

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 Southwestern Consolidated School District (the "School Corporation") did, on July 10, 2019, make a preliminary determination to issue bonds and enter into a lease (the "Lease") for the construction of a multi-purpose facility and the renovation of and improvements to school facilities within the School District (the "Project"). The Lease will be for a maximum term of 22 years with a maximum annual Lease rental of \$748,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$5,225,000, estimated interest rates ranging from 3.00% to 3.90%, and total estimated interest costs of \$1,325,248.

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 0.26%; 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 2.70%.

The School Corporation's current debt service levy is \$362,945 and the current rate is \$0.1274. After the School Corporation enters into the proposed Lease and the bonds are issued, the debt service levy will be impacted by a maximum of \$748,000 and the debt service rate will be impacted by a maximum of \$0.2494. However, as existing obligations mature, the anticipated net increase to the Debt Service Fund tax rate is expected to be \$0.0434.

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 Rate
2019	\$590,900	\$0.2074
2020	587,100	0.2061
2021	589,950	0.2071
2022	709,650	0.2491
2023	707,750	0.2484
2024	709,650	0.2491
2025	710,600	0.2494
2026	710,600	0.2494
2027	708,700	0.2488
2028	710,600	0.2494
2029	705,850	0.2478
2030	709,650	0.2491

The Project involves the opening of new school facility space. The School Corporation expects to annually incur an increase of \$ 25,000 to operate such new facility space. The purpose of the Lease and the bonds is to provide for the Project.

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 Lease payments or the 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 first publication of this notice.

Dated July 12, 2019.

/s/ Susan Smith
 Secretary, Board of School Trustees
 Southwestern Consolidated School District

(Note 1: In addition to publishing, mail to the Shelby County Clerk and any organization which has requested a notice of preliminary determination.)

(Note 2: Publish once each week, for two weeks in legally required newspapers; also post in three public places in the School Corporation.)