

This Offering Circular is dated October 14, 2019

In the opinion of Ice Miller LLP, Indianapolis, Indiana (“Bond Counsel”), under existing laws, regulations, judicial decisions, and rulings, interest on the Bonds (hereinafter defined) is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the “Code”), for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. Such exclusion is conditioned on continuing compliance with the Tax Covenants (hereinafter defined). In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana. The Bonds have been designated qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code. See “TAX MATTERS” herein.

NEW ISSUE
OFFERING CIRCULAR

COMPETITIVE SALE
BANK QUALIFIED

\$950,000

**COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY
Charlottesville, Indiana
GENERAL OBLIGATION BONDS OF 2019**

Original Date: Date of Delivery (Anticipated to be November 13, 2019)

Due: January 15 and July 15, as shown below

Community School Corporation of Eastern Hancock County (the “School Corporation”) is issuing \$950,000 of General Obligation Bonds of 2019 (the “Bonds”) for the purpose of paying the costs of the renovation of and improvements to Eastern Hancock High School, Eastern Hancock Middle School and Eastern Hancock Elementary School, including athletic and site improvements throughout the School Corporation and the purchase of technology and equipment (the “Project”), and to pay issuance expenses.

The Bonds will be issued as provided in the Bond Resolution adopted by the Board of Education on September 9, 2019, as expected to be supplemented on October 14, 2019 (as supplemented, the “Bond Resolution” or “Resolution”). The Bonds are payable from ad valorem taxes to be levied on all taxable property within the School Corporation as more fully described in this Offering Circular. However, see “CIRCUIT BREAKER TAX CREDIT” herein and “PROCEDURES FOR PROPERTY TAX ASSESSMENT, TAX LEVY, AND COLLECTION” herein. The total indebtedness of the School Corporation subject to the constitutional debt limit, including the Bonds, amounts to less than two percent of one third of the net assessed valuation of the School Corporation, as required by the constitution of the State of Indiana (the “State”).

The Bonds will be issued only as fully registered bonds, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”). Purchases of beneficial interests in the Bonds will be made in book-entry-only form in the denomination of \$5,000 or any integral multiple thereof (or in such other denomination as requested by the winning bidder). Purchasers of beneficial interests in the Bonds (the “Beneficial Owners”) will not receive physical delivery of certificates representing their interests in the Bonds. Interest on the Bonds will be payable semiannually on January 15 and July 15 of each year, beginning July 15, 2020. Principal and interest will be disbursed on behalf of the School Corporation by U.S. Bank National Association, in Indianapolis, Indiana (the “Registrar” and “Paying Agent”). Interest on the Bonds will be paid by check or by wire transfer to depositories on the interest payment date. The principal of and premium, if any, on the Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent or by wire transfer to depositories. Interest on, together with the principal of, the Bonds will be paid directly to DTC by the Paying Agent so long as DTC or its nominee is the registered owner of the Bonds. The final disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and the Indirect Participants. See “BOOK-ENTRY-ONLY SYSTEM”. The Bonds are not subject to optional redemption prior to maturity. The Bonds may be issued as “Term Bonds” at the Underwriter’s (hereinafter defined) discretion and subject to mandatory sinking fund redemption as more fully described herein.

MATURITY SCHEDULE

<u>Maturity</u>	<u>Principal</u>	<u>Maturity</u>	<u>Principal</u>
July 15, 2020	\$60,000	January 15, 2022	\$215,000
January 15, 2021	70,000	July 15, 2022	195,000
July 15, 2021	215,000	January 15, 2023	195,000

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Offering Circular to obtain information essential to the making of an informed investment decision.

PROJECT PERSONNEL

Names and positions of officials and professionals who have taken part in the planning of the Project and the Bonds are:

Board of Education

Scott Petry, President
James R. Jackson Jr., First Vice President
Tammy Stunda, Second Vice President
Scott Johnson, Secretary
Tammy Settergren, Assistant Secretary

Superintendent

David Pfaff

Business Manager

Adam Kinder

School Corporation Attorney

John Davis, Esq.
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Greenfield, Indiana 46140

Bond Counsel

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Indianapolis, Indiana 46282

Municipal Advisor

Belvia B. Gray
Baker Tilly Municipal Advisors, LLC
8365 Keystone Crossing, Suite 300
Indianapolis, Indiana 46240

PROCEDURES FOR BIDDING

Date and Time of Sale: Upon 24 hours' notice. Anticipated to take place on October 23, 2019, at 11:00 a.m. (EDT)

Place of Sale: Baker Tilly, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240

Maximum Interest Rate: 5.0%

Minimum Purchase Price:** 99.5% (\$945,250*)

Multiples: 1/8 or 1/100 of 1%, non-descending

Anticipated Closing Date: November 13, 2019

Good Faith Deposit: \$9,500 (1%) certified or cashier's check or wire transfer submitted by the winning bidder no later than 3:30 p.m. (EDT) on the business day following the award

Method of Bidding: Electronic bidding by PARITY® or traditional bidding

Basis of Award: Net Interest Cost (NIC)

Issue Price Determination: See Appendix i (Notice of Intent to Sell Bonds) and Appendix D (Issue Price Determination).

*Preliminary, subject to change.

** Minimum Purchase Price shall mean the \$950,000 of the Bonds less total discount submitted with bid, including any underwriter discount, purchaser discount, original issue discount or any expenses submitted by the bidder which will reduce the amount of bond proceeds to be received by the School Corporation, and adding any amortizable bond premium.

For a complete description of terms and conditions for bidding, please refer to the next section of this Offering Circular (Appendix i) for the Notice of Intent to Sell Bonds.

SECURITY AND SOURCES OF PAYMENT

The Bonds are the general obligation of the School Corporation payable from ad valorem property taxes to be levied on all taxable property within the School Corporation. However, *see* "CIRCUIT BREAKER TAX CREDIT" herein and "PROCEDURES FOR PROPERTY TAX ASSESSMENT, TAX LEVY, AND COLLECTION" herein.

The total bonded indebtedness of the School Corporation subject to the constitutional debt limit, including the Bonds, amounts to less than two percent of one third of the net assessed valuation of the School Corporation as required by the constitution of the State

DENOMINATIONS

The Bonds are being issued in the denomination of \$5,000 or integral multiple thereof (or in such other denomination as requested by the winning bidder).

REGISTRATION AND EXCHANGE FEATURES

Each registered Bond shall be transferable or exchangeable only on such record at the designated corporate trust office of the Registrar and Paying Agent, U.S. Bank National Association, at the written request of the registered owner thereof or his attorney duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. A further description of the registration and exchange features of the Bonds can be found in the Bond Resolution.

PROVISIONS FOR PAYMENT

The principal on the Bonds shall be payable at the designated corporate trust office of the Registrar and Paying Agent, or by wire transfer to DTC or any successor depository. *See* "BOOK-ENTRY-ONLY SYSTEM" herein. All payments of interest on the Bonds shall be paid by check to the registered owners as the names appear as of the fifteenth day immediately preceding the interest payment date and at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Registrar or by wire transfer to DTC or any successor depository. If payment of principal or interest is made to DTC or any successor depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). Payments on the Bonds shall be made in lawful money of the United States of America, which, on the date of such payment, shall be legal tender.

So long as DTC or its nominee is the registered owner of the Bonds, principal and interest on the Bonds will be paid directly to DTC by the Paying Agent. (The financial disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and Indirect Participants, as defined and more fully described herein.)

PROJECT DESCRIPTION

The Bonds are being issued to pay the costs of the renovation of and improvements to Eastern Hancock High School, Eastern Hancock Middle School, and Eastern Hancock Elementary School, including athletic and site improvements throughout the School Corporation and the purchase of technology and equipment (the “Project”) and to pay issuance costs.

ESTIMATED PROJECT FUNDING AND COSTS

Estimated Project Funding:

General Obligation Bonds of 2019	<u>\$950,000.00</u>
Total Estimated Project Funding	<u>\$950,000.00</u>

Estimated Project Costs:

Proceeds Available for Project	\$880,250.00
Allowance for Underwriter’s Discount (0.5%)	4,750.00
Estimated Cost of Issuance (1)	<u>65,000.00</u>
Total Estimated Project Costs	<u>\$950,000.00</u>

(1) Includes fees for bond counsel, local counsel, municipal advisor, registrar/paying agent, printing and other miscellaneous expenses.

INTERCEPT PROGRAM

Indiana Code Title 20, Article 48, Chapter 1, Section 11, as amended by Public Law 167-2017 (the “Act”), requires the Department of Local Government Finance (the “DLGF”) to review levies and appropriations of school corporations for debt service or lease rental payments (the “Debt Service Obligation”) that are payable in the succeeding calendar year. In the event a school corporation fails to levy and appropriate sufficient funds for such purpose for the next succeeding calendar year, the DLGF must establish levies and appropriations which are sufficient to pay such obligations.

The Act further provides upon failure to pay any Debt Service Obligation when due and upon notice and claim being filed with the Treasurer of the State of Indiana (the “State Treasurer”), the State Treasurer will pay the unpaid Debt Service Obligation of the school corporation within five (5) days, excluding Saturdays, Sundays and legal holidays of receiving such notice to the extent that the amounts described below as the Available Funds are available to the State Treasurer in accordance with the following procedures: (a) upon notice and claim being filed with the State Treasurer, the State Treasurer must immediately contact the school corporation and the person or entity filing the claim to confirm whether the school corporation is unable to make the required payment on the due date, (b) if confirmed, the State Treasurer must notify the Budget Director of the State of Indiana (the “State Budget Director”), the Auditor of the State of Indiana (the “State Auditor”) and any department or agency of the State of Indiana responsible for distributing funds appropriated by the Indiana General Assembly (the “General Assembly”) to provide the State Treasurer with available funds in order for the State Treasurer to fulfill his/her obligations under the Act, (c) within three (3) days, excluding Saturdays, Sundays and legal holidays, of receiving the notice from the State Treasurer, the State Budget Director, the State Auditor and any department or agency of the State of Indiana responsible for distributing funds appropriated by the General Assembly must provide the State Treasurer with available funds in order for the State Treasurer to fulfill his/her obligations under the Act, and (d) the State Treasurer must make such payment to the claimant from such funds within five (5) days, excluding Saturdays, Sundays and

legal holidays of the claim being filed with the State Treasurer (clauses (a) through and including (d), collectively, the “State Intercept Program”). The funds to make such payment will be from the following sources, in the following amount and in the following order of priority: (i) first, from amounts appropriated by the General Assembly for distribution to the school corporation from State funds in the current fiscal year of the State of Indiana (the “Current Year School Distribution”), which begins on July 1 and ends on the immediately following June 30 (the “State Fiscal Year”), (ii) second, to the extent the amounts described in clause (i) are insufficient, from any remaining amounts appropriated by the General Assembly for distribution for tuition support in the current State Fiscal Year which are in excess of the aggregate amount of tuition support needed for distribution to all school corporations during the current State Fiscal Year, and (iii) third, to the extent the amounts described in clauses (i) and (ii) are insufficient and the General Assembly has adopted a biennial budget appropriating amounts in the immediately succeeding State fiscal year for distribution to the school corporation from State funds, then from such fund or account, as determined by the State Budget Director in an amount equal to the lesser of the unpaid Debt Service Obligation or the amount to be distributed to the school corporation in the immediately succeeding State Fiscal Year (clauses (i) through and including (iii), collectively, the “Available Funds”). If any such payment is made by the State Treasurer pursuant to the State Intercept Program, then the State will recover such amounts by deducting such amount from the future State distributions to be made to the school corporation, first from all funds of the school corporation except tuition support. The estimated State distributions for State fiscal year 2020 and resulting debt service coverage levels are as follows:

Fiscal Year 2020 Basic Grant Distribution (all funds) (1)	<u>\$7,984,309</u>
Estimated Combined Maximum Annual Debt Service (2)	<u>\$1,752,271</u>
State Distributions Required to Provide Two-Times Coverage	<u>\$3,504,542</u>
State Distributions Above Two-Times Coverage Amount	<u>\$4,479,767</u>

- (1) Per the Indiana Department of Education, net of adjustments.
- (2) Based on combined outstanding debt for the year 2020.

While the above description is based upon enacted legislation, the General Assembly may make amendments to such statutes and therefore there is no assurance of future events.

INTEREST CALCULATION

Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

REDEMPTION PROVISIONS

Optional Redemption:

The Bonds are not subject to optional redemption prior to maturity.

Mandatory Sinking Fund Redemption:

If any Bonds are issued as Term Bonds, the Paying Agent shall credit against the mandatory sinking fund requirement for the Term Bonds, and corresponding mandatory redemption obligation, in the order determined by the School Corporation, any Term Bonds which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Paying Agent for cancellation or purchased for cancellation by the Paying Agent and not theretofore applied as a credit against any redemption obligation. Each Term Bond so delivered or canceled shall be credited by the Paying Agent at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory redemption date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of that Term Bond to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Paying Agent shall only credit such Term Bond to the extent received on or before 45 days preceding the applicable mandatory redemption date.

If fewer than all the Bonds are called for redemption at one time, the Bonds shall be redeemed in order of maturity determined by the School Corporation and by lot within maturity. Each \$5,000 principal amount shall be considered a separate bond for purposes of mandatory redemption.

Notice of Redemption:

Notice of redemption shall be mailed to the registered owners of all Bonds to be redeemed at least 30 days but not more than 45 days prior to the date fixed for such redemption, unless notice is waived by the owner of the Bond or Bonds redeemed. If any of the Bonds are so called for redemption, and payment therefore is made to the Paying Agent in accordance with the terms of the Bond Resolution, then such Bonds shall cease to bear interest from and after the date fixed for redemption in the call.

BOOK-ENTRY-ONLY SYSTEM

Unless otherwise directed by the successful bidder, the Bonds will be available only in book-entry form in the principal amount of \$5,000 or any integral multiple thereof (or in such other denominations as requested by the winning bidder). DTC will act as the initial securities depository for the Bonds. The ownership of one fully registered Bond will be registered in the name of Cede & Co., as nominee for DTC, or at the election of the winning bidder, to the purchaser.

SO LONG AS CEDE & CO, AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE BONDS, REFERENCES IN THIS OFFERING CIRCULAR TO THE REGISTERED OWNERS (OR THE OWNERS) WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a S&P Global Rating’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the School Corporation as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal, interest and redemption amounts, if any, on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the School Corporation or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Paying Agent, or the School Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School Corporation or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursements of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the School Corporation or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The School Corporation may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the School Corporation believes to be reliable, but neither the School Corporation nor the Underwriter takes any responsibility for the accuracy thereof.

In the event that the book-entry-only system is discontinued, the Paying Agent will provide for the registration of the Bonds in the name of the Beneficial Owners thereof. The School Corporation, the Registrar, the Paying Agent and any other Fiduciary would treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purposes of making and receiving payment of the principal thereof and interest thereon, and for all other purposes, and none of these parties would be bound by any notice or knowledge to the contrary.

Revision of Book-Entry-Only System:

In the event that either (1) the School Corporation receives notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities as a clearing agency for the Bonds or (2) the School Corporation elects to discontinue its use of DTC as a clearing agency for the Bonds, then the School Corporation and the Paying Agent will do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the Bonds, as are necessary or appropriate to discontinue use of DTC as a clearing agency for the Bonds and to transfer the ownership of each of the Bonds to such person or persons, including any other clearing agency, as the holder of such Bonds may direct in accordance with the Bond Resolution. Any expenses of such a discontinuation and transfer, including any expenses of printing new certificates to evidence the Bonds will be paid by the School Corporation.

PROCEDURES FOR PROPERTY TAX ASSESSMENT, TAX LEVY AND COLLECTION

The debt service payments are payable from ad valorem property taxes required by law to be levied by or on behalf of the School Corporation. Article 10, Section 1 of the Constitution of the State of Indiana (“Constitutional Provision”) provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer’s property tax liability to a specified percentage of the gross assessed value of the taxpayer’s real and personal property. The Indiana General Assembly enacted legislation (Indiana Code Title 6, Article 1.1, Chapter 20.6), which implements the Constitutional Provision and provides taxpayers with a tax credit for all property taxes in an amount that exceeds a certain percentage of the gross assessed value of eligible property. See “CIRCUIT BREAKER TAX CREDIT” herein for further details on the levy and collection of property taxes.

