

CERTIFICATION  
OF  
PRELIMINARY DETERMINATION RESOLUTION AND  
RESOLUTION REQUESTING REFERENDUM  
FOR FINANCING OF CONSTRUCTION PROJECT

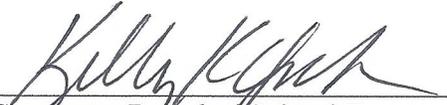
Indiana Department of Local Government Finance  
Indianapolis, Indiana

Lake County Clerk  
Crown Point, Indiana

Lake County Auditor  
(informational purposes only)  
Crown Point, Indiana

The undersigned duly elected and serving Secretary of the Board of School Trustees (the "Board") of Hanover Community School Corporation (the "School") located in Cedar Lake, Lake County, Indiana, hereby certifies that attached hereto are copies of the signed resolutions adopted on January 24, 2019, adopting a preliminary determination for the financing of a construction project and requesting that a referendum be held on the public question concerning the financing of the proposed project on May 7, 2019, pursuant to Indiana Code 6-1.1-20. The School hereby requests by the County Clerk to certify the public question to the Lake County Election Board pursuant to Indiana Code 20-46-1 and to gain the approval of the ballot language in a timely manner from the Indiana Department of Local Government Finance pursuant to Indiana Code 6-1.1-20-3.6(d) .

Dated this January 24, 2019

  
Secretary, Board of School Trustees  
Hanover Community School Corporation

## **EXHIBIT B**

### **PRELIMINARY DETERMINATION RESOLUTION**

WHEREAS, the Board of School Trustees of Hanover Community School Corporation has published a notice pursuant to Indiana Code 6-1.1-20-3.5 (the "Act") to conduct two public hearings concerning 2020 Safety, Efficiency, Capacity and Construction Project which includes renovation, improvement, expansion and security upgrades to the middle school and high school campuses, the construction of a new facility for upper grade elementary students, a resource center and improvements at existing school facilities including technology and security upgrades (the "Project") pursuant to a lease; and

WHEREAS, the Board has conducted two public hearings concerning the Project, permitting members of the community to ask questions and make comments; and

WHEREAS, pursuant to the Act, the Board must make a preliminary determination to proceed with the financing, acquisition, construction and equipping of the Project pursuant to the issuance of general obligation bonds and a lease with a building corporation.

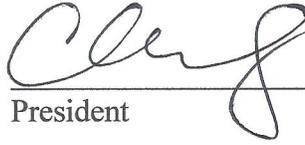
NOW, THEREFOR, BE IT RESOLVED that this Board of School Trustees makes a preliminary determination to issue general obligation bonds and enter into a lease for the construction and equipping of the Project; and

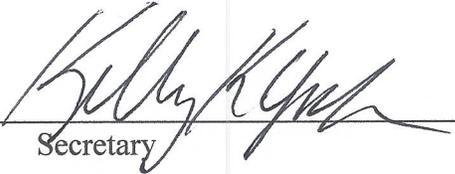
BE IT FURTHER RESOLVED, that the bonds or lease shall be for a maximum term of 22 years with a maximum debt service or lease rental of \$5,402,000. The Project will be financed with a general obligation bond issue and building corporation bond issue with a maximum aggregate principal amount of \$44,090,000 bearing estimated interest rates of 3.00% to 5.40% and a total estimated interest cost of \$32,759,607 over the term of the bond issues. The debt service levy for the school corporation is currently \$7,347,450 based upon a rate of \$0.8351 per \$100 of assessed valuation. The financing of the Project will result in an estimated maximum increase of \$5,402,000 to the debt service levy for the school corporation, which is an increase of \$0.5605 per \$100 of assessed valuation in the levy rate for the debt service fund.

BE IT FURTHER RESOLVED, that considering the retirement of prior debt, the financing of the Project is expected to result in an estimated net maximum increase of \$961,836 to the debt service levy for the school corporation, which is a net increase of \$0.0998 per \$100 of assessed valuation in the levy rate for the debt service fund.

