§ 121.00 Indebtedness of school districts merged with or annexed to a school district in a city; amount thereof to be included as indebtedness of such school district. In ascertaining the power of a school district in a city to contract indebtedness the following indebtedness shall be included as indebtedness of such school district:

1. The amount of outstanding indebtedness of school districts which merged to form such school district, whether or not any of such merged school districts, prior to such merger, was a school district in a city, and whether or not any of such merged school districts still exist for the purpose of paying off its indebtedness or distributing its property.

2. The amount of outstanding indebtedness of any school district which was annexed to such school district, whether or not such annexed school district prior to such annexation, was a school district in a city, and whether or not such annexed school district still exists for the purpose of paying off its indebtedness or distributing its property.

3. The appropriate proportion of the amount of outstanding indebtedness of any school district part of which was annexed to such school district, whether or not such partially annexed school district was a school district in a city. Such appropriate proportion of the amount of such outstanding indebtedness shall be ascertained by multiplying the total amount of such outstanding indebtedness by the ratio or percentage, as of the time of the annexation, that the full valuation of the portion of the school district annexed bore to the full valuation of the whole of such partially annexed district as it existed prior to such annexation.