

MSD of North Posey Schools

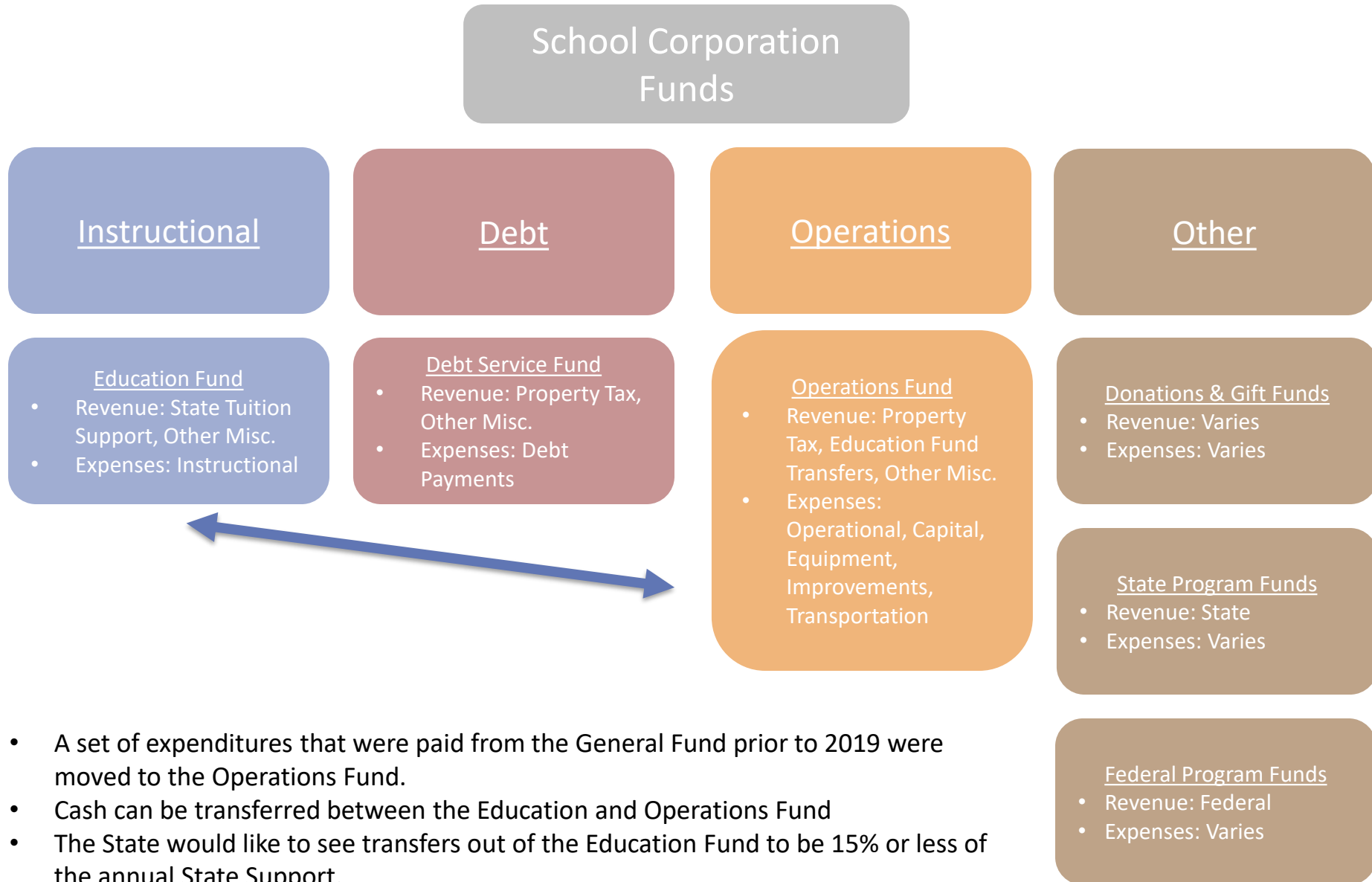
February 22, 2022

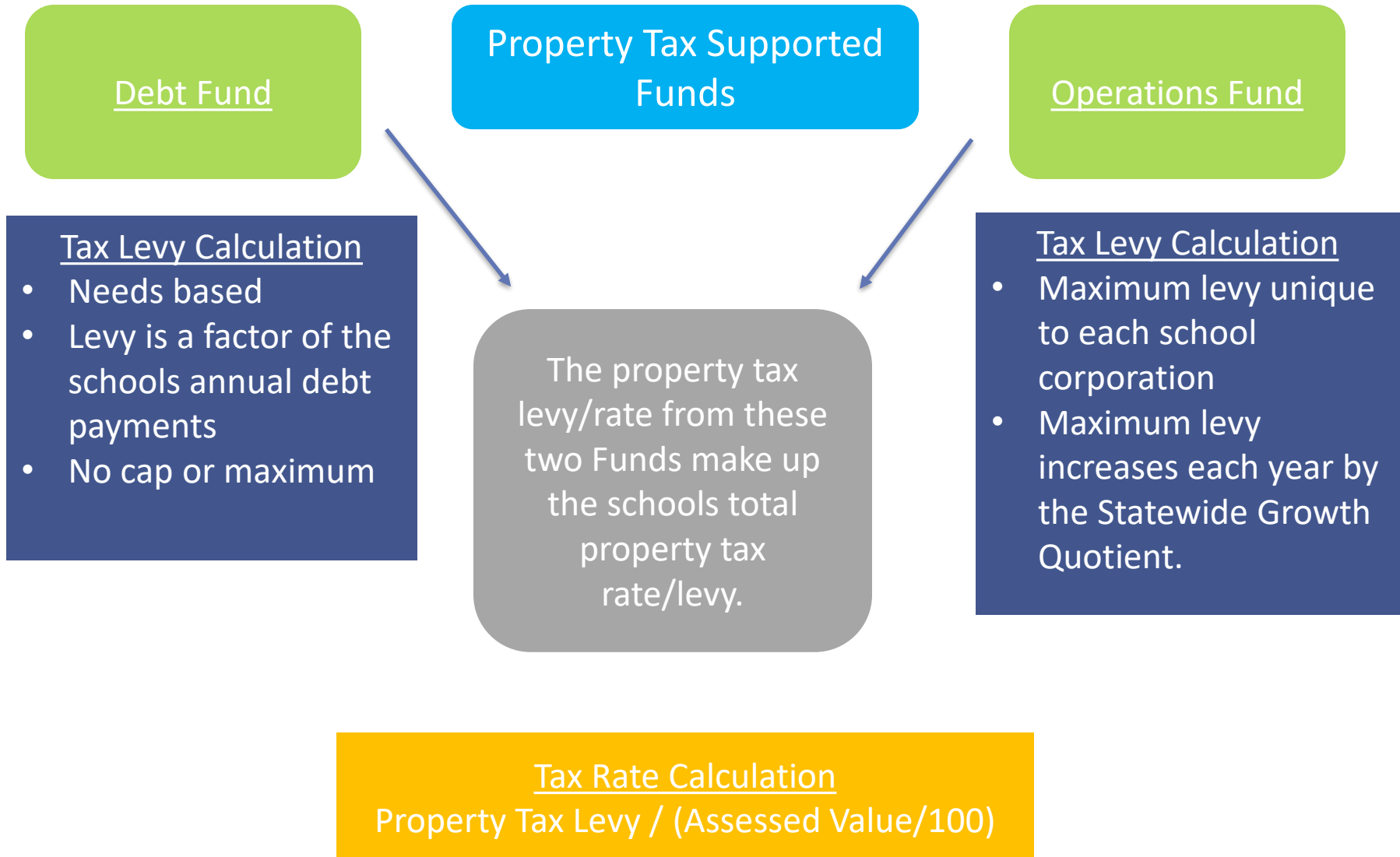
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- A school corporations total tax rate is a summation of the tax rates for each tax supported fund.
- The variables that impact the tax rate are the assessed value and levy.
- The school corporation has control over the levy but not the assessed value.

