

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 Northwest Allen County Schools (the "School Corporation") did, on May 20, 2019, make a preliminary determination to issue bonds and enter into a lease agreement (the "Lease") for the renovation, construction, and improvements to Carroll High School, including athletic improvements, site improvements, and construction of additions (the "Project"). The Lease will be for a maximum term of 23 years with a maximum annual Lease rental of \$2,258,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$24,820,000, estimated interest rates ranging from 2.75% to 4.75%, and total estimated interest costs of \$12,511,267.

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 0.64%; 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 6.73%.

The School Corporation's current debt service levy (for both referendum and non-referendum debt) is \$13,477,938 and the current rate is \$0.6131. After the School Corporation enters into the proposed Lease and the bonds are issued, the debt service levy will increase by a maximum of \$2,258,000 and the debt service rate will increase by a maximum of \$0.0976. However, as existing obligations mature, the anticipated net increase to the Debt Service Fund tax rate is expected to be \$0.00 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 is as follows:

<u>Payment Year</u>	<u>Estimated Debt Service Levy</u>	<u>Estimated Debt Service Tax Rate</u>
2020	\$13,955,000	\$0.6028
2021	13,056,000	0.6051
2022	13,036,500	0.6043
2023	13,079,500	0.6061
2024	11,282,000	0.5722
2025	9,945,000	0.5269
2026	9,006,500	0.4863
2027	9,009,000	0.4862
2028	3,820,000	0.2620
2029	3,814,000	0.2617

If a valid petition pursuant to Indiana Code § 6-1.1-20-3.5 is received by the School Corporation, 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 May 29, 2019.

Kristi Schlatter
 Secretary, Board of School Trustees
 Northwest Allen County Schools