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 Franklin Township Community School Corporation (the "School Corporation") did, on July 22, 2024, make a preliminary determination to issue bonds and enter into one or more lease agreements (collectively, the "Lease") for the renovation of and improvements to Franklin Central High School, including classroom and extracurricular construction and renovation, site and athletics improvements, roofing improvements, and deferred maintenance improvements to school facilities owned and operated by the School Corporation (collectively, the "High School Project"). The Lease will be for an aggregate maximum term of twenty-seven (27) years with an aggregate maximum annual Lease rental of $19,000,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of $120,000,000, estimated interest rates of 7.00%, and total estimated interest costs of $136,208,650.

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 0.87%; 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 11.43%.

The School Corporation's current debt service levy is $27,068,291 and the current rate is $0.6653. After the School Corporation enters into the proposed Lease and all bonds for the High School Project are issued, the debt service levy will increase by a maximum of $19,000,000 and the gross Debt Service Fund tax rate will increase by a maximum of $0.4449. However, as existing obligations mature, the anticipated net increase to the Debt Service Fund tax rate is expected to be $0.1346 above the current rate.

The estimated amount of the School Corporation's debt service levy and rate that will result during the following ten 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:

|  |  |  |
| --- | --- | --- |
| Year | Estimated Total  Debt Service Levy | Estimated Total  Debt Service Rate |
|  |  |  |
| 2024 | $27,068,291 | $0.6653 |
| 2025 | $32,543,708 | $0.7999 |
| 2026 | $32,543,709 | $0.7999 |
| 2027 | $32,543,709 | $0.7999 |
| 2028 | $32,543,709 | $0.7999 |
| 2029 | $32,543,709 | $0.7999 |
| 2030 | $32,543,709 | $0.7999 |
| 2031 | $31,795,260 | $0.7815 |
| 2032 | $31,002,245 | $0.7620 |
| 2033 | $30,965,296 | $0.7611 |
| 2034 | $29,818,215 | $0.7329 |

The High School Project involves the opening of new school facility space; however, the new school facility space will be more efficient than the school facility space which shall be replaced. The School Corporation expects to annually incur an increase of approximately $200,000 to operate such new facility space. The purpose of the Lease is to provide for the High School Project.

If a valid petition pursuant to Indiana Code § 6-1.1-20-3.5 is received within thirty days from the date of 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 July 26, 2024.

*/s/ Secretary, Board of School Trustees*

*Franklin Township Community School Corporation*

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