Real and personal property in the State is assessed each year as of January 1. On or before August 1 of each year, the County Auditor must submit a certified statement of the assessed value of each taxing unit for the ensuing year to the Department of Local Government Finance (“DLGF”). The DLGF shall make the certified statement available on its gateway website located at <https://gateway.ifionline.org/> (“Gateway”). The County Auditor may submit an amended certified statement at any time before December 31 of the year preceding the budget year (as defined in IC 6-1.1-17-16(k)(2)), the date by which the DLGF must certify the taxing units’ budgets.

The certified statement of assessed value is used when the governing body of a local taxing unit meets to establish its budget for the next fiscal year (January 1 through December 31) and to set tax rates and levies. In preparing the taxing unit’s estimated budget, the governing body must consider the net property tax revenue that will be collected by the taxing unit during the ensuing year, after taking into account the DLGF’s estimate of the amount by which the taxing unit’s distribution of property taxes will be reduced by the application of the Circuit Breaker Tax Credit (as defined in the summary of “CIRCUIT BREAKER TAX CREDIT” herein), and after taking into account the DLGF’s estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the taxing unit will receive in the ensuing year. Before May 1 of each year, the fiscal officer of each political subdivision shall provide the DLGF with an estimate of the total amount of its debt service obligations (as defined in IC 6-1.1-20.6-9.8) that will be due in the last six months of the current year and in the ensuing year. Beginning in 2018, the DLGF shall provide to each political subdivision: (1) an estimate of the maximum property tax rate that may be imposed by the political subdivision for the ensuing year for each cumulative fund or other fund for which a maximum property tax rate is established by law; and (2) an estimate of property taxes payable for the ensuing year for debt service. Before August 1 of each year, the DLGF shall provide to each taxing unit (1) an estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the unit will receive in the ensuing year if the unit’s tax rates are imposed at the maximum allowable rate and levy under law and (2) an estimate of the amount by which the taxing unit’s distribution of property taxes will be reduced due to the Circuit Breaker Tax Credit. Beginning in 2018, the State Budget Agency must provide to the DLGF and the County Auditor an estimate of the certified local income tax distribution before June 1, and the DLGF must provide by July 1, the estimated amounts to be distributed at the taxing level to the County Auditor.

The taxing unit must submit the following information to the DLGF via Gateway: (i) its estimated budget; (ii) the estimated maximum permissible tax levy, as determined by the DLGF; (iii) the current and proposed tax levies of each fund; (iv) the estimated amount, determined by the DLGF, by which the taxing unit’s property taxes may be reduced by the Circuit Breaker Tax Credit; (v) the amount of excess levy appeals to be requested, if any; and (vi) the time and place at which the taxing unit will conduct a public hearing related to the information submitted to Gateway. The public hearing must be conducted at least ten days prior to the date the governing body establishes the budget, tax rate and levy, which by statute must each be established no later than November 1.

The budget, tax levy and tax rate of each taxing unit are subject to review by the DLGF, and the DLGF shall certify the tax rates and tax levies for all funds of taxing units subject to the DLGF's review. The DLGF may not increase a taxing district's budget by fund, tax rate or tax levy to an amount which exceeds the amount originally fixed by the taxing unit unless the taxing unit meets all of the following: (i) the increase is requested in writing by the taxing unit; (ii) the requested increase is published on the DLGF's advertising internet website; and (iii) notice is given to the county fiscal body of the DLGF's correction.

The DLGF may not approve a levy for debt service by a school corporation if: (i) there are no bonds of the school corporation outstanding; and (ii) the school corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular debt service levy requested. However, the DLGF may increase the school corporation's tax rate and levy if the tax rate and levy proposed by the school corporation are not sufficient to make its debt service payments.

Taxing units have until December 31 of the calendar year immediately preceding the ensuing calendar year to file a levy shortfall appeal. Beginning with the 2019 budget year, the DLGF must complete its review and certification of budgets, tax rates and levies, not later than December 31 of the year preceding the budget year, unless a taxing unit in the county issues debt after December 1 or intends to file a shortfall appeal under IC 6-1.1-18.5-16 in which case the DLGF must certify the budgets for the taxing units in the county by January 15 of the budget year.

On or before March 15, the County Auditor prepares the tax duplicate, which is a roll of property taxes payable in that year. The County Auditor publishes a notice of the tax rate in accordance with Indiana statutes. The County Treasurer mails tax statements at least 15 days prior to the date that the first installment is due (due dates may be delayed due to a general reassessment or other factors). Property taxes are due and payable to the County Treasurer in two installments on May 10 and November 10, unless the mailing of tax bills is delayed or a later due date is established by order of the DLGF. If an installment of property taxes is not completely paid on or before the due date, a penalty of 10% of the amount delinquent is added to the amount due; unless the installment is completely paid within thirty (30) days of the due date and the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for the same parcel, the amount of the penalty is five percent (5%) of the amount of the delinquent taxes. On May 11 and November 11 of each year after one year of delinquency, an additional penalty equal to 10% of any taxes remaining unpaid is added. The penalties are imposed only on the principal amount of the delinquency. Property becomes subject to tax sale procedures after 15 months of delinquency. The County Auditor distributes property tax collections to the various taxing units on or about June 30 after the May 10 payment date and on or about December 31 after the November 10 payment date.

Personal property values are assessed January 1 of every year and are self-reported by property owners to assessors using prescribed forms. The completed personal property return must be filed with the assessors no later than May 15. Pursuant to State law, personal property is assessed at its actual historical cost less depreciation, in accordance with 50 IAC 4.2, the DLGF's Rules for the Assessment of Tangible Personal Property. Beginning January 1, 2016 pursuant to IC 6-1.1-3-7.2, State law automatically exempts from property taxation the acquisition cost of a taxpayer's total business personal property in a county if the total business personal property is less than twenty thousand dollars (\$20,000) for that assessment date.

Pursuant to State law, personal property is assessed at its actual historical cost less depreciation, in accordance with 50 IAC 4.2, the DLGF's Rules for the Assessment of Tangible Personal Property. Effective January 1, 2016, state law annually exempts from property taxation new tangible business personal property with an acquisition cost of less than \$20,000. Pursuant to State law, real property is valued for assessment purposes at its "true tax value" as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4 and the 2011 Real Property Assessment Guidelines, Version A ("Guidelines"), as adopted by the DLGF. P.L. 204-2016, SEC. 3, enacted in 2016, retroactive to January 1, 2016, amends State law to provide that "true tax value" for real property does not mean the value of the property to the user and that true tax value shall be determined under the rules of the DLGF. As a result of P.L. 204-2016, the DLGF has begun the process of amending the Manual. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and IC 6-1.1-4, as amended by P.L. 180-2016. Except for agricultural land, as discussed below, the Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal method, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they produce "accurate and uniform values throughout the jurisdiction

and across all classes of property.” The Manual specifies the standards for accuracy and validation that the DLGF uses to determine the acceptability of any alternative appraisal method. “Net Assessed Value” or “Taxable Value” represents the “Gross Assessed Value” less certain deductions for mortgages, veterans, the aged, the blind, economic revitalization areas, resource recovery systems, rehabilitated residential property, solar energy systems, wind power devices, hydroelectric systems, geothermal devices and tax-exempt property. The “Net Assessed Value” or “Taxable Value” is the assessed value used to determine tax rates.

Changes in assessed values of real property occur periodically as a result of the county’s reassessment plan, as well as when changes occur in the property value due to new construction or demolition of improvements. Before July 1, 2013, and before May 1 of every fourth year thereafter, each county assessor will prepare and submit to the DLGF a reassessment plan for the county. The DLGF must complete its review and approval of the reassessment plan before January 1 of the year following the year in which the reassessment plan is submitted by the county. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under the county’s reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year, and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed. The county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year. However, a plan must cover a four (4) year period. All real property in each group of parcels shall be reassessed under the county’s current reassessment plan once during each reassessment cycle. The reassessment of the first group of parcels under a county’s reassessment plan begins on May 1, 2018, and is to be completed on or before January 1, 2019. Since 2007, all real property assessments are revalued annually to reflect market value based on comparable sales data (“Trending”). When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner may file a petition requesting a review of the action. This petition must be filed with the county assessor in which the property is located within 45 days after the written notification is given to the taxpayer or May 10 of that year, whichever is later. While the appeal is pending, the taxpayer may pay taxes based on the current year’s tax rate and the previous or current year’s assessed value.

Beginning in 2018, the County Auditor shall submit to the DLGF parcel level data of certified net assessed values as required by and according to a schedule provided by the DLGF.

CIRCUIT BREAKER TAX CREDIT

Description of Circuit Breaker:

Article 10, Section 1 of the Constitution of the State of Indiana (the “Constitutional Provision”) provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer’s property tax liability to a specified percentage of the gross assessed value of the taxpayer’s real and personal property. Indiana Code § 6-1.1-20.6 (the “Statute”) authorizes such limits in the form of a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (the “Circuit Breaker Tax Credit”). For property assessed as a homestead (as defined in Indiana Code § 6-1.1-12-37), the Circuit Breaker Tax Credit is equal to the amount by which the property taxes attributable to the homestead exceed 1% of the gross assessed value of the homestead. Property taxes attributable to the gross assessed value of other residential property, agricultural property, and long-term care facilities are limited to 2% of the gross assessed value, property taxes attributable to other non-residential real property and personal property are limited to 3% of the gross assessed value. The Statute provides additional property tax limits for property taxes paid by certain senior citizens.

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. School corporations are authorized to impose a referendum tax levy, if approved by voters, to replace property tax revenue that the school corporation will not receive due to the application of the Circuit Breaker Tax Credit. Otherwise school corporations and other political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

The Constitutional Provision excludes from the application of the Circuit Breaker Tax Credit property taxes first due and payable in 2012, and thereafter, that are imposed after being approved by the voters in a referendum. The Statute codifies this exception, providing that, with respect to property taxes first due and payable in 2012 and thereafter, property taxes imposed after being approved by the voters in a referendum will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute. In accordance with the Constitutional Provision, the General Assembly has, in the Statute, designated Lake County and St. Joseph County as “eligible counties” and has provided that property taxes imposed in these eligible counties to pay debt service and make lease rental payments for bonds or leases issued or entered into before July 1, 2008 or on bonds issued or leases entered into after June 30, 2008 to refund those bonds or leases, will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute, through and including December 31, 2019.

The Statute requires political subdivisions to fully fund the payment of outstanding debt service or lease rental obligations payable from property taxes (“Debt Service Obligations”), regardless of any reduction in property tax collections due to the application of the Circuit Breaker Tax Credit. For school corporations, any shortfall could also be funded through the State Intercept Program (herein defined); however, application of the State Intercept Program will result in a shortfall in distributions to the school corporation's general fund and school corporations are encouraged by the DLGF to fund any shortfall directly from the school corporation's general fund to avoid the application of the State Intercept Program. Upon: (i) the failure of a political subdivision to pay any of its Debt Service Obligations; and (ii) notification of that event to the treasurer of the State by a claimant; the treasurer of State is required to pay the unpaid Debt Service Obligations from money in the possession of the State that would otherwise be available to the political subdivision under any other law. A deduction must be made: (i) first, from local income tax distributions that would otherwise be distributed to the county; and (ii) second, from any other undistributed funds of the political subdivision in possession of the State.

Pursuant to IC 6-1.1-20.6-9.9, a school corporation that is expected to experience sufficient Circuit Breaker Tax Credit loss may, prior to May 1 of a year, request the DLGF, to certify the amount of Circuit Breaker Tax Credit loss, making the school corporation an eligible school corporation under IC 6-1.1-20.6-9.9 (an “Eligible School Corporation”). An Eligible School Corporation may allocate its Circuit Breaker Tax Credit loss, for 2016, 2017, 2018 and 2019 proportionately across all school corporation property tax funds, including the debt service fund, and is exempt from the protected taxes requirement described below. The School Corporation did not qualify for this exemption for 2018.

For 2018 or 2019, if a school corporation: (i) issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than: (A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or (B) for indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law; and (ii) the school corporation's total debt service levy and total debt service tax rate in 2018 or 2019 is greater than the school corporation's total debt service levy and total debt service tax rate in 2016, the school corporation will not be eligible to allocate its Circuit Breaker Tax Credit loss proportionately.

Except for an Eligible School Corporation, the Statute categorizes property taxes levied to pay Debt Service Obligations as “protected taxes,” regardless of whether the property taxes were approved at a referendum, and all other property taxes as “unprotected taxes.” The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The School Corporation may allocate the reduction by using a combination of unprotected taxes of the School Corporation in those taxing districts in which the Circuit Breaker Tax Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

If the allocation of property tax reductions to funds receiving only unprotected taxes is insufficient to offset the amount of the Circuit Breaker Tax Credit, the revenue for a fund receiving protected taxes will also be reduced. If a fund receiving protected taxes is reduced, the Statute provides that a political subdivision may transfer money from any other available source in order to meet its Debt Service Obligations. The amount of this transfer is limited to the amount by which the protected taxes are insufficient to meet Debt Service Obligations.

The School Corporation cannot predict the timing, likelihood or impact on property tax collections of any future actions taken, amendments to the Constitution of the State or legislation enacted, regulations or rulings promulgated

or issued to implement any such regulations, statutes or the Constitutional Provision described above or of future property tax reform in general. There has been no judicial interpretation of this legislation. In addition, there can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes by the School Corporation.

For example, in March, 2016, the Indiana General Assembly passed legislation which revises the factors used to calculate the assessed value of agricultural land. This legislation is retroactive to the January 1, 2016, assessment date and applies to each assessment date thereafter. The revised factors enacted in the legislation may reduce the total assessed value of agricultural land, which could shift property tax liability from agricultural property owners to other property owners. In addition, the reduction in the assessed value of agricultural land may result in a reduction of the total assessed value of a school corporation. A lower assessed value of a school corporation may result in higher tax rates in order for a school corporation to receive its approved property tax levy. See “PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION” herein.

Estimated Circuit Breaker Tax Credit for the School Corporation:

According to the DLGF, the Circuit Breaker Tax Credit allocable to the School Corporation for budget years 2016, 2017 and 2018 were \$23,905, \$27,817 and \$33,951, respectively. The Circuit Breaker Tax Credit allocable to the School Corporation for budget year 2019 is \$33,981. These estimates do not include the estimated debt service on the Bonds.

The Circuit Breaker Tax Credit amounts above do not reflect the potential effect of any further changes in the property tax system or methods of funding local government that may be enacted by the Indiana General Assembly in the future. The effects of these changes could affect the Circuit Breaker Tax Credit and the impact could be material. Other future events, such as the loss of a major taxpayer, reductions in assessed value, increases in property tax rates of overlapping taxing units or the reduction in local option income taxes applied to property tax relief could increase effective property tax rates and the amount of the lost revenue due to the Circuit Breaker Tax Credit, and the resulting increase could be material.

EXEMPTION FROM CONTINUING DISCLOSURE REQUIREMENTS

The continuing disclosure requirements promulgated by the Securities and Exchange Commission (“SEC”) in SEC Rule 15c2-12, as amended to the date hereof (the “SEC Rule”), do not apply to a primary offering of municipal securities with an aggregate principal amount of less than \$1,000,000. Therefore, the School Corporation will not enter into a Continuing Disclosure Undertaking Agreement in connection with this offering.

MUNICIPAL ADVISOR

Baker Tilly Municipal Advisors, LLC (successor to H.J. Umbaugh & Associates, Certified Public Accountants, LLP) (the “Municipal Advisor” or “Baker Tilly”) is a registered municipal advisor and a wholly-owned subsidiary of Baker Tilly Virchow Krause, LLP, an accounting firm and has been retained by the School Corporation to provide certain financial advisory services including, among other things, preparation of the Offering Circular. The information contained in the Offering Circular has been compiled from records and other materials provided by School Corporation officials and other sources deemed to be reliable. The Municipal Advisor has not and will not independently verify the completeness and accuracy of the information contained in the Offering Circular.

