

Zionsville Community Schools

Board of School Trustees Meeting “Item for Consideration”

New Business Item 6f • November 11, 2024

Resolution Approving Lease Amendment for Public Hearing

Category:

<input type="checkbox"/>	Human Resources, Personnel/Staffing	<input type="checkbox"/>	Curriculum, Instruction, Assessment	<input type="checkbox"/>	Board Policy
<input checked="" type="checkbox"/>	Finance, Budgeting, Accounting	<input type="checkbox"/>	Student Services	<input type="checkbox"/>	Other
<input checked="" type="checkbox"/>	Facilities, Transportation, Nutrition	<input type="checkbox"/>	Community Relations	<input type="checkbox"/>	

Type of Board of Trustees Consideration Sought:

Action	<input checked="" type="checkbox"/>
Discussion	<input type="checkbox"/>
Report	<input type="checkbox"/>

Facts of this Matter:

Since beginning the process of comprehensive and deliberate financial planning (in consultation with professionals from Fanning/Howey Associates, The Skillman Corp., Barnes & Thornburg, and Stifel (previously City Securities) in September 2016, the Board of School Trustees has authorized several bond issuances to address the items outlined in the deliberative facilities study and response to student enrollment growth. That strategic planning continued a refresh of the facility study in 2024 and the August and September 2024 public hearings on financing targeted toward the 2025 District-Wide Multi-Facility Improvement Project, the successful completion of the 30-day request period without any referendum being requested and our recommendation for the Board to adopt the associated resolution now presented.

The 2025 District-Wide Multi-Facility Improvement Project has given consideration to certain long-term capital renovation, upgrade, improvement and expansion projects at one or more facilities operated by the School Corporation, including, but not limited to, the renovation, expansion and equipping of the existing Zionsville High School indoor locker rooms, which upon completion will include an addition currently estimated to contain approximately 21,000 square feet and teacher/coach offices, (ii) the construction and equipping of new educational, administrative and/or maintenance/operational/auxiliary or support facilities to be located in the geographical boundaries of, and operated by, the School Corporation, including, but not limited to, the construction and equipping of one or more educational and administrative buildings, which upon completion are currently estimated to contain approximately 140,000 square feet and serve as an early childhood learning center and a consolidated central office and the construction and equipping of one or more maintenance/operational/auxiliary or support facilities, which upon completion are currently estimated to contain approximately 10,000 square feet, (iii) the repair, replacement and/or upgrade of all or any portion of any of the heating and air conditioning systems, indoor and/or outdoor electrical and lighting systems, plumbing systems, parking lots, driveways and/or sidewalks and curbs, as well as drainage and other site improvements at one or more facilities operated by the School Corporation, (iv) the removal/demolition of one or more existing auxiliary or support buildings and related parking lots and other site improvements determined by the School Corporation to no longer provide for efficient operations of the School Corporation, (v) the repair, upgrade and/or restoration of all or any portion of the interior and/or exterior areas of one or more of the facilities operated by the School Corporation, including, but not limited to, updates to interior finishes,

wall covering and ceilings, all or any exterior brick or masonry repairs, upgrades and/or restorations and renovations and/or replacement of certain exterior architectural features, (vi) the acquisition and/or installation of equipment to be used by the School Corporation in its operations, including, but not limited to, the acquisition and installation of emergency generators at one or more facilities operated by the School Corporation, the acquisition and installation of updated auditorium audio, lighting and other systems and equipment in one or more facilities operated by the School Corporation and the acquisition and installation of upgraded stadium audio systems at one or more facilities operated by the School Corporation, and (vii) the renovation, reconstruction, repair and/or upgrade of one or more outdoor physical education/extra-curricular/co-curricular structures and fields operated by the School Corporation, including, but not limited to, the repair of the high school football stadium elevator shaft, all or any portion of the resurfacing of all or any portion of one or more of the tracks, the acquisition and installation of LED lighting systems at one or more outdoor facilities and the upgrade of the playing surfaces of one or more outdoor facilities, (b) miscellaneous facility improvement, construction, equipping and land improvement and/or acquisition projects at one or more facilities operated by the School Corporation.

The presented resolution authorizing the entering into a proposed amendment to an existing lease of the Union Elementary School and the Zionsville West Middle School has been prepared by your bond counsel, Jeffery Qualkinbush of Barnes & Thornburg, in accordance with Indiana law. This resolution also authorizes a public hearing to be held on this lease amendment, which is anticipated to be held on January 13, 2025.

Objective POSITIVES related to this item or approach:

Approval of the resolution will continue to allow the Board of School Trustees and Leadership Team to continue reclaiming ground on repairs and maintenance paused due to millions in tax cap losses since 2008. It is noteworthy that financial, legal, and design/construction professionals consulted on these projects are all resident taxpayers in ZCS. They are each respected as top professionals in their respective fields across Indiana and the Midwest, and this bodes well for best practice and individuals consulting for ZCS who all have vested interests here.

Objective NEGATIVES related to this item or approach:

The Leadership Team has continued prudent financial management which will allow this new debt to not elevate the tax rate if projections about assessed valuation (AV) trend as predicted and in accordance with recent history. Financial experts assisting in this planning utilize conservative AV growth projections to help ensure success.

Financial Implications, if any:

This financing will provide the funding necessary to address the next series of needs impacting student programming and/or operational efficiency. At the same time, this approach allows for prudent management of costs such that tax rate neutrality can be maintained, an admirable financial position as ZCS remains the lowest funded (per pupil basis) school district in Indiana, with the highest credit rating among all Indiana school districts.

Opinion/Recommendation:

It is recommended that the Board of School Trustees adopt the proposed Amendment to Lease Agreement Resolution.

Suggested Wording for a Motion, if any:

I move to adopt the proposed Resolution Approving the Lease Amendment for the 2025 District-Wide Multi-Facility Improvement Project and Related Public Hearing as presented.