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**REFUNDING ISSUE**  
**Book-Entry-Only**

**Rating: S&P Global Ratings “\_\_”**

***This Preliminary Official Statement is deemed “nearly final”  
and is dated July 8, 2020***

In the opinion of Ice Miller LLP, Indianapolis, Indiana (“Bond Counsel”), under existing laws, regulations, judicial decisions and rulings, interest on the 2020 Refunding Bonds (hereinafter defined) is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof, 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 2020 Refunding Bonds is exempt from income taxation in the State of Indiana. The 2020 Refunding Bonds are not bank qualified. See “TAX MATTERS” herein.

**\$3,985,000\***  
**CITY OF JEFFERSONVILLE, INDIANA**  
**SEWAGE WORKS REFUNDING REVENUE BONDS OF 2020**

Original Date: Date of Delivery (Anticipated to be July 29, 2020)

Due: January 1st, as shown on inside cover page

The City of Jeffersonville, Indiana (the “City”) is issuing \$3,985,000 of Sewage Works Refunding Revenue Bonds of 2020 (the “2020 Refunding Bonds”), for the current refunding of \$7,251,000 of currently outstanding Sewage Works Revenue Bonds of 2008, dated March 28, 2008 (the “Sewage Works Revenue Bonds of 2008”) and \$852,000 of currently outstanding Sewage Works Revenue Bonds of 2009, dated August 10, 2009 (the “Sewage Works Revenue Bonds of 2009”) (collectively, the “2020 Refunded Bonds”), to fund a debt service reserve and to pay issuance costs. The 2020 Refunded Bonds were originally issued to finance the cost of certain improvements and extensions to the City’s sewage works (the “Sewage Works”).

The 2020 Refunding Bonds will be issued as provided in Amended and Restated Ordinance No. 2019-OR-68 adopted by the Common Council on December 16, 2019, and as further anticipated to be amended on July 20, 2020 (collectively, the “Bond Ordinance” or “Ordinance”). The 2020 Refunding Bonds are payable solely from and constitute a first charge upon the Net Revenues (hereinafter defined) of the City’s Sewage Works as more fully described in this Official Statement. The 2020 Refunding Bonds shall not constitute an indebtedness of the City within the meaning of the provisions and limitations of the constitution of the State of Indiana. The 2020 Refunding Bonds will rank on parity with the Sewage Works Revenue Bonds of 2010, Series A, dated June 30, 2010 (the “2010A Bonds”), now outstanding in the amount of \$1,495,000, the Sewage Works Revenue Bonds of 2011, Series A, dated March 31, 2011 (the “2011A Bonds”), now outstanding in the amount of \$17,370,000, the Sewage Works Revenue Bonds of 2011, Series B, dated March 31, 2011 (the “2011B Bonds”), now outstanding in the amount of \$290,863, the Sewage Works Revenue Bonds of 2011, Series C, dated November 23, 2011 (the “2011C Bonds”), now outstanding in the amount of \$14,059,000, the Sewage Works Revenue Bonds of 2012, dated December 13, 2012 (the “2012 Bonds”), now outstanding in the amount of \$8,153,000, the Sewage Works Refunding Revenue Bonds of 2013, dated October 3, 2013 (the “2013 Bonds”), now outstanding in the amount of \$6,660,000, the Sewage Works Refunding Revenue Bonds, Series 2017A, dated September 21, 2017 (the “2017A Bonds”), now outstanding in the amount of \$12,800,000, and the Sewage Works Revenue Bonds of 2020, Series A, dated February 14, 2020 (the “2020A Bonds”), now outstanding in the amount of \$15,279,000 (collectively, the “Outstanding Bonds”).

The 2020 Refunding 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 2020 Refunding Bonds will be made in book-entry-only form in the denomination of \$5,000 or any integral multiple thereof. Purchasers of beneficial interests in the 2020 Refunding Bonds (the “Beneficial Owners”) will not receive physical delivery of certificates representing their interests in the 2020 Refunding Bonds. Interest on the 2020 Refunding Bonds will be payable semiannually on January 1 and July 1 of each year, beginning January 1, 2021. Principal and interest will be disbursed on behalf of the City by The Bank of New York Mellon Trust Company, N.A., in East Syracuse, New York (the “Registrar” and “Paying Agent”). Interest on the 2020 Refunding Bonds will be paid by check, mailed one business day prior to the interest payment date or by wire transfer to depositories. The principal of and premium, if any, on the 2020 Refunding Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent. Interest on, together with the principal of, the 2020 Refunding Bonds will be paid directly to DTC by the Paying Agent so long as DTC or its nominee is the registered owner of the 2020 Refunding Bonds. The final disbursement of such payments to the Beneficial Owners of the 2020 Refunding Bonds will be the responsibility of the DTC Participants and the Indirect Participants. See “BOOK-ENTRY-ONLY SYSTEM”. The 2020 Refunding Bonds will be not subject to optional redemption prior to maturity. The 2020 Refunding 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.

\*Preliminary, subject to change.

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

MATURITY SCHEDULE  
(Base CUSIP\*\* \_\_\_\_\_)

<u>Maturity</u>	<u>Principal*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u>
January 1, 2027	\$1,290,000			
January 1, 2028	1,330,000			
January 1, 2029	1,365,000			

\*Preliminary, subject to change.

\*\*Copyright 2020 CUSIP Global Services. CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by S&P7560 Global Marketing Intelligence

## INFORMATION FOR BIDDING

**Date and Time of Sale:** Upon 24 hours' notice. Anticipated to take place on July 15, 2020, at 11:00 AM (EDT)

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

**Maximum Interest Rate:** 4%

**Minimum Purchase Price\*\*:** 99.25% (\$3,955,112.50\*)

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

**Anticipated Closing Date:** July 29, 2020

**Good Faith Deposit:** \$39,850\* 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 G (Issue Price Determination).

The 2020 Refunding Bonds are being offered for delivery when, as and if issued and received by the Underwriter (hereinafter defined) and subject to the approval of legality by Ice Miller LLP, Indianapolis, Indiana, Bond Counsel. Certain legal matters will be passed on by Michael A. Gillenwater, as Attorney for the City of Jeffersonville. The 2020 Refunding Bonds are expected to be available for delivery to DTC, in New York, New York on or about July 29, 2020.

THE CITY IS NOT OBLIGATED TO PAY THE 2020 REFUNDING BONDS OR INTEREST THEREON EXCEPT FROM THE NET REVENUES, AS DESCRIBED HEREIN, OF ITS SEWAGE WORKS, AND THE 2020 REFUNDING BONDS ARE NOT IN ANY RESPECT A CORPORATE INDEBTEDNESS OF THE CITY WITHIN THE PROVISIONS AND LIMITATIONS OF THE CONSTITUTION OF THE STATE OF INDIANA.

IN CONNECTION WITH THIS OFFERING THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2020 REFUNDING BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, AND SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the City. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities described herein by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the City and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the securities described herein shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date of delivery of the securities described herein to the initial purchaser thereof. However, upon delivery of the securities, the City will provide a certificate stating there have been no material changes in the information contained in the Final Official Statement since its delivery.

REFERENCES TO WEB SITE ADDRESSES PRESENTED HEREIN ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER'S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEB SITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS OFFICIAL STATEMENT FOR THE PURPOSES OF, AND AS THAT TERM IS DEFINED IN, SEC RULE 15C2-12.

