

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 Hamilton Southeastern Schools (the "School Corporation") did, on July 12, 2023, make a preliminary determination to issue bonds and enter into a lease agreement (the "Lease") for the renovation of and improvements to Fishers Elementary School, including the demolition of existing portions and reconstruction of additions thereon (the "Project"). The Lease will be for a maximum term of twenty-two (22) years with a maximum annual Lease rental of \$15,000,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$45,000,000, estimated interest rates ranging from 1.00% to 6.00%, and total estimated interest costs of \$32,477,700.

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 0.51%; 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 5.13%.

The School Corporation's current debt service levy is \$59,715,366 and the current rate is \$0.5827. 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 \$15,000,000 and the gross debt service rate will increase by a maximum of \$0.1498. However, as existing obligations mature, there is no anticipated increase to the Debt Service Fund tax rate above the 2023 certified Debt Service tax 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	59,715,366	0.5827
2024	62,818,657	0.5827
2025	21,603,521	0.1869
2026	18,714,283	0.1202
2027	12,034,756	0.1042
2028	10,437,865	0.0701
2029	7,021,613	0.0695
2030	6,959,070	0.0688
2031	6,892,093	0.0682
2032	6,828,753	0.0676
2033	6,766,050	0.0669

The Project involves the opening of new school facility space; however, the new school facility space is replacing existing space and will be more efficient than the school facility space which will be demolished as part of the Project. Therefore, the School Corporation does not expect to annually incur an increase of dollars required 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 July 17, 2023.

/s/ Secretary, Board of School Trustees
Hamilton Southeastern Schools

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