BE IT FURTHER RESOLVED, that the business manager of the school corporation is directed to publish and mail notice of this preliminary determination in the manner described in the Act.

*Passed and Adopted this 24th day of January, 2019.*

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary

**EXHIBIT C**

**ELECTION OF MAY, 2019, REFERENDUM RESOLUTION**

WHEREAS, the Board of School Trustees of Hanover Community School Corporation (the "School Corporation") has published a notice, conducted a public hearing and adopted a Preliminary Determination Resolution pursuant to Indiana Code 6-1.1-20 (the "Act") to conduct public hearings concerning the financing of the 2020 Safety, Efficiency, Capacity and Construction Project which includes renovation, improvement, expansion and security upgrades to the middle school and high school campuses, the construction of a new facility for upper grade elementary students, a resource center and improvements at existing school facilities including technology and security upgrades (the "Project") pursuant to general obligation bonds and a lease; and

WHEREAS, the Board has determined that it is in the best interest of the patrons of the School Corporation to undertake the Public Question process set forth in the Act to approve the financing of the Project; and

NOW, THEREFOR, BE IT RESOLVED that this Board of School Trustees hereby elects that, pursuant to Indiana Code 6-1.1-20-3.7(b), the public question process applies to the approval of the issuance of bonds and entering into a lease to finance the Project; and

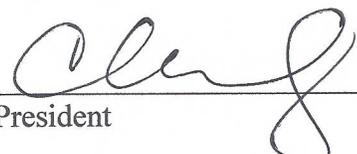
BE IT FURTHER RESOLVED, that Mr. Minth is directed to undertake the approval of the language of the public question by the Department of Local Government Finance in such a manner to enable the public question to be voted upon at the May 2019 primary election, which is anticipated to be as follows:

Shall the Hanover Community School Corporation issue bonds or enter into a lease to finance the 2020 Safety, Efficiency, Capacity and Construction Project which includes renovation, improvement, expansion and security upgrades to the middle school and high school campuses, the construction of a new facility for upper grade elementary students, a resource center and improvements at existing school facilities including technology and security upgrades and which is estimated to cost not more than \$44,090,000 and is estimated to increase the property tax rate for debt service by \$0.5605 per \$100 of assessed valuation?

BE IT FURTHER RESOLVED, that Mr. Minth is directed to file with the Department Of Local Government Finance the information concerning the Project as set forth in Section 3.6 of the Act at least thirty (30) days before the election.

*Passed and Adopted this 24<sup>th</sup> day of January, 2019.*

  
Secretary

  
President

**HANOVER COMMUNITY SCHOOL CORPORATION**

**SCHEDULE OF AMORTIZATION OF \$1,325,000 PRINCIPAL AMOUNT OF ILLUSTRATIVE  
GENERAL OBLIGATION BONDS OF 2019**

**Dated November 5, 2019**

<u>Payment Date</u>	<u>Principal Outstanding</u>	<u>Principal</u>	<u>Assumed Interest Rates</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Year Debt Service</u>
	(In \$1,000's)		(1)			
07/15/20	\$1,325	\$655	3.00%	\$27,604.17	\$682,604.17	
01/15/21	670	<u>670</u>	3.00%	<u>10,050.00</u>	<u>680,050.00</u>	<u>\$1,362,654.17</u>
Totals		<u><u>\$1,325</u></u>		<u><u>\$37,654.17</u></u>	<u><u>\$1,362,654.17</u></u>	<u><u>\$1,362,654.17</u></u>

**HANOVER COMMUNITY SCHOOL CORPORATION**

**SCHEDULE OF AMORTIZATION OF \$42,765,000 PRINCIPAL AMOUNT OF ILLUSTRATIVE  
FIRST MORTGAGE BONDS, SERIES 2020  
Dated April 30, 2020**