As described in Appendix F to this Preliminary Official Statement, the winning bidder agrees by submission of its bid to assist the City in establishing the issue price of the 2020 Refunding Bonds and shall execute and deliver to the City 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 winning bidder, the City and Bond Counsel. All interested bidders should read Appendix F regarding the City's requirement for the winning bidder to establish the issue price of the 2020 Refunding Bonds within the meaning of the Code.

\*Preliminary, subject to change. Following the receipt of bids and the determination of the successful bidder, the City reserves the right to adjust principal maturities to achieve its financial objectives with respect to the 2020 Refunding Bonds.

\*\* Minimum Purchase Price shall mean the par amount of the 2020 Refunding 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 City, and adding any amortizable bond premium.

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\*Preliminary, subject to change.

\*\*The General Information section contains information regarding the tax base of the City; however, NO PROPERTY TAXES ARE PLEDGED TO PAYMENT OF THE 2020 REFUNDING BONDS.

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PROJECT PERSONNEL

Names and positions of officials and professionals who have taken part in the planning of this bond issue are:

Mayor

Honorable Mike Moore

City Controller

Heather Metcalf

Management

Len Ashack  
Utility Director

Common Council Members

Dustin White  
Bill Burns  
Joe Paris  
Scottie Maples  
Donnie Croft  
Steve Webb  
Matt Owens  
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Indianapolis, Indiana 46240

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*This introduction to the Official Statement contains certain information for quick reference only. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.*

## **PRELIMINARY OFFICIAL STATEMENT**

**\$3,985,000**

### **CITY OF JEFFERSONVILLE, INDIANA SEWAGE WORKS REFUNDING REVENUE BONDS OF 2020**

#### INTRODUCTION TO THE OFFICIAL STATEMENT

The City of Jeffersonville, Indiana (the "City") is issuing \$3,985,000 of Sewage Works Refunding Revenue Bonds of 2020 (the "2020 Refunding Bonds"). The City owns and operates the Sewage Works.

#### SECURITY AND SOURCES OF PAYMENT

The 2020 Refunding Bonds are payable from the Net Revenues (defined in the Bond Ordinance as the gross revenues, inclusive of System Development Charges (as defined in the Ordinance), after deduction only for a payment of reasonable expenses of operation, repair and maintenance, excluding transfers for payment in lieu of property taxes ("PILOTS")) of the Sewage Works of the City. The 2020 Refunding Bonds will rank on parity with the Sewage Works Revenue Bonds of 2010, Series A, dated June 30, 2010, originally issued in the amount of \$2,500,000, currently outstanding in the amount of \$1,495,000, and maturing annually over a period ending January 1, 2031 (the "2010A Bonds"), the Sewage Works Revenue Bonds of 2011, Series A, dated March 31, 2011, originally issued in the amount of \$22,350,000, currently outstanding in the amount of \$17,370,000, and maturing annually over a period ending January 1, 2032 (the "2011A Bonds"), the Sewage Works Revenue Bonds of 2011, Series B, dated March 31, 2011, originally issued in the amount of \$772,000, currently outstanding in the amount of \$290,863, and maturing annually over a period ending January 1, 2028 (the "2011B Bonds"), the Sewage Works Revenue Bonds of 2011, Series C, dated November 23, 2011, originally issued in the amount of \$20,550,000, currently outstanding in the amount of \$14,059,000, and maturing annually over a period ending January 1, 2033 (the "2011C Bonds"), the Sewage Works Revenue Bonds of 2012, dated December 13, 2012, originally issued in the amount of \$11,865,000, currently outstanding in the amount of \$8,153,000, and maturing annually over a period ending January 1, 2033 (the "2012 Bonds"), the Sewage Works Refunding Revenue Bonds of 2013, dated October 3, 2013, originally issued in the amount of \$8,540,000, currently outstanding in the amount of \$6,660,000, and maturing annually over a period ending January 1, 2026 (the "2013 Bonds"), the Sewage Works Refunding Revenue Bonds, Series 2017A, dated September 21, 2017, originally issued in the amount of \$12,800,000, currently outstanding in the amount of \$12,800,000, and maturing annually over a period ending January 1, 2031 (the "2017A Bonds"), and the Sewage Works Revenue Bonds of 2020, Series A, dated February 14, 2020, originally issued in the amount of \$15,279,000, currently outstanding in the amount of \$15,279,000, and maturing annually over a period ending January 1, 2041 (the "2020A Bonds") (collectively, the "Outstanding Bonds").

#### PURPOSE

The 2020 Refunding Bonds are being issued for the current refunding of \$7,251,000 of outstanding Sewage Works Revenue Bonds of 2008, dated March 28, 2008, originally issued in the amount of \$9,800,000 and maturing annually over a period ending January 1, 2029 (the "2008 Bonds") and \$852,000 of outstanding Sewage Works Revenue Bonds of 2009, dated August 10, 2009, originally issued in the amount of \$1,400,000 and maturing annually over a period ending January 1, 2030 (the "2009 Bonds") (collectively, the "2020 Refunded Bonds"). The proceeds from the sale of the 2020 Refunding Bonds, together with funds on hand, will be applied to the current refunding and legal defeasance of the 2020 Refunded Bonds, and to pay costs incurred with the refunding. The refunding will enable the City to realize an annual reduction of debt service payments.

#### REDEMPTION PROVISIONS

The 2020 Refunding Bonds are not subject to optional redemption. The 2020 Refunding Bonds may be issued as Term Bonds at the discretion of the Underwriter and in that case, would be subject to mandatory sinking fund redemption as more fully described herein.

\*Preliminary, subject to change.

## DENOMINATIONS

The 2020 Refunding Bonds are being issued in the denomination of \$5,000 or integral multiple thereof.

## 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, The Bank of New York Mellon Trust Company, N.A., 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 2020 Refunding Bonds can be found in the Bond Ordinance.

## BOOK-ENTRY-ONLY SYSTEM

The 2020 Refunding Bonds may initially be issued and held in book-entry form on the books of the central depository system. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the 2020 Refunding Bonds. The 2020 Refunding Bonds will be issued as fully-registered in the name of Cede & Co. (DTC’s partnership nominee). One fully registered Bond certificate will be issued for the 2020 Refunding Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC. The City and the Registrar and Paying Agent may deem and treat the Clearing Agency (Cede & Co.) as the absolute owner and holder of such Bond for all purposes including, without limitation, the receiving of payment of the principal of, premium, if any, and interest on such 2020 Refunding Bonds, the receiving of notice and the giving of consent. Interest payable January 1, 2021, and semiannually thereafter, will be paid by check mailed one business day prior to the interest payment date to the registered owner or by wire transfer on the interest payment date to the depository shown as the registered owner (Refer to “Book-Entry-Only System” herein).

