

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 Metropolitan School District of Wabash County (the "School Corporation") did, on May 31, 2022, make a preliminary determination to issue bonds and enter into a lease agreement (the "Lease") for the (i) acquisition of real estate and construction of a new high school, (ii) renovation and repurposing of the Northfield Jr./Sr. High School and Southwood Jr./Sr. High School (collectively, the "Project"). The Lease will be for a maximum term of 22 years with a maximum annual Lease rental of \$10,400,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$115,000,000, estimated interest rates ranging from 1.00% to 6.00%, and total estimated interest costs of \$71,000,000.

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 1.31%; 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 3.38%.

The School Corporation's current debt service levy is \$1,947,829, and the current rate is \$0.2561. After the School Corporation enters into the proposed Lease and the bonds are issued, the gross debt service levy will increase by a maximum of \$10,400,000 and the gross debt service rate will increase by a maximum of \$0.8300. However, as existing obligations mature, the anticipated net increase to the Debt Service Fund tax rate is expected to be \$0.5417 above the current rate.

The estimated amount of the School Corporation's debt service levy and rate that will result during the following ten 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, is as follows:

<u>Year</u>	<u>Estimated Total Debt Service Levy</u>	<u>Estimated Total Debt Service Rate</u>
2023	1,519,011	0.1763
2024	7,507,705	0.8335
2025	7,894,002	0.8338
2026	8,210,300	0.8337
2027	8,553,606	0.8331
2028	8,756,433	0.8333
2029	8,855,738	0.8333
2030	9,005,997	0.8333
2031	9,196,380	0.8332
2032	9,464,137	0.8325

The Project involves the opening of new school facility space. The School Corporation expects to annually incur an increase of \$250,000 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 June 4, 2022.

/s/ Board of School Trustees

Metropolitan School District of Wabash County

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