

NOTICE OF ADOPTION OF PRELIMINARY DETERMINATION

Notice is hereby given pursuant to Indiana Code § 6-1.1-20-3.1 that the Board of School Trustees (the "Board") of Sheridan Community Schools (the "School Corporation") did, on September 16, 2024, make a preliminary determination to issue bonds and enter into one or more lease agreements (the "Lease") for the renovation of and improvements to school facilities, including athletic and site improvements and the purchase of equipment and technology (the "Projects"). The Lease will be for a maximum term of twenty-two years with a maximum annual Lease rental of \$2,000,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$10,000,000, estimated interest rates ranging from 1.00% to 6.00%, and total estimated interest costs of \$5,734,333.

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 6.92%; 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 7.91%.

The School Corporation's current Debt Service Fund levy is \$3,588,400 and the current rate is \$0.6529. After the School Corporation enters into the proposed Lease and the bonds are issued, the gross Debt Service Fund levy will increase by a maximum of \$2,000,000 and the gross Debt Service Fund rate will be impacted by a maximum of \$0.3282. However, as existing obligations mature, the anticipated net increase to the Debt Service Fund tax rate is expected to be \$0.0266 above the current rate.

The School Corporation may issue general obligation bonds to fund the Projects 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 Projects would not exceed the aggregate estimated principal amount of \$10,000,000

The estimated amount of the School Corporation's Debt Service Fund levy and 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 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>Year</u>	<u>Estimated Total Debt Service Fund Levy</u>	<u>Estimated Total Debt Service Fund Tax Rate</u>
2024	\$3,588,400	\$0.6529
2025	4,140,620	0.6795
2026	4,281,898	0.6757
2027	4,298,574	0.6585
2028	4,084,340	0.6257
2029	4,088,328	0.6263
2030	4,085,576	0.6259
2031	4,054,113	0.6211
2032	3,311,972	0.5074
2033	2,712,251	0.4155
2034	2,708,047	0.4149

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

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 September 23, 2024.

/s/ Secretary, Board of School Trustees

Sheridan Community Schools

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