## POTENTIAL IMPACTS RESULTING FROM CORONAVIRUS (COVID-19)

On March 6, 2020, Indiana Governor Eric Holcomb issued Executive Order 20-02 which declared the Coronavirus Disease 2019 (“COVID-19”) outbreak in Indiana to be a public emergency, which has been renewed four times by separate Executive Orders, and most recently by Executive Order 20-34 issued on July 1, 2020. On March 11, 2020, the World Health Organization proclaimed COVID-19 to be a pandemic, and on March 13, 2020, the President of the United States declared a national emergency related to COVID-19. In an effort to lessen the risk of transmission of COVID-19, the United States government, state governments, local governments and private industries have taken measures to limit social interactions affecting business activities and impacting global, state and local commerce and financial markets. The emergence of COVID-19 and the spread thereof is an emerging and evolving issue. To address the social and economic impacts of COVID-19, Governor Holcomb has issued multiple executive orders, including Executive Order 20-05 on March 19, 2020, Executive Order 20-21 on April 15, 2020, Executive Order 20-23 on April 23, 2020, Executive Order 20-26 on May 1, 2020 and Executive Order 20-31 on June 3, 2020. These Executive Orders provide and allow for taxpayer relief, including an extension of time related to state income tax liabilities, orders counties to waive penalties for 60 days on non-escrowed property taxes, and for 60 days on special assessments and fees that are included on the property tax bills and collected as part of the property tax payment, which are paid after the May 11, 2020 due date, extends deadlines for submitting business personal property returns and property tax incentive applications and provides the Indiana Department of Revenue with the authority to waive any penalties and interest that are directly related to taxes, estimated payment or other amounts due in response to extensions related to COVID-19.

In order to address the social and economic impacts of COVID-19, the Governor has issued several subsequent executive orders, including Executive Order 20-05 on March 19, 2020 (“EO 20-05”). EO 20-05 provides that providers of gas and electric utilities, broadband, telecommunication, water and wastewater services are prohibited from discontinuing service to any customer in the State, because these services are essential to Hoosiers and Hoosier businesses, particularly during this state of public health emergency. EO 20-05 has been extended by other Executive Orders issued by the Governor, the most recent of which is Executive Order 20-33 issued on May 21, 2020 (“EO 20-33”) and extended through August 14, 2020. EO 20-33 also included a statement that regulated utilities must follow the Order (as hereinafter defined). On June 29, 2020, the Indiana Utility Regulatory Commission (“Commission”) issued an order (Cause No. 45380)(“Order”) notifying all jurisdictional Indiana utilities that all utility service disconnections are prohibited, along with the collection of certain utility late fees (late fees, convenience fees, deposits

and reconnection fees) through August 14, 2020. The Commission doubled the minimum requirement for extended payment plans by requiring all jurisdictional utilities to offer payment plans of at least six months to all customers. All jurisdictional utilities are also authorized to record COVID-19 related impacts directly associated with any prohibition on utility disconnections, collections of certain utility fees, and the expanded payment arrangements, which may be considered for cost recovery.

As the federal, state, and local governments, including the City, continue efforts to contain and limit the spread COVID-19 disease, future revenue collections may deviate from anticipated and historical revenue collections and may have an adverse impact on the financial position and operations of the City and its ability to fund debt obligations, including the 2020 Refunding Bonds in accordance with its terms. The City may apply for available state and federal assistance to offset the financial impact of the pandemic and may enter into short-term borrowing to bridge delays in receipts of revenues. The City is not able to predict and makes no representations as to the economic impact of the COVID-19 pandemic on the City or its financial position.

#### PROVISIONS FOR PAYMENT

The principal on the 2020 Refunding 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. All payments of interest on the 2020 Refunding Bonds shall be paid by check, mailed one business day prior to the interest payment date to the registered owners as the names appear as of the fifteenth day of the month 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 2020 Refunding 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 2020 Refunding Bonds, principal and interest on the 2020 Refunding Bonds will be paid directly to DTC by the Paying Agent. (The final disbursement of such payments to the Beneficial Owners of the 2020 Refunding Bonds will be the responsibility of the DTC Participants and Indirect Participants, as defined and more fully described herein.)

#### NOTICES

Notice of redemption shall be mailed to the registered owners of all 2020 Refunding Bonds, not less than 30 days prior to the date fixed for redemption.

#### TAX MATTERS

In the opinion of Ice Miller LLP, Indianapolis, Indiana (“Bond Counsel”), under existing laws, regulations, judicial decisions and rulings, interest on the 2020 Refunding Bonds 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 (as 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. *See* Appendix D for the form of opinion of Bond Counsel and Tax Matters herein.

The 2020 Refunding Bonds are not bank qualified.

#### MISCELLANEOUS

The information contained in this Official Statement has been compiled from City 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. However, the Official Statement speaks only as of its date, and the information contained herein is subject to change.

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the 2020 Refunding Bonds, the security for the payment of the 2020 Refunding Bonds and the rights and obligations of the owners thereof. Additional information may be requested from the Controller, City of Jeffersonville, 500 Quartermaster Court, Suite 300, Jeffersonville, Indiana 47130, phone 812-285-6422.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the owners of the 2020 Refunding Bonds.

## THE REFUNDING

### THE REFUNDING PROGRAM

The refunding of the 2020 Refunded Bonds will be accomplished by wiring 2020 Refunding Bond proceeds, together with funds on hand of the City, to the holder of the 2020 Refunded Bonds on the date of delivery of the 2020 Refunding Bonds.

The amount wired will be sufficient to make full and timely payment of all principal and interest due on the 2020 Refunded Bonds along with a 2% premium on the 2009 Bonds with respect to the 2020 Refunded Bonds to defease the 2020 Refunded Bonds on the date of delivery of the 2020 Refunding Bonds.

Mathematical calculations of the adequacy of the funds required to fully provide for all payments enumerated above will be verified by Baker Tilly Virchow Krause, LLP at the time of delivery of the 2020 Refunding Bonds. See "Verification" herein.

### ESTIMATED SOURCES AND USES OF FUNDS

#### Estimated Sources of Funds

Sewage Works Refunding Revenue Bonds of 2020*	\$3,985,000.00
Reoffering Premium	313,236.30
Transfers from Prior Issue Debt Service Reserve Funds	425,083.11
Transfers from Prior Issue Debt Service Funds	253,287.34
Capacity Fee Contribution	<u>3,760,000.00</u>
Total Estimated Sources of Funds	<u><u>\$8,736,606.75</u></u>

#### Estimated Uses of Funds

Deposit to Current Refunding Fund	\$8,139,752.63
Deposit to Debt Service Reserve Fund	425,083.11
Costs of Issuance and rounding	<u>171,771.01</u>
Total Estimated Uses of Funds	<u><u>\$8,736,606.75</u></u>

\*Preliminary, subject to change.

SCHEDULE OF AMORTIZATION OF \$3,985,000 PRINCIPAL AMOUNT OF  
SEWAGE WORKS REFUNDING REVENUE BONDS OF 2020

<u>Payment Date</u>	<u>Principal Outstanding*</u> (-----In Thousands-----)	<u>Principal*</u>	<u>Interest Rates</u> (%)	<u>Interest</u>	<u>Total</u>	<u>Budget Year Total</u>
01/01/21	\$3,985					
07/01/21	3,985					
01/01/22	3,985					
07/01/22	3,985					
01/01/23	3,985					
07/01/23	3,985					
01/01/24	3,985					
07/01/24	3,985					
01/01/25	3,985					
07/01/25	3,985					
01/01/26	3,985					
07/01/26	3,985					
01/01/27	3,985	\$1,290				
07/01/27	2,695					
01/01/28	2,695	1,330				
07/01/28	1,365					
01/01/29	1,365	<u>1,365</u>				
Total		<u>\$3,985</u>				

\*Preliminary, subject to change.

SECURITIES BEING OFFERED

AUTHORIZATION AND APPROVAL PROCESS

The 2020 Refunding Bonds are to be issued under the authority of Indiana law, including, without limitation, Indiana Code Title 36, Article 9, Section 23, and Title 5, Article 1, and Chapter 5, each as in effect on the date of delivery of the 2020 Refunding Bonds and pursuant to the Bond Ordinance (Appendix C).

