

RESOLUTION OF SOUTH BEND COMMUNITY SCHOOL CORPORATION APPROVING ACTIONS AND PROJECTS RELATED TO GREENE TOWNSHIP

WHEREAS, South Bend Community School Corporation (“South Bend” or “SBCSC”) previously passed a resolution at its February 7, 2022, board meeting regarding Greene Township;

WHEREAS, subject to the limitations and procedures under Indiana law, a school corporation may annex territory from another other school corporation by resolutions of the acquiring and losing school corporations under Ind. Code § 20-23-5-8;

WHEREAS, John Glenn School Corporation (“John Glenn” or “JGSC”) has expressed its interest in annexing territory located in Greene Township, St. Joseph County, IN from South Bend;

WHEREAS, John Glenn and South Bend plan to each adopt substantially identical annexation resolutions containing items outlined in § 20-23-5-8;

WHEREAS, after the adoption of the resolution by each school, notice shall be given by publication in both the acquiring school corporation and the losing school corporation;

WHEREAS, the notice will contain a statement that the resolutions have been adopted and a right of remonstrance exists under § 20-23-5;

WHEREAS, with respect to whether the disposition of the assets and liabilities of South Bend, allocation of school tax receipts and the amount to be paid by John Glenn will be equitable, and the annexing resolution will conform substantially to the standards outlined under Ind. Code § 20-23-5-12;

WHEREAS, John Glenn and South Bend recognize that the annexation of territory located in Greene Township requires approval of the U.S. District Court of the Northern District of Indiana;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD, AS FOLLOWS:

1. Annexed Territory. Subject to the limitations, governmental approvals, and procedures under Indiana law, John Glenn may annex the territory described in [Exhibit A](#) from South Bend (the “annexed territory”).
2. Timing for Annexation.

- a. Subject to the approval of the United States District Court for the Northern District of Indiana, the annexation will take effect January 1, 2024, unless within the period during which a remonstrance may be filed a remonstrance is filed in the circuit or superior court of the county where the annexed territory or any part of the annexed territory is located.
 - b. Within sixty (60) days after the annexation takes place, the governing body of South Bend will adopt a plan determining the manner in which the governing body shall be constituted, and the plan will be adopted in accordance with the requirements of Ind. Code § 20-23-8.
3. Student Assignment.
- a. **Generally.** Students in the annexed territory will be assigned for ADM count purposes to JGSC upon the annexation being finalized and approved by pertinent governmental entities. However, consistent with Ind. Code § 20-26-11 *et seq.*, students in the annexed territory may continue to enroll in and attend SBCSC schools and SBCSC may continue to report those students for ADM and other student enrollment purposes.
 - b. **Students in SBCSC Schools.** Students in the annexed territory who are currently enrolled in SBCSC schools will remain enrolled in and attend SBCSC schools unless they are relocated to another school district, transferred to another school district, or withdrawn by a parent or guardian.
 - c. **Transportation.** To serve students enrolled in SBCSC schools, SBCSC may (in its sole discretion) transport its students within the annexed territory. Subject to its transportation policies and practices, JGSC will continue to be responsible for and provide transportation to any student in the annexed territory who enrolls in and attends a JGSC school. After all necessary approvals have been obtained to approve the reorganization plan, JGSC will also continue to transport its students during the 2023-2024 school year.
 - d. **Notification.** At JGCS' expense, SBCSC and JGSC will cooperate to jointly notify parents and guardians of students currently enrolled in SBCSC schools about the annexation and the plan adopted by each school. Each school corporation may communicate with pertinent parties in the annexed territory about the educational

options available within the respective districts as well as educational, extracurricular, and transportation options.

4. Disposition of Assets and Liabilities.

- a. **Description of Real Estate.** Within the annexed territory, SBCSC owns certain improved real estate known as Greene School and located at 24702 Roosevelt Road, South Bend, Indiana 46614 (the “Real Estate”).
- b. **Option to Purchase.** Following approval of the plan of reorganization and subject to IN school building laws, SBCSC will give JGSC an option to purchase the Real Estate, subject to any leases, mortgages, loans, bond indentures, and recorded interests (including any interests of the Northern Indiana Historical Society). If John Glenn wants to exercise the “option to purchase” it will submit a letter of intent, proof of financing, and draft of a purchase agreement no later than June 30, 2024.
- c. **Exercise of Option.** JGSC may exercise the option by providing SBCSC’s superintendent written notice of its intent to exercise the option. The notice must be received by SBCSC’s superintendent on or before June 30, 2024.
- d. **Price and Terms.** The purchase price for the Real Estate will be the average of one appraisal obtained by JGCS and one appraisal obtained by SBCSC. The sale will be subject to usual and customary terms for the sale of IN public school real estate and as agreed to by the school corporations.
- e. **No Other Property.** Unless outlined in the purchase agreement or this resolution, SBCSC will not otherwise convey any other property to JGSC as part of the annexation.
- f. **Compliance with Law.** Disposition of assets and liabilities of SBCSC to JGCS will remain subject to applicable laws, governmental approvals, and as further outlined in Exhibit B. Any dispositions, allocations, and amounts transferred under this resolution must be equitable and conform to requirements outlined in Ind. Code § 20-23-5 *et seq.* and specifically Ind. Code § 20-23-5-12 and 20-47-5.

