2019 in *The Republican* and mailed such notice to the Hendricks County Clerk and any organizations requesting such notice as provided in Indiana Code § 6-1.1-20-3.5 with respect to the construction of a Transportation Facility and related site improvements and the purchase of equipment and technology (the "Project"); and

WHEREAS, the first preliminary determination hearing was held on August 12, 2019 and the second preliminary determination hearing was held on August 26, 2019 in accordance with the notice and the law of the State of Indiana (the "State"); now, therefore,

WHEREAS, the School Corporation has made the following information available to the public at the public hearings: (a) the result of the Schools Corporation's current and projected annual debt service payments divided by the net assessed value of taxable property within the School Corporation; (b) the result of (i) the sum of the School Corporation's outstanding long term debt plus the outstanding long term debt of other taxing units that include any of the territory of the School Corporation; divided by (ii) the net assessed value of taxable property within the School Corporation; and

BE IT RESOLVED that the Board of School Trustees (the "Board") of the School Corporation preliminarily determines to issue bonds and enter into a lease agreement for the Project.

BE IT FURTHER RESOLVED that the lease agreement will be for a maximum term of 21 years with a maximum annual lease rental of \$2,075,000. The maximum annual lease rental has been estimated based upon an estimated principal amount of bonds of \$22,000,000, estimated interest rates ranging from 2.00% to 5.80%, and estimated total interest costs of \$13,269,532. The School Corporation's 2019 debt service levy is \$22,687,688 and the current debt service rate is \$0.9684. After the School Corporation enters into the proposed lease agreement and the bonds are issued, the debt service levy will increase by a maximum of \$2,075,000 and the debt service rate will increase by a maximum of \$0.0794. However, as existing obligations mature, the anticipated increase to the Debt Service Fund tax rate is expected to be \$0.00. The purpose of the lease agreement is to provide for the completion of the Project. The Project involves the opening of new school facility space; however, the new school facility space will be more efficient than the school facility space which is being replaced.

Therefore, the School Corporation does not expect to annually incur an increase to operate such new facility space.

BE IT FURTHER RESOLVED that the Secretary of the Board is hereby authorized and directed to publish the notice of adoption of this preliminary determination in accordance with Indiana law.

BE IT FURTHER RESOLVED that if a valid petition pursuant to Indiana Code § 6-1.1.-20-3.5 is received by the School Corporation, the Secretary of the Board of School Trustees is hereby authorized to submit the notice pursuant to Indiana Code § 6-1.1-20-3.5(b)(2) and any other required information to the Hendricks County Clerk.

Dr. Freije made a motion to approve the recommendation; Mrs. Dearman seconded the motion. The Board approved the motion by a vote of four (4) ayes; zero (0) nays.

IV. ADJOURNMENT

Mr. Utterback called for a motion to adjourn the meeting; Dr. Freije made a motion to adjourn, Mr. Hylton seconded the motion. The Board approved the motion by a vote of four (4) ayes; zero (0) nays. The meeting adjourned at 7:50 p.m.

**BROWNSBURG COMMUNITY SCHOOL CORPORATION
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