

**NOTICE OF PUBLIC HEARING BY THE BOARD OF SCHOOL TRUSTEES OF ADAMS CENTRAL COMMUNITY SCHOOL CORPORATION, ADAMS COUNTY, INDIANA**

The citizens of the Adams Central Community School Corporation, Adams County, Indiana (the "School Corporation"), are hereby notified that the Board of School Trustees (the "Board") of the School Corporation, proposes to enter into negotiations with the Adams Central Elementary School Building Corporation, which is a nonprofit school building corporation controlled by, and operating on behalf of, the School Corporation (the "Building Corporation"), for the 2018 Facility Renovation, Reconstruction and Addition Project (as defined and described in the resolution adopted by the Board on April 11, 2017).

The costs of the 2018 Facility Renovation, Reconstruction and Addition Project will be financed by entering into an amendment to an existing lease, dated as of May 22, 2002, as amended by an Addendum to Lease, dated as of July 15, 2002, a First Amendment to Lease, dated as of March 16, 2010, an Addendum to First Amendment to Lease, dated as of October 1, 2010, and a Second Amendment to Lease, dated as of September 15, 2011 (collectively, the "Lease"), with the Building Corporation, which in turn will allow the Building Corporation to issue first mortgage bonds (the "Bonds"). The Bonds may be issued in one or more series or issues, in an original aggregate principal amount not to exceed Seventeen Million Dollars (\$17,000,000), for the purpose of procuring funds to pay (1) all or a portion of the costs of the 2018 Facility Renovation, Reconstruction and Addition Project, (2) the School Corporation for improvements made to the premises subject to the Third Amendment (collectively, the "Premises") by the School Corporation since the Premises has been owned by the Building Corporation and for the extension of the Building Corporation's ownership of the Premises beyond the current term, (3) interest on the Bonds in the amounts and during the time periods determined by the Building Corporation at the time each series of Bonds are issued, and (4) all or a portion of the costs associated therewith, including, but not limited to, the expenses in connection with or on account of the issuance of the Bonds therefor. The Bonds shall have a final maturity date no later than nineteen (19) years after each series of the Bonds are issued, and shall bear interest at a rate or rates not exceeding five percent (5.00%) per annum, the exact rate or rates to be determined by negotiation.

Pursuant to the proposed third amendment to the Lease (the "Third Amendment"), the Building Corporation will do all or any portion of the following:

(1) pay the School Corporation for improvements made to the Premises by the School Corporation since the Premises has been owned by the Building Corporation and for the extension of the Building Corporation's ownership of the Premises beyond the current term;

(2) undertake all or any portion of any of the 2018 Facility Renovation, Reconstruction and Addition Project, as directed by the School Corporation; and

(3) lease all or any portion of the Premises for an additional term not to exceed twenty (20) years beginning on the date the Third Amendment or related addenda is recorded by the Building Corporation (which is twelve (12) years beyond the current term all or any portion of the Premises is subject to lease of the Building Corporation assuming the first addendum to the Third Amendment is recorded no later than December 31, 2017), payable in semiannual installments commencing no earlier than June 30, 2018, and thereafter on June 30 and December 31 of each year during the term of the Third Amendment, with an annual lease rental not to exceed Two Million Two Hundred Thirty-Five Thousand Dollars (\$2,235,000) (which amount is net of any funds received by the School Corporation or the Building Corporation from the United States of America as a result of any or all of the Bonds being issued under one or more federal tax credit programs).

As additional rental, the School Corporation will maintain insurance on the Premises as required in the Third Amendment and will pay all taxes and assessments against such property, as well as the cost of alterations and repairs, all rebate costs associated with the obligations issued by the Building Corporation, and all utility costs incurred in connection with such property. After a sale of any series of the Bonds, the annual lease rental will be reduced to an amount equal to an amount sufficient to pay the principal and interest due on all of the Bonds in each twelve-month period together with annual incidental costs as determined by the Building Corporation at the time of the issuance of the any series of the Bonds, payable in semiannual installments.

The Lease gives an option to the School Corporation to purchase that portion of the Premises which is subject to the Lease.

As described above, a portion of the proceeds of the Bonds issued by the Building Corporation will be paid to the School Corporation for the reimbursement to the School Corporation for the payment of any expenses incurred by the School Corporation with respect to improvements to any of the Premises owned by the Building Corporation and for an extension of the ownership of the Premises by the Building Corporation beyond the current term. The School Corporation intends to use the money it receives from the Building Corporation to pay for that portion of the 2018 Facility Renovation Reconstruction and Addition Project not funded by the Building Corporation and to pay all of the costs associated therewith, including, but not limited to the costs of issuing the Bonds.

The preliminary drawings, plans and specifications, including cost estimates, for the 2018 Facility Renovation, Reconstruction and Addition Project, as well as a copy of the Third Amendment, are currently available for inspection by the public on all business days during business hours, at the Superintendent's Office of the School Corporation, which is located at 222 West Washington Street, Monroe, Indiana.

Notice is hereby given by the undersigned that the Board will, on October 10, 2017, at 7:00 p.m. (local time), at the Adams Central Middle School/High School Library, which is located at 222 West Washington Street, Monroe, Indiana, conduct a public hearing (1) regarding the matter of appropriating a portion of the proceeds of the Bonds and investment earnings thereon, and (2) upon the necessity for the execution of the Third Amendment, and upon whether the lease rental provided for therein to be paid by School Corporation to the Building Corporation is a fair and reasonable rental for that portion of the Premises which is subject to the Lease, as amended by the Third Amendment. All interested parties are entitled and encouraged to attend to present their testimony and ask any questions relative to the Third Amendment or the Bonds.

Such hearing may be adjourned to a later date or dates, and subsequent to such hearing the Board may (1) either authorize the execution of the Third Amendment as originally agreed upon, rescind the proposed Third Amendment, or make modifications therein as may be agreed upon with the Building Corporation, but in no event may the rental exceed the amounts set forth in this notice, and (2) consider adoption of a resolution regarding the issue of appropriating a portion of the proceeds of the Bonds and the investment earnings thereon for the purposes described herein.

Dated this 10th day of August, 2017.

ADAMS CENTRAL COMMUNITY  
SCHOOL CORPORATION,  
ADAMS COUNTY, INDIANA

By: Dr. Lori Stiglitz, Superintendent