Assessed Value	Levy	Tax Rate
No Change	No Change	No Change
No Change	Increases	Increases
No Change	Decreases	Decreases
Increases	No Change	Decreases
Increases	Increases	Depends
Increases	Decreases	Decreases
Decreases	No Change	Increases
Decreases	Increases	Increases
Decreases	Decreases	Depends

Tax Rate Calculation
Property Tax Levy / (Assessed Value/100)

Overview of MSD of North Posey's Finances

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Year	NAV (1)	% Change	Debt Service Tax Rate (2)	Total Tax Rate	Circuit Breaker Loss (3)	Rainy Day, Education and Operations Fund Cash Balances (4)	Cash Balances as % of Expenditures
2017	\$497,893,901		0.1784	0.7502	\$19,924	3,064,486	24.17%
2018	\$488,380,163	-1.91%	0.1885	0.7770	\$28,033	3,229,006	26.24%
2019	\$484,405,163	-0.81%	0.1942	0.8073	\$37,103	3,435,625	24.58%
2020	\$494,848,691	2.16%	0.2667	0.8776	\$62,985	3,584,613	24.75%
2021	\$484,868,940	-2.02%	0.2777	0.9273	\$71,046		
2022	\$488,600,911	0.77%	0.2613	0.9337	\$88,590		

(1) Assumes the Consolidated NAV for each year

(2) Includes Debt Service Fund (180) and Debt Payment Fund (181)

(3) Circuit Breaker Loss is approximately 1.5% of total levy

(4) Form 9 Information not available for CY 2021 or CY 2022



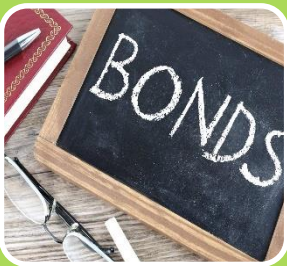
Current Budget Revenues

- Limited dollars
- Normally sufficient for small projects



Cash Balances

- One time: Once it's gone – It's gone!
- Normally sufficient for small projects



Capital Financing

- School defines the amount
- Based on project scope
- Repaid through property tax

Needs typically
exceed capacity.

A Capital Financing Project(s) should be designed so that it meets the schools goals with the most efficiency.

School & Construction Professionals

- Collect and Analyze Key Data
- Define Project (s) – Goals/Needs Driven
- Calculate Project(s) Cost Estimates
- Construction Timeline
- Determine Cash Flow Needs

