



It's all about experience.

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August 2, 2010

Hand Delivered

Mr. Brian Bailey, Commissioner
Department of Local Government Finance
100 North Senate Avenue, #N-1058
Indianapolis, IN 46204-2211

Re: Tell City – Troy Township School Corporation
Proposed First Mortgage Bonds, Series 2011 - \$6,000,000

Dear Mr. Bailey:

Pursuant to Indiana Code Section 6-1.1-20-3.6(k), enclosed please find information regarding the local public question for the project referenced above which will be placed on the ballot for the election scheduled on November 2, 2010.

If you have any questions about this information or if we can provide you with anything further, please do not hesitate to contact me via phone at (317) 465-1504 or via e-mail at irwin-knott@umbaugh.com. Thank you.

Very truly yours,

UMBAUGH

A handwritten signature in black ink that reads "Colette Irwin-Knott". The signature is fluid and cursive, with the first name "Colette" written in a larger, more prominent script.

Colette J. Irwin-Knott

CJIK/ljp

Enclosures

cc: Mr. Ronald Etienne, Tell City-Troy Township School Corporation
Mr. Bruce Chinn, Tell City-Troy Township School Corporation
Ms. Laura Noble, Tell City-Troy Township School Corporation
Ms. Jane N. Herndon, Ice Miller LLP
Ms. Kristin M. McClellan, Ice Miller LLP
Mr. Scott Veazey, VPS Architecture
Mr. John Werner, Waldschmidt & Werner

Political Subdivision: Tell City - Troy Twp School Corporation
County: Perry
Date of Submission: August 2, 2010
Date of Referendum: November 2, 2010

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	\$64	\$154

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 \$.1632 in budget year 2021. 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 22 years.

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

The maximum principal amount of the Bonds is \$6,000,000 and the maximum annual lease rental is \$528,000. 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 \$596,000 prior to receiving a tax credit from the U.S. Treasury. See Exhibit A.

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 2.90% to 6.00% averaging 5.53% with total interest costs of \$4,017,983 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 3.90% to 7.00% averaging 6.52% with total interest costs of \$4,638,363 prior to receiving a tax credit from the U.S. Treasury. See Exhibit A.

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

See Exhibit B 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>
Tell City Jr. and Sr. High School	176,040	236	195,630	262

(B) **Enrollment patterns within the school corporation**

See Exhibit C.

(C) **Age and condition of the current school facilities**

See Exhibit D.