Payment Date	Principal Outstanding (In \$1,000's)	Principal	Assumed Interest Rates (1)	Interest	Capitalized Interest	Total Debt Service	Fiscal Year Debt Service	Annual Lease Rental Payments
07/15/21	\$42,765		3.10%	\$2,563,893.02	(\$2,165,000.00)	\$398,893.02		
01/15/22	42,765		3.10%	1,060,921.25		1,060,921.25	\$1,459,814.27	\$1,465,000.00
07/15/22	42,765		3.25%	1,060,921.25		1,060,921.25		
01/15/23	42,765		3.25%	1,060,921.25		1,060,921.25	2,121,842.50	2,127,000.00
07/15/23	42,765		3.35%	1,060,921.25		1,060,921.25		
01/15/24	42,765		3.35%	1,060,921.25		1,060,921.25	2,121,842.50	2,127,000.00
07/15/24	42,765		3.50%	1,060,921.25		1,060,921.25		
01/15/25	42,765		3.50%	1,060,921.25		1,060,921.25	2,121,842.50	2,127,000.00
07/15/25	42,765		3.65%	1,060,921.25		1,060,921.25		
01/15/26	42,765		3.65%	1,060,921.25		1,060,921.25	2,121,842.50	2,127,000.00
07/15/26	42,765		3.80%	1,060,921.25		1,060,921.25		
01/15/27	42,765		3.80%	1,060,921.25		1,060,921.25	2,121,842.50	2,127,000.00
07/15/27	42,765		3.95%	1,060,921.25		1,060,921.25		
01/15/28	42,765		3.95%	1,060,921.25		1,060,921.25	2,121,842.50	2,127,000.00
07/15/28	42,765		4.10%	1,060,921.25		1,060,921.25		
01/15/29	42,765		4.10%	1,060,921.25		1,060,921.25	2,121,842.50	2,127,000.00
07/15/29	42,765	\$475	4.25%	1,060,921.25		1,535,921.25		
01/15/30	42,290	480	4.25%	1,050,827.50		1,530,827.50	3,066,748.75	3,072,000.00
07/15/30	41,810	1,655	4.40%	1,040,627.50		2,695,627.50		
01/15/31	40,155	1,695	4.40%	1,004,217.50		2,699,217.50	5,394,845.00	5,400,000.00
07/15/31	38,460	1,730	4.55%	966,927.50		2,696,927.50		
01/15/32	36,730	1,770	4.55%	927,570.00		2,697,570.00	5,394,497.50	5,400,000.00
07/15/32	34,960	1,810	4.70%	887,302.50		2,697,302.50		
01/15/33	33,150	1,850	4.70%	844,767.50		2,694,767.50	5,392,070.00	5,398,000.00
07/15/33	31,300	1,895	4.80%	801,292.50		2,696,292.50		
01/15/34	29,405	1,940	4.80%	755,812.50		2,695,812.50	5,392,105.00	5,398,000.00
07/15/34	27,465	1,990	4.90%	709,252.50		2,699,252.50		
01/15/35	25,475	2,035	4.90%	660,497.50		2,695,497.50	5,394,750.00	5,400,000.00
07/15/35	23,440	2,085	5.00%	610,640.00		2,695,640.00		
01/15/36	21,355	2,140	5.00%	558,515.00		2,698,515.00	5,394,155.00	5,400,000.00
07/15/36	19,215	2,190	5.10%	505,015.00		2,695,015.00		
01/15/37	17,025	2,250	5.10%	449,170.00		2,699,170.00	5,394,185.00	5,400,000.00
07/15/37	14,775	2,305	5.20%	391,795.00		2,696,795.00		
01/15/38	12,470	2,365	5.20%	331,865.00		2,696,865.00	5,393,660.00	5,399,000.00
07/15/38	10,105	2,430	5.30%	270,375.00		2,700,375.00		
01/15/39	7,675	2,490	5.30%	205,980.00		2,695,980.00	5,396,355.00	5,402,000.00
07/15/39	5,185	2,560	5.40%	139,995.00		2,699,995.00		
01/15/40	2,625	2,625	5.40%	70,875.00		2,695,875.00	5,395,870.00	5,401,000.00
<b>Totals</b>		<u>\$42,765</u>		<u>\$32,721,953.02</u>	<u>(\$2,165,000.00)</u>	<u>\$73,321,953.02</u>	<u>\$73,321,953.02</u>	<u>\$73,424,000.00</u>