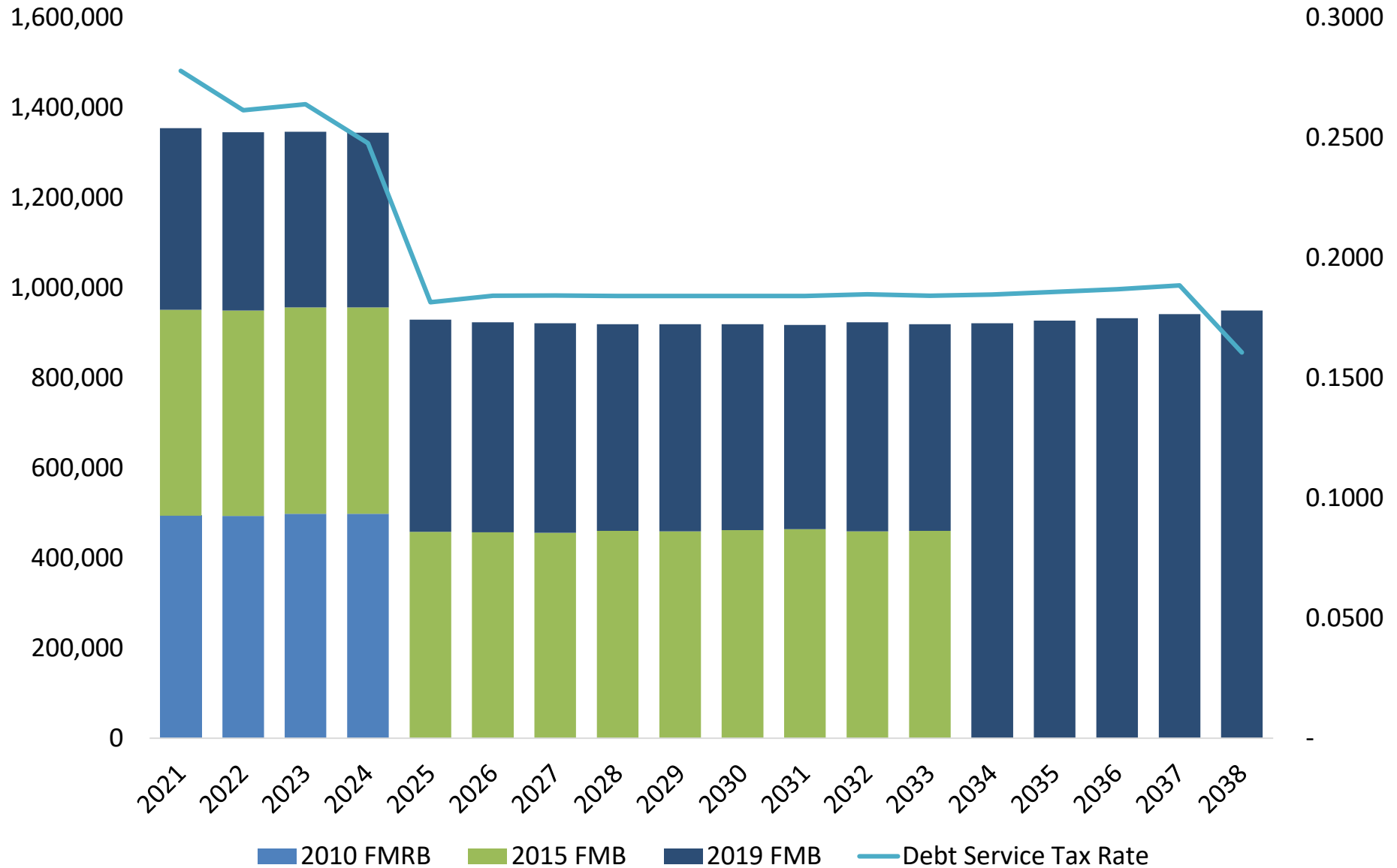
Finance & Legal Professionals

- Define Statutory Project(s) Type
- Legal Steps & Timeline
- Optimal Repayment Structure
- Tax Rate Impact
- Strategize Public Relations Plan