The Municipal Advisor’s duties, responsibilities and fees arise solely as Municipal Advisor to the School Corporation and they have no secondary obligations or other responsibility. The Municipal Advisor’s fees are expected to be paid from proceeds of the Bonds.

Municipal Advisor Registration:

Baker Tilly is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. As such, Baker Tilly is providing certain specific municipal advisory services to the School Corporation, but is neither a placement agent to the School Corporation nor a broker/dealer and cannot participate in the underwriting of the Bonds.

The offer and sale of the Bonds shall be made by the School Corporation, in the sole discretion of the School Corporation, and under its control and supervision. The School Corporation has agreed that Baker Tilly does not undertake to sell or attempt to sell the Bonds, and will take no part in the sale thereof.

On March 1, 2019, H.J. Umbaugh & Associates, Certified Public Accountants, LLP (“Umbaugh”) effected a business combination with Baker Tilly Virchow Krause, LLP, a financial services and accounting firm (“Umbaugh/Baker Tilly Combination”). Baker Tilly Virchow Krause, LLP also combined with Springsted Incorporated and Springsted Investment Advisors Inc. effective the second quarter of 2019. As part of the Umbaugh/Baker Tilly Combination, (a) the School Corporation consented to the assignment of its engagement to perform municipal advisory services from Umbaugh to Baker Tilly and (b) Umbaugh’s former municipal advisor representatives became representatives of Baker Tilly.

Other Financial Industry Activities and Affiliations:

Baker Tilly Investment Services, LLC (“BTIS”) is registered as an investment adviser with the Securities and Exchange Commission (“SEC”) under the federal Investment Advisers Act of 1940. BTIS provides non-discretionary investment advice with the purpose of helping clients create and maintain a disciplined approach to investing their funds prudently and effectively. BTIS may provide advisory services to the clients of Baker Tilly.

Baker Tilly Virchow Krause, LLP is an advisory, tax and assurance firm headquartered in Chicago, Illinois. Baker Tilly Virchow Krause, LLP and its affiliated entities, have operations in North America, South America, Europe, Asia and Australia. BTIS is an independent member of Baker Tilly International, a worldwide network of independent accounting and business advisory firms in 47 territories, with 33,600 professionals.

Baker Tilly Capital, LLC, a wholly-owned subsidiary of Baker Tilly Virchow Krause, LLP is a limited purpose broker/dealer registered with the SEC and member of the Financial Industry Regulatory Authority (“FINRA”). Certain representatives of Baker Tilly or BTIS also may be registered representatives of Baker Tilly Capital, LLC.

Baker Tilly has no other activities or arrangements that are material to its advisory business or its clients with a related person who is a broker-dealer, investment company, other investment adviser or financial planner, bank, law firm or other financial entity.

PROPOSED LEGISLATION

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Legislation affecting municipal bonds is considered from time to time by the United States Congress and the Executive Branch, including some proposed changes under consideration at the time of issuance of the Bonds. Bond Counsel’s opinion is based upon the law in existence on the date of issuance of the Bonds. It is possible that legislation enacted after the date of issuance of the Bonds or proposed for consideration will have an adverse effect on the excludability of all or a part of the interest on the Bonds from gross income, the manner in which such interest is subject to federal income taxation or the market price of the Bonds.

Legislation affecting municipal bonds is considered from time to time by the Indiana legislature and Executive Branch. It is possible that legislation enacted after the date of the Bonds or proposed for consideration will have an adverse effect on payment or timing of payment or other matters impacting the Bonds.

The School Corporation cannot predict the outcome of any such federal or state proposals as to passage, ultimate content or impact if passed, or timing of consideration or passage. Purchasers of the Bonds should reach their own conclusions regarding the impact of any such federal or state proposals.

TAX MATTERS

In the opinion of Ice Miller LLP, Indianapolis, Indiana (“Bond Counsel”) under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. This opinion is conditioned on continuing compliance by the Issuer with the Tax Covenants (hereinafter defined). Failure to comply with the Tax Covenants could cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to the date of issue. In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana (the “State”). This opinion relates only to the exemption of interest on the Bonds for State income tax purposes. See Appendix C for the form of opinion of Bond Counsel.

The Code imposes certain requirements which must be met subsequent to the issuance of the Bonds as a condition to the exclusion from gross income of interest on the Bonds for federal income tax purposes. The School Corporation will covenant not to take any action, within its power and control, nor fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code (collectively, the “Tax Covenants”). The Resolution and certain certificates and agreements to be delivered on the date of delivery of the Bonds establish procedures under which compliance with the requirements of the Code can be met. It is not an event of default under the Resolution if interest on the Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not in effect on the issue date of the Bonds.

IC 6-5.5 imposes a franchise tax on certain taxpayers (as defined in IC 6-5.5) which, in general, include all corporations which are transacting the business of a financial institution in Indiana. The franchise tax will be measured in part by interest excluded from gross income under Section 103 of the Code minus associated expenses disallowed under Section 265 of the Code. Taxpayers should consult their own tax advisors regarding the impact of this legislation on their ownership of the Bonds.

Although Bond Counsel will render an opinion in the form attached as Appendix C hereto, the accrual or receipt of interest on the Bonds may otherwise affect a bondholder's federal income tax or state tax liability. The nature and extent of these other tax consequences will depend upon the bondholder's particular tax status and a bondholder's other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, individuals, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Bonds. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Bonds should consult their own tax advisors with regard to the other tax consequences of owning the Bonds.

Under existing laws, judicial decisions, regulations and rulings, the Bonds have been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code relating to the exception from the 100% disallowance of the deduction for interest expense allocable to interest on tax-exempt obligations acquired by financial institutions. The designation is conditioned on continuing compliance with the Tax Covenants.

LITIGATION

To the knowledge of the officers and counsel for the School Corporation, there is no litigation pending, or threatened, against the School Corporation, which in any way questions or affects the validity of the Bonds, or any proceedings or transactions relating to the issuance, sale or delivery thereof.

The officers and counsel for the School Corporation will certify at the time of delivery of the Bonds that there is no litigation pending or in any way threatened questioning the validity of the Bonds, or any of the proceedings had relating to the authorization, issuance and sale of the Bonds, the Bond Resolution or the Project that would result in a material adverse impact on the financial condition of the School Corporation.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the unqualified approving opinion of Ice Miller LLP, Indianapolis, Indiana, Bond Counsel, whose approving opinion will be available at the time of delivery of the Bonds. Ice Miller LLP has not been asked nor has it undertaken to review the accuracy or sufficiency of this Offering Circular, and will express no opinion thereon. The form of opinion of Bond Counsel is included as Appendix C of this Offering Circular.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The remedies available to the bondholders upon a default under the Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the remedies provided in the Resolution may not be readily available or may be limited. Under federal and State environmental laws certain liens may be imposed on property of the School Corporation from time to time, but the School Corporation has no reason to believe, under existing law, that any such lien would have priority over the lien on the property taxes pledged to owners of the Bonds.

The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State and the United States of America and bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

These exceptions would encompass any exercise of federal, State or local police powers (including the police powers of the School Corporation), in a manner consistent with the public health and welfare. Enforceability of the Resolution in a situation where such enforcement may adversely affect public health and welfare may be subject to these police powers.

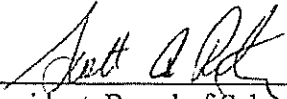
MISCELLANEOUS

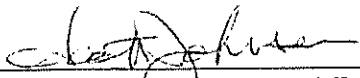
The information contained in this Offering Circular has been compiled from School Corporation officials and other sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, it is believed to be correct as of this date. Additional information may be requested from the Business Manager, Community School Corporation of Eastern Hancock County, Charlottesville, Indiana 46117, phone (317) 936-5444.

The School Corporation certifies to the best of its knowledge and belief that this Official Statement, as of its date and as it relates to the School Corporation and its economic and financial condition, (i) is complete and accurate; (ii) does not contain any untrue statement of a material fact; and (iii) does not omit any material facts or information which would make the statements contained herein misleading.

This Official Statement and its execution are duly authorized.

COMMUNITY SCHOOL CORPORATION OF
EASTERN HANCOCK COUNTY

By: 
President, Board of School Trustees

Attest: 
Secretary, Board of School Trustees

APPENDICES

- i Notice of Intent to Sell Bonds
- A General Information
- B Bond Resolution
- C Legal Opinion
- D Issue Price Determination

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APPENDIX i

NOTICE OF INTENT TO SELL BONDS

\$950,000 GENERAL OBLIGATION BONDS OF 2019 COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY

Upon not less than twenty-four (24) hours' notice given by the undersigned Secretary prior to the ninetieth day after this notice is first published, Community School Corporation of Eastern Hancock County (the "School Corporation") will receive and consider bids for the purchase of the following described Bonds. Any person interested in submitting a bid for the Bonds may furnish in writing to the School Corporation c/o Baker Tilly Municipal Advisors, LLC ("Baker Tilly), 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-2687; (317) 465-1500 or by e-mail to bids@bakertilly.com, on or before 11:00 a.m. (Indianapolis Time) October 17, 2019, the person's name, address, and telephone number. Interested persons may also furnish an e-mail address. The undersigned Secretary will notify (or cause to be notified) each person so registered of the date and time bids will be received not less than twenty-four (24) hours before the date and time of sale. The notification shall be made by telephone at the number furnished by such person and also by e-mail, if an e-mail address has been received.

Notice is hereby given that electronic proposals will be received via PARITY[®], in the manner described below, until the time and date specified in the Notice provided at least 24 hours prior to the sale, which is expected to be 11:00 a.m. (Indianapolis Time), on October 23, 2019. Bids may be submitted electronically via PARITY[®] pursuant to this Notice until the time specified in this Notice, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY[®] conflict with this Notice, the terms of this Notice shall control. For further information about PARITY[®], potential

bidders may contact the School Corporation's advisor, Baker Tilly at (317) 465-1500 or PARITY® at (212) 849-5021.

At the time designated for the sale, the School Corporation will receive at the offices of o Baker Tilly, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana, and consider bids for the purchase of the following described Bonds:

Community School Corporation of Eastern Hancock County General Obligation Bonds of 2019 (the "Bonds"), an Indiana political subdivision, in the principal amount of \$950,000; Fully registered form; Denomination \$5,000 and integral multiples thereof (or in such other denomination as requested by the winning bidder); Originally dated the date of delivery of the Bonds; Bearing interest at a rate or rates to be determined by bidding, payable on July 15, 2020, and semiannually thereafter; These Bonds will be initially issued in a Book Entry System (as defined in the Bond Resolution (as hereinafter defined)) unless otherwise requested by the winning bidder. Interest payable by check mailed one business day prior to the interest payment date or by wire transfer to depositories on the interest payment date to the person or depository in whose name each Bond is registered with U.S. Bank National Association on the fifteenth day immediately preceding such interest payment date; Maturing or subject to mandatory redemption on January 15 and July 15 beginning on July 15, 2020 through not later than January 15, 2025 on the dates and amounts as provided by the School Corporation prior to the sale.

As an alternative to PARITY®, bidders may submit a sealed bid or e-mail the bid electronically to the School Corporation's municipal advisor at the address described above until the time and on the date identified in the notice given by, or on behalf of the School Corporation, twenty-four hours prior to the sale of the Bonds. Upon completion of the bidding procedures described herein, the results of the sealed, non-electronic bids received shall be compared to the electronic bids received by the School Corporation.

If a potential bidder has questions related to the School Corporation, the financing or submission of bids, questions should be submitted by email to the addresses above no later than 11:00 a.m. (Indianapolis Time) on October 21, 2019. To the best of the School Corporation's ability, all questions will be addressed by or on behalf of the School Corporation and sent to

potential bidders, including any bidders requesting 24 hours' notice of sale, no later than 5:00 p.m. (Indianapolis Time) on October 21, 2019. Additionally, upon request, the written responses will be emailed to any other interested bidder. Bidders should review this notice as well as the Preliminary Official Statement and submit any questions in advance of this deadline to submit questions.

The Bonds are not subject to optional redemption prior to maturity.

A bid may designate that a given maturity or maturities shall constitute a term bond, and the semi-annual amounts set forth in the schedule provided prior to the sale shall constitute the mandatory sinking fund redemption requirements for such term bond or bonds. For purposes of computing net interest cost, the mandatory redemption amounts shall be treated as maturing on the dates set forth in the schedule provided prior to the sale.

In the case of any redemption, 30 days' notice will be given by mail to the registered owners of the Bonds to be redeemed, and accrued interest will be paid to the date fixed for redemption. Interest on the Bonds so called for redemption will cease on the redemption date fixed in said notice if funds are available at the place of redemption to redeem the Bonds so called on the date fixed in said notice, or thereafter when presented for payment.

The Bonds have been designated as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

Each bid must be for all of the Bonds and must state the rate of interest which each maturity of the Bonds is to bear, stated in multiples of 1/8th or 1/100th of 1%. The maximum interest rate of the Bonds shall not exceed 5.00% per annum. All Bonds maturing on the same date shall bear the same rate, and the rate of interest bid for each maturity must be equal to or greater than the rate bid on the immediately preceding maturity. Bids shall set out the total

amount of interest payable over the term of the Bonds and the net interest cost on the Bonds covered by the bid. No bid for less than 99.50% of the face value of the Bonds will be considered. The Bonds will be awarded to the lowest responsible and responsive bidder who has submitted a bid in accordance herewith (the "Purchaser"). The Purchaser will be the one who offers the lowest net interest cost to the School Corporation, to be determined by computing the total interest on all of the Bonds to their maturities based upon the schedule provided by the School Corporation prior to the sale and deducting therefrom the premium bid, if any, and adding thereto the discount bid, if any. No conditional bids will be considered. The right is reserved to reject any and all bids. If an acceptable bid is not received for the Bonds on the date of sale hereinbefore fixed, the sale may be continued from day to day thereafter without further advertisement, during which time no bid which provides a higher net interest cost to the Corporation than the best bid received at the time of the advertised sale will be considered.

A good faith deposit ("Deposit") in the form of cash, wire transfer, or certified or cashier's check in the amount of \$9,500 payable to the order of the School Corporation is required to be submitted by the Purchaser not later than 3:30 p.m. (EST) on the next business day following the award. If such Deposit is not received by that time, the School Corporation may reject the bid. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the School Corporation as liquidated damages.

The Purchaser shall make payment for such Bonds and accept delivery thereof within five days after being notified that the Bonds are ready for delivery, at such place in the City of Indianapolis, Indiana, as the Purchaser may designate, or at such other location mutually agreed to by the School Corporation and the Purchaser. The Bonds will be ready for delivery within 45

days after the date of sale. If the School Corporation fails to have the Bonds ready for delivery prior to the close of banking hours on the forty-fifth day after the date of sale, the Purchaser may secure the release of the bid upon request in writing, filed with the School Corporation. Unless otherwise requested by the winning bidder, the Purchaser is expected to apply to a securities depository registered with the Securities and Exchange Commission ("SEC") to make such Bonds depository-eligible. If the Bonds are reoffered, at the time of delivery of the Bonds to the Purchaser, the Purchaser will be required to certify to the School Corporation the initial reoffering price to the public of a substantial amount of each maturity of the Bonds.

All provisions of the bid form and Preliminary Official Statement (as hereinafter defined) are incorporated herein. As set forth in the Preliminary Official Statement, the Purchaser agrees by submission of their bid to assist the School Corporation in establishing the issue price of the Bonds under the terms outlined therein and shall execute and deliver to the School Corporation at closing an "issue price" certificate, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Purchaser, the School Corporation and Ice Miller LLP ("Bond Counsel").

Bidders must comply with the rules of PARITY[®] (the "Rules") in addition to requirements of this Notice. To the extent there is a conflict between the Rules and this Notice, this Notice shall control. Bidders may change and submit bids as many times as they wish during the sale, but they may not withdraw a submitted bid. The last bid submitted by a bidder prior to the deadline for the receipt of bids will be compared to all other final bids to determine the winning bid. During the sale, no bidder will see any other bidder's bid, nor will they see the status of their bid relative to other bids (e.g., whether their bid is a leading bid).