**HANOVER COMMUNITY SCHOOL CORPORATION**

**SCHEDULE OF EXISTING DEBT SERVICE/LEASE RENTAL PAYMENTS**

Budget Year	Total Outstanding Debt		Proposed Bonds	Total Combined Debt Service	Estimated Debt Service Tax Rates			Total Estimated Combined Debt Service Tax Rate
	Existing Exempt Debt Service	Existing Non-Exempt Debt Service			Exempt Debt	Non-Exempt Debt	Proposed Bonds	
	(1)	(1)			(3)	(3)	(3)	
2017	\$3,380,964	\$3,919,188		\$7,300,152	\$0.3262 (2)	\$0.5631 (2)		\$0.8893
2018	3,337,544	3,955,457		7,293,001	0.4144 (2)	0.4959 (2)		0.9103
2019	3,273,634	4,171,621		7,445,255	0.3774 (2)	0.4577 (2)		0.8351
2020	3,209,952	3,832,945	\$1,362,654	8,405,551	0.3466	0.4139	\$0.1414	0.9019
2021	3,167,171	3,772,790	1,465,000	8,404,961	0.3420	0.4074	0.1520	0.9014
2022	3,079,392	3,200,699	2,127,000	8,407,091	0.3325	0.3456	0.2207	0.8988
2023	2,993,818	3,170,355	2,127,000	8,291,173	0.3233	0.3423	0.2207	0.8863
2024	2,657,235	3,361,550	2,127,000	8,145,785	0.2869	0.3630	0.2207	0.8706
2025	2,601,970	3,356,050	2,127,000	8,085,020	0.2809	0.3624	0.2207	0.8640
2026	2,571,490	3,354,975	2,127,000	8,053,465	0.2777	0.3623	0.2207	0.8607
2027	2,548,009	3,357,600	2,127,000	8,032,609	0.2751	0.3625	0.2207	0.8583
2028	2,522,529	3,364,925	2,127,000	8,014,454	0.2724	0.3633	0.2207	0.8564
2029	1,588,049	3,351,800	3,072,000	8,011,849	0.1715	0.3619	0.3187	0.8521
2030	643,568	437,000	5,400,000	6,480,568	0.0695	0.0472	0.5603	0.6770
2031	337,084	441,000	5,400,000	6,178,084	0.0364	0.0476	0.5603	0.6443
2032		217,500	5,398,000	5,615,500		0.0235	0.5601	0.5836
2033			5,398,000	5,398,000			0.5601	0.5601
2034			5,400,000	5,400,000			0.5603	0.5603
2035			5,400,000	5,400,000			0.5603	0.5603
2036			5,400,000	5,400,000			0.5603	0.5603
2037			5,399,000	5,399,000			0.5602	0.5602
2038			5,402,000	5,402,000			0.5605	0.5605
2039			5,401,000	5,401,000			0.5604	0.5604
Totals	<u>\$37,912,409</u>	<u>\$47,265,455</u>	<u>\$74,786,654</u>	<u>159,964,518</u>				

- (1) Does not include General Obligation Pension Bonds of 2004 or allowance for unreimbursed textbooks.
- (2) Represents certified debt service tax rates as reflected on the DLGF Budget Order for the respective years.
- (3) Years 2019 and beyond are based on the 2019 certified net assessed value of \$879,828,702 for Hanover Community School Corporation. Assumes no growth in 2020 and thereafter. Assumes License excise/financial institutions facot of 5%. Per \$100 of net assessed value.