

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 Tippecanoe School Corporation (the "School Corporation") did, on July 14, 2021, make a preliminary determination to issue bonds and enter into a lease agreement (the "Lease") for the 2022 Klondike Campus Expansion and Improvement Projects which include construction of a new Klondike Middle School and renovation of and improvements to the Klondike Middle School to use as an intermediate school and the Klondike Elementary School to use as a primary school and safety and security improvements throughout the district (collectively, the "Projects"). The Lease will be for a maximum term of 22 years with a maximum annual Lease rental of \$17,000,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$132,500,000, estimated interest rates ranging from 1.00% to 5.00%, and total estimated interest costs of \$59,707,600.

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 0.4858%; 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 7.65%.

The School Corporation's current debt service levy is \$19,226,172 and the current rate is \$0.4082. After the School Corporation enters into the proposed Lease and the bonds are issued, the debt service levy will increase by a maximum of \$17,000,000 and the debt service rate will increase by a maximum of \$0.3609. However, as existing obligations mature, the anticipated increase to the Debt Service Fund tax rate is expected to be \$0.00.

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>
2021	19,226,171.73	0.4082
2022	19,898,910.54	0.4082
2023	19,969,326.55	0.3958
2024	20,244,407.58	0.3877
2025	19,638,065.29	0.3633
2026	19,327,327.37	0.3455
2027	20,179,003.90	0.3485
2028	20,186,668.08	0.3487
2029	17,955,496.02	0.3101
2030	18,412,421.05	0.3180
2031	18,120,880.98	0.3130

The Projects involve the opening of new school facility space; however, the new school facility space will be efficient, and the renovation will make existing school facility space more efficient. Therefore, the School Corporation expects to not annually incur a significant increase in cost to operate such new facility space. The purpose of the Lease is to provide for the Projects.

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 July 15, 2021.

/s/ Board of School Trustees

Tippecanoe School Corporation