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder therefor to accept delivery of and pay for the Bonds in accordance with the terms of its proposal. No CUSIP identification number shall be deemed to be a part of any Bond or a part of the contract evidenced thereby and no liability shall hereafter attach to the School Corporation or any of its officers or agents because of or on account of such numbers. All expenses in relation to the printing of CUSIP identification numbers on the Bonds shall be paid for by the School Corporation; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the Purchaser. The Purchaser will also be responsible for any other fees or expenses it incurs in connection with the resale of the Bonds.

The approving opinion of Bond Counsel, together with a transcript of the proceedings relating to the issuance of the Bonds and closing papers in the usual form showing no litigation questioning the validity of the Bonds, will be furnished to the successful bidder at the expense of the School Corporation.

The Bonds are being issued for the purpose of the renovation of and improvements to Eastern Hancock High School, Eastern Hancock Middle School and Eastern Hancock Elementary School, including athletic and site improvements throughout the School Corporation and the purchase of technology and equipment, and will be direct obligations of the School Corporation payable out of ad valorem taxes to be collected on the taxable property within the School Corporation; however, the School Corporation's collection of the levy may be limited by operation of I.C. 6-1.1-20.6, which provides taxpayers with tax credits for property taxes attributable to different classes of property in an amount that exceeds certain percentages of the

gross assessed value of that property. The School Corporation is required by law to fully fund the payment of debt service on the Bonds in an amount sufficient to pay the debt service, regardless of any reduction in property tax collections due to the application of such tax credits. The School Corporation may not be able to levy or collect additional property taxes to make up this shortfall. The School Corporation is a school corporation organized pursuant to the provisions of I.C. 20-23; the Bonds will not be "private activity bonds" as defined in Section 141 of the Code.

The Bonds constitute an indebtedness only of the School Corporation. In the opinion of Bond Counsel, under the existing federal statutes, decisions, regulations and rulings, the interest on the Bonds is exempt from all income taxation in Indiana. In the opinion of Bond Counsel, under the existing federal statutes, decisions, regulations and rulings, the interest on the Bonds is excludable from gross income for purposes of federal income taxation.

The School Corporation has prepared an Offering Circular (the "Offering Circular") relating to the Bonds which it has deemed nearly final. A copy of the Offering Circular may be obtained from the School Corporation's municipal advisor, Baker Tilly, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-2687. Within seven (7) business days of the sale, the School Corporation will provide the successful bidder with sufficient copies of the Offering Circular at the School Corporation's expense in order for such bidder to comply with Section (b)(4) of the SEC Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board. Additional copies, at the Purchaser's expense, must be requested within five (5) business days of the sale. Inquiries concerning matters contained in the Offering Circular must be made and pricing and other information necessary to complete the Offering Circular must be submitted by

the Purchaser within two (2) business days following the sale to be included in the Offering Circular.

The School Corporation has further agreed to comply with the Purchaser's reasonable requests to provide or disclose information and make appropriate filings which may be required in order for such purchaser to comply with the SEC Rule.

Further information relative to said issue and a copy of the Offering Circular may be obtained upon application to Baker Tilly, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240 2687, municipal advisor to the School Corporation; or Adam Kinder, Director of Business & Operations of the School Corporation, 10370 East 250 North, Charlottesville, Indiana 46117. If bids are submitted by mail, they should be addressed to the School Corporation, attention Baker Tilly, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-2687.

Dated this 3rd day of October, 2019.

/s/
Secretary, Board of School Trustees
Community School Corporation of Eastern
Hancock County

APPENDIX A

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COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY

SYSTEM OVERVIEW

The Community School Corporation of Eastern Hancock County (the “School Corporation”) serves the townships of Blue River, Brown and Jackson, including the Towns of Shirley and Wilkinson. The School Corporation is comprised of one elementary school housing students in grades pre-kindergarten through five, one middle school serving grades six through eight and one high school providing education to students in grades nine through twelve.

The School Corporation offers a variety of educational opportunities for students and all three Eastern Hancock Schools are rated “A” Schools by the Indiana Department of Education.

FACILITIES

The School Corporation presently operates the following schools.

<u>School</u>	<u>Grades</u>	<u>Year Opened</u>	<u>Additions/ Renovations</u>	<u>2018/2019 Enrollment</u>
Eastern Hancock Elementary School	Pre K-5	1978	2007	517
Eastern Hancock Middle School	6-8	1996	2007	285
Eastern Hancock High School	9-12	1971	2007	394

SERVICES

The school corporation provides a complete academic curriculum in grades kindergarten through twelve as well as extracurricular athletic and academic activities. Vocational programming is available to high school students at the Career Technical Education Center or New Castle Career Center. High ability programming for academically talented students is available at each school building and special education programming is provided by the corporation.

ENROLLMENT

Presented below are enrollment figures as provided by the School Corporation. The statistics represent the number of students enrolled at the beginning of the school years.

<u>School</u>	<u>School Year</u>									
	<u>2009/ 2010</u>	<u>2010/ 2011</u>	<u>2011/ 2012</u>	<u>2012/ 2013</u>	<u>2013/ 2014</u>	<u>2014/ 2015</u>	<u>2015/ 2016</u>	<u>2016/ 2017</u>	<u>2017/ 2018</u>	<u>2018/ 2019</u>
Eastern Hancock Elementary School	466	470	421	431	424	447	488	514	512	517
Eastern Hancock Middle School	266	277	284	290	294	278	292	267	287	285
Eastern Hancock High School	333	358	355	344	390	416	410	425	416	394
Totals	<u>1,065</u>	<u>1,105</u>	<u>1,060</u>	<u>1,065</u>	<u>1,108</u>	<u>1,141</u>	<u>1,190*</u>	<u>1,206</u>	<u>1,215</u>	<u>1,196</u>

*For the 2015/2016 school year, the Department of Education began counting Kindergarten students as 1.0 instead of 0.5.

Presented below are total projected enrollment figures as provided by the School Corporation.

<u>Year</u>	<u>Projected Enrollment</u>
2019/2020	1,201
2020/2021	1,196
2021/2022	1,200
2022/2023	1,205
2023/2024	1,211

SCHOOL BOARD OF TRUSTEES

<u>Name</u>	<u>Current Term Began</u>	<u>Current Term Ends</u>
Scott Petry, President	01/01/2017	12/31/2020
James R. Jackson Jr., 1st Vice President	01/01/2017	12/31/2020
Tammy Stunda, 2nd Vice President	01/01/2019	12/31/2022
Scott Johnson, Secretary	01/01/2017	12/31/2020
Tammy Settergren, Assistant Secretary	01/01/2019	12/31/2022

ADMINISTRATION AND STAFF

The School Corporation is under the direction of a five-member elected School Board of Trustees who serve four-year terms. The Superintendent, appointed by the School Board, directs a certified staff of 81 and a non-certified staff of 116 with union representation as follows:

<u>Union Name</u>	<u>Union Representation</u>	<u>Number of Members</u>	<u>Contract Expiration Date</u>
Eastern Hancock Educators Association	Teachers	58	05/29/2020

PENSION OBLIGATIONS

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund (PERF) is a defined benefit pension plan. PERF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
 One North Capitol, Suite 001
 Indianapolis, IN 46204
 Ph. (888) 526-1687

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS.

Employer contributions for the year 2018 were \$177,677.

Teachers' Retirement Fund

Plan Description

The Indiana Teachers' Retirement Fund ("TRF") is a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the INPRS Board of Trustees, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRF plan as a whole and for its participants. That report may be obtained by contacting:

Indiana Public Retirement System
One North Capitol Ave, Suite 001
Indianapolis, IN 46204
Ph. (888) 286-3544

Funding Policy and Annual Pension Cost

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

Employer contributions for the year 2018 were \$398,803.

Other Postemployment Benefits

The School Corporation pays out unused sick leave days to eligible non-certified retirees, and that amount is capped at 60 days. The amount paid for the year 2018 was \$657. In January 2019, the School Corporation starting matching 2% on a 403(b) retirement plan available to all certified and full-time year round staff. The annual expense is estimated at approximately \$65,000. The School Corporation also allows retirees to stay on its health plan but requires the retiree to pay the premium.

GENERAL PHYSICAL AND DEMOGRAPHIC INFORMATION

LOCATION

The School Corporation is located in Central Indiana, in Hancock County (the "County") approximately 20 miles northeast of Indianapolis. The School Corporation is comprised of the townships of Blue River, Brown and Jackson, including the Towns of Charlottesville, Shirley and Wilkinson.

GENERAL CHARACTERISTICS

The School Corporation consists primarily of agriculture, commercial businesses and residential housing. The close proximity of the School Corporation to the City of Indianapolis provides increased employment, educational and recreational opportunities.

PLANNING AND ZONING

Uniform development within the School Corporation area is the responsibility of the Hancock County Area Plan Commission, and the Town of Wilkinson.

HIGHER EDUCATION

Hancock County is within 45 minutes of Indiana University-Purdue University Indianapolis (IUPUI), Anderson University, Butler University, and the University of Indianapolis. Ivy Tech Community College also has four campuses within commuting distance.

GENERAL ECONOMIC AND FINANCIAL INFORMATION

COMMERCE AND INDUSTRY

The School Corporation's proximity to Indianapolis and its location on Interstate 70, a major east/west transportation artery in the nation, makes Hancock County an attractive location for distribution and light industrial businesses. Several industrial and business parks have been developed in the County and continue to grow. Other employment opportunities include government, hospitals and medical offices, a variety of service businesses, and farming. The City of Indianapolis also provides a wide range of employment opportunities for School Corporation residents.

Covance Laboratories Inc., a New Jersey drug-services company, purchased approximately 450 acres of Eli Lilly & Company's Greenfield Laboratories consisting of the research and administrative buildings. Covance currently employs 1,050.

Keihin Indiana Precision Technology, Inc. opened its facility in the northern part of the City of Greenfield in May of 1990. This Japanese-owned company manufactures the fuel injection systems for the Honda facility in Marysville, Ohio. The company began operations with approximately 200 jobs in 1990. In recent years, manufacturing space has been increased and a security station and warehouse were built to increase production. Employment is approximately 740, according to the Hancock Economic Development Council ("HEDC").

Eli Lilly & Company's Greenfield facility began pharmaceutical and agricultural research in 1912. The Company has been a major investor and employer in the City of Greenfield. Eli Lilly & Company's Elanco Animal Health division moved its headquarters to a new 52-acre business park located near I-70 in Greenfield in April 2010. The headquarters consists of two office buildings and a laboratory on 20 acres in the park. In 2013, Elanco completed Phase II of construction with a 100,000 sq.ft. expansion to the facility. According to the HEDC, Elanco Animal Health employs approximately 770 people at its headquarters and manufactures antibiotics, feed additives, parasite killers and pet medicines.

Indiana Automotive Fasteners, Inc. located in Greenfield in 1997 as a manufacturer of automotive fasteners. According to the HEDC, employment is currently at approximately 750.

Novelty Distributors started in Greenfield approximately 20 years ago as a small company and has grown steadily. The company distributes high impulse items to convenience stores and relocated to its new facility in 1997. Novelty Distributors now employs 75 employees, according to the HEDC.

John Morrell Food Group, the oldest continuously operating meat manufacturer announced the construction of a new distribution center on February 11, 2015. The company expected \$43.5 million to build and equip the center. The distribution center currently has 275 employees, according to the HEDC.

Stanley Black & Decker, Inc. a construction tool manufacturer, expanded operations in Greenfield with a \$7.69 million investment. The facility produces DEWALT corded power tools, including reciprocating saws, screw guns, hammer drills, one-half inch drills and small angle grinders. Stanley Black & Decker currently employs 300 employees, according to the HEDC.

Spectra Premium Corp., an auto parts manufacturer, is planning to move into a new \$25 million dollar building due to the need for additional space. Becknell Industrial is developing the approximately 500,000 square foot warehouse. Construction is expected to last until March 2020.

According to the Greenfield Reporter, Yamaha Marine Precision Propellers Inc. plans to invest \$18 million and bring 81 jobs to Hancock County. Construction of the 50,000 square foot propeller manufacturing facility is expected to start in late 2019.

Hancock Health opened a new health center in September 2019 that will provide immediate care, testing, and imaging services. The \$14 million facility will have approximately 30 employees. Hancock Health plans to use 24 acres of the 140 acre site for its medical campus and develop the remainder for mixed use applications such as retail, hospitality, or education.

LARGE EMPLOYERS

Below is a list of the School Corporation's largest employers. The number of employees shown are as reported by company personnel unless otherwise noted. Because of reporting time lags and other factors inherent in collecting and reporting such information, the statistics may not reflect recent employment levels.

<u>Name</u>	<u>Year Established</u>	<u>Type of Business</u>	<u>Reported Employment</u>
Hancock Regional Hospital	1951	Acute health care facility	1,250
Covance Laboratories Inc.	2008	Mfg. pharmaceuticals/research	1,050
Elanco Animal Health (a division of Eli Lilly & Company)	1924	Mfg. antibiotics, feed additives, parasite killers and pet medicines	770
Indiana Automotive Fasteners, Inc.	1997	Mfg. automotive fasteners	750
Keihin Indiana Precision Technology, Inc.	1990	Mfg. fuel injection systems	740
Wal Mart		Retail store	400
Hancock County	1828	County government	339
Stanley Black & Decker		Mfg. tools and hardware	300
Smithfield Foods		Distribution center	275
Spectra Premium Corp.		Mfg. auto parts	250

EMPLOYMENT

<u>Year</u>	<u>Unemployment Rate</u>	
	<u>Hancock County</u>	<u>Indiana</u>
2014	5.2%	6.0%
2015	4.2%	4.8%
2016	3.8%	4.4%
2017	3.0%	3.6%
2018	3.0%	3.4%
2019, July	3.1%	3.6%

Source: Indiana Business Research Center. Data collected as of September 06, 2019.

POPULATION

<u>Year</u>	<u>Community School Corporation of Eastern Hancock County</u>				<u>Percent of Change</u>	<u>Hancock County</u>	
	<u>Blue River Township (1)</u>	<u>Brown Township</u>	<u>Jackson Township</u>	<u>Total</u>		<u>Population</u>	<u>Percent of Change</u>
1970	977	2,552	1,756	5,285	14.07%	35,096	31.62%
1980	1,201	2,703	1,884	5,788	9.52%	43,939	25.20%
1990	1,033	2,573	1,762	5,368	-7.26%	45,527	3.61%
2000	1,328	2,579	1,793	5,700	6.18%	55,391	21.67%
2010	1,417	2,571	1,786	5,774	1.30%	70,002	26.38%
2018, Est.	1,480	2,647	1,861	5,988	3.71%	76,351	9.07%

(1) Includes the Towns of Shirley and Wilkinson.

Source: U.S. Census Bureau

AGE STATISTICS

	<u>School Corporation</u>	<u>Hancock County</u>
Under 25 Years	1,865	23,237
25 to 44 Years	1,327	17,942
45 to 64 Years	1,770	19,886
65 Years and Over	812	8,937

Source: U.S. Census Bureau's 2010 Census

EDUCATIONAL ATTAINMENT

<u>Years of School Completed</u>	<u>Persons 25 and Over</u>	
	<u>School Corporation</u>	<u>Hancock County</u>
Less than 9th grade	0.5%	1.3%
9th to 12th grade, no diploma	4.4%	4.9%
High school graduate	40.0%	32.4%
Some college, no degree	23.3%	21.5%
Associate's degree	10.5%	9.8%
Bachelor's degree	12.4%	20.3%
Graduate or professional degree	8.8%	9.9%

Source: U.S. Census Bureau's 2013-2017 American Community Survey 5-Year Estimates

MISCELLANEOUS ECONOMIC INFORMATION

	<u>Hancock County</u>	<u>Indiana</u>
Per capita income, past 12 months*	\$31,428	\$27,305
Median household income, past 12 months*	\$70,973	\$52,182
Average weekly earnings in manufacturing (qtr. of 2018)	\$1,072	\$1,203
Land area in square miles - 2010	306.02	35,826.11
Population per land square mile - 2010	228.7	181.0
Retail sales in 2012:		
Total retail sales	\$600,818,000	\$85,857,962,000
Sales per capita**	\$336,404	\$13,242
Sales per establishment	\$3,708,753	\$3,974,722

*In 2017 inflation-adjusted dollars – 5-year estimates

**Based on 2010 Population.

Source: Bureau of Census Reports and the Indiana Business Research Center. Data collected as of September 06, 2019.

