

## 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 Lebanon Community School Corporation (the "School Corporation") did, on June 20, 2023, make a preliminary determination to issue bonds and enter into a lease agreement (the "Lease") for the 2024 Capacity, Efficiency, Improvement Project which includes the renovation of and improvements to the Lebanon Middle School and High School, construction of a transportation facility and improvements to school facilities, including site and energy efficiency improvements and the purchase of equipment and technology (the "Projects"). The Lease will be for a maximum term of 26 years with a maximum annual Lease rental of \$12,000,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$110,000,000, estimated interest rates of 6.00%, and total estimated interest costs of \$97,028,084; however, if the School Corporation elects to issue general obligation bonds to fund a portion of the Projects, the principal amount of bonds issued on behalf of the School Corporation in connection with the proposed lease will be reduced by the principal amount of any such general obligation bonds.

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 0.86%; 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 14.16%.

The School Corporation's current non-exempt debt service levy is \$5,588,047 and the current non-exempt debt service rate is \$0.2472. After the School Corporation enters into the

proposed Lease and the bonds are issued, the non-exempt debt service levy will increase by a maximum of \$12,000,000 and the non-exempt debt service rate will increase by a maximum of \$0.5308. The anticipated increase to the Debt Service Fund tax rate is expected to be \$0.1527. However, factoring in all funds of the School Corporation and future net assessed valuation, the School Corporation’s non-exempt debt service tax rate target is expected to be at or below \$0.3999, and the School Corporation's total tax rate target is expected to be at or below the current 2023 total tax rate of \$0.9947.

The estimated amount of the School Corporation's non-exempt 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, assuming no assessed value growth, after considering any changes that will occur to the non-exempt 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>Year</u>	<u>Estimated Total Non-Exempt Debt Service Levy</u>	<u>Estimated Total Non-Exempt Debt Service Rate</u>
2023	\$5,588,047	\$0.2472
2024	9,039,886	0.3999
2025	9,039,886	0.3999
2026	9,039,886	0.3999
2027	9,039,886	0.3999
2028	9,039,886	0.3999
2029	9,039,886	0.3999
2030	9,039,886	0.3999
2031	9,039,886	0.3999
2032	9,039,886	0.3999
2033	9,039,886	0.3999

The Projects may involve the opening of new school facility space; however, the new school facility space will be efficient and is not expected to materially increase the cost to operate such facility. The purpose of the Lease and the bonds 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 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 June 24, 2023.

*/s/ Secretary, Board of School Trustees*  
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*Lebanon Community School Corporation*

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