

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 Wabash City Schools (the "School Corporation") did, on July 22, 2024, make a preliminary determination to issue bonds and enter into a lease agreement (the "Lease") for the renovation of and improvements to facilities throughout the School Corporation including HVAC and boilers and the purchase of equipment and technology (the "Project"). The Lease will be for a maximum term of twenty-two (22) years with a maximum annual Lease rental of \$1,400,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$5,000,000, estimated interest rates ranging from 2.00% to 6.00%, and total estimated interest costs of \$3,690,000.

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 0.8251%; 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 22.54%.

The School Corporation's current debt service levy is \$1,740,413 and the current rate is \$0.6424. After the School Corporation enters into the proposed Lease and the bonds are issued, the debt service levy will increase by a maximum of \$1,400,000 and the debt service rate will increase by a maximum of \$0.5168. However, as existing obligations mature, the anticipated increase to the Debt Service Fund tax rate is expected to be \$0.0776 above the current rate.

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>
2024	1,740,413	0.6424
2025	1,970,038	0.7200
2026	1,989,757	0.7200
2027	1,989,869	0.7200
2028	1,773,061	0.6416
2029	1,742,630	0.6305
2030	1,738,373	0.6290
2031	1,732,257	0.6268
2032	1,719,794	0.6223
2033	1,653,220	0.5982
2034	1,657,860	0.5999

The Project does not involve the opening of new school 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 August 1, 2024.

/s/ Board of School Trustees
Wabash City Schools