<u>Employment and Earnings - Hancock County 2017</u>	<u>Earnings</u> (In 1,000s)	<u>Percent of Earnings</u>	<u>Labor Force</u>	<u>Distribution of Labor Force</u>
Services	615,120	38.33%	13,480	40.01%
Manufacturing	257,906	16.07%	3,831	11.36%
Government	237,724	14.81%	4,194	12.45%
Wholesale and retail trade	179,430	11.18%	4,593	13.63%
Construction	159,551	9.94%	2,799	8.31%
Finance, insurance and real estate	70,703	4.41%	2,563	7.61%
Transportation and warehousing	55,953	3.49%	1,085	3.22%
Information	20,473	1.28%	307	0.91%
Utilities	5,331	0.33%	69	0.20%
Forestry, fishing, related activities	2,554	0.16%	100	0.30%
Mining	171	0.01%	35	0.10%
Farming (1)	(192)	-0.01%	639	1.90%
Totals	<u>\$1,604,724</u>	<u>100.00%</u>	<u>33,695</u>	<u>100.00%</u>

(1) The Farming production expenses in Hancock County were greater than cash receipts and other income.

Source: Bureau of Economic Analysis and the Indiana Business Research Center. Data collected as of September 06, 2019.

<u>Adjusted Gross Income</u>	<u>Year</u>	<u>Hancock County Total</u>
	2013	\$1,919,868,515
	2014	1,963,263,488
	2015	2,065,028,183
	2016	2,143,652,598
	2017	2,315,586,951

Source: Indiana Department of Revenue.

SCHEDULE OF INDEBTEDNESS

The following schedule shows the outstanding indebtedness of the School Corporation and the taxing units within and overlapping its jurisdiction as of September 9, 2019, including issuance of the Bonds, as reported by the respective taxing units.

<u>Direct Debt</u>	<u>Original Par Amount</u>	<u>Final Maturity</u>	<u>Outstanding Amount</u>
Tax Supported Debt			
General Obligation Bonds of 2019 (This issue)	\$950,000	01/15/23	\$950,000
General Obligation Bonds of 2015	500,000	01/15/21	170,000
General Obligation Note of 2014	800,000	07/15/20	87,500
Eastern Hancock Middle School Building Corporation Ad Valorem Property Tax First Mortgage Refunding and Improvement Bonds, Series 2016	10,060,000	01/15/32	8,910,000
First Mortgage Refunding and Improvement Bonds Series 2009	6,335,000	01/10/21	<u>980,000</u>
Total Direct Debt			<u><u>\$11,097,500</u></u>

Note: The School Corporation is considering issuing bonds of approximately \$2,000,000 in 2020. The School Corporation also makes monthly payments for a copier lease out of its operations and education funds.

<u>Overlapping Debt</u>	<u>Total Debt</u>	<u>Percent Allocable to School Corporation (1)</u>	<u>Amount Allocable to School Corporation</u>
Tax Supported Debt			
Hancock County	\$9,555,000	8.74%	\$835,107
Town of Shirley	23,566	100.00%	23,566
Hancock County Public Library	7,089,687	10.60%	751,507
Tax Supported Debt			<u>1,610,180</u>
Self-Supporting Revenue Debt			
Town of Shirley	970,000	100.00%	<u>970,000</u>
Self-Supporting Revenue Debt			<u>970,000</u>
Total Overlapping Debt			<u><u>\$2,580,180</u></u>

(1) Based upon the 2018 payable 2019 net assessed valuation of the respective taxing units.

The schedule presented above is based on information furnished by the obligors or other sources and is deemed reliable. The School Corporation makes no representation or warranty as to its accuracy or completeness.

DEBT RATIOS

The following presents the ratios relative to the tax and revenue supported indebtedness of the taxing units within and overlapping the School Corporation as of September 9, 2019, including issuance of the Bonds.

	Direct Tax Supported Debt \$11,097,500	Allocable Portion of All Other Overlapping Tax and Revenue Supported Debt \$2,580,180	Total Direct and Overlapping Tax and Revenue Supported Debt \$13,677,680
Per capita (1)	\$7,498.31	\$1,743.36	\$9,241.68
Percent of net assessed valuation (2)	3.50%	0.81%	4.31%
Percent of gross assessed valuation (3)	2.28%	0.53%	2.81%
Per pupil (4)	\$9,278.85	\$2,157.34	\$11,436.19

- (1) According to the U.S. Census Bureau, the estimated 2017 population of the School Corporation is 1,480.
- (2) The net assessed valuation of the School Corporation for taxes payable in 2019 is \$317,441,795 according to the Hancock County Auditor's office.
- (3) The gross assessed valuation of the School Corporation for taxes payable in 2019 is \$486,370,280 according to the Hancock County Auditor's office.
- (4) Enrollment of the School Corporation is 1,196 as reported by school personnel.

DEBT LIMIT

The amount of general obligation debt a political subdivision of the State of Indiana can incur is controlled by the constitutional debt limit, which is an amount equal to 2% of the value of taxable property within the political subdivision. Pursuant to Indiana Code 36-1-15, the value of taxable property within the political subdivision is divided by three for the purposes of this calculation. The School Corporation debt limit, based upon the adjusted value of taxable property, is shown below.

Certified net assessed valuation (Taxes payable in 2020)	\$311,964,073
Times: 2% general obligation debt issue limit	2%
Sub-total	6,239,281
Divided by 3	3
General obligation debt issue limit	2,079,760
Less: Outstanding general obligation debt including the Bonds	(1,207,500)
Estimated amount remaining for general obligation debt issuance	\$872,260

SCHEDULE OF HISTORICAL NET ASSESSED VALUATION

(As Provided by the Hancock County Auditor's Office)

<u>Year</u> <u>Payable</u>	<u>Real Estate</u>	<u>Utilities</u>	<u>Personal</u> <u>Property</u>	<u>Total</u> <u>Taxable Value</u>
2015	\$281,066,279	\$12,056,710	\$16,283,510	\$309,406,499
2016	281,551,003	12,389,460	17,551,180	311,491,643
2017	282,208,311	13,382,980	17,064,600	312,655,891
2018	282,680,312	15,094,940	17,649,760	315,425,012
2019	281,872,115	17,029,730	18,539,950	317,441,795
2020 (1)	N/A	N/A	N/A	311,964,073

(1) Certified Net Assessed Valuation per Department of Logal Government Finance ("DLGF").

NOTE: Net assessed valuations represent the assessed value less certain deductions for mortgages, veterans, the aged and the blind, as well as tax-exempt property.

Real property is valued for assessment purposes at its true tax value as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4, and the 2011 Real Property Assessment Guidelines ("Guidelines"), as adopted by the DLGF. In the case of agricultural land, true tax value is the value determined in accordance with the Guidelines adopted by the DLGF and IC 6-1.1-4-13. In the case of all other real property, true tax value is defined as "the market value-in-use of a property for its current use, as reflected by the utility received by the owner or by a similar user, from the property."

P.L. 180-2016 revises the factors used to calculate the assessed value of agricultural land. This legislation is retroactive to the January 1, 2016 assessment date and applies to each assessment date thereafter. The revised factors enacted in the legislation may reduce the total assessed value of agricultural land, which could shift property tax liability from agricultural property owners to other property owners. In addition, the reduction in the assessed value of agricultural land may result in a reduction of the total assessed value of a School Corporation. Lower assessed values of a School Corporation may result in higher tax rates in order for a School Corporation to receive its approved property tax levy.

Real property assessments are annually adjusted to market value based on sales data. The process of adjusting real property assessments to reflect market values has been termed "trending" by the DLGF.

The Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal method, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they produce accurate and uniform values throughout the jurisdiction and across all classes of property. The Manual specifies the standards for accuracy and validation that the DLGF uses to determine the acceptability of any alternative appraisal method.

DETAIL OF NET ASSESSED VALUATION
 Assessed 2018 for Taxes Payable in 2019
 (As Provided by the Hancock County Auditor's Office)

	<u>Blue River Township</u>	<u>Brown Township</u>	<u>Shirley Town</u>	<u>Wilkinson Town</u>	<u>Jackson Township</u>	<u>Total</u>
Gross Value of Land	\$47,113,100	\$47,351,600	\$4,737,000	\$4,394,000	\$55,857,000	\$159,452,700
Gross Value of Improvements	<u>90,342,200</u>	<u>78,059,400</u>	<u>16,061,700</u>	<u>14,574,200</u>	<u>92,171,400</u>	<u>291,208,900</u>
Total Gross Value of Real Estate	137,455,300	125,411,000	20,798,700	18,968,200	148,028,400	450,661,600
Less: Mortgage Exemptions, Veterans, Blind Age 65 & Other Exemptions	(49,220,685)	(42,866,537)	(10,666,497)	(9,225,318)	(51,354,348)	(163,333,385)
Tax Exempt Property	<u>(652,000)</u>	<u>(1,996,000)</u>	<u>(967,200)</u>	<u></u>	<u>(1,840,900)</u>	<u>(5,456,100)</u>
Net Assessed Value of Real Estate	<u>87,582,615</u>	<u>80,548,463</u>	<u>9,165,003</u>	<u>9,742,882</u>	<u>94,833,152</u>	<u>281,872,115</u>
Business Personal Property	3,757,590	6,166,880	1,482,920	924,150	6,347,410	18,678,950
Less: Deductions	<u>(3,080)</u>	<u>(95,660)</u>	<u>(15,700)</u>	<u></u>	<u>(24,560)</u>	<u>(139,000)</u>
Net Assessed Value of Personal Property	<u>3,754,510</u>	<u>6,071,220</u>	<u>1,467,220</u>	<u>924,150</u>	<u>6,322,850</u>	<u>18,539,950</u>
Net Assessed Value of Utility Property	<u>7,328,410</u>	<u>2,061,150</u>	<u>523,730</u>	<u>743,760</u>	<u>6,372,680</u>	<u>17,029,730</u>
Total Net Assessed Value	<u><u>\$98,665,535</u></u>	<u><u>\$88,680,833</u></u>	<u><u>\$11,155,953</u></u>	<u><u>\$11,410,792</u></u>	<u><u>\$107,528,682</u></u>	<u><u>\$317,441,795</u></u>

COMPARATIVE SCHEDULE OF CERTIFIED TAX RATES

Per \$100 of Net Assessed Valuation

	Year Taxes Payable				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Detail of Certified Tax Rate:					
Debt Service	\$0.4730	\$0.3994	\$0.4127	\$0.4534	\$0.4163
Capital Projects	0.2669	0.2644	0.2657	0.2654	
Transportation	0.2510	0.2546	0.2621	0.2715	
Bus Replacement	0.0708	0.0718	0.0740	0.0766	
Operations Fund*					0.6310
Totals	<u>\$1.0617</u>	<u>\$0.9902</u>	<u>\$1.0145</u>	<u>\$1.0669</u>	<u>\$1.0473</u>

Total District Certified Tax Rate (1)

Blue River Township	\$1.4422	\$1.3767	\$1.4008	\$1.4927	\$1.4723
Brown Township	\$1.4367	\$1.3878	\$1.4133	\$1.4729	\$1.4536
Shirley Town	\$3.2798	\$3.2398	\$3.4202	\$3.7139	\$3.5487
Wilkinson Town	\$2.3445	\$2.2943	\$2.3526	\$2.4344	\$2.3674
Jackson Township	\$1.4562	\$1.3980	\$1.4248	\$1.4928	\$1.4738

*The Operations Fund has been created to replace, in part, the General Fund and, in whole, the Capital Projects Fund, the Transportation Fund, the Art Association Fund, the Historical Society Fund, the Playground Fund, and the Bus Replacement Fund, which were repealed by the Indiana General Assembly effective January 1, 2019. The Operations Fund is used to pay for expenditures not directly related to student instruction and learning, including all of the expenditures of the previously existing funds and the portions of the operational expenses not paid for by the Education Fund. The Education Fund replaced, in part, the General Fund effective January 1, 2019 and is used for expenditures related to student instruction and learning. A property tax levy to support the Operations Fund has replaced all other school property tax levies, except for the debt service levies or a levy approved by a referendum.

(1) Source: DLGF Certified Budget Orders for the School Corporation.

PROPERTY TAXES LEVIED AND COLLECTED

<u>Collection Year</u>	<u>Certified Taxes Levied</u>	<u>Circuit Breaker Tax Credit</u> (1)	<u>Certified Taxes Levied Net of Circuit Breaker Tax Credit</u>	<u>Taxes Collected</u>	<u>Collected as Percent of Gross Levy</u>	<u>Collected as Percent of Net Levy</u>
2014	\$2,818,221	(\$22,480)	\$2,795,741	\$2,885,723	102.40%	103.22%
2015	3,220,890	(25,857)	3,195,033	3,290,177	102.15%	102.98%
2016	3,031,795	(23,905)	3,007,890	3,029,297	99.92%	100.71%
2017	3,132,084	(27,817)	3,104,267	3,194,278	101.99%	102.90%
2018	3,307,138	(33,951)	3,273,187	3,321,276	100.43%	101.47%
2019	3,264,009	(33,981)	3,230,028	(-----In process of collections-----)		

Source: The Hancock County Auditor's Office and the DLGF Certified Budget Orders for the School Corporation.

(1) Circuit Breaker Tax Credits allocable to the School Corporation per the DLGF.

Indiana Code 6-1.1-20.6 (the "Statute") provides taxpayers with a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit ("Circuit Breaker Tax Credit").

Property taxes for residential homesteads are limited to 1.0% of the gross assessed value of the homestead; property taxes for agricultural, other residential property and long term care facilities are limited to 2.0% of their gross assessed value; and property taxes for all other real and personal property are limited to 3.0% of gross assessed value. Additional property tax limits have been made available to certain senior citizens. School corporations are authorized to impose a referendum tax levy to replace property tax revenue that the school corporation will not receive due to the Circuit Breaker Tax Credit. Other political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

The Statute categorizes property taxes levied to pay Debt Service Obligations as "protected taxes," regardless of whether the property taxes were approved at a referendum, and all other property taxes as "unprotected taxes." The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The political subdivision may allocate the reduction by using a combination of unprotected taxes of the political subdivision in those taxing districts in which the Circuit Breaker Tax Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

LARGE TAXPAYERS

The following is a list of the ten largest taxpayers located within the School Corporation.

<u>Name</u>	<u>Type of Business</u>	<u>2018/2019 Net Assessed Valuation</u>	<u>Percent of Total Net Assessed Valuation (1)</u>
ANR Pipeline	Natural gas utility	\$6,871,970	2.16%
NineStar Connect	Telephone & electric utility	5,059,520	1.59%
Smith Farms/Carl & Kristi Smith	Farm and carrier truck company	4,190,730	1.32%
Scott Farms	Farm	2,876,180	0.91%
Drainage Construction Unlimited., Inc.	Transportation services	2,653,805	0.84%
L & M Wilson, Inc./Wilson & Associates	Real estate properties	2,623,440	0.83%
Swindell Farm Equipment	Farm equipment retailer	2,212,270	0.70%
Offenbacher Farms/Ronald L. & Anita Offenbacher	Farm	1,999,925	0.63%
DRW Farms/Roger Wallace Farms	Farm	1,983,915	0.62%
Zapf, Monty J & Melody R	Residential	<u>1,835,600</u>	<u>0.58%</u>
Totals		<u><u>\$32,307,355</u></u>	<u><u>10.18%</u></u>

(1) The total net assessed valuation of the School Corporation is \$317,441,795 for taxes payable in 2019, according to the Hancock County Auditor's office.

