

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 Sheridan Community Schools (the "School Corporation") did, on February 21, 2022, make a preliminary determination to issue bonds and enter into a lease agreement (the "Lease") for the renovation of and improvements to the Sheridan High School and Middle School, including possible construction of an activities center, relocation of central office, upgrades to sports facilities and site work and the purchase of equipment and technology (the "Project"). The Lease will be for a maximum term of 22 years with a maximum annual Lease rental of \$1,500,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$6,200,000, estimated interest rates ranging from 1.0% to 5.0%, and total estimated interest costs of \$3,924,433.

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 0.78%; 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 7.36%.

The School Corporation's current debt service levy is \$2,812,445 and the current rate is \$0.6017. After the School Corporation enters into the proposed Lease and the bonds are issued, the debt service levy will increase by a maximum of \$1,500,000 and the debt service rate will increase by a maximum of \$0.3551. However, as existing obligations mature, the anticipated increase to the Debt Service Fund tax rate is expected to be \$0.0343.

The estimated amount of the School Corporation's debt service levy and 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 levy and 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>
2022	\$ 2,812,445	0.6017
2023	3,231,370	0.6360
2024	3,068,054	0.6360
2025	3,073,135	0.6360
2026	2,957,962	0.6360
2027	2,920,000	0.6360
2028	2,920,000	0.6360
2029	2,920,000	0.6360
2030	2,917,000	0.6360
2031	2,920,000	0.6360
2032	3,112,000	0.6360

The Project may involve the opening of new school facility space; however, the new school facility space will be more efficient than the school facility space which is being replaced. Therefore, the School Corporation does not expect to annually incur an increase 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 ____ 21st _____, 2022.

/s/ Board of School Trustees
Sheridan Community Schools