

NOTICE OF ADOPTION OF PRELIMINARY DETERMINATION

Notice is hereby given pursuant to Indiana Code § 6-1.1-20-3.1 that the Board of Trustees (the "Board") of New Palestine Community Schools (the "School Corporation") did, on August 25, 2025, make a preliminary determination to issue one or more series of bonds and enter into one or more lease agreements (the "Lease") for the renovations and improvements to facilities throughout the School Corporation, including site improvements and the purchase of equipment, buses and technology (collectively, the "Project"). Each Lease will be for a maximum term of twenty (20) years with a maximum annual Lease rental of \$5,000,000. The maximum annual Lease rental has been estimated based upon an estimated aggregate principal amount of bonds of \$15,000,000, estimated interest rates ranging from 2.00% to 6.00%, and total estimated interest costs of \$1,991,450. The School Corporation may issue general obligation bonds to fund the Project, and if such bonds are issued, they will fit into the parameters listed above. If the School Corporation issues general obligation bonds, the principal amount of the bonds associated with the Lease, as described above, would be reduced by the principal amount of the general obligation bonds issued, such that the total principal amount of bond issued to finance the Project would not exceed the aggregate estimated principal amount of \$15,000,000.

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 4.29%; 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 5.73%.

The School Corporation's current Debt Service Fund levy is \$9,602,308 and the current Debt Service Fund tax rate is \$0.6120. After the School Corporation enters into the proposed Lease and the bonds are issued, the Debt Service Fund levy will increase by a maximum of \$5,000,000 and the Debt Service Fund tax rate will increase by a maximum of \$0.0025. However, as existing obligations mature, the anticipated net increase to the Debt Service Fund levy is expected to be \$0.00 above the current Debt Service Fund levy.

The estimated amount of the School Corporation's Debt Service Fund levy and Debt Service Fund tax 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 Fund levy and Debt Service Fund tax 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>
2025	\$9,602,308	\$0.6120
2026	9,602,308	0.6145
2027	9,602,395	0.6535
2028	6,919,705	0.4920
2029	6,031,427	0.4460
2030	5,675,885	0.4411
2031	3,331,020	0.2741
2032	3,452,254	0.2840
2033	3,467,900	0.2853
2034	3,468,384	0.2854
2035	3,468,949	0.2854

The purpose of the Lease is to provide for the Project.

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 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 publication of this notice.

Dated August 27, 2025.

/s/ Secretary, Board of Trustees
New Palestine Community Schools