Source: County Auditor's office and the DLGF. Individual parcel data is submitted by the County Auditor to the DLGF once a year for preparation of the county abstract.

NOTICE OF LEGISLATIVE CHANGE FOR FINANCIAL STATEMENTS EFFECTIVE 2019

FINANCIAL STATEMENTS

The Indiana General Assembly enacted P.L. 244-2017 that impacts school corporation funds effective January 1, 2019. The General Fund for school corporations was eliminated in January 2019 and has been replaced, in part, by an Education Fund for expenditures related to student instruction and learning. Additionally, an Operations Fund has been created to replace, in part, the General Fund and, in whole, the Capital Projects Fund, the Transportation Fund, the Art Association Fund, the Historical Society Fund, the Playground Fund and the Bus Replacement Fund, which were repealed effective January 1, 2019. The Operations Fund is used to pay for expenditures not directly related to student instruction and learning, including all of the expenditures of the previously existing funds and the portions of the operational expenses not paid for by the Education Fund. A property tax levy to support the Operations Fund has replaced all other school property tax levies, except for the debt service levies or a levy approved by a referendum. Additionally, school corporations may maintain separate Rainy Day Funds. School corporations have the authority to transfer between the Education Fund and Operations Fund, which the School Corporation expects will provide flexibility to manage its cash position by fund.

Note: The following financial statements on pages A-17 - A-18 are excerpts from the School Corporation 2018 audit/examination report of the Indiana State Board of Accounts. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. Complete audits/examinations will be furnished upon request. Current reports are available at <http://www.in.gov/sboa/resources/reports/audit/>.

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS

For the Years Ended June 30, 2017 and 2018.

	Cash and Investments 07-01-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18
General	\$1,574,768	\$7,934,386	\$7,467,938	\$2,735	\$2,043,951	\$8,178,329	\$8,015,744	(\$12,355)	\$2,194,181
Debt Service	1,044,315	1,473,692	1,587,807		930,200	1,571,591	1,570,715		931,076
Capital Projects	353,961	964,465	796,083		522,343	974,627	879,968		617,002
School Transportation	263,875	961,113	707,427		517,561	985,825	657,426	(200,000)	645,960
School Bus Replacement	382,420	260,369	218,749		424,040	269,917	168,245	(300,000)	225,712
Rainy Day	332,282	400,382			732,664			500,000	1,232,664
Construction	903,031		408,651		494,380		494,380		0
School Lunch	(263,974)	912,137	569,208		78,955	544,009	545,284		77,680
Textbook Rental	(45,009)	147,237	266,049		(163,821)	172,782	136,610		(127,649)
Levy Excess	1,671				1,671				1,671
Educational License Plates	484	56			540	169			709
Early Intervention Grant	0				0		4,973	4,973	0
School Intervention and Career Counseling	0				0				0
Lilly Endowment Grant	0	30,000	10,520		19,480		19,480		0
Lifeskills Class	5				5				5
BSU Grant German Class	28				28				28
Employee Wellness	3,382	2,960	4,214		2,128	2,960	1,775		3,313
Safe Hire Fees	114	952	721		345	1,139	889		595
Extra-Curricular Activities	0	22,705	22,867		(162)	30,943	31,743		(962)
Scholarships and Awards	32				32				32
PLTW Grant From Lilly	49				49				49
Scholarships and Awards	0	999	1,467		(468)	468			0
Grants - Miscellaneous	1,725	2,500	3,720		505	9,080	9,236		349
Scholarships and Awards	320				320				320
Miscellaneous Programs	23				23				23
Formative Assessment	3,792	14,174	17,578		388	14,251	14,251		388
High Ability 2011-2012	(9,071)				(9,071)			9,071	0
High Ability 2012-2013	(516)				(516)			516	0
Subtotals	\$4,547,707	\$13,128,127	\$12,082,999	\$2,735	\$5,595,570	\$12,756,090	\$12,550,719	\$2,205	\$5,803,146

(Continued on next page)

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY

(Cont'd)

**STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS**

For the Years Ended June 30, 2017 and 2018.

	Cash and Investments 07-01-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-18
Subtotals carried forward	\$4,547,707	\$13,128,127	\$12,082,999	\$2,735	\$5,595,570	\$12,756,090	\$12,550,719	\$2,205	\$5,803,146
High Ability 2013-2014	(2,634)				(2,634)			2,634	0
High Ability 2014-2015	246				246			(246)	0
High Ability 2015-2016	852		880		(28)			28	0
High Ability 2016-2017		30,231	30,073		158		135	(23)	0
High Ability 2017-2018	0				0	30,051	25,871		4,180
SSS Grant	(15,404)	8,998	19,020		(25,426)		18,929		(44,355)
Non-English Speaking Programs	0	1,027	1,028		(1)	500	500		(1)
School Technology	23,374	29,848	3,540		49,682	17,991	15,377		52,296
Career and Technical Performance	0	5,053	4,996		57	18,238			18,295
Performance Based Awards	1,820				1,820				1,820
Construction, Remodeling, and Equipping Buildings	2,233				2,233				2,233
Miscellaneous Programs	30,440	21,837	40,529		11,748	520	11,985		283
EH Education Foundation	4,970				4,970				4,970
Title I 2011-2012	10,063				10,063			(10,063)	0
Title I 2012-2013	(224)				(224)			224	0
Title I 2013-2014	0				0				0
Title I 2014-2015	0				0				0
Title I 2015-2016	(12,034)	11,956	(78)		0				0
Title I 2016-2017	0	41,989	46,121		(4,132)	18,450	15,487	1,169	0
Title I 2017-2018	0				0		52,454		(52,454)
(IDEA, Part B) LEA Capacity Building (Sliver) Grants	0	297,771	297,771		0	124,495	286,362		(161,867)
Improving Teacher Quality, No Child Left, Title II, Part A	(3,217)				(3,217)			3,217	0
Title II FY 2013	(55)				(55)			55	0
Title II FY 2014	8,362		8,377		(15)			15	0
Title II FY 2015	0	11,068	15,823		(4,755)	3,970		785	0
Title II FY 2016	(1,056)		(979)		(77)	14,961			14,884
Title II FY 2017							14,884		(14,884)
ITQ, Enhanced Education Through Technology, Title II, Part D	13				13		7,443		(7,430)
Prepaid Food Collections - SFS	387,479	457,470	777,403		67,546	310,047	308,600		68,993
Payroll Clearing	89,867	3,225,564	3,293,018		22,413	3,480,039	3,478,691		23,761
Retiree Medical Insurance Premium	(8,569)	38,239	26,290		3,380	15,207	16,839		1,748
Totals	\$5,064,233	\$17,309,178	\$16,646,811	\$2,735	\$5,729,335	\$16,790,559	\$16,804,276	\$0	\$5,715,618

The following schedules on pages A-19 - A-20 contain limited and unaudited financial information which is presented solely for the purpose of conveying a statement of cash and investment balances for the School Corporation. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. Detailed reports are available at <http://www.doe.in.gov/finance/school-financial-reports>.

Community School Corporation of Eastern Hancock County

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

<u>Calendar Year 2016</u>	<u>1/1/2016 Balance</u>	<u>Receipts*</u>	<u>Expenditures*</u>	<u>12/31/2016 Balance</u>
General Fund	\$1,524,707	\$7,898,196	\$7,493,099	\$1,929,803
Debt Service Fund	1,018,307	1,430,940	1,573,415	875,833
Capital Projects Fund	161,512	955,937	758,924	358,525
Transportation Fund	89,734	941,353	676,140	354,947
Transportation School Bus Replacement Fund	240,147	254,607	218,749	276,006
Local Rainy Day Fund	280,069	52,213		332,282
Other Funds	970,181	1,555,348	2,015,734	509,793
Totals	\$4,284,657	\$13,088,594	\$12,736,062	\$4,637,189

<u>Calendar Year 2017</u>	<u>1/1/2017 Balance</u>	<u>Receipts*</u>	<u>Expenditures*</u>	<u>12/31/2017 Balance</u>
General Fund	\$1,929,803	\$8,016,515	\$7,999,103	\$1,947,215
Debt Service Fund	875,833	1,528,479	1,574,970	829,341
Capital Projects Fund	358,525	995,488	787,299	566,713
Transportation Fund	354,947	991,220	707,069	639,097
Transportation School Bus Replacement Fund	276,006	268,254	168,245	376,015
Local Rainy Day Fund	332,282	400,382		732,664
Other Funds	509,793	1,321,952	2,049,052	(217,307) (1)
Totals	\$4,637,189	\$13,522,290	\$13,285,739	\$4,873,740

(1) Per the School Corporation, negative balance was the result of timing of reimbursements from the State.

*Receipts and Expenditures include Interfund transfers and adjustments.

(Continued on next page)

Community School Corporation of Eastern Hancock County

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

<u>Calendar Year 2018</u>	<u>1/1/2018</u> <u>Balance</u>	<u>Receipts*</u>	<u>Expenditures*</u>	<u>12/31/2018</u> <u>Balance</u>
General Fund	\$1,947,215	\$8,254,493	\$8,042,721	\$2,158,988
Debt Service Fund	829,341	1,588,850	1,561,685	856,506
Capital Projects Fund	566,713	922,853	731,698	757,868
Transportation Fund	639,097	967,530	883,039	723,588
Transportation School Bus Replacement Fund	376,015	266,354	442,511	199,858
Local Rainy Day Fund	732,664	500,000		1,232,664
Other Funds	<u>(217,306)</u>	<u>1,342,838</u>	<u>1,272,407</u>	<u>(146,874)</u> (1)
Totals	<u>\$4,873,740</u>	<u>\$13,842,918</u>	<u>\$12,934,060</u>	<u>\$5,782,598</u>
<u>Six Months Ended June 30, 2019</u>	<u>1/1/2019</u> <u>Balance</u>	<u>Receipts*</u>	<u>Expenditures*</u>	<u>Six Months</u> <u>Ended 6/30/19</u> <u>Balance</u>
General Fund (Inactive)	\$2,158,988		\$2,158,988	\$0
Education Fund*	0	\$5,833,913	3,859,417	1,974,495
Debt Service Fund	856,506	855,274	788,158	923,623
Operations Fund*	0	3,819,499	1,344,889	2,474,611
Capital Projects Fund (Inactive)	757,868		757,868	0
Transportation Fund (Inactive)	723,588		723,588	0
Transportation School Bus Replacement Fund (Inactive)	199,858		199,858	0
Local Rainy Day Fund	1,232,664			1,232,664
Other Funds	<u>(146,875)</u>	<u>885,243</u>	<u>887,529</u>	<u>(149,161)</u> (1)
Totals	<u>\$5,782,598</u>	<u>\$11,393,929</u>	<u>\$10,720,294</u>	<u>\$6,456,232</u>

(1) Per the School Corporation, negative balance was the result of timing of reimbursements from the State.


*Receipts and Expenditures include Interfund transfers and adjustments.

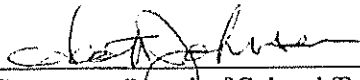
*The Operations Fund has been created to replace, in part, the General Fund and, in whole, the Capital Projects Fund, the Transportation Fund, the Art Association Fund, the Historical Society Fund, the Playground Fund, and the Bus Replacement Fund, which were repealed by the Indiana General Assembly effective January 1, 2019. The Operations Fund is used to pay for expenditures not directly related to student instruction and learning, including all of the expenditures of the previously existing funds and the portions of the operational expenses not paid for by the Education Fund. The Education Fund replaced, in part, the General Fund effective January 1, 2019 and is used for expenditures related to student instruction and learning. A property tax levy to support the Operations Fund has replaced all other school property tax levies, except for the debt service levies or a levy approved by a referendum.

The School Corporation certifies to the best of its knowledge and belief that this Official Statement, as of its date and as it relates to the School Corporation and its economic and financial condition, (i) is complete and accurate; (ii) does not contain any untrue statement of a material fact; and (iii) does not omit any material facts or information which would make the statements contained herein misleading.

This Official Statement and its execution are duly authorized.

COMMUNITY SCHOOL CORPORATION OF
EASTERN HANCOCK COUNTY

By: 
President, Board of School Trustees

Attest: 
Secretary, Board of School Trustees

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APPENDIX B

FINAL BOND RESOLUTION

WHEREAS, Community School Corporation of Eastern Hancock County (the "Issuer" or "School Corporation") is a school corporation organized and existing under the provisions of Indiana Code § 20-23; and

WHEREAS, the Board of School Trustees (the "Board") finds that the present facilities of the School Corporation are not adequate to provide the proper educational environment of the students now attending or who will attend its schools; and

WHEREAS, the Board finds that there are not sufficient funds available or provided for in existing tax levies with which to pay the total cost of the renovation of and improvements to Eastern Hancock High School, Eastern Hancock Middle School and Eastern Hancock Elementary School, including athletic and site improvements throughout the School Corporation and the purchase of technology and equipment (the "Project"), and that the School Corporation should issue bonds in an amount not to exceed Nine Hundred Fifty Thousand Dollars (\$950,000) (the Bonds") for the purpose of providing funds to be applied on the cost of the Project, and that bonds in such amount should now be authorized; and

WHEREAS, the School Corporation has determined that the total cost of the Project authorized herein will not exceed the lesser of: (i) \$5,000,000; or (ii) the greater of (a) one percent (1%) of the total gross assessed value of property within the School Corporation on the last assessment date, or (b) \$1,000,000 and, therefore, the bonds will not be issued to fund a controlled project, as defined in IC 6-1.1-20-1.1; and

WHEREAS, the net assessed valuation of taxable property in the School Corporation, as shown in the last final and complete assessment which was made in the year 2018 for state and county taxes collectible in the year 2019 is \$311,659,388 and there is \$257,500 of outstanding indebtedness of the School Corporation for constitutional debt purposes (excluding the Bonds authorized herein); such assessment and outstanding indebtedness amounts shall be verified at the time of the payment for and delivery of the Bonds; now, therefore,

BE IT RESOLVED by the Board of the Issuer that, for the purpose of obtaining funds to be applied on the cost of the Project, there shall be issued and sold the Bonds of the School Corporation to be designated as "General Obligation Bonds of 2019" (or such other name or series designation as determined by the School Corporation's municipal advisor). The Bonds shall be in a principal amount not to exceed Nine Hundred Fifty Thousand Dollars (\$950,000), bearing interest at a rate or rates not exceeding five percent (5.00%) per annum (the exact rate or rates to be determined by bidding), which interest shall be payable on July 15, 2020 and semi-annually thereafter on January 15 and July 15 in each year. Interest on the Bonds shall be calculated according to a 360-day year containing twelve 30-day months. The Bonds shall be numbered consecutively from R-1 upward, fully registered in the denomination of Five Thousand Dollars (\$5,000) or integral multiples thereof (or other denominations as requested by the winning bidder), and shall mature or be subject to mandatory redemption on January 15 and July 15 beginning July 15, 2020 through not later than January 15, 2025.

All or a portion of the Bonds may be issued as one or more term bonds, upon election of the successful bidder. Such term bonds shall have a stated maturity or maturities as determined by the successful bidder or by negotiation with the purchaser, but in no event later than the last serial date of the Bonds as determined in accordance with the above paragraph. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity at 100% of the principal amount thereof, plus accrued interest to the redemption date, on dates and in the amounts hereinafter determined in accordance with the above paragraph.

The original date shall be the date of delivery of the Bonds. The authentication certificate shall be dated when executed by U.S. Bank National Association, as registrar and paying agent (the "Paying Agent" or "Registrar").

Interest shall be paid from the interest payment date to which interest has been paid next preceding the date of authentication unless the bond is authenticated on or before the fifteenth day immediately preceding the first interest payment date, in which case interest shall be paid from the original date, or unless the Bond is authenticated after the fifteenth day immediately preceding an interest payment date and on or before such interest payment date, in which case interest shall be paid from such interest payment date.

Interest and principal shall be payable as described in the Bonds.