EXHIBIT A

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION

Level Repayment

PRELIMINARY SCHEDULE OF AMORTIZATION OF \$6,000,000 PRINCIPAL

AMOUNT OF FIRST MORTGAGE BONDS, SERIES 2011

Assumes Bonds dated May 16, 2011

Net Interest Cost - 5.53%

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
1/15/2012	\$6,000			\$206,735.00	\$206,735.00	(\$206,735.00)	\$0.00	\$0.00	\$0
7/15/2012	6,000			155,700.00	155,700.00	(155,700.00)	0.00		
1/15/2013	6,000	\$105	2.90	155,700.00	260,700.00		260,700.00	260,700.00	262,500
7/15/2013	5,895	105	2.90	154,177.50	259,177.50		259,177.50		
1/15/2014	5,790	110	3.20	152,655.00	262,655.00		262,655.00	521,832.50	525,000
7/15/2014	5,680	110	3.20	150,895.00	260,895.00		260,895.00		
1/15/2015	5,570	110	3.55	149,135.00	259,135.00		259,135.00	520,030.00	524,000
7/15/2015	5,460	115	3.55	147,182.50	262,182.50		262,182.50		
1/15/2016	5,345	115	4.10	145,141.25	260,141.25		260,141.25	522,323.75	526,000
7/15/2016	5,230	120	4.10	142,783.75	262,783.75		262,783.75		
1/15/2017	5,110	120	4.40	140,323.75	260,323.75		260,323.75	523,107.50	527,000
7/15/2017	4,990	125	4.40	137,683.75	262,683.75		262,683.75		
1/15/2018	4,865	125	4.65	134,933.75	259,933.75		259,933.75	522,617.50	526,000
7/15/2018	4,740	130	4.65	132,027.50	262,027.50		262,027.50		
1/15/2019	4,610	130	4.80	129,005.00	259,005.00		259,005.00	521,032.50	525,000
7/15/2019	4,480	135	4.80	125,885.00	260,885.00		260,885.00		
1/15/2020	4,345	140	5.05	122,645.00	262,645.00		262,645.00	523,530.00	527,000
7/15/2020	4,205	140	5.05	119,110.00	259,110.00		259,110.00		
1/15/2021	4,065	145	5.25	115,575.00	260,575.00		260,575.00	519,685.00	523,000
7/15/2021	3,920	150	5.25	111,768.75	261,768.75		261,768.75		
1/15/2022	3,770	155	5.35	107,831.25	262,831.25		262,831.25	524,600.00	528,000
7/15/2022	3,615	160	5.35	103,685.00	263,685.00		263,685.00		
1/15/2023	3,455	160	5.45	99,405.00	259,405.00		259,405.00	523,090.00	527,000
7/15/2023	3,295	165	5.45	95,045.00	260,045.00		260,045.00		
1/15/2024	3,130	170	5.50	90,548.75	260,548.75		260,548.75	520,593.75	524,000
7/15/2024	2,960	175	5.50	85,873.75	260,873.75		260,873.75		
1/15/2025	2,785	180	5.60	81,061.25	261,061.25		261,061.25	521,935.00	525,000
7/15/2025	2,605	185	5.60	76,021.25	261,021.25		261,021.25		
1/15/2026	2,420	190	5.70	70,841.25	260,841.25		260,841.25	521,862.50	525,000
7/15/2026	2,230	195	5.70	65,426.25	260,426.25		260,426.25		
1/15/2027	2,035	200	5.75	59,868.75	259,868.75		259,868.75	520,295.00	524,000
7/15/2027	1,835	205	5.75	54,118.75	259,118.75		259,118.75		
1/15/2028	1,630	215	5.85	48,225.00	263,225.00		263,225.00	522,343.75	526,000
7/15/2028	1,415	220	5.85	41,936.25	261,936.25		261,936.25		
1/15/2029	1,195	225	5.90	35,501.25	260,501.25		260,501.25	522,437.50	526,000
7/15/2029	970	230	5.90	28,863.75	258,863.75		258,863.75		
1/15/2030	740	240	5.95	22,078.75	262,078.75		262,078.75	520,942.50	524,000
7/15/2030	500	245	5.95	14,938.75	259,938.75		259,938.75		
1/15/2031	255	255	6.00	7,650.00	262,650.00		262,650.00	522,588.75	526,000
Totals		<u>\$6,000</u>		<u>\$4,017,982.50</u>	<u>\$10,017,982.50</u>	<u>(\$362,435.00)</u>	<u>\$9,655,547.50</u>	<u>\$9,655,547.50</u>	<u>\$9,720,500</u>