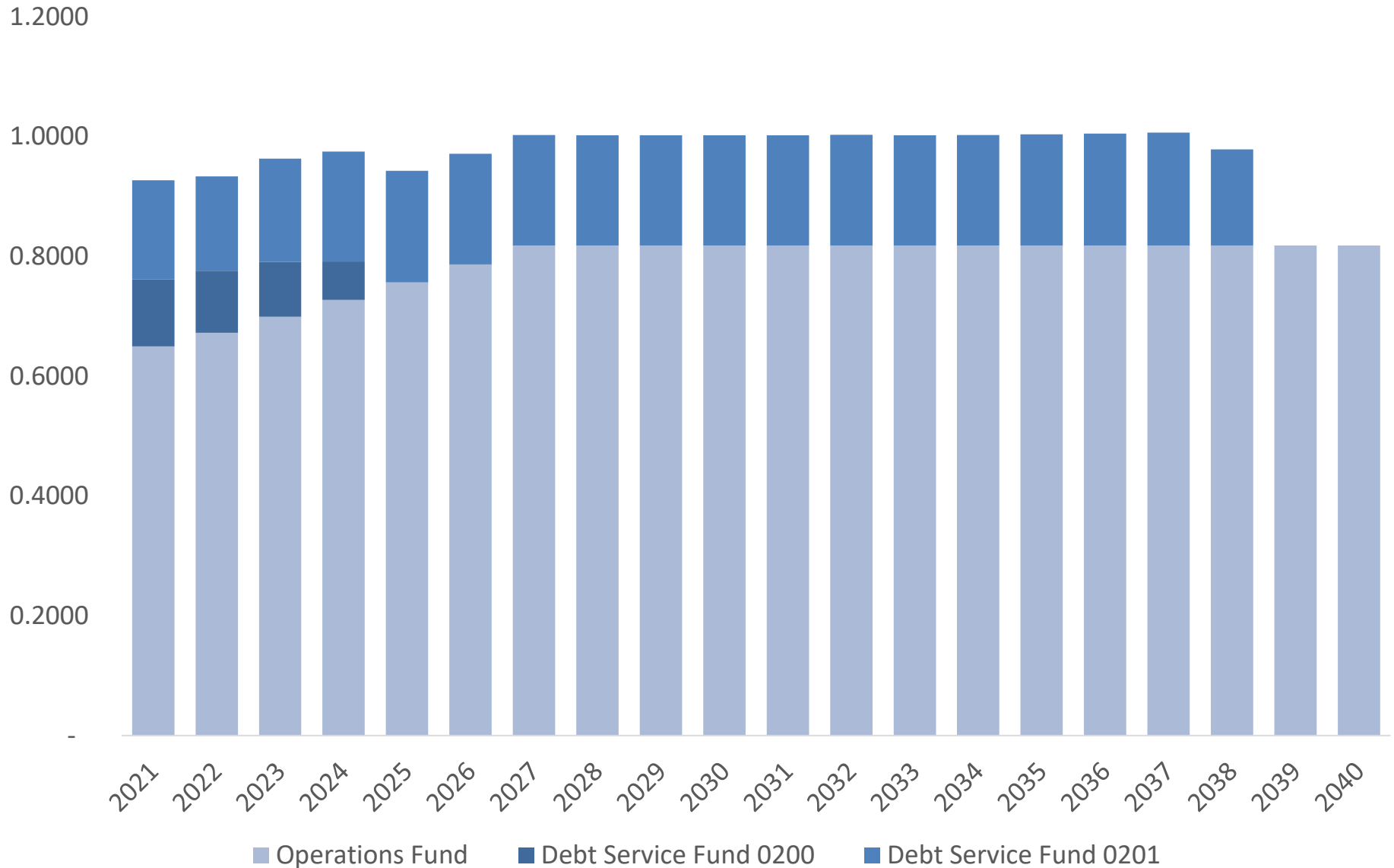
Working Group

- Bring all the data, planning and work together
- Create a plan to proceed

Overview of North Posey County Schools' Debt



North Posey County Schools Total Tax Rate