5. Allocation of Subsequently Collected Taxes Levied on Property in the Annexed Territory.

- a. The allocation between SBCSC and JGCS of subsequently collected school taxes levied on property in the annexed territory for existing debt and also future debt issued through December 31, 2023 will remain subject to applicable laws, governmental

approvals, and as further estimated in Exhibit C. SBCSC will receive amounts substantially equivalent to the levies set forth in Exhibit C.

6. Process to the Extent that a Separate Taxing District is not Created for Greene Township.

- a. To the extent that the Department of Local Government Finance and St. Joseph County do not create a separate taxing district for the Annexed Territory in order for it to be separately taxed to collect the levies estimated in Exhibit C, SBCSC and JGSC will agree to work together to create a process in which the result will be that SBCSC will receive the amount of the tax levy dollars estimated in Exhibit C. The parties will also agree that to the extent the General Assembly makes significant changes to the property taxes received by Indiana public schools, they will negotiate to find an equitable revision to the levies to allow SBCSC to receive amounts substantially equivalent to the levies as estimated in Exhibit C.
- b. The St. Joseph County Auditor and Auditor-Elect have submitted a letter attached as Exhibit D, acknowledging the complexity of the annexation and their commitment to facilitating the process.

7. Amount Paid by John Glenn to South Bend on Account of Property Received.

- a. The amount to be paid by JGSC to SBCSC on account of any property received by JGSC is \$0.
8. In the event of the unavailability of the President or Secretary, any other South Bend board member are each authorized to enter into and sign any future purchase agreement, deed, bill of sale, lease, and any other documents needed for the annexation, plan, and disposition of assets and liabilities.

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ADOPTED AND APPROVED at a meeting held on the _____ day of December, 2022.

John Anella (President)

Oletha L. Jones

Leslie Ann Wesley (Vice President)

Dr. Ruth Warren

Stephanie Ball (Secretary)

Jeanette McCullough

Dr. Stuart Greene




ATTEST:

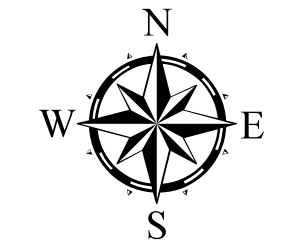
Stephanie Ball (Secretary)

EXHIBIT A

Greene Township

Legend

-  Trustee Locations
-  City & Town Boundaries
- Township Boundary**
-  GREENE TWP



ST. JOSEPH COUNTY
ESTABLISHED 1830

Date: January 2022
Source: SJC GIS
Disclaimer: Information shown on this map is not warranted for accuracy or merchantability. Reproduction of this material is not possible without written permission of St. Joseph County, Indiana.