The Bonds are transferable by the registered owner at the principal corporate trust office of the Paying Agent upon surrender and cancellation of a Bond and on presentation of a duly executed written instrument of transfer, and thereupon a new Bond or Bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange therefor. The Bonds may be exchanged upon surrender at the principal corporate trust office of the Registrar and Paying Agent, duly endorsed by the registered owner for the same aggregate principal amount of bonds of the same maturity in authorized denominations as the owner may request. The cost of such transfer or exchange shall be paid by the Issuer.

In the event any Bond is mutilated, lost, stolen, or destroyed, the School Corporation may execute and the Paying Agent may authenticate a new Bond of like date, maturity, and denomination as that mutilated, lost, stolen, or destroyed, which new Bond shall be marked in a manner to distinguish it from the Bond for which it was issued, provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Paying Agent, and in the case of any lost, stolen, or destroyed Bond there shall be first furnished to the Paying Agent evidence of such loss, theft, or destruction satisfactory to the School Corporation and the Paying Agent, together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a duplicate Bond, the School Corporation and the Paying Agent may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The School Corporation and the Paying Agent may charge the owner of such Bond with their reasonable fees and expenses in connection with delivering the new Bond. Any Bond issued pursuant to this paragraph shall be deemed an original, substitute contractual obligation of the School Corporation, whether or not the lost, stolen, or destroyed Bond shall be found at any time, and shall be entitled to all the benefits of this resolution, equally and proportionately with any and all other Bonds issued hereunder.

The Issuer agrees that it will deposit with the Paying Agent funds in an amount equal to the principal of, premium, if any, and interest on the Bonds which shall become due in accordance with the terms of the Paying Agent Agreement (as hereinafter defined).

The form of the Registrar and Paying Agent Agreement (the "Paying Agent Agreement") presented to the Board is hereby approved and any officers of the Board of the School Corporation are authorized and directed to execute the Paying Agent Agreement after the sale of the Bonds.

Notwithstanding any other provision of this Resolution, the Issuer will enter into the Paying Agent Agreement with the Paying Agent in which the Paying Agent agrees that upon any default or insufficiency in the payment of principal and interest as provided in the Paying Agent Agreement, the Paying Agent will immediately, without any direction, security or indemnity file a claim with the Treasurer of the State of Indiana for an amount equal to such principal and interest in default and consents to the filing of any such claim by a Bondholder in the name of the Paying Agent for deposit with the Paying Agent. Filing of the claim with the Treasurer of the State of Indiana, as described above, shall occur on the dates set forth in the Paying Agent Agreement.

If required by the successful bidder, the Issuer has hereby authorized the Bonds may be held by a central depository system pursuant to an agreement between the Issuer and The Depository Trust Company, and have transfers of the Bonds effected by book-entry on the books of the central depository system (unless otherwise requested by the winning bidder). Upon initial issuance, the ownership of such Bonds is expected to be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee (the "Nominee") of The Depository Trust Company ("DTC"). However, upon the successful bidder's request, the Bonds may be delivered and held by physical delivery as an alternative to DTC.

With respect to the Bonds registered in the register kept by the Paying Agent in the name of the Nominee, the Issuer and the Paying Agent shall have no responsibility or obligation to any other holders or owners (including any beneficial owner ("Beneficial Owner") of the Bonds with respect to (i) the accuracy of the records of DTC, the Nominee, or any Beneficial Owner with respect to ownership questions, (ii) the delivery to any Bondholder (including any Beneficial Owner) or any other person, other than DTC, of any notice with respect to the Bonds including any notice of redemption, or (iii) the payment to any Bondholder (including any Beneficial Owner) or any other person, other than DTC, of any amount with respect to the principal of, or premium, if any, or interest on the Bonds except as otherwise provided herein.

No person other than DTC shall receive an authenticated Bond evidencing an obligation of the Issuer to make payments of the principal of and premium, if any, and interest on the Bonds pursuant to this Resolution. The Issuer and the Paying Agent may treat as and deem DTC or the Nominee to be the absolute Bondholder of each of the Bonds for the purpose of (i) payment of the principal of and premium, if any, and interest on such Bonds; (ii) giving notices of redemption and other notices permitted to be given to Bondholders with respect to such Bonds; (iii) registering transfers with respect to such Bonds; (iv) obtaining any consent or other action required or permitted to be taken of or by Bondholders; (v) voting; and (vi) for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of DTC, and all such payments shall be valid and effective fully to satisfy and discharge the Issuer's and the Paying Agent's obligations with respect to principal of and premium,

if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Issuer of written notice to the effect that DTC has determined to substitute a new Nominee in place of the Nominee, and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this resolution shall refer to such new Nominee of DTC. Notwithstanding any other provision hereof to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to the principal of and premium, if any, and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, to DTC as provided in a representation letter from the Issuer to DTC.

Upon receipt by the Issuer of written notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Bonds shall no longer be restricted to being registered in the register of the Issuer kept by the Paying Agent in the name of the Nominee, but may be registered in whatever name or names the Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this resolution.

If the Issuer determines that it is in the best interest of the Bondholders that they be able to obtain certificates for the fully registered Bonds, the Issuer may notify DTC and the Paying Agent, whereupon DTC will notify the Beneficial Owners of the availability through DTC of certificates for the Bonds. In such event, the Paying Agent shall prepare, authenticate, transfer and exchange certificates for the Bonds as requested by DTC and any Beneficial Owners in appropriate amounts, and whenever DTC requests the Issuer and the Paying Agent to do so, the Paying Agent and the Issuer will cooperate with DTC by taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the fully registered Bonds of any Beneficial Owner's DTC account or (ii) to arrange for another securities depository to maintain custody of certificates for and evidencing the Bonds.

If the Bonds shall no longer be restricted to being registered in the name of a depository trust company, the Paying Agent shall cause the Bonds to be printed in blank in such number as the Paying Agent shall determine to be necessary or customary; provided, however, that the Paying Agent shall not be required to have such Bonds printed until it shall have received from the Issuer indemnification for all costs and expenses associated with such printing.

In connection with any notice or other communication to be provided to Bondholders by the Issuer or the Paying Agent with respect to any consent or other action to be taken by Bondholders, the Issuer or the Paying Agent, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

So long as the Bonds are registered in the name of DTC or the Nominee, or any substitute nominee, the Issuer and the Paying Agent shall be entitled to request and to rely upon a certificate or other written representation from the Beneficial Owners of the Bonds or from DTC on behalf of such Beneficial Owners stating the amount of their respective beneficial ownership interests in the Bonds and setting forth the consent, advice, direction, demand or vote of the Beneficial Owners as of a record date selected by the Paying Agent and DTC, to the same extent as if such consent, advice, direction, demand or vote were made by the Bondholders for purposes of this

resolution and the Issuer and the Paying Agent shall for such purposes treat the Beneficial Owners as the Bondholders. Along with any such certificate or representation, the Paying Agent may request DTC to deliver, or cause to be delivered, to the Paying Agent a list of all Beneficial Owners of the Bonds, together with the dollar amount of each Beneficial Owner's interest in the Bonds and the current addresses of such Beneficial Owners.

The Paying Agent may at any time resign as Paying Agent by giving thirty (30) days written notice to the Issuer and to each registered owner of the Bonds then outstanding, and such resignation will take effect at the end of such thirty (30) days or upon the earlier appointment of a successor Paying Agent by the School Corporation. Such notice to the Issuer may be served personally or be sent by first-class or registered mail. The Paying Agent may be removed at any time as Paying Agent by the Issuer, in which event the Issuer may appoint a successor Paying Agent. The Paying Agent shall notify each registered owner of the Bonds then outstanding of the removal of the Paying Agent. Notices to registered owners of the Bonds shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the Registration Record. Any predecessor Paying Agent shall deliver all the Bonds, cash and investments related thereto in its possession and the Registration Record to the successor Paying Agent. At all times, the same entity shall serve as registrar and paying agent.

In order to provide for the payment of the principal of and interest on the Bonds, there shall be levied in each year upon all taxable property in the School Corporation, real and personal, and collected a tax in an amount and in such manner sufficient to meet and pay the principal of and interest on the Bonds as they become due, and the proceeds of this tax are hereby pledged solely to the payment of the Bonds. Such tax shall be deposited into the School Corporation's Debt Service Fund and used to pay the principal of and interest on the Bonds, when due, together with any fiscal agency charges. If the funds deposited into the Debt Service Fund are then insufficient to meet and pay the principal of and interest on the Bonds as they become due, then the School Corporation covenants to transfer other available funds of the School Corporation to meet and pay the principal and interest then due on the Bonds.

The School Corporation represents and covenants that the Bonds herein authorized, when combined with other outstanding indebtedness of the School Corporation at the time of issuance of the Bonds, will not exceed any applicable constitutional or statutory limitation on the School Corporation's indebtedness.

The Bonds are not subject to optional redemption prior to maturity.

If any Bond is issued as a term bond, the Paying Agent shall credit against the mandatory sinking fund requirement for any term bonds, and corresponding mandatory redemption obligation, in the order determined by the School Corporation, any term bonds maturing on the same date which have previously been redeemed (other than as a result of a previous mandatory redemption requirement) or delivered to the Registrar for cancellation or purchased for cancellation by the Paying Agent and not theretofore applied as a credit against any redemption obligation. Each term bond so delivered or canceled shall be credited by the Paying Agent at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of the Bonds to be redeemed by operation of the mandatory

sinking fund requirement shall be accordingly reduced; provided, however, the Paying Agent shall credit only such Bonds maturing as term bonds to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date as stated above.

Each Five Thousand Dollars (\$5,000) (or other denominations as requested by the successful bidder, as permitted by law) principal amount shall be considered a separate Bond for purposes of redemption. If less than an entire maturity is called for redemption, the Bonds to be called shall be selected by lot by the Registrar.

Notice of redemption shall be mailed to the address of the registered owner as shown on the Registration Records of the Paying Agent, as of the date which is forty-five (45) days prior to the date fixed for redemption, not less than thirty (30) days prior to such redemption date, unless notice is waived by the owner of the Bond or Bonds redeemed. The notice shall specify the date and place of redemption and sufficient identification of the Bonds called for redemption. The place of redemption may be determined by the School Corporation. Interest on the Bonds so called for redemption shall cease and the Bonds will no longer be deemed outstanding under this resolution on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price, including accrued interest and redemption premium, if any, to the redemption date, on the date so named. Failure to give such notice by mailing, or any defect in such notice, with respect to any Bond shall not affect the validity of any proceedings for redemption of other Bonds.

If the Bonds are not presented for payment or redemption on the date fixed therefor, the School Corporation may deposit in trust with the Paying Agent, an amount sufficient to pay such Bond or the redemption price, as the case may be, including accrued interest to the date of such payment or redemption, and thereafter the registered owner shall look only to the funds so deposited in trust with the Paying Agent for payment, and the School Corporation shall have no further obligation or liability in respect thereto.

If, when the Bonds or any portion thereof shall have become due and payable in accordance with their terms, and the whole amount of the principal and the interest so due and payable upon such Bonds or any portion thereof then outstanding shall be paid, or (i) cash, or (ii) direct non-callable obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America, and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, the principal of and the interest on which when due without reinvestment will provide sufficient money, or (iii) any combination of the foregoing, shall be held irrevocably in trust for such purpose, and provision shall also be made for paying all fees and expenses for the payment, then and in that case the Bonds or such designated portion thereof shall no longer be deemed outstanding or secured by this resolution.

The Bonds shall be executed in the name of Issuer by the manual or facsimile signature of any member of the Board of the School Corporation, and attested by the manual or facsimile signature of any member of the Board. In case any official whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the issuance, authentication or delivery of such Bonds, such signature or such facsimile shall, nevertheless, be

valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

No Bond shall be valid or obligatory for any purpose, unless and until authenticated by the Paying Agent. Such authentication may be executed by an authorized representative of the Paying Agent, but it shall not be necessary that the same person authenticate all of the Bonds issued. The Issuer and the Paying Agent may deem and treat the person in whose name a bond is registered on the Bond Registration as the absolute owner thereof for all purposes, notwithstanding any notice to the contrary.

In order to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the Bonds, the Issuer represents, covenants and agrees that:

(a) No person or entity, other than the Issuer or another governmental unit, will use proceeds of the Bonds or property financed by the bond proceeds other than as a member of the general public. No person or entity, other than the Issuer or another governmental unit, will own property financed by bond proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use by the public at large.

(a) No Bond proceeds will be loaned to any entity or person. No bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the bond proceeds.

(b) The Issuer will, to the extent necessary to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes, rebate all required arbitrage profits on Bond proceeds or other moneys treated as Bond proceeds to the federal government as provided in Section 148 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code") and will set aside such moneys in a Rebate Account to be held by the Treasurer in trust for such purpose.

(c) The Issuer will file an information report form 8038-G with the Internal Revenue Service as required by Section 149 of the Code.

(d) The Issuer will not take any action nor fail to take any action with respect to the Bonds that would result in the loss of exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code, as existing on the date of issuance of the Bonds, nor will the Issuer act in any other manner which would adversely affect such exclusion.

The Issuer represents that it reasonably expects that tax-exempt bonds, warrants and other evidences of indebtedness issued by or on behalf of it or any subordinate entity, during the calendar year in which the bonds will be issued will be less than \$10,000,000 principal amount.

This amount includes all obligations issued by, or on behalf of the Issuer and subordinate entities, including building corporation bonds. At least 95% of the net proceeds of the Bonds shall be used for governmental activities of Issuer. The Issuer hereby designates the Bonds as qualified tax exempt obligations for purposes of Section 265(b)(3) of the Code, relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations acquired after August 7, 1986.

The Bonds shall be issued in substantially the following form, all blanks to be filled in properly prior to delivery:

Registered Registered
 No. R- _____ \$ _____

UNITED STATES OF AMERICA

State of Indiana

County of Hancock

COMMUNITY SCHOOL CORPORATION OF EASTERN HANCOCK COUNTY
 GENERAL OBLIGATION BOND OF 2019

Interest	Maturity	Original	Authentication	CUSIP
<u>Rate</u>	<u>Date</u>	<u>Date</u>	<u>Date</u>	<u>CUSIP</u>
See <u>Exhibit A</u>	See <u>Exhibit</u> <u>A</u>	_____, 2019	_____, 2019	See <u>Exhibit</u> <u>A</u>

Registered Owner: CEDE & CO.

Principal Sum:

Community School Corporation of Eastern Hancock County (the "Issuer" or "School Corporation"), a school corporation organized and existing under the laws of the State of Indiana, in Hancock County, Indiana, for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner (named above) or to registered assigns, the Principal Sum set forth above in installments as set forth on Exhibit A on the Maturity Dates set forth on Exhibit A and to pay interest thereon at the Interest Rate per annum as set forth on Exhibit A from the interest payment date to which interest has been paid next preceding the date of authentication hereof unless this Bond is authenticated on or before June 30, 2020 in which case interest shall be paid from the Original Date, or unless this Bond is authenticated after the fifteenth day immediately preceding an interest payment date and on or before such interest payment date, in which case interest shall be paid from such interest payment date, which interest is payable on July 15, 2020 and each January 15 and July 15 thereafter until the principal has been paid. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Interest on this bond is payable by check mailed to registered owners or by wire transfer of immediately available funds on the interest payment date to depositories shown as registered owners. Payment shall be made to the person or depository in whose name this bond is registered on the fifteenth day preceding such interest payment date. Principal of this bond is payable by check at the corporate trust office of U.S. Bank National Association (the "Registrar and Paying Agent") or by wire transfer of immediately available funds to depositories provided that the payment of principal of, and premium on, the bonds at maturity thereof or prior redemption shall only be paid upon presentation thereof at the principal corporate trust office of the Registrar and Paying Agent in St. Paul, Minnesota. Principal payments in connection with mandatory sinking fund redemption hereunder shall not require presentation of the bonds for payment. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Registrar and Paying Agent shall wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time).

