

NOTICE OF ADOPTION OF PRELIMINARY DETERMINATION

Notice is hereby given pursuant to Indiana Code § 6-1.1-20-3.5 that the Board of School Trustees (the "Board") of Sunman-Dearborn Community School Corporation (the "School Corporation") did, on November 14, 2023, make a preliminary determination to issue bonds and enter into a Lease Agreement (the "Lease") for the renovation of and improvements to facilities throughout the School Corporation, including the construction of additions, site and athletic improvements and the purchase of equipment, buses and technology (the "Project"). The Lease will be for a maximum term of 20 years with a maximum annual Lease rental of \$7,270,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$40,500,000, estimated interest rate of 6.00%, and estimated total interest costs of \$38,191,000.

As required by Indiana Code § 6-1.1-20-3.5(b)(1), the following information was available to the public at the public hearings on the preliminary determination: (i) the School Corporation's current and projected annual debt service payments divided by the net assessed value of taxable property within the School Corporation, which is 0.5057%; and (ii) the sum of the School Corporation's outstanding long term debt plus the outstanding long term debt of other taxing units that include any other territory of the School Corporation divided by the net assessed value of taxable property within the School Corporation, which is 7.3000%.

The School Corporation's current debt service levy is \$6,460,362 and the current debt service rate is \$0.4774. 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 \$7,270,000 and the debt service rate will increase by a maximum of \$0.1024. However, as existing obligations mature, the anticipated increase to the Debt Service Fund tax rate is expected to be \$0.000.

The estimated amount of the School Corporation's debt service levy and rate that will result during the following 10 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 obligations that will mature or terminate during that period:

<u>Year</u>	<u>Estimated Total Debt Service Levy</u>	<u>Estimated Total Debt Service Rate</u>
2023	\$6,460,362	\$0.4774
2024	6,765,290	0.5042
2025	6,765,005	0.5042
2026	6,711,141	0.5002
2027	6,710,536	0.5001
2028	6,716,290	0.5005
2029	6,716,290	0.5005
2030	6,712,253	0.5002
2031	6,716,290	0.5005
2032	6,714,271	0.5004
2033	6,711,244	0.5002
2034	6,713,262	0.5003

The Project involves the opening of new school facility space; however, the new school facility space will be more efficient than the school facility space which shall be replaced. Therefore, the School Corporation does not expect to annually incur an increase to operate such new facility space. The purpose of the Lease is to provide for the Project.

If a valid petition pursuant to Indiana Code § 6-1.1-20-3.5 is received within 30 days from the first publication of this notice, the proposed debt service or Lease payments must be approved in an election on a local public question held under Indiana Code § 6-1.1-20-3.6.

Dated November 21, 2023.

/s/ Board of School Trustees
Sunman-Dearborn Community School Corporation