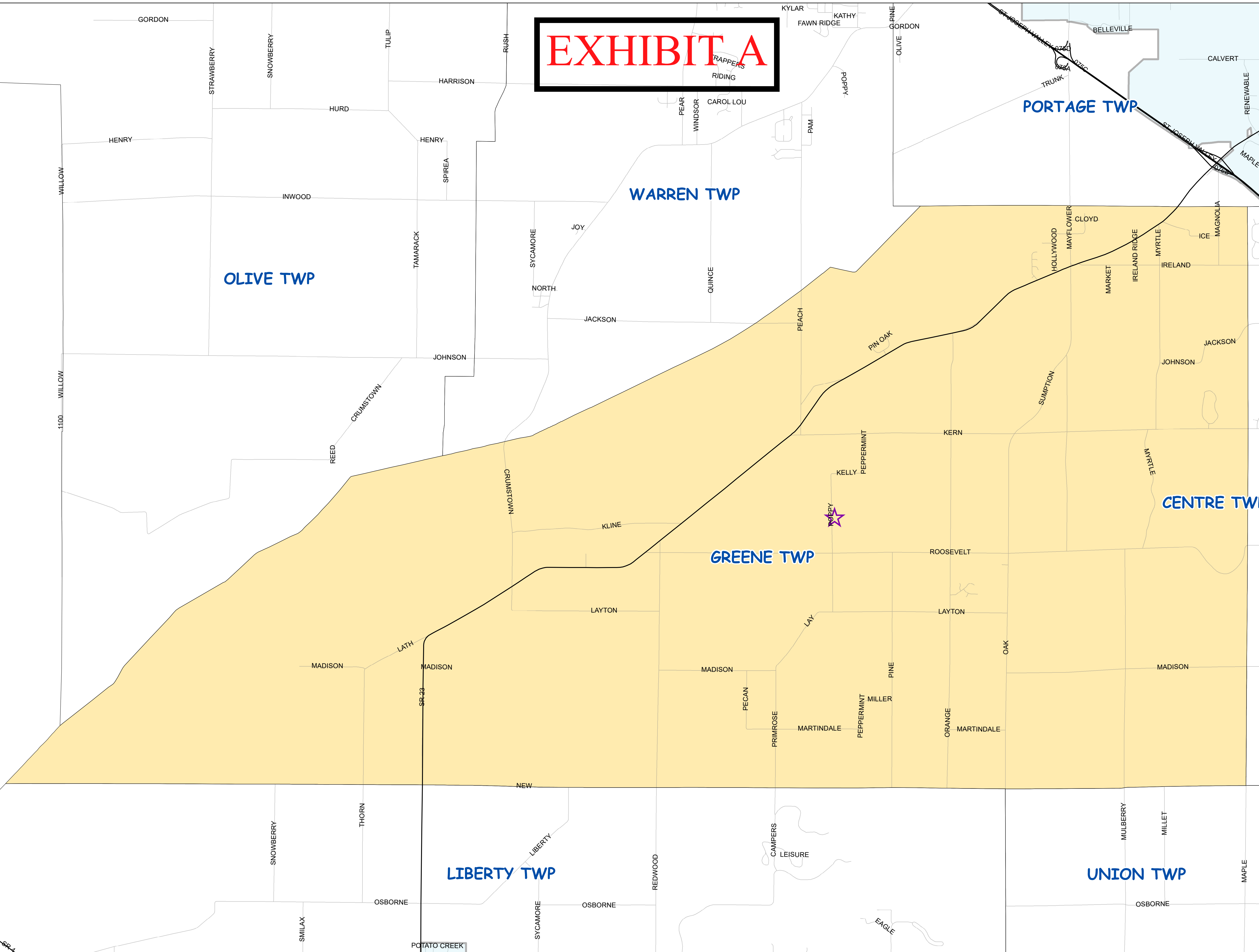
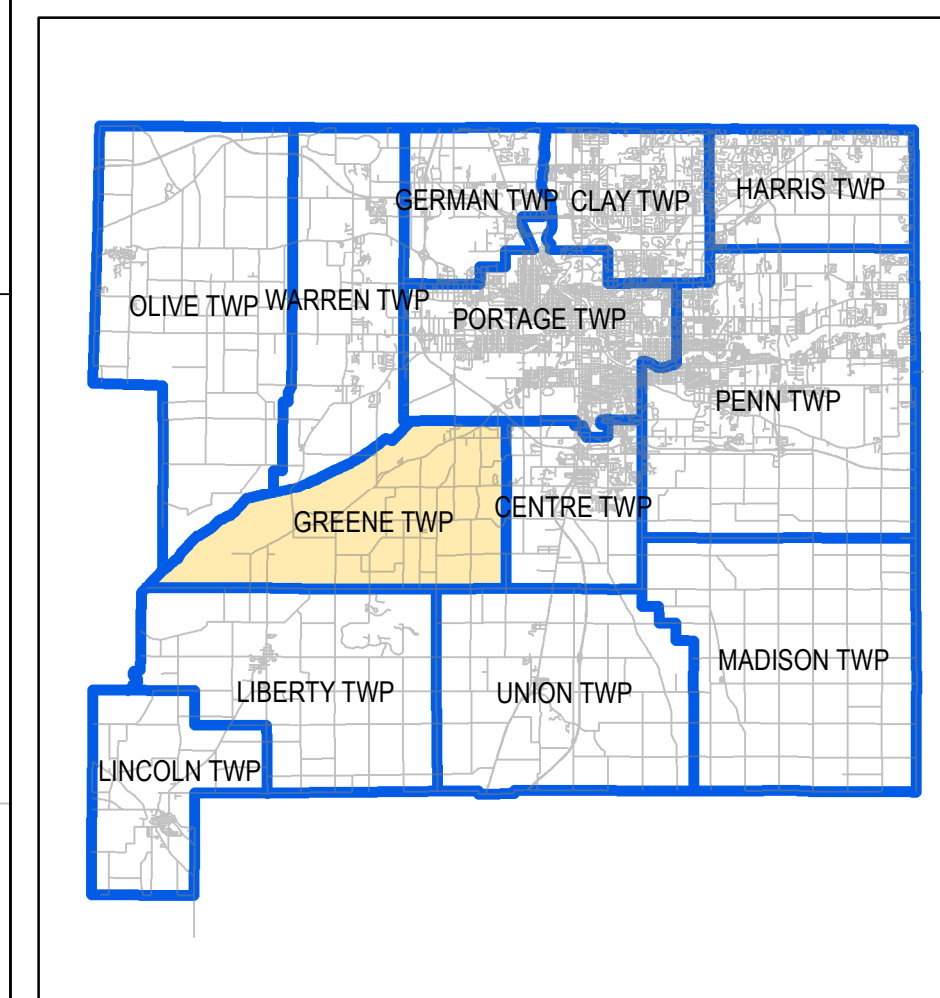