TELL CITY-TROY TOWNSHIP SCHOOL CORPORATION
SUMMARY OF PROJECTED DEBT SERVICE TAX RATE

Level Repayment

Budget Year	Outstanding Debt (Unaudited)	Proposed First Mortgage Bonds (1)	Total Debt Service	Tax Levy (2)	Net Assessed Value (3)	Estimated Existing Debt Service Tax Rate	Estimated Proposed Debt Service Tax Rate	Estimated Combined Debt Service Tax Rate (4)
2009	\$1,967,716		\$1,967,716	\$1,770,945	\$296,277,807	\$0.5554		\$0.5554
2010	1,980,716		1,980,716	1,782,645	291,099,471	0.6780		0.6780
2011	2,254,216		2,254,216	2,028,795	291,099,471	0.6969		0.6969
2012	2,351,716	\$262,500	2,614,216	2,352,795	291,099,471	0.7271	\$0.0812	0.8083
2013	2,363,716	525,000	2,888,716	2,599,845	291,099,471	0.7308	0.1623	0.8931
2014	2,385,216	524,000	2,909,216	2,618,295	291,099,471	0.7374	0.1620	0.8994
2015	2,388,716	526,000	2,914,716	2,623,245	291,099,471	0.7385	0.1626	0.9011
2016	2,376,716	527,000	2,903,716	2,613,345	291,099,471	0.7348	0.1629	0.8977
2017	2,384,716	526,000	2,910,716	2,619,645	291,099,471	0.7373	0.1626	0.8999
2018	2,398,716	525,000	2,923,716	2,631,345	291,099,471	0.7416	0.1623	0.9039
2019	2,408,716	527,000	2,935,716	2,642,145	291,099,471	0.7447	0.1629	0.9076
2020	2,417,716	523,000	2,940,716	2,646,645	291,099,471	0.7475	0.1617	0.9092
2021	2,322,000	528,000	2,850,000	2,565,000	291,099,471	0.7179	0.1632	0.8811
2022	2,242,000	527,000	2,769,000	2,492,100	291,099,471	0.6932	0.1629	0.8561
2023	2,156,000	524,000	2,680,000	2,412,000	291,099,471	0.6666	0.1620	0.8286
2024	335,500	525,000	860,500	774,450	291,099,471	0.1037	0.1623	0.2660
2025	339,000	525,000	864,000	777,600	291,099,471	0.1048	0.1623	0.2671
2026	160,500	524,000	684,500	616,050	291,099,471	0.0496	0.1620	0.2116
2027	160,500	526,000	686,500	617,850	291,099,471	0.0496	0.1626	0.2122
2028	159,500	526,000	685,500	616,950	291,099,471	0.0493	0.1626	0.2119
2029	158,500	524,000	682,500	614,250	291,099,471	0.0490	0.1620	0.2110
2030		526,000	526,000	473,400	291,099,471		0.1626	0.1626

- (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 2009 through 2010, 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 2008 pay 2009 actual debt service tax rate.
- (6) Based upon the 2009 pay 2010 actual debt service tax rate.

EXHIBIT B

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

Project Description

Beginning this fall with the 2010-11 school year, the 250 junior high school students attending Tell City Junior High School will be relocated to the present Tell City High School facility. The proposed project, to be completed in 2012, will provide an expanded cafeteria, new kitchen area and needed junior high school physical education facilities. In addition to the new construction of approximately 19,500 s.f., the existing auditorium and music areas will be renovated for use by all 7-12 grade students. This work will then complete the needed facilities for the Junior High School facility.

Over the past several years several projects have been undertaken to upgrade and improve the physical condition of the existing Tell City High School building in anticipation of using the building for many years to come. And this summer a new computer room, library, three general classrooms, and administration area with secure entrances were added to accommodate the junior high school students.

At the conclusion of this proposed project, all 7-12 students in the Tell City-Troy Township School Corporation will be educated in a building that has been totally renovated and adequately added onto to provide all needed educational spaces.

EXHIBIT C



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	Total
2012-13	4	123	131	121	121	135	108	146	103	121	96	107	107	99	0	885	633	1,522
2011-12	4	123	122	120	137	108	147	102	123	99	112	113	99	102	0	859	648	1,511
2010-11	4	114	121	137	110	148	103	122	101	116	118	105	103	124	0	855	667	1,526
2009-10	4	113	137	109	150	103	123	100	118	122	109	109	124	134	0	835	716	1,555