SECURITY AND SOURCES OF PAYMENT

The 2020 Refunding Bonds are payable solely out of the Net Revenues (defined as the gross revenues, inclusive of System Development Charges, after deduction only for a payment of reasonable expenses of operation, repair and maintenance, excluding transfers for payment in lieu of property taxes ("PILOTs")) of the Sewage Works. The 2020 Refunding Bonds constitute a first charge upon the Net Revenues of the Sewage Works and will rank on parity with the the Sewage Works Revenue Bonds of 2010, Series A, dated June 30, 2010, originally issued in the amount of \$2,500,000, currently outstanding in the amount of \$1,495,000, and maturing annually over a period ending January 1, 2031 (the "2010A Bonds"), the Sewage Works Revenue Bonds of 2011, Series A, dated March 31, 2011, originally issued in the amount of \$22,350,000, currently outstanding in the amount of \$17,370,000, and maturing annually over a period ending January 1, 2032 (the "2011A Bonds"), the Sewage Works Revenue Bonds of 2011, Series B, dated March 31, 2011, originally issued in the amount of \$772,000, currently outstanding in the amount of \$290,863, and maturing annually over a period ending January 1, 2028 (the "2011B Bonds"), the Sewage Works Revenue Bonds of 2011, Series C, dated November 23, 2011, originally issued in the amount of \$20,550,000, currently outstanding in the amount of \$14,059,000, and maturing annually over a period ending January 1, 2033 (the "2011C Bonds"), the Sewage Works Revenue Bonds of 2012, dated December 13, 2012, originally issued in the amount of \$11,865,000, currently outstanding in the amount of \$8,153,000, and maturing annually over a period ending January 1, 2033 (the "2012 Bonds"), the Sewage Works Refunding Revenue Bonds of 2013, dated October 3, 2013, originally issued in the amount of \$8,540,000, currently outstanding in the amount of \$6,660,000, and maturing annually over a period

ending January 1, 2026 (the "2013 Bonds"), the Sewage Works Refunding Revenue Bonds, Series 2017A, dated September 21, 2017, originally issued in the amount of \$12,800,000, currently outstanding in the amount of \$12,800,000, and maturing annually over a period ending January 1, 2031 (the "2017A Bonds"), and the Sewage Works Revenue Bonds of 2020, Series A, dated February 14, 2020, originally issued in the amount of \$15,279,000, currently outstanding in the amount of \$15,279,000, and maturing annually over a period ending January 1, 2041 (the "2020A Bonds")(collectively, the "Outstanding Bonds").

The 2020 Refunding Bonds are further secured by a Debt Service Reserve Account (the "Reserve Account"). It is anticipated that the Reserve Account will be fully funded at closing.

The City irrevocably pledges the Net Revenues of the Sewage Works to the payment of the principal of and interest on the 2020 Refunding Bonds and any bonds ranking on parity therewith to the extent necessary. The City covenants that it will cause to be fixed, maintained and collected such rates and charges for services rendered by the Sewage Works as are sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of the Sewage Works and for the payment of the sums required by the Sinking Fund under the provisions of the Bond Ordinance.

The Net Revenues of the Sewage Works that are pledged to payment of the 2020 Refunding Bonds are fully described in the Bond Ordinance, as is the pledge of Net Revenues (Section 11), flow of funds (Sections 12 through 15), rate covenant (Section 18), additional bond provisions (Section 19), further covenants of the City (Section 20), tax covenants (Section 23) and other pertinent matters. Only the Net Revenues of the Sewage Works are pledged as security for the 2020 Refunding Bonds.

#### FUNDS AND ACCOUNTS

*Revenue Fund:* All revenues derived from the operation of the Sewage Works and from the collection of sewer rates and charges are deposited in the Revenue Fund. This is in accordance with Section 12 of the Bond Ordinance.

*Operation and Maintenance Fund:* On the last day of each calendar month, a sufficient amount of money shall be transferred from the Revenue Fund into the Operation and Maintenance Fund. The balance maintained in the Operation and Maintenance Fund shall be sufficient to pay the expenses of operation, repair and maintenance for the next succeeding two (2) calendar months. Monies in the Operation and Maintenance Fund may be transferred to the Sinking Fund in order to prevent a default on any outstanding bonds of the Sewage Works. This is in accordance with Section 13 of the Bond Ordinance.

*Sinking Fund:* The Sinking Fund consists of the Bond and Interest Account and Reserve Account. Net Revenues of the Sewage Works shall be credited on the last day of each calendar month to the Bond and Interest Account in an amount equal to at least one-sixth (1/6) of the interest and at least one-sixth (1/12) of the principal on all then outstanding bonds payable on the next succeeding interest and principal payment date until the Bond and Interest Account shall equal the amount of interest and principal due on the next succeeding respective interest and principal payments dates. The Reserve Account consists of two separate reserve subaccounts designated as the "Cash Reserve Subaccount" and the "Surety Reserve Subaccount". The Surety Reserve Subaccount contains a debt service reserve insurance policy which only secures the 2017 Bonds and may not be used to pay principal of or interest on and does not secure the 2020 Refunding Bonds. The Cash Reserve Subaccount provides the margin for safety against default on the 2020 Refunding Bonds and the Outstanding Bonds (excluding the 2017 Bonds). The balance to be maintained in the Cash Reserve Subaccount shall equal but not exceed the maximum annual debt service on the 2020 Refunding Bonds, the Outstanding Bonds (excluding the 2017 Bonds), and any parity bonds (the "Reserve Requirement"). The Reserve Requirement is anticipated to be fully funded at closing on the Refunding Bonds. This is in accordance with Section 14 of the Bond Ordinance.

*Improvement Fund:* The Improvement Fund is to be used for improvements, replacements, additions and extensions to the Sewage Works or for any other lawful purpose. Money in the Improvement Fund may be transferred to the Sinking Fund, if necessary, to prevent a default on outstanding bonds, eliminate deficiencies of the Reserve Account, or transferred to the Operation and Maintenance Fund to meet unforeseen contingencies. This is in accordance with Section 15 of the Bond Ordinance.

See Sections 12 through 15 of the Bond Ordinance for a complete description of the funds of the Sewage Works.

### ADDITIONAL BONDS

The City reserves the right to authorize and issue additional bonds payable out of the Net Revenues of the Sewage Works ranking on parity with the 2020 Refunding Bonds for the purpose of financing the cost of future additions, extensions and improvements to the Sewage Works, or to refund obligations. *See* Section 19 of the Bond Ordinance.

### THE REFUNDING BONDS

#### INTEREST CALCULATION

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

#### REDEMPTION PROVISIONS

The 2020 Refunding Bonds are not subject to optional redemption.

#### Mandatory Sinking Fund Redemption:

If any 2020 Refunding 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 City, 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 2020 Refunding Bonds are called for redemption at one time, the 2020 Refunding Bonds shall be redeemed in order of maturity determined by the City 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 2020 Refunding Bonds to be redeemed at least 30 days but not more than 60 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 2020 Refunding Bonds are so called for redemption, and payment therefore is made to the Paying Agent in accordance with the terms of the Bond Ordinance, then such 2020 Refunding Bonds shall cease to bear interest from and after the date fixed for redemption in the call.

#### BOOK-ENTRY-ONLY SYSTEM

The 2020 Refunding Bonds will be available only in book-entry form in the principal amount of \$5,000 or any integral multiple thereof. DTC will act as the initial securities depository for the 2020 Refunding Bonds. The ownership of one fully registered Bond for the entire issue of the 2020 Refunding Bonds 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 2020 REFUNDING BONDS, REFERENCES IN THIS OFFICIAL STATEMENT 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 2020 Refunding Bonds. The 2020 Refunding 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 2020 Refunding 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 Standard & Poor'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](http://www.dtcc.com).

