

Notice of Adoption of Preliminary Determination

Notice is hereby given pursuant to Indiana Code § 6-1.1-20-3.1 that the Board of School Trustees (the "Board") of North Spencer County School Corporation (the "School Corporation") did, on June 8, 2020, make a preliminary determination to issue bonds and enter into a lease (the "Lease") for the renovation of and improvements to Chrisney, David Turnham, Lincoln Trail, Nancy Hanks Elementary Schools and the Heritage Hills Middle School and High School, including site improvements and the purchase of equipment and technology (the "Projects"). The Lease will be for a maximum term of 12 years with a maximum annual Lease rental of \$2,750,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$13,100,000, estimated interest rates ranging from 1.00% to 5.00%, and total estimated interest costs of \$2,150,000.

As required by Indiana Code § 6-1.1-20-3.1(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 0.28%; 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 2.34%.

The School Corporation's current debt service levy is \$2,249,434 and the current rate is \$0.2307. After the School Corporation enters into the proposed Lease and the bonds are issued, the debt service levy will increase by a maximum of \$2,750,000 and the debt service rate will increase by a maximum of \$0.2550. However, as existing obligations mature, the anticipated increase to the Debt Service Fund tax rate is expected to be \$0.0172.


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>
2019	\$3,073,970	0.3283
2020	2,249,434	0.2307
2021	2,401,606	0.2439
2022	2,474,493	0.2488
2023	2,548,354	0.2537
2024	2,548,234	0.2537
2025	2,560,496	0.2549
2026	2,560,250	0.2549
2027	2,560,250	0.2549
2028	2,427,031	0.2416
2029	1,433,698	0.1427

The purpose of the Lease and the bonds is to provide for the Projects.

Any owners of real property within the School Corporation or registered voters residing within the School Corporation who want to initiate a petition and remonstrance process against the proposed Lease payments or the issuance of the bonds must file a petition that complies with Indiana Code § 6-1.1-20-3.1 subdivisions (4) and (5) not later than 30 days after the first publication of this notice.

Dated June 16, 2020.

/s/ 
 Secretary, Board of School Trustees
 North Spencer County School Corporation

(Note 1: In addition to publishing, mail to the Spencer County Clerk and any organization which has requested a notice of preliminary determination.)

(Note 2: Publish once each week, for two weeks in legally required newspapers; also post in three public places in the School Corporation.)

AFFIDAVIT RE POSTING OF A NOTICE

STATE OF INDIANA)
) SS:
COUNTY OF SPENCER)

The undersigned, being first duly sworn, upon his/her oath deposes and says:

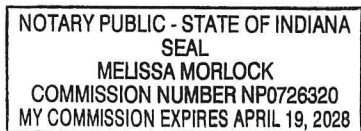
That he/she did, on June 16, 2020, post in three public places in the school corporation known as North Spencer County School Corporation (the "School Corporation") a copy of the School Corporation's Notice of Adoption of Preliminary Determination (the "Notice"), which Notice is in the form attached hereto.

Deponent further says that said Notice was posted in the following places in the School Corporation:

- 1) Corporation Office
- 2) Heritage Hills High School Work Room
- 3) Heritage Hills Middle School Work Room

In addition the notice was also posted on the School Corporation's website.

Subscribed and sworn to before me this 9th day of June, 2020.



Melissa Morlock
Notary Public

My commission expires:

April 19, 2028

County of Residence:

Spencer