EXHIBIT B

<u>Debt Issuance</u>	<u>Issuance Date</u>	<u>Original Par Amount</u>	<u>Final Maturity</u>	<u>Outstanding Balance</u>
General Obligation Refunding Bonds, Series 2013	08/01/13	\$9,640,000	01/01/26	\$2,586,444
First Mortgage Refunding Bonds, Series 2017 (2000 SBC)	06/21/17	32,590,000	07/15/24	11,126,000
First Mortgage Refunding Bonds, Series 2017 (2002 SBC)	06/21/17	49,655,000	01/15/29	24,096,000
General Obligation Refunding Bonds, Series 2018	07/11/18	4,875,000	01/15/25	3,816,325
General Obligation Bonds, Series 2019	11/21/19	5,000,000	01/15/26	4,961,350
General Obligation Bonds, Series 2020A	11/05/20	4,690,000	01/15/27	4,742,500
Unlimited Ad Valorem Property Tax General Obligation Bonds, Series 2020B	12/17/20	9,000,000	01/15/25	4,142,500
General Obligation Bonds, Series 2021A	09/14/21	5,375,000	01/15/26	4,859,750
Unlimited Ad Valorem Property Tax General Obligation Bonds, Series 2021B	10/21/21	6,000,000	01/15/25	4,808,800
General Obligation Bonds, Series 2022A	11/10/22	5,780,000	01/15/28	6,300,244
Unlimited Ad Valorem Property Tax General Obligation Bonds, Series 2022B	12/01/22	3,000,000	01/15/25	3,129,467
Common School Fund Loan B0133	12/23/19	1,636,670	07/01/23	830,612
Common School Fund Loan B0172	11/20/20	1,645,840	07/01/25	1,175,131
Common School Fund Loan B0292	11/15/21	1,544,830	07/01/26	1,425,103
Common School Fund Loan (State approved 2021)				1,540,225
Common School Fund Loan (State approved 2022)				1,539,609
Total Outstanding Debt				<u>\$81,080,059</u>
Proposed General Obligation Bonds, Series 2023*	09/30/23*	\$6,100,000*	01/15/28*	\$6,869,750
Proposed General Obligation Bonds, Series 2023 (Capital Referendum)*	03/01/23*	36,000,000*	01/15/43*	<u>62,691,150</u>
Total Proposed Debt				<u>\$69,560,900</u>
Total Outstanding and Proposed Debt				<u>\$150,640,959</u>

*Preliminary, subject to change. For illustrative purposes only.

Note: Outstanding amounts shown as of December 1, 2022. The School Corporation was successful in a capital referendum on June 2, 2020, where voters approved the issuance of up to \$54,000,000 in bonds, of which \$18,000,000 has been issued. The School Corporation also anticipates issuing \$6,100,000 in General Obligation Bonds in 2023 and issuing additional Common School Fund Loans on an ongoing basis to finance technology. The School Corporation anticipates issuing all or a portion of the remaining \$36,000,000 of approved capital referendum bonds in 2023. Common School Fund Loans approved in 2021 and 2022 do not have a final amortization as of December 1, 2022. Common School Fund Loans approved in 2021 and 2022 interest balance is estimated.