Purchases of 2020 Refunding Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2020 Refunding 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 2020 Refunding 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 the 2020 Refunding Bonds, except in the event that use of the book-entry system for the 2020 Refunding Bonds is discontinued.

To facilitate subsequent transfers, all 2020 Refunding 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 2020 Refunding 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 2020 Refunding Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2020 Refunding 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 2020 Refunding Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2020 Refunding Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of 2020 Refunding Bonds may wish to ascertain that the nominee holding the 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 City 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 2020 Refunding 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 2020 Refunding 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 City 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 City, 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 City 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 2020 Refunding Bonds at any time by giving reasonable notice to the City 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 City 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 City believes to be reliable, but neither the City 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 2020 Refunding Bonds in the name of the Beneficial Owners thereof. The City, the Registrar, 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 City receives notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities as a clearing agency for the 2020 Refunding Bonds or (2) the City elects to discontinue its use of DTC as a clearing agency for the 2020 Refunding Bonds, then the City 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 2020 Refunding Bonds, as are necessary or appropriate to discontinue use of DTC as a clearing agency for the 2020 Refunding Bonds and to transfer the ownership of each of the 2020 Refunding Bonds to such person or persons, including any other clearing agency, as the holder of such 2020 Refunding Bonds may direct in accordance with the Ordinance. Any expenses of such a discontinuation and transfer, including any expenses of printing new certificates to evidence the 2020 Refunding Bonds will be paid by the City.

#### POTENTIAL IMPACTS RESULTING FROM CORONAVIRUS (COVID-19)

On March 6, 2020, Indiana Governor Eric Holcomb issued Executive Order 20-02 which declared the Coronavirus Disease 2019 ("COVID-19") outbreak in Indiana to be a public emergency, which has been renewed four times by separate Executive Orders, and most recently by Executive Order 20-34 issued on July 1, 2020. On March 11, 2020, the World Health Organization proclaimed COVID-19 to be a pandemic, and on March 13, 2020, the President of the United States declared a national emergency related to COVID-19. In an effort to lessen the risk of transmission of COVID-19, the United States government, state governments, local governments and private industries have taken measures to limit social interactions affecting business activities and impacting global, state and local commerce and financial markets. The emergence of COVID-19 and the spread thereof is an emerging and evolving issue. To address the social and economic impacts of COVID-19, Governor Holcomb has issued multiple executive orders, including Executive Order 20-05 on March 19, 2020, Executive Order 20-21 on April 15, 2020, Executive Order 20-23 on April 23, 2020, Executive Order 20-26 on May 1, 2020 and Executive Order 20-31 on June 3, 2020. These Executive Orders provide and allow for taxpayer relief, including an extension of time related to state income tax liabilities, orders counties to waive penalties for 60 days on non-escrowed property taxes, and for 60 days on special assessments and fees that are included on the property tax bills and collected as part of the property tax payment, which are paid after

the May 11, 2020 due date, extends deadlines for submitting business personal property returns and property tax incentive applications and provides the Indiana Department of Revenue with the authority to waive any penalties and interest that are directly related to taxes, estimated payment or other amounts due in response to extensions related to COVID-19.

In order to address the social and economic impacts of COVID-19, the Governor has issued several subsequent executive orders, including Executive Order 20-05 on March 19, 2020 (“EO 20-05”). EO 20-05 provides that providers of gas and electric utilities, broadband, telecommunication, water and wastewater services are prohibited from discontinuing service to any customer in the State, because these services are essential to Hoosiers and Hoosier businesses, particularly during this state of public health emergency. EO 20-05 has been extended by other Executive Orders issued by the Governor, the most recent of which is Executive Order 20-33 issued on May 21, 2020 (“EO 20-33”) and extended through August 14, 2020. EO 20-33 also included a statement that regulated utilities must follow the Order (as hereinafter defined). On June 29, 2020, the Indiana Utility Regulatory Commission (“Commission”) issued an order (Cause No. 45380)(“Order”) notifying all jurisdictional Indiana utilities that all utility service disconnections are prohibited, along with the collection of certain utility late fees (late fees, convenience fees, deposits and reconnection fees) through August 14, 2020. The Commission doubled the minimum requirement for extended payment plans by requiring all jurisdictional utilities to offer payment plans of at least six months to all customers. All jurisdictional utilities are also authorized to record COVID-19 related impacts directly associated with any prohibition on utility disconnections, collections of certain utility fees, and the expanded payment arrangements, which may be considered for cost recovery.

As the federal, state, and local governments, including the City, continue efforts to contain and limit the spread COVID-19 disease, future revenue collections may deviate from anticipated and historical revenue collections and may have an adverse impact on the financial position and operations of the City and its ability to fund debt obligations, including the 2020 Refunding Bonds in accordance with its terms. The City may apply for available state and federal assistance to offset the financial impact of the pandemic and may enter into short-term borrowing to bridge delays in receipts of revenues. The City is not able to predict and makes no representations as to the economic impact of the COVID-19 pandemic on the City or its financial position.

#### CONTINUING DISCLOSURE

Pursuant to 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”), the City will execute and deliver a Continuing Disclosure Undertaking (the “Undertaking”), to be dated the date of the delivery of the 2020 Refunding Bonds, provided that the winning bidder is an underwriter and the 2020 Refunding Bonds will be subject to the SEC Rule. Pursuant to the terms of the Undertaking, the City agrees to provide the information detailed in the Undertaking, the form of which is attached hereto as Appendix A.

The City may, from time to time, amend or modify the Undertaking without the consent of or notice to the owners of the 2020 Refunding Bonds if either (a)(i) such amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the City, or type of business conducted; (ii) the Undertaking, as so amended or modified, would have complied with the requirements of the SEC Rule on the date of execution of the Undertaking, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances; and (iii) such amendment or modification does not materially impair the interests of the holders of the 2020 Refunding Bonds, as determined either by (A) nationally recognized bond counsel or (B) an approving vote of the holders of the 2020 Refunding Bonds pursuant to the terms of the Bond Ordinance at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds the Undertaking) is permitted by the SEC Rule, then in effect.

The City may, at its sole discretion, utilize an agent in connection with the dissemination of any annual financial information required to be provided by the City pursuant to the terms of the Undertaking. The City has currently retained Baker Tilly (as hereinafter defined) as its dissemination agent.

The purpose of the Undertaking is to enable the Underwriter to purchase the 2020 Refunding Bonds by providing for an undertaking by the City in satisfaction of the SEC Rule. The Undertaking is solely for the benefit of the owners of the 2020 Refunding Bonds and creates no new contractual or other rights for the SEC, underwriters, brokers, dealers,

municipal securities dealers, potential customers, other obligated persons or any other third party. The sole remedy against the City for any failure to carry out any provision of the Undertaking shall be for specific performance of the City's disclosure obligations under the Undertaking and not for money damages of any kind or in any amount or any other remedy. The City's failure to honor its covenants under the Undertaking shall not constitute a breach or default of the 2020 Refunding Bonds, the Bond Ordinance or any other agreement.