This Bond is one of an issue of bonds aggregating Nine Hundred Fifty Thousand Dollars (\$950,000), of like tenor and effect, except as to numbering, authentication date, denomination, interest rate, and date of maturity, issued by Issuer pursuant to a resolution adopted by the Board of School Trustees of the Issuer on September 9, 2019, as supplemented on October 14, 2019 (as supplemented, the "Resolution"), and in strict accordance with the governing statutes of the State of Indiana, particularly Indiana Code § 20-48-1 (the "Act"), for the purpose of providing funds to be applied on the cost of the renovation of and improvements to Eastern Hancock High School, Eastern Hancock Middle School and Eastern Hancock Elementary School, including athletic and site improvements throughout the School Corporation and the purchase of technology and equipment. The owner of this Bond, by the acceptance thereof, agrees to all the terms and provisions contained in the Resolution and the Act.

This Bond is not subject to optional redemption prior to maturity.

The Bonds are subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest to the date of redemption on January 15 and July 15 in accordance with the following schedules:

<u>Bonds Maturing</u>		<u>Bonds Maturing</u>	
<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
*		*	

*Denotes Final Maturity

Notice of redemption identifying the Bonds to be redeemed will be mailed to the registered owners of bonds to be redeemed.

If this Bond is called for redemption, and payment is made to the Registrar and Paying Agent in accordance with the terms of the Resolution, this Bond shall cease to bear interest from and after the date fixed for the redemption in the call.

This Bond shall be initially issued in a Book Entry System (as defined in the Resolution). The provisions of this Bond and of the Resolution are subject in all respects to the provisions of the Letter of Representations between the Issuer and the Depository Trust Company, or any substitute agreement, effecting such Book Entry System.

This Bond is transferable in accordance with the Book Entry System or, if no such system is in effect, by the Registered Owner hereof at the principal corporate trust office of the Registrar and Paying Agent, upon surrender and cancellation of this Bond and on presentation of a duly executed written instrument of transfer and thereupon a new Bond or Bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange therefor. This Bond may be exchanged upon surrender hereof at the principal corporate trust office of the Registrar and Paying Agent, duly endorsed by the Registered Owner for the same aggregate principal amount of Bonds of the same maturity in authorized denominations as the owner may request.

The Issuer and the Registrar and Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof.

PURSUANT TO THE PROVISIONS OF THE ACT AND THE RESOLUTION, THE PRINCIPAL OF THIS BOND AND ALL OTHER BONDS OF THE BOND ISSUE AND THE INTEREST DUE THEREON ARE PAYABLE AS A LIMITED GENERAL OBLIGATION OF THE SCHOOL CORPORATION, FROM AD VALOREM PROPERTY TAXES TO BE LEVIED ON ALL TAXABLE PROPERTY WITHIN THE SCHOOL CORPORATION; HOWEVER, THE ISSUER'S COLLECTION OF THE LEVY MAY BE LIMITED BY OPERATION OF INDIANA CODE 6-1.1-20.6 WHICH PROVIDES TAXPAYERS WITH TAX CREDITS FOR PROPERTY TAXES ATTRIBUTABLE TO DIFFERENT CLASSES OF PROPERTY IN AN AMOUNT THAT EXCEEDS CERTAIN PERCENTAGES OF THE GROSS ASSESSED VALUE OF THAT PROPERTY. UPON THE FAILURE OF THE ISSUER TO MAKE DEBT SERVICE WHEN DUE AND UPON NOTICE AND CLAIM, THE INTERCEPT PROVISIONS OF INDIANA CODE 20-48-1-11 WILL APPLY.

This bond shall not be valid or become obligatory for any purpose until authenticated by the Registrar and Paying Agent.

The Issuer has designated this Bond a qualified tax exempt obligation for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended to the Original Date of the Bonds.

IN WITNESS WHEREOF, Issuer has caused this Bond to be executed in its name by the manual or facsimile signature of the President of its Board of School Trustees attested by the manual or facsimile signature of the Secretary of the Board.

COMMUNITY SCHOOL CORPORATION
OF EASTERN HANCOCK COUNTY

By: _____
President, Board of School Trustees

Attest:

Secretary, Board of School Trustees

CERTIFICATE OF AUTHENTICATION

This Bond is one of the bonds referred to in the within mentioned Resolution.

U.S. BANK NATIONAL ASSOCIATION,
as Registrar and Paying Agent

By: _____
Authorized Representative

[END OF BOND FORM]

BE IT FURTHER RESOLVED that prior to the sale of the Bonds at public sale, notice of such sale shall be published once each week for two (2) weeks in *The Daily Reporter* and in the *Court & Commercial Record*, the first of said publications to be at least fifteen (15) days prior to the date fixed for the sale of the Bonds and the last at least three (3) days prior. At the time fixed for the opening of bids, the Board or its designated committee shall meet, all bids shall be opened in the presence of the Board or such committee, and the award shall be made by the Board or such committee.

The bond sale notice, when published, shall provide that each bid shall be in a sealed envelope marked "Bid for General Obligation Bonds of 2019," and the successful bidder shall provide a certified or cashier's check in the amount of Nine Thousand Five Hundred Dollars (\$9,500), payable to Issuer, to insure the good faith of the bidder. In the event the successful bidder shall fail or refuse to accept delivery of the Bonds when ready for delivery, said check and the

proceeds thereof shall be retained by the School Corporation as its liquidated damages. Said notice shall also provide that bidders for the Bonds shall name the purchase price for the Bonds, not less than 99.50% of par and the rate or rates of interest which the Bonds are to bear, not exceeding five percent (5.00%) per annum; that said interest rate or rates shall be in multiples of 1/8th or 1/100th of one percent (1%); and that the winning bidder shall be the one who offers the lowest net interest cost to the Issuer, to be determined by computing the total interest on all of the Bonds to their maturities and deducting therefrom the premium bid, if any, or adding the discount bid, if any. The bond sale notice shall state that the opinion of Ice Miller LLP, bond counsel, approving the legality of the Bonds, will be furnished to the purchaser at the expense of the School Corporation, so that the School Corporation will receive due credit therefor in the bidding. The notice may contain such other terms and conditions as the attorney for the Issuer shall deem advisable.

The Director of Business and Operations, School Attorney and a representative of Baker Tilly Municipal Advisors, LLC are appointed as a bid committee and are authorized to award the Bonds to the buyer consistent with this resolution.

Subject to the terms and provisions contained in this paragraph and not otherwise, the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption by the School Corporation of such resolution or resolutions supplemental hereto as shall be deemed necessary or desirable by the School Corporation for the purpose of amending in any particular any of the terms or provisions contained in this Resolution, or in any supplemental resolution; provided, however, that nothing herein contained shall permit or be construed as permitting without the consent of all affected owners of the Bonds:

- (a) An extension of the maturity of the principal of or interest on any Bond without the consent of the holder of each Bond so affected; or
- (b) A reduction in the principal amount of any Bond or the rate of interest thereon or a change in the monetary medium in which such amounts are payable, without the consent of the holder of each Bond so affected; or
- (c) A preference or priority of any Bond over any other Bond, without the consent of the holders of all Bonds then outstanding; or
- (d) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental resolution, without the consent of the holders of all Bonds then outstanding.

If the School Corporation shall desire to obtain any such consent, it shall cause the Registrar to mail a notice, postage prepaid, to the addresses appearing on the Registration Record. Such notice shall briefly set forth the nature of the proposed supplemental resolution and shall state that a copy thereof is on file at the office of the Registrar for inspection by all owners of the Bonds. The Registrar shall not, however, be subject to any liability to any owners of the Bonds by reason of its failure to mail such notice, and any such failure shall not affect the validity of such supplemental resolution when consented to and approved as herein provided.

Whenever at any time within one year after the date of the mailing of such notice, the School Corporation shall receive any instrument or instruments purporting to be executed by the owners of the Bonds of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Bonds then outstanding, which instrument or instruments shall refer to the proposed supplemental resolution described in such notice, and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice as on file with the Registrar, thereupon, but not otherwise, the School Corporation may adopt such supplemental resolution in substantially such form, without liability or responsibility to any owners of the Bonds, whether or not such owners shall have consented thereto.

No owner of any Bond shall have any right to object to the adoption of such supplemental resolution or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the School Corporation or its officers from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental resolution pursuant to the provisions of this section, this Resolution shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the School Corporation and all owners of Bonds then outstanding shall thereafter be determined, exercised and enforced in accordance with this Resolution, subject in all respects to such modifications and amendments.

Notwithstanding anything contained in the foregoing provisions of this Resolution, the rights, duties and obligations of the School Corporation and of the owners of the Bonds, and the terms and provisions of the Bonds and this Resolution, or any supplemental resolution, may be modified or amended in any respect with the consent of the School Corporation and the consent of the owners of all the Bonds then outstanding.

Without notice to or consent of the owners of the Bonds, the School Corporation may, from time to time and at any time, adopt such resolutions supplemental hereto as shall not be inconsistent with the terms and provisions hereof (which supplemental resolutions shall thereafter form a part hereof),

- (a) to cure any ambiguity or formal defect or omission in this Resolution or in any supplemental resolution; or
- (b) to grant to or confer upon the owners of the Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Bonds; or
- (c) to procure a rating on the Bonds from a nationally recognized securities rating agency designated in such supplemental resolution, if such supplemental resolution will not adversely affect the owners of the Bonds; or
- (d) to provide for the refunding or advance refunding of the Bonds; or
- (e) to make any other change which, in the determination of the Board in its sole discretion, is not to the prejudice of the owners of the Bonds.

If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

All resolutions, or parts thereof, in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed or amended.

This resolution shall be in full force and effect immediately upon its passage and signing by any officers of the Board.

BE IT FURTHER RESOLVED, that the officers of the Board have full authority to execute any and all documents necessary to issue the Bonds.

Passed and Adopted this 14th day of October, 2019.

President, Board of School Trustees

ATTEST:

Secretary, Board of School Trustees

APPENDIX C

November ____, 2019

_____, _____

Re: Community School Corporation of Eastern Hancock County
General Obligation Bonds of 2019
Total Issue: \$950,000
Original Date: November ____, 2019

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Community School Corporation of Eastern Hancock County, Charlottesville, Indiana (the "School Corporation" or "Issuer"), of \$950,000 of its General Obligation Bonds of 2019 dated November ____, 2019 (the "Bonds"). We have examined the law and the certified transcript of proceedings of the Issuer relative to the authorization, issuance and sale of the Bonds and such other papers as we deem necessary to render this opinion. We have relied upon the certified transcript of proceedings and certificates of public officials, including the Issuer's tax covenants and representations ("Tax Representations"), and we have not undertaken to verify any facts by independent investigation.

We have not been engaged nor have we undertaken to review the accuracy, completeness or sufficiency of the Offering Circular dated _____, 2019 or any other offering material relating to the Bonds, and we express no opinion relating thereto.

Based on our examination, we are of the opinion, as of the date hereof, as follows:

1. The Bonds are valid and binding general obligations of the School Corporation.
2. All taxable property in the School Corporation is subject to ad valorem taxation to pay the debt service; however, the School Corporation's collection of the levy may be limited by operation of Indiana Code § 6-1.1-20.6, which provides taxpayers with tax credits for property taxes attributable to different classes of property in an amount that exceeds certain percentages of the gross assessed value of that property. The School Corporation is required by law to fully fund the payment of debt service on the Bonds in an amount sufficient to pay the debt service, regardless of any reduction in property tax collections due to the application of such tax credits.
3. Under statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is exempt from income taxation in the State of Indiana (the "State"). This opinion relates only to the exemption of interest on the Bonds from State income taxation.

November ____, 2019

4. Under federal statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is excludable from gross income of the owners for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code") and is not a specific preference item for purposes of the federal alternative minimum tax. This opinion is conditioned upon compliance by the School Corporation subsequent to the date hereof with its Tax Representations. Failure to comply with the Tax Representations could cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to their date of issue.

It is to be understood that the rights of the registered owners of the Bonds and the enforceability thereof may be subject to (i) bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of law and equity; and (ii) the valid exercise of the constitutional powers of the State and the United States of America.

Very truly yours,

APPENDIX D

APPENDIX D

This Appendix D is based on Alternative II (Hold-the-Offering-Price Rule (as defined below) May Apply if Competitive Sale Requirements (as described below) are Not Satisfied) contained in the Model Issue Price Documents published by the Securities Industry and Financial Markets Association (“SIFMA”) on May 1, 2017. The Community School Corporation of Eastern Hancock County (“Issuer”) intends that in the event that the competitive sale requirements are not satisfied (i.e. 3 bids are not received), the issue prices will be established by either: (1) certification by the bidder at the time of award as to maturities that meet the 10% test (as defined below), or (2) certification by the bidder on the closing date as to maturities that meet the hold-the-offering-price rule.

(a) The winning bidder shall assist the Issuer in establishing the issue price of the Bonds (as defined in the preliminary official statement) and shall execute and deliver to the Issuer at closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Schedule I with respect to Bonds that satisfy the competitive sale requirements or Schedule II with respect to Bonds that do not satisfy the competitive sale requirements, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Issuer and bond counsel. All actions to be taken by the Issuer to establish the issue price of the Bonds may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.

(b) The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “competitive sale requirements”) because:

- (1) the Issuer shall disseminate the Notice of Intent to Sell Bonds (“Notice”) to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in the Notice.

Any bid submitted pursuant to the Notice shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the winning bidder. The Issuer may determine to treat (i) the first price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that

maturity). The winning bidder shall advise the Issuer if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The Issuer shall promptly advise the winning bidder, at or before the time of award of the Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event that the Issuer determines to apply the hold-the-offering-price rule to any maturity of the Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Bonds.

(d) By submitting a bid, the winning bidder shall confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder. The winning bidder further shall agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(e) The winning bidder shall promptly advise the Issuer when the underwriters have sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(f) The Issuer acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the

related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

(h) Sales of any Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of the Notice. Further, for purposes of this Appendix:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date that the Bonds are awarded by the Issuer to the winning bidder; and
- (v) “Closing” and “Closing Date” mean the day the Bonds are delivered to the successful bidder and payment is made thereon by the Issuer.

Schedule I

\$950,000 GENERAL OBLIGATION BONDS OF 2019 ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. *Reasonably Expected Initial Offering Price.*

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.¹

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

2. *Defined Terms.*

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than a Regulatory Underwriter or a related party to a Regulatory Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is October 23, 2019.

(d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon

¹ Treas. Reg. §1.148-1(f)(3)(i)(B) requires that all bidders have an equal opportunity to bid to purchase bonds. If the bidding process affords an equal opportunity for bidders to review other bids prior to submitting their bids, then this representation should be modified to describe the bidding process.

by the Issuer with respect to certain of the representations set forth in the arbitrage certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by bond counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By: _____

Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

Schedule II

\$950,000 GENERAL OBLIGATION BONDS OF 2019

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] (“[SHORT NAME OF UNDERWRITER]”)[the “Representative”][, on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the “Underwriting Group”),] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. *Initial Offering Price of the Bonds.*

(a) The Underwriter[s] offered each Maturity of the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this Certificate as Schedule B.

(b) As set forth in the notice of sale and bid award, the Underwriter[s] [has][have] agreed in writing that, (i) for each Maturity of the Bonds, [it][they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

2. *Defined Terms.*

(a) *Holding Period* means, for each Maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (October 23, 2019), or (ii) the date on which [SHORT NAME OF THE UNDERWRITER][the Underwriters] [has][have] sold at least 10% of such Maturity of the Bonds to the Public at prices that are no higher than the Initial Offering Price for such Maturity.

(b) *Issuer* means Community School Corporation of Eastern Hancock County.

(c) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(d) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(e) *Sale Date* means the first day on which there is a binding contract in writing for the sale or exchange the Bonds. The Sale Date of the Bonds is October 23, 2019.

(f) *Substantial Amount* means ten percent.

(g) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [NAME OF UNDERWRITING FIRM][the Representative's] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Arbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER][REPRESENTATIVE]

By: _____

Name: _____

Dated:[ISSUE DATE]

**SCHEDULE A
INITIAL OFFERING PRICE OF THE BONDS**

(Attached)

**SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION**

(Attached)

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