

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

The Board of School Trustees of the Brownsburg Community School Corporation met in a special public meeting on Monday, September 27, 2021 at 6:30 p.m. in the F.L. O’Neal Administration Building, 310 Stadium Drive; Brownsburg, Indiana.

I. CALL TO ORDER

Mr. Eric Hylton, President of the Board, called the meeting to order at 6:30 p.m. Other Board members in attendance were Ms. Jessica Heffernan, Dr. Matthew Freije, Mrs. Tiffany Dearman and Mr. Mike Wells. Administrators present were Dr. Jim Snapp, Dr. Kat Jessup, Mr. Shane Hacker and Mr. John Voigt. Ms. Vicki Murphy, Mrs. Jodi Gordon, Mrs. Laurie Johnson, Mrs. Jennifer Dezarn-Lynch and Mrs. Shayla Webb were also present.

II. PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance.

III. MOMENT OF REFLECTION

Mr. Hylton asked for a moment of silence for reflection.

IV. NEW BUSINESS

A. Public Hearing on Proposed 2021-2023 Teacher Contract

Mr. Hylton opened the public hearing at 6:30 p.m.

Dr. Snapp presented a summary regarding the proposed teacher contract. He indicated the contract will be for two years on language and one year on salaries and benefits.

Mr. Hylton opened the hearing for public comment.

Dave Tinkey – Brownsburg Mr. Tinkey asked as to the reason for the approximate 20% increase to health insurance benefits.

There being no additional public comments, Mr. Hylton closed the public hearing at 6:36 p.m.

B. Second Preliminary Determination Hearing for the 2022 Bond/Construction of Crossroads Elementary School

Mr. Hylton opened the public hearing at 6:37 p.m.

Mr. Hacker explained that this is the second of two public hearing required to be held regarding the 2022 Bond issue and projects associated with the issue, including the construction of Crossroads Elementary school. Mr. Hacker shared information about Crossroads Elementary with a project cost estimate of \$35,000,000. Additional capital improvements to be considered with the bond proceeds include roof replacements, building control system replacement, bus purchases, and additional facility repairs and upgrades. Mr. Hacker explained that the timeline for the projects includes the completion of Crossroads by Fall of 2023 and the other projects during the summer of 2022. The maximum borrowing amount for this bond issue will be \$54,000,000 and will have no impact on the tax rate.

Mr. Hylton opened the hearing for public comment. Dr. Freije asked if there would be a barrier between the property and home owners. Mr. Voigt responded that there is an existing tree line that will act as a natural barrier to the properties.

There being no additional public comments, Mr. Hylton closed the public hearing at 6:43 p.m.

C. Recommendation to Approve Project Resolution

Mr. Hacker recommended that the Board of School Trustees approve the Project Resolution. He explained that this resolution establishes the estimated costs of the project, the tax impact and timing of the impact.

PROJECT RESOLUTION

WHEREAS, the Board of School Trustees (the "Board") of Brownsburg Community School Corporation (the "School Corporation") at a meeting on September 27, 2021 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 new elementary school and renovation of and improvements to school facilities throughout the school corporation including site improvements and the purchase of technology, buses, real estate and equipment (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 these facilities; 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 \$50,000,000, with estimated costs of issuance (including capitalized interest less interest earnings and interim lease rental) of \$4,000,000, resulting in total estimated Project costs of \$54,000,000.

BE IT FURTHER RESOLVED, that the estimated \$54,000,000 will be funded by one or more of the following: Operations Fund, common school fund loan, ESSER or other grant monies, general obligation bond issue, and/or a building corporation bond issue with an anticipated impact on the Debt Service Fund tax rate of \$0.1588 per \$100 assessed valuation based on an estimated \$2,852,223,866 assessed valuation beginning in 2023. However, as existing obligations mature, the anticipated increase to the total school corporation tax rate is expected to be \$0.00.

Passed and adopted this 27th day of September, 2021.

Ms. Heffernan moved to approve the recommendation; Mr. Wells seconded the motion. The Board approved the motion by a vote of five (5) ayes; zero (0) nays.

D. Recommendation to Approve Preliminary Determination Resolution

Mr. Hacker recommended the Board of School Trustees approve the Preliminary Determination Resolution. He explained that this resolution sets forth the maximum term of the lease/bond issue (20 years), establishes the lease rental, annual debt service levy, and annual debt service rate. Once this resolution is adopted, this will be sent to the Hendricks County Clerk for publication.