In order to assist the Underwriter in complying with the Underwriter's obligations pursuant to the SEC Rule, the City represents that it has conducted or caused to be conducted what it believes to be a reasonable review of the City's compliance with its continuing disclosure obligations. Based upon such review, the City has failed to consistently comply with its previous undertakings. Such failures include, but may not be limited to the following:

- Certain reportable events were not filed on a timely basis, including: audit reports not filed timely, trustee changes, notices of defeasance.

The City makes no representation as to any potential materiality of such prior instances, as materiality is dependent upon individual facts and circumstances.

The City has retained Baker Tilly (as hereinafter defined)] as its dissemination agent. The City has conducted a review of compliance of its previous undertakings, and the list above represents any instances of non-compliance of which the City is aware.

#### BOND RATING

S&P Global Ratings ("S&P Global") has assigned a bond rating of "  " to the 2020 Refunding Bonds. Such rating reflects only the view of S&P Global and any explanation of the significance of such rating may only be obtained from S&P Global.

The rating is not a recommendation to buy, sell or hold the 2020 Refunding Bonds, and such rating may be subject to revision or withdrawal at any time by S&P Global. Any downward revision or withdrawal of the rating may have an adverse effect upon the market price of the 2020 Refunding Bonds.

The City did not apply to any other rating service for a rating on the 2020 Refunding Bonds.

#### UNDERWRITING

The 2020 Refunding Bonds are being purchased by \_\_\_\_\_ (the "Underwriter") at a purchase price of \$\_\_\_\_\_, which is the par amount of the 2020 Refunding Bonds of \$\_\_\_\_\_ less the underwriter's discount of \$\_\_\_\_\_ plus the original issue premium of \$\_\_\_\_\_. The Notice of Intent to Sell Bonds provides that all of the 2020 Refunding Bonds will be purchased by the Underwriter if any of such 2020 Refunding Bonds are purchased.

The Underwriter intends to offer the 2020 Refunding Bonds to the public at the offering prices set forth on the inside cover page of this Official Statement. The Underwriter may allow concessions to certain dealers (including dealers in a selling group of the Underwriter and other dealers depositing the 2020 Refunding Bonds into investment trusts), who may reallocate concessions to other dealers. After the initial public offering, the public offering price may be varied from time to time by the Underwriter.

#### MUNICIPAL ADVISOR

The City has retained Baker Tilly Municipal Advisors, LLC as municipal advisor in connection with certain aspects of the issuance of Bonds (the "Municipal Advisor" or "Baker Tilly"). 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 City to provide certain financial advisory services including, among other things, preparation of the deemed "nearly final" Preliminary Official Statement and the Final Official Statement (the "Official Statements"). The information contained in the Official Statements has been compiled from records and other materials provided by City 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 Official Statements.

The Municipal Advisor's duties, responsibilities and fees arise solely as Municipal Advisor to the City and they have no secondary obligations or other responsibility. However, Baker Tilly Virchow Krause, LLP is preparing the Parity and Escrow Report for the 2020 Refunding Bonds. The Parity and Escrow Report is prepared under a separate engagement by a Baker Tilly Virchow Krause, LLP engagement partner and staff who are independent from the Baker Tilly engagement partner and staff providing municipal advisory services as outlined herein. The Municipal Advisor's and Parity and Escrow Report fees are expected to be paid from proceeds of the 2020 Refunding Bonds pursuant to the respective engagements.

*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 City, but is neither a placement agent to the City nor a broker/dealer and cannot participate in the underwriting of the 2020 Refunding Bonds.

The offer and sale of the 2020 Refunding Bonds shall be made by the City, in the sole discretion of the City, and under its control and supervision. The City has agreed that Baker Tilly does not undertake to sell or attempt to sell the 2020 Refunding Bonds, and will take no part in the sale thereof.

*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 discretionary and non-discretionary investment management services to government and municipal entities. BTIS may provide advisory services to the clients of Baker Tilly.

Baker Tilly Virchow Krause, LLP ("BTVK") 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. BTVK 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 ("BTC"), a wholly owned subsidiary of BTVK, is a limited purpose broker/dealer registered with the SEC and member of the Financial Industry Regulatory Authority ("FINRA"). BTC provides merger & acquisition, capital sourcing and corporate finance advisory services. BTC may provide transaction advisory services to clients of Baker Tilly.

Baker Tilly Financial, LLC ("BTF"), a wholly owned subsidiary of BTVK, is a state-registered investment adviser that provides both discretionary and non-discretionary investment advice, investment and pension consulting and portfolio management services to individual and institutional clients. BTF may provide advisory services to the clients of Baker Tilly.

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.

### LEGISLATIVE PROPOSALS

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the 2020 Refunding 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 2020 Refunding Bonds. Prospective purchasers of the 2020 Refunding 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 2020 Refunding Bonds. Bond Counsel's opinion is based upon the law in existence on the date of issuance of the 2020 Refunding Bonds. It

is possible that legislation enacted after the date of issuance of the 2020 Refunding Bonds or proposed for consideration will have an adverse effect on the excludability of all or a part of the interest on the 2020 Refunding Bonds from gross income, the manner in which such interest is subject to federal income taxation or the market price of the 2020 Refunding 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 2020 Refunding Bonds or proposed for consideration will have an adverse effect on payment or timing of payment or other matters impacting the 2020 Refunding Bonds.

The City 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 2020 Refunding 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, the interest on the 2020 Refunding Bonds is excludable for federal tax income purposes and is not a specific preference item for purposes of the federal alternative minimum tax. This opinion is conditioned on continuing compliance by City with the Tax Covenants (as hereinafter defined). Failure to comply with the Tax Covenants could cause interest on the 2020 Refunding Bonds to lose the exclusion from gross income for federal income taxation retroactive to the date of issue. In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the 2020 Refunding Bonds is exempt from income taxation in the State of Indiana (“State”). See Appendix D for the form of Bond Counsel opinion.

The Code imposes certain requirements which must be met subsequent to the issuance of the 2020 Refunding Bonds as a condition to the exclusion from gross income of interest on the 2020 Refunding Bonds for federal income tax purposes. The City will covenant not to take any action, within its power and control, nor fail to take any action with respect to the 2020 Refunding Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the 2020 Refunding Bonds pursuant to Section 103 of the Code (collectively, “Tax Covenants”). The Bond Ordinance and certain certificates and agreements to be delivered on the date of delivery of the 2020 Refunding Bonds establish procedures to permit compliance with the requirements of the Code. It is not an event of default under the Bond Ordinance if interest on the 2020 Refunding 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 2020 Refunding 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 is 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 2020 Refunding Bonds.

Although Bond Counsel will render an opinion in the form attached as Appendix D hereto, the accrual or receipt of interest on the 2020 Refunding 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 2020 Refunding Bonds. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the 2020 Refunding Bonds should consult their own tax advisors with regard to the federal and state consequences of owning the 2020 Refunding Bonds.

The 2020 Refunding Bonds are not bank qualified.

#### ORIGINAL ISSUE DISCOUNT

The initial public offering price of the 2020 Refunding Bonds maturing on \_\_\_\_\_ through and including \_\_\_\_\_ (collectively, the “Discount Bonds”) is less than the principal amount payable at maturity. As a result

the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public offering price of the Discount Bonds, as set forth on the inside cover page hereof (assuming a substantial amount of such Discount Bond was sold at such price) and who holds such Discount Bond to maturity may treat the full amount of original issue discount as interest which is excludable from the gross income of the owner of that Discount Bond for federal income tax purposes and will not, under present federal income tax law, realize taxable capital gain upon payment of the Discount Bond at maturity.