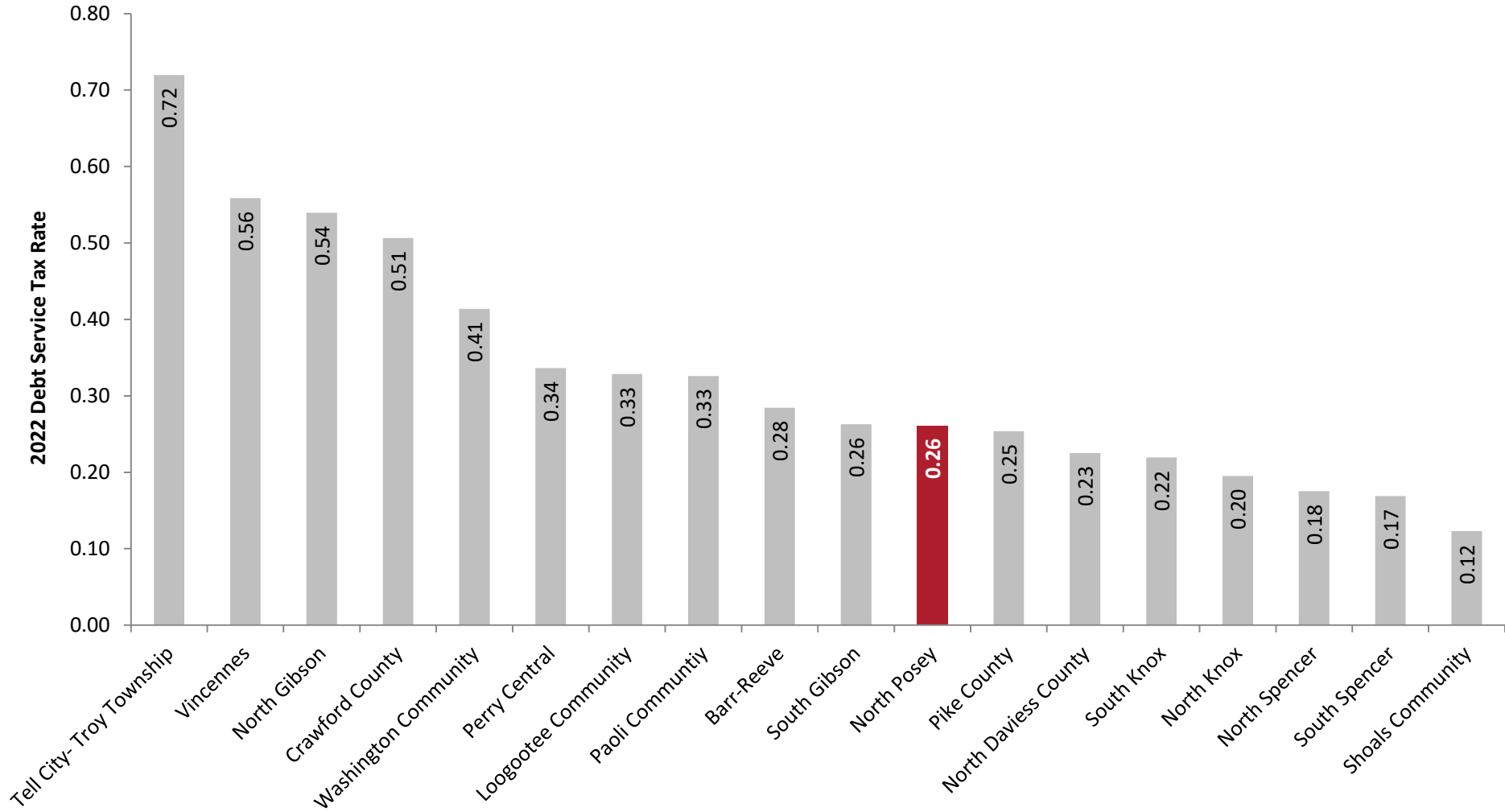


(1) Assumes Max Levy Growth Quotient of 4% through 2027, and 0% thereafter

(2) Assumes 0% growth in net assessed value

Comparison of Nearby Schools Debt Service Rate