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	1,568
2007-08	9	106	143	106	130	104	120	128	123	114	136	135	117	136	0	837	761	1,607
2006-07	7	137	111	124	98	113	128	118	117	138	146	124	142	114	0	829	781	1,617
2005-06	10	93	130	104	128	127	120	122	138	153	130	153	115	131	0	824	820	1,654
2004-05	8	132	101	123	122	128	121	131	147	139	153	125	123	93	3	858	780	1,649

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	Total
2018-19	29680	75325	81788	79788	79157	79434	80531	81379	83085	80198	86093	82593	75970	74431	2978	557402	482370	1,072,430
2017-18	26982	75404	81733	79609	79069	79985	80671	81858	80437	81925	87674	80359	79707	72281	2526	558329	482383	1,070,220
2016-17	24529	75379	81557	79526	79625	80128	81157	79252	82168	83466	85280	84303	77408	70906	2138	556622	483531	1,066,820
2015-16	22299	75215	81464	80084	79764	80610	78570	80954	83709	81193	89474	81865	75918	70227	1803	556661	482386	1,063,149
2014-15	20272	75090	82032	80219	80233	78034	80237	82468	81431	85146	86940	80291	75181	69874	1537	558313	478863	1,058,985
2013-14	18429	75536	82156	80673	77649	79678	81706	80219	85409	82649	85348	79531	74810	70803	1348	557617	478550	1,055,944
2012-13	16754	75800	82657	78103	79332	81168	79555	84159	82900	81217	84306	79161	75872	70842	1111	560774	474298	1,052,937
2011-12	15231	76363	80047	79814	80841	79029	83502	81695	81445	80430	83901	80208	75885	69929	928	561291	471799	1,049,249
2010-11	13846	73817	81722	81299	78664	82937	80968	80228	80648	79915	85164	80219	74788	71633	771	559635	472367	1,046,619
2009-10	12587	75126	83257	79092	82487	80389	79420	79428	80152	80855	85458	79101	76637	72168	692	559199	474371	1,046,849

Public School Enrollment

2008-09	11443	76280	80932	82849	79886	78805	78542	78935	81171	80823	84476	81175	77300	72934	712	556229	477879	1,046,263
2007-08	10717	75415	85070	80501	78701	78179	78669	80087	81047	80793	84869	81914	78501	71696	450	556622	478820	1,046,609
2006-07	10096	79118	82623	79264	77983	78135	79647	79908	80934	82013	86754	82593	76653	69573	406	556678	478520	1,045,700
2005-06	10463	75500	80775	78272	77543	79047	78764	79555	82190	81975	88500	81016	73822	66978	327	549456	474481	1,034,727
2004-05	7883	73111	80225	77874	78303	78051	78289	80874	82323	82675	87758	78283	71784	63274	490	546727	466097	1,021,197
2003-04	5514	72288	79371	78236	77237	77451	79539	81050	83392	81441	84654	76593	68173	63843	1877	545172	458096	1,010,659
2002-03	5609	71543	80058	77480	76557	78867	79638	81738	81569	79199	81859	73198	68250	64059	2313	545881	448134	1,001,937
2001-02	6093	72326	79108	76600	77808	78951	80229	80549	79820	76951	78878	72971	67579	62865	4710	545571	439064	995,438
2000-01	5520	70712	78764	78004	78362	79709	79123	78988	77355	73845	79871	73148	67140	63449	4701	543662	434808	988,691
1999-00	4951	70413	80145	78741	79384	79121	77669	76702	74697	74492	80955	73488	68000	64583	4723	542175	436215	988,064

EXHIBIT D

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

Added Media Center, 3 classrooms, improved science rooms, put wood floor in auxiliary gym, moved/renovated offices to former media center in 2010

The junior high building was closed with grades 7-8 moving to the current high school building and grade 6 remaining at the elementary school in summer 2010.

WILLIAM TELL ELEMENTARY:

Constructed in 1998 and 1999—Occupied in 1999

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

Sixth grade added to this facility for 2010-2011 school year.