The original issue discount on each of the Discount Bonds is treated as accruing daily over the term of such Bond on the basis of the yield to maturity determined on the basis of compounding at the end of each six-month period (or shorter period from the date of the original issue) ending on January 1 and July 1 (with straight line interpolation between compounding dates).

Section 1288 of the Code provides, with respect to tax-exempt obligations such as the Discount Bonds, that the amount of original issue discount accruing each period will be added to the owner's tax basis for the Discount Bonds. Such adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale, redemption or payment at maturity). Owners of Discount Bonds who dispose of Discount Bonds prior to maturity should consult their tax advisors concerning the amount of original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or other disposition of such Discount Bonds prior to maturity.

As described above in "Tax Matters," the original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences. Owners of any Discount Bonds should be aware that the accrual of original issue discount in each year may result in a tax liability from these collateral tax consequences even though the owners of such Discount Bonds will not receive a corresponding cash payment until a later year.

Owners who purchase Discount Bonds in the initial public offering but at a price different from the prices listed on the cover page hereof should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

The Code contains certain provisions relating to the accrual of original issue discount in the case of subsequent purchasers of bonds such as the Discount Bonds. Owners who do not purchase Discount Bonds in the initial offering should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Owners of Discount Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discount Bonds. It is possible under the applicable provisions governing the determination of state or local income taxes accrued interest on the Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year.

#### AMORTIZABLE BOND PREMIUM

The initial offering price of the 2020 Refunding Bonds maturing on \_\_\_\_\_ through and including \_\_\_\_\_ (collectively, the "Premium Bonds") is greater than the principal amount payable at maturity or call date. As a result, the Premium Bonds will be considered to be issued with amortizable bond premium (the "Bond Premium"). An owner who acquires a Premium Bond in the initial offering will be required to adjust the owner's basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. Such adjusted tax basis will be used to determine taxable gain or loss upon the disposition of the Premium Bonds (including sale, redemption or payment at maturity or call). The amount of amortizable Bond Premium will be computed on the basis of the owner's yield to maturity, with compounding at the end of each accrual period. Rules for determining (i) the amount of amortizable Bond Premium and (ii) the amount amortizable in a particular year are set forth in Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed pursuant to Section 171(a)(2) of the Code, but amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. Owners of the Premium Bonds should consult their tax advisors with respect to the precise determination for federal income tax purposes of the treatment of Bond Premium upon the sale or other disposition of Premium Bonds and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

Special rules governing the treatment of Bond Premium, which are applicable to dealers in tax-exempt securities are found at Section 75 of the Code. Dealers in tax-exempt securities are urged to consult their own tax advisors concerning treatment of Bond Premium.

#### LITIGATION

To the knowledge of the officers and counsel for the City, there is no litigation pending or threatened, against the City, which in any way questions or affects the validity of the 2020 Refunding Bonds, the collection of revenues of the Sewage Works, the pledge of Net Revenues to the payment of the 2020 Refunding Bonds, or any proceedings or transactions relating to the issuance, sale or delivery thereof.

The officers and counsel for the City will certify at the time of delivery of the 2020 Refunding Bonds that there is no litigation pending or in any way threatened questioning the validity of the 2020 Refunding Bonds, or any of the proceedings had relating to the authorization, issuance and sale of the 2020 Refunding Bonds, the Bond Ordinance or the refunding of the 2020 Refunded Bonds.

#### CERTAIN LEGAL MATTERS

Legal matters incident to the authorization and issuance of the 2020 Refunding 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 2020 Refunding Bonds. Ice Miller LLP has not been asked nor has it undertaken to review the accuracy or sufficiency of this Official Statement and will express no opinion thereon. The form of opinion of Bond Counsel is included as Appendix D of this Official Statement.

#### LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The various legal opinions to be delivered concurrently with the delivery of the 2020 Refunding 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 Bond Ordinance 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 Bond Ordinance may not be readily available or may be limited. Under federal and State environmental laws certain liens may be imposed on property of the City from time to time, but the City has no reason to believe, under existing law, that any such lien would have priority over the lien on the Net Revenues pledged to the payment of debt service of the 2020 Refunding Bonds.

The various legal opinions to be delivered concurrently with the delivery of the 2020 Refunding Bonds will be qualified as to the enforceability of the various legal instruments by the valid exercise of the constitutional powers of the City, the State of Indiana 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 City), in a manner consistent with the public health and welfare. Enforceability of the Bond Ordinance in a situation where such enforcement may adversely affect public health and welfare may be subject to these police powers.

### VERIFICATION

The mathematical calculations of the adequacy of the funds required to pay when due all principal of and interest on the 2020 Refunded Bonds with a redemption premium of 2% on the 2009 Bonds, and the mathematical calculation supporting the concluding of Ice Miller LLP, Indianapolis, Indiana, Bond Counsel, that the 2020 Refunding Bonds are not “arbitrage bonds” under Section 148 of the Internal Revenue Code of 1986, will be verified by Baker Tilly Virchow Krause, LLP. Such computations will be based upon information, assumptions and calculations supplied by the Underwriter.

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The City certifies to the best of its knowledge and belief that this Official Statement, as of its date and as it relates to the City 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.

CITY OF JEFFERSONVILLE

By: 

Honorable Mike Moore, Mayor

Attest: 

Ms. Heather Metcalf, City Controller

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## APPENDIX A



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\*The General Information section contains information regarding the tax base of the City; however, NO PROPERTY TAXES ARE PLEDGED TO PAYMENT OF THE SEWAGE WORKS REFUNDING REVENUE BONDS OF 2020.

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## CITY OF JEFFERSONVILLE

### SYSTEM OVERVIEW

The City of Jeffersonville owns and operates a Wastewater Department (the “Sewage Works”). The Sewage Works includes two wastewater treatment plants and a collection system serving residential, commercial, and industrial customers in the City. The Sewage Works currently serves approximately 15,500 customers. Approximately 1,000 acres of downtown Jeffersonville are served by combined sewers, pipes that collect both sanitary and storm water. The Sewage Works has two plants, plant 1 (the North WWTP) is designed to treat an average daily flows of 3.0 mgd with peak capacity of 9.0 mgd and plant 2 (the Downtown WWTP) is designed to treat an average daily flows of 9.0 mgd with a peak capacity of 50 mgd. The City also maintains a stormwater utility as part of the Wastewater Department.

### RATES

The rates for the Sewage Works are set and approved by the City’s Common Council. The last rate increase was effective on January 1, 2015 pursuant to Ordinance No. 2011-OR-73 approved on February 22, 2012.

### RATE HISTORY

<u>Year</u>	<u>Date Approved</u>	<u>Ordinance</u>	<u>Bill – 4,000 Gallons</u>	
2009	2/22/2012	2011-OR-73	Phase I	\$37.17
2012	2/22/2012	2011-OR-73	Phase II	40.74
2013	2/22/2012	2011-OR-73	Phase III	44.64
2014	2/22/2012	2011-OR-73	Phase IV	48.91
2015	2/22/2012	2011-OR-73	Phase V	53.67

### DEBT SERVICE COVERAGE

<u>Year</u>	<u>Net Revenues</u>	<u>Debt Service</u>	<u>Coverage</u>	<u>Coverage (1)</u>
2015	\$12,404,800	\$7,070,100	175%	163%
2016	13,060,300	7,072,600	185%	162%
2017	13,235,000	7,044,100	188%	165%
2018	14,739,100	7,048,100	209%	170%
2019	14,567,100	7,034,100	207%	185%

(1) Coverage excluding availability fees.