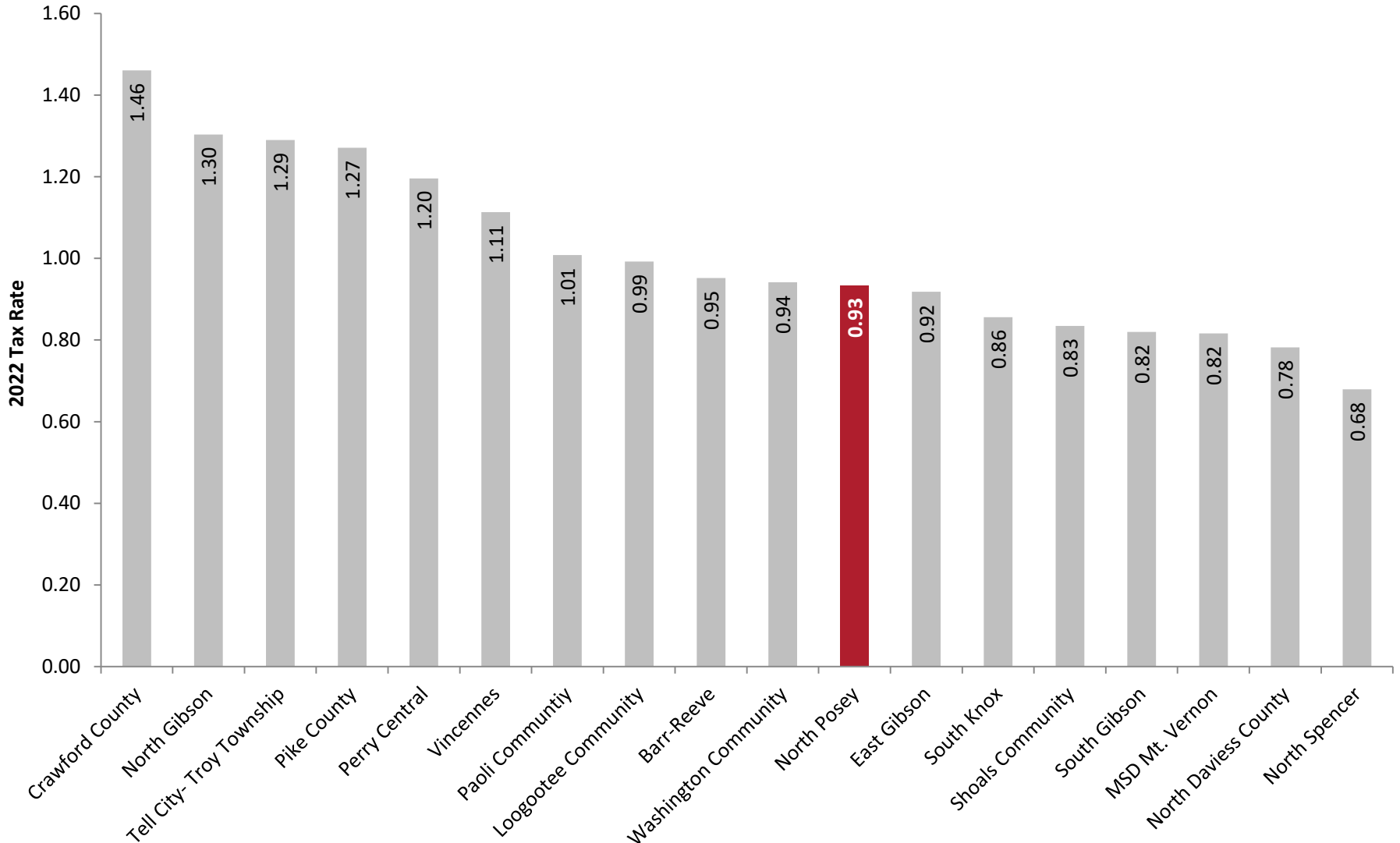
Nearby Schools Debt Service Tax Rate



Other Schools tax rate is based on 2022 Certified Tax Rate by the DLGF. Does not factor in future debt payments

