

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 Beech Grove City Schools (the "School Corporation") did, on January 14, 2020, make a preliminary determination to issue bonds and enter into a lease agreement (the "Lease") for the 2020 Early Childhood, Safety, Security & Efficiency Project, which includes the renovation of and improvements to community facilities, including Beech Grove High School, Beech Grove Middle School, South Grove Intermediate School, Central Elementary School, and Hornet Park Elementary School, including site improvements, and the construction of the Hornet Park Early Childhood Learning Center located at Hornet Park Elementary (the "Project"). The Lease will be for a maximum term of 22 years with a maximum annual Lease rental of \$1,267,000. The maximum annual Lease rental has been estimated based upon an estimated principal amount of bonds of \$17,500,000, estimated interest rates ranging from 1.56% to 2.62%, and total estimated interest costs of \$4,761,950.

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 1.72%; 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 18.10%.

The School Corporation's current non-exempt debt service levy is \$6,443,662, and the current exempt debt service levy is \$799,489, for a combined total levy of \$7,243,151. The current non-exempt debt service tax rate is \$1.3967, and the current exempt debt service tax rate is \$0.1643, for a combined total rate of \$1.5610. After the School Corporation enters into the

proposed lease agreement and the bonds are issued, the debt service levy will increase by a maximum of \$1,267,000 and the debt service rate will increase by a maximum of \$0.2500.

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:

Year	Estimated Total Debt Service Levy	Estimated Total Debt Service Rate
2021	\$5,856,926	\$1.2625
2022	6,267,178	1.3471
2023	7,020,999	1.5012
2024	6,558,942	1.4010
2025	6,496,776	1.3876
2026	5,926,115	1.2638
2027	4,880,897	1.0373
2028	4,871,302	1.0352
2029	4,860,771	1.0329
2030	4,849,384	1.0305

A portion of the Project involves the opening of new school facility space. The School Corporation expects to annually incur an increase of \$90,000 to operate such new 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 January 15, 2020.

/s/ Jill Laker
 Secretary, Board of School Trustees
 Beech Grove City Schools