

## 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 the Metropolitan School District of Washington Township (the "School Corporation") did, on December 11, 2019, make a preliminary determination to issue bonds and enter into lease agreements (the "Leases") for the 2020 Safety, Capacity, Efficiency, Technology, Renovation and Construction Project which consists of updating, improving and construction at North Central High School; J. Everett Light Career Center; Eastwood, Northview and Westlane Middle Schools; Hilltop Developmental Preschool; Allisonville, Crooked Creek, Fox Hill, Greenbriar, John Strange, Nora, and Spring Mill Elementary Schools; the Community and Education Center and construction of an operational services center (the "Projects"). The Leases will be for a maximum term of thirty (30) years with a maximum annual Lease rental of \$21,094,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$285,000,000, an estimated interest rate of five percent (5.00%), and total estimated interest costs of \$150,541,708.

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 0.67%; 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 13.45%.

The School Corporation's current debt service levy is \$20,164,251 and the current rate is \$0.3280. After the School Corporation enters into the proposed Lease and the bonds are issued, the debt service levy will increase by a maximum of \$21,094,000 and the debt service rate will

increase by a maximum of \$0.3172. However, the anticipated increase in the Referendum Debt Service Fund tax rate over and above what was approved in the 2016 referendum is expected to be \$0.2127.

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:

Year	Estimated Total Debt Service Levy	Estimated Total Debt Service Tax Rate
2019	\$20,164,251	\$0.3280
2020	25,299,206	0.4026
2021	39,883,967	0.6331
2022	37,189,683	0.5899
2023	36,772,264	0.5832
2024	36,461,156	0.5782
2025	36,159,850	0.5733
2026	35,390,350	0.5610
2027	34,602,800	0.5484
2028	33,427,175	0.5296
2029	31,299,650	0.4955
2030	31,293,000	0.4954

Note: information in the table above includes both the non-exempt and exempt funds.

The purpose of the Leases and bonds is to provide for the Projects.

The Projects may involve the opening of new school facility space; however, the new school facility space will be more efficient than the current school facility space; therefore, the School Corporation expects to not incur an increase of operating costs for such new facility space. The purpose of the Lease is to provide for the Projects.

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: December 16, 2019.

/s/ Mr. Anthony Dzwonar  
Secretary, Board of Education  
Metropolitan School District of Washington  
Township