

NOTICE OF ADOPTION OF PRELIMINARY DETERMINATION

Notice is hereby given pursuant to Indiana Code § 6-1.1-20-3.5 that the Board of Trustees (the "Board") of New Palestine Community Schools (the "School Corporation") did, on July 13, 2026, make a preliminary determination to issue one or more series of bonds and enter into one or more lease agreements to fund the Building Dragon Excellence Project, which includes the renovations of and improvements to facilities throughout the School Corporation, including deferred maintenance, demolition, the construction of additions, site improvements and the purchase of equipment, buses and technology (collectively, the "Project"). Each lease agreement will be for a maximum term of thirty (30) years with a maximum annual aggregate lease rental of \$15,000,000. The maximum annual aggregate lease rental has been estimated based upon an estimated aggregate principal amount of bonds of \$98,000,000, estimated interest rates ranging from 3.00% to 7.00%, and total estimated interest costs of \$67,715,000. The School Corporation may issue one or more series of general obligation bonds to fund the Project, and if such bonds are issued, they will fit into the parameters listed herein. If the School Corporation issues general obligation bonds, the aggregate principal amount of the bonds associated with the lease agreements, as described herein, would be reduced by the aggregate principal amount of the general obligation bonds issued, such that the total principal amount of bonds issued to finance the Project would not exceed the aggregate estimated principal amount of \$98,000,000.

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 0.75%; 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 11.46%.

The School Corporation's current Debt Service Fund levy is \$11,280,867 and the current Debt Service Fund tax rate is \$0.6999. After the School Corporation enters the proposed lease agreements and/or the bonds are issued, the Debt Service Fund levy will increase by a maximum of \$15,000,000 and the Debt Service Fund tax rate will increase by a maximum of \$0.9306. However, as existing obligations mature, the anticipated net increase to the Debt Service Fund levy is expected to be \$0.00 above the 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 ten (10) years if the School Corporation enters the lease agreements and/or 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, is as follows:

<u>Payment Year</u>	<u>Estimated Total Debt Service Levy</u>	<u>Estimated Debt Service Tax Rate</u>
2026	\$11,280,867	\$0.6999
2027	11,280,313	0.7376
2028	11,280,375	0.7663
2029	11,280,000	0.7971
2030	11,280,000	0.8374
2031	11,280,000	0.8862
2032	11,280,000	0.8580
2033	11,280,000	0.8303
2034	11,280,000	0.8030
2035	11,280,000	0.7765
2036	10,833,450	0.7458
2037	10,782,550	0.7423

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 an increase to operate such new facility space. The purpose of the lease agreements and bonds 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 15, 2026.

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