**USER CONNECTIONS**

Based upon information provided by utility billing personnel, the number of Sewage Works customers is reported as follows:

<u>Year</u>	<u>Number of Customers</u>
2011	13,859
2012	13,984
2013	14,070
2014	14,307
2015	14,568
2016	14,867
2017	14,034
2018	15,406
2019	15,638

**CUSTOMER USE**

Percent of Total Consumption

	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Institutional</u>	<u>Other*</u>	<u>Total</u>
2016	63.3%	18.9%	5.0%	6.4%	6.4%	100.0%
2017	62.9%	18.1%	5.1%	6.8%	7.1%	100.0%
2018	64.2%	16.4%	5.0%	8.8%	5.6%	100.0%
2019	64.2%	18.8%	5.4%	6.3%	5.3%	100.0%

Percent of Total Revenues

	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Institutional</u>	<u>Other*</u>	<u>Total</u>
2016	64.4%	20.0%	4.2%	5.2%	6.2%	100.0%
2017	63.6%	19.8%	4.3%	5.3%	7.0%	100.0%
2018	64.8%	18.2%	4.3%	6.7%	6.0%	100.0%
2019	64.3%	20.8%	4.5%	4.9%	5.5%	100.0%

\* Includes public authority, educational, churches, agriculture and other accounts.



## LARGE USERS

The following is a list of the ten largest users of the Sewage Works, according to the utility records. Total billed revenue for the twelve months ended December 31, 2019 was \$18,882,663. The ten largest users as presented below accounted for approximately 20.95% percent of billed revenue.

<u>Name</u>	<u>Type of Business</u>	<u>Twelve Months Ended 12/31/19</u>		
		<u>Billed Flow</u> (100 Cu. Ft.)	<u>Billed Revenue</u>	<u>%</u>
Dallas Group	Chemical industry	124,620	\$1,032,201	5.47%
Snyders	Snack food industry	59,518	758,865	4.02%
Clark Memorial Hospital	Medical facility	61,521	546,375	2.89%
Niagara Bottling LLC	Bottling facility	26,440	474,286	2.51%
Voss Industries	Steel products manufacturing	22,120	271,667	1.44%
Steel Dynamics	Steel products manufacturing	20,190	255,677	1.35%
Chemtrusion	Plastics manufacturing	22,136	188,080	1.00%
Clark County Sheriff	Government	19,958	165,614	0.88%
Heartland Payment Systems	Payment processing	15,246	143,203	0.76%
Philadelphia Corp.	Chemical industry	<u>20,406</u>	<u>119,824</u>	<u>0.63%</u>
Totals		<u>392,155</u>	<u>\$3,955,791</u>	<u>20.95%</u>

**GENERAL PHYSICAL AND DEMOGRAPHIC INFORMATION**

**LOCATION**

The City of Jeffersonville (the “City”) is located in Clark County in southeastern Indiana. The City is immediately north of Louisville, Kentucky across the Ohio River. Indianapolis is approximately 100 miles north of the City, and Cincinnati is approximately 100 miles to the northeast.

**GENERAL CHARACTERISTICS**

Jeffersonville was incorporated in 1802 and is connected via the Ohio River to a vast river system including the Mississippi and Missouri rivers. In the 1800’s shipbuilding of steamboats stimulated the growth of many related businesses in the City. The proximity of Jeffersonville to Louisville, Kentucky provides Jeffersonville residents with a broader economic base as well as offering many educational, cultural, recreational, and employment opportunities.

The Jeffersonville Township Public Library serves the residents of the City with a variety of educational materials and programs for residents including reading clubs, book-by-mail for the homebound users, computerized information databases, meeting rooms, and various videos and audio-visual equipment. The Jeffersonville Township Public Library has its main branch in the City and a full-service branch in Clarksville. The Library is fully automated with public access to the Internet and provides a variety of electronic resources and Inspire, an Internet program, which is funded through the Indiana legislature. The Library celebrated its centennial year in 2000 and consequently adopted the theme “A Window of Opportunity - 100 Years and Beyond”.

The Kentucky Center of the Arts in Louisville, Kentucky provides Jeffersonville residents with ballet, drama, orchestra and opera performances. Additionally, Actors Theatre of Louisville presents an award-winning festival of plays each year.

**GOVERNMENTAL STRUCTURE**

The City is governed by a nine-member Common Council, with each member elected to a four-year term. The Mayor serves as the chief executive of the City and serves a four-year term. The Director of Finance and City Controller, appointed by the Mayor, is responsible for the financial records of the City. Additional City departments include the following:

Animal Shelter	Fire Department	Police Department
Building Commission	Human Resources	Public Works
Drainage Department	Law Department	Redevelopment & Economic Department
Engineering	Parks & Recreation	Street & Sanitation
Finance Department	Planning & Zoning	Wastewater Department

The City employs a total of approximately 379 full and part-time employees with union representation as follows:

<u>Union Name</u>	<u>Union Representation</u>	<u>Number of Members</u>	<u>Contract Expiration Date</u>
Jeffersonville Firefighters I.A. FF Local 558	Firefighters	90	12/31/20
Fraternal Order of Police Lodge #100	Police	86	12/31/20

**ADMINISTRATION AND STAFF**

Management of the Jeffersonville Sewage Works is under the direction of the three members of the Wastewater Board established pursuant to IC 36-9-3. Direct management of the Utility is the responsibility of the Utility Director. The Utility currently employs 40 personnel for operation and maintenance, 13 technical and clerical staff, and the Director.

## **PLANNING AND ZONING**

The City has an eleven-member Plan Commission to provide orderly growth for residential, commercial, and industrial areas within the City and a two-mile jurisdiction surrounding its limits. The City also has a five-member Board of Zoning Appeals.

## **EDUCATION**

The Greater Clark County School Corporation serves residents of the City, operating three high schools, four middle schools, twelve elementary schools and two alternative schools. The School Corporation's 2019/2020 enrollment was 10,144 students, with approximately 640 certified and 659 non-certified employees. The School Corporation provides special education for its students through the Clark County Special Education Co-op.

## **PENSION OBLIGATIONS**

### **Public Employees' Retirement Fund**

#### **Plan Description**

The Indiana Public Employees' Retirement Fund ("PERF") is a cost-sharing multiple-employer defined benefit pension plan and provides retirement, disability, and survivor benefits to plan members. PERF is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3) and administrative code (35 IAC 1.2), which governs most requirements of the system and gives the City authority to contribute to the plan.

My Choice: Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3) and administrative code (35 IAC 1.2), which governs most requirements of the system and gives the City authority to contribute to the plan.

New employees have a one-time election to join either the Public Employees' Hybrid Plan (PERF Hybrid) or the My Choice: Retirement Savings Plan for Public Employees (My Choice), which is a multiple-employer defined contribution plan. PERF Hybrid consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

INPRS 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, Indiana 46204  
Phone (888) 464-6777

### **Funding Policy and Annual Pension Cost**

Members' contributions are set by state statute at 3 percent of compensation for both the defined contribution component of PERF Hybrid and My Choice. The employer may elect to make the contribution on behalf of the member of the defined contribution component in lieu of the PERF DB. Contributions to the PERF DB are determined by the INPRS Board based on actuarial valuation.

For the year 2019, the wastewater utility contributed \$356,600 and the City contributed \$978,118.

## 1925 Police Officers' Pension Plan

### Plan Description

The 1925 Police Officers' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (Indiana Code § 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

### Funding Policy

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute.

### On Behalf Payments

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code § 5-10