

## **NOTICE OF ADOPTION OF PRELIMINARY DETERMINATION**

Notice is hereby given pursuant to Indiana Code § 6-1.1-20-3.5 that the Board of Education (the "Board") of Metropolitan School District of Wabash County (the "School Corporation") did, on September 26, 2023, make a preliminary determination to issue bonds and enter into a lease agreement (the "Lease") for the renovation of and improvements to school facilities, including the construction of an elementary school addition at Northfield Junior/Senior High School, and a cafeteria addition at Metro North Elementary School (the "Project"). The Lease will be for a maximum term of twenty-two (22) years with a maximum annual Lease rental of \$6,000,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$39,000,000, estimated interest rates ranging from 1.00% to 6.00%, and total estimated interest costs of \$22,500,000.

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 0.61%; 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 5.42%.

The School Corporation's current debt service levy is \$1,514,839 and the current rate is \$0.1766. After the School Corporation enters into the proposed Lease and the bonds are issued, the debt service levy will increase by a maximum of \$6,000,000 and the gross Debt Service Fund tax rate will increase by a maximum of \$0.3700. However, as existing obligations mature, the anticipated increase to the total Debt Service Fund tax rate is expected to be \$0.00 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	\$1,514,839	\$0.1766
2024	5,536,360	0.5882
2025	5,902,242	0.5950
2026	6,135,504	0.5936
2027	6,399,800	0.5930
2028	6,478,497	0.5857
2029	6,477,865	0.5856
2030	6,477,896	0.5856
2031	5,736,481	0.5186
2032	5,737,567	0.5187
2033	5,740,453	0.5190
2034	5,741,188	0.5190

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 a material increase in cost 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 September 27, 2023.

/s/ Secretary, Board of Education  
Metropolitan School District of Wabash County

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