Comparison of Nearby Schools Total Tax Rate

Nearby Schools Total Tax Rate



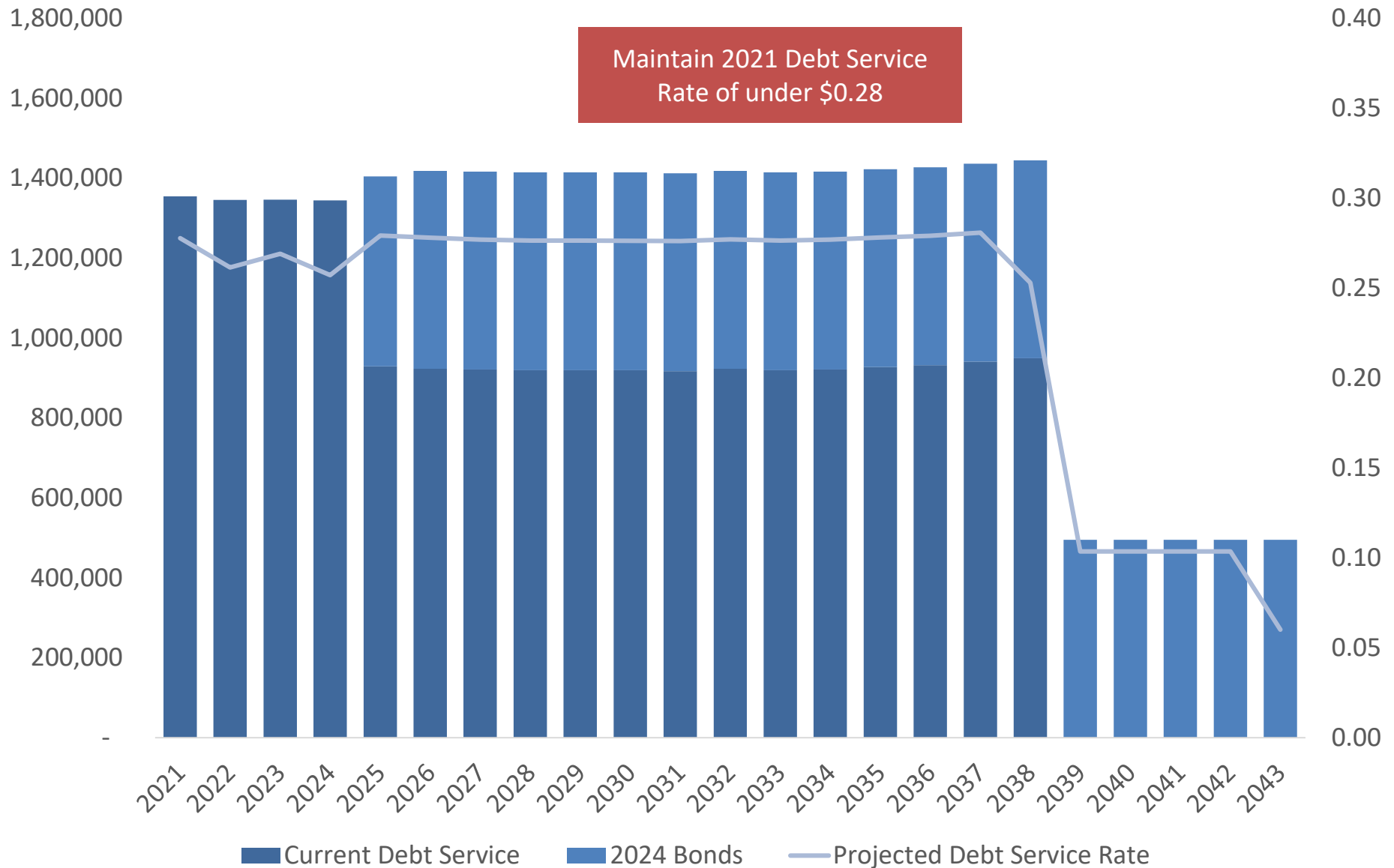
Other Schools tax rate is based on 2022 Certified Tax Rate by the DLGF. Does not factor in future debt payments

- The M.S.D. of North Posey Multi-School Building Corporation issued \$7,500,000 of Ad Valorem Property Tax First Mortgage Bonds, Series 2015 for the purpose of renovations and improvements to North Posey High School, North Elementary School, and South Terrace Elementary School
- The bonds have a call date of July 15, 2023.
- The below analysis assumes a current tax-exempt refunding with a closing of April 17, 2023

Summary of Refunding Results	Tax-Exempt Current Refunding
Refunding Bonds Par Amount	\$4,180,000
Refunded Bonds Par Amount	\$4,195,000
Average Coupon of Refunded Bonds	3.21%
Arbitrage yield	1.94%
Cash Flow Savings	\$149,930
Net PV Savings	\$136,557
Percentage Savings of Refunded Bonds	3.26%
PV Savings of 1 BP Change	\$2,282

1. Preliminary and subject to change.
2. The use of the 'AA+/A+' rating is consistent with the rating of the outstanding prior bonds.
3. Interest rate assumptions are based on current market conditions and similar credits as of 2/14/2022.
4. Issuers actual results may differ, and Stifel makes no commitment to underwrite at these levels.
5. Costs of issuance and underwriter's discount are estimates for discussion purposes.
6. Analysis was performed with no changes to the term or the structure of the debt service from the currently outstanding issue.

Hypothetical 2024 Bond Issue - \$6,250,000 (Debt Service Rate)



Hypothetical 2024 Bond Issue - \$6,250,000 (Total Tax Rate)