EXHIBIT C

South Bend Community School Corporation - Greene Township Year Taxes Payable

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Detail of Estimated Property Tax Levy by Fund (1):											
Debt Service (2)	\$501,805	\$606,671	\$434,170	\$325,942	\$228,451	\$130,328	\$87,785				
Debt Service (Illustrative*)			82,786	63,623	32,378	26,197					
Capital Referendum Debt (2)	116,687	139,806	118,968								
Capital Referendum Debt (Illustrative*) (3)			126,187	96,841	96,866	96,916	96,975	\$96,892	\$96,959	\$97,014	\$97,044
Operations Fund	1,267,681	1,328,898	1,344,924								
Operating Referendum (4)	581,515	704,303	704,303	704,303	704,303	704,303	704,303				
Totals (5)	<u>\$2,467,688</u>	<u>\$2,779,678</u>	<u>\$2,811,338</u>	<u>\$1,190,709</u>	<u>\$1,061,998</u>	<u>\$957,744</u>	<u>\$889,064</u>	<u>\$96,892</u>	<u>\$96,959</u>	<u>\$97,014</u>	<u>\$97,044</u>

South Bend Community School Corporation - Greene Township Year Taxes Payable

	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Detail of Estimated Property Tax Levy by Fund (1):											
Debt Service (2)											\$0
Debt Service (Illustrative*)											0
Capital Referendum Debt (2)											0
Capital Referendum Debt (Illustrative*) (3)	\$96,895	\$96,860	\$96,778	\$96,929	\$96,996	\$96,966	\$96,835	\$96,883	\$96,938	\$96,838	0
Operations Fund											0
Operating Referendum (4)											0
Totals (5)	<u>\$96,895</u>	<u>\$96,860</u>	<u>\$96,778</u>	<u>\$96,929</u>	<u>\$96,996</u>	<u>\$96,966</u>	<u>\$96,835</u>	<u>\$96,883</u>	<u>\$96,938</u>	<u>\$96,838</u>	<u>\$0</u>
Net Assessed Value (6)	\$174,419,562	\$210,869,231	\$210,869,231	\$210,869,231	\$210,869,231	\$210,869,231	\$210,869,231	\$210,869,231	\$210,869,231	\$210,869,231	\$210,869,231

- (1) Reflects 2022 Certified property tax levies by fund for equivalent portion of Greene Township. Property tax levies for 2023 and beyond are estimated
- (2) Reflects 2022 Certified property tax levies by fund for equivalent portion of Greene Township. Property tax levies for 2023 and beyond are estimated based upon outstanding debt as of December 1, 2022. Estimated levies based upon outstanding debt service payments. Assumes a 5.00% miscellaneous factor.
- (3) Reflects the maximum annual levy for the \$36 million of referendum debt to be issued. This row will be adjusted downward after the referendum debt is issued in 2023 with the actual Greene Township share of the levy for a maximum of 20 years after issuance.
- (4) Assumes current operating referendum annual maximum tax rate levied of \$0.3340 per \$100 of net assessed value until expiration after 2028.
- (5) Circuit breaker tax credits are not included in annual estimated total property tax levies
- (6) Reflects 2022 and 2023 Certified Net Assessed Values. No future growth in Certified Net Assessed Value is assumed in 2024 and beyond.

*Illustrative debt service is amortized based on 6.00% interest rates. Preliminary, subject to change

ST. JOSEPH COUNTY AUDITOR

227 W. Jefferson Blvd. Second Floor
County City Building
South Bend, IN 46601
Telephone 574-235-9668
Fax 574-235-5024

EXHIBIT D

Michael J. Hamann
Auditor

John H. Murphy
Chief Deputy Auditor

November 30, 2022

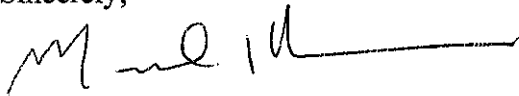
Dear Superintendent Winchell,

I write as the current St. Joseph County Auditor, and with the support of the Auditor-elect John Murphy, in reference to the proposed reorganization of the two school districts under discussion. First, all our comments are pending actions taken by the duly elected school officials in the two districts, and only if both school boards choose to move forward. As Auditors, our duty is to accurately reflect the decisions of locally elected leaders, not to set said policy.

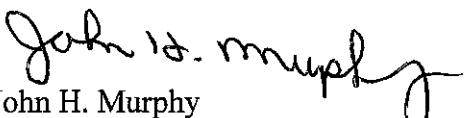
Our office is both willing and able to work with your Boards and advisors to reorganize the tax rates and levies and assessed values per the proposal. We understand this may ultimately be quite similar to the various fire territories that already exist in the County. We understand the complexity, the years of debt transitions, and will lean on the Department of Local Government Finance (DLGF) and our own advisors for assistance during the next few years, but we stand ready to roll up our sleeves if the call arises.

Thank you for updating us, and we look forward to hearing how the Boards decide.

Sincerely,



Michael J. Hamann
County Auditor



John H. Murphy
Chief Deputy Auditor/Auditor Elect