PRELIMINARY DETERMINATION RESOLUTION

WHEREAS, Brownsburg Community School Corporation (the "School Corporation") published a Notice of Preliminary Determination Hearings on September 27, 2021 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 new elementary school and renovation of and improvements to school facilities throughout the school corporation including site improvements and the purchase of technology, buses, real estate and equipment (the "Project"); and

WHEREAS, the first preliminary determination hearing was held on September 13, 2021 and the second preliminary determination hearing was held on September 27, 2021 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 22 years with a maximum annual lease rental of \$4,769,000. The maximum annual lease rental has been estimated based upon an estimated principal amount of bonds of \$54,000,000, estimated interest rates ranging from 2.00% to 4.40%, and estimated total interest costs of \$25,775,634. The School Corporation may issue general obligation bonds to fund the Project and if such bonds are issued, they will fit into the parameters listed above. If the School Corporation issues general obligation bonds, the principal amount of the bonds associated with the lease, as described above, would be reduced by the principal amount of the general obligation bonds issued, such that the total aggregate principal amount of bonds issued to finance the Project would not exceed the aggregate estimated principal amount of \$54,000,000.

The School Corporation's current debt service levy is \$24,066,318 and the current debt service rate is \$0.9215. 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 \$4,769,000 and the debt service rate will increase by a maximum of \$0.1588. However, as existing obligations mature, the anticipated increase to the total school corporation rate is expected to be \$0.00. The maximum annual debt service for the Project for any year in which the Bonds are outstanding is \$4,769,000. The estimated amount of the School Corporation's debt service levy and rate that will result during the following ten years if the School Corporation enters into the lease and issues the bonds, after considering any changes that will occur to the debt service levy and rate during that period on account of any outstanding bonds or lease obligation that will mature or terminate during that period is as follows:

<u>Year</u>	<u>Estimated Total Debt Service Levy</u>	<u>Estimated Total Debt Service Rate</u>
2021	\$24,066,318	\$0.9215
2022	24,331,365	0.8231
2023	26,514,429	0.9025
2024	25,966,004	0.8581
2025	25,436,010	0.8161
2026	24,804,556	0.7727
2027	23,209,137	0.7019
2028	20,911,925	0.6140
2029	18,847,186	0.5373
2030	18,848,194	0.5217
2031	18,838,752	0.5062

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. The School Corporation expects to annually incur an increase of \$175,000 to operate such new facility space.

BE IT FURTHER RESOLVED that all capital improvement projects addressed in the most recent threat assessment and school safety plan have been completed.

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.

Passed and adopted this 27th day of September, 2021.

Mr. Wells moved to approve the recommendation; Mrs. Dearman seconded the motion. The Board approved the motion by a vote of five (5) ayes; zero (0) nays.

E. Recommendation to Approve Resolution Determining Need for Project

Mr. Hacker recommended the Board of School Trustees approve the Resolution Determining Need for Project. He explained that as required by the school leasing statute, IN 20-47-2, the Board must determine that there is a need for this project. Given the anticipation of continued growth within the district, it has been deemed the project is necessary.

RESOLUTION DETERMINING NEED FOR PROJECT

WHEREAS, an investigation has been conducted by the Board of School Trustees (the "Board") of Brownsburg Community School Corporation (the "School Corporation") with respect to the construction of a new elementary school and renovation of and improvements to school facilities throughout the school corporation including site improvements and the purchase of technology, buses, real estate and equipment (the "Project") and leasing all or a portion of the Project from the Brownsburg 1999 School Building Corporation (the "Building Corporation"); and

WHEREAS, this Board now finds that a need exists for the Project, and that the School Corporation cannot provide the necessary funds to pay the cost of the Project required to meet such need; and

WHEREAS, it is deemed desirable to proceed with the necessary negotiations and all other steps looking toward the financing of the Project by the Building Corporation and the lease of such facilities to the School Corporation; now, therefore,

BE IT RESOLVED, that a need exists for the Project, and that the Project cannot be funded from sufficient funds available to the School Corporation, and that this Board proceed to take such steps as may be necessary to secure the Project and leasing of such school facilities as provided by the Indiana Code Title 20, Article 47, Chapter 3.

Passed and Adopted this 27th day of September, 2021.

Mr. Wells moved to approve the recommendation; Ms. Heffernan seconded the motion. The Board approved the motion by a vote of five (5) ayes; zero (0) nays.

V. ADJOURNMENT

Mr. Hylton called for a motion to adjourn the meeting. Dr. Freije moved to adjourn the meeting; Mr. Wells seconded the motion. The Board approved the motion by a vote of five (4) ayes; zero (0) nays. The meeting adjourned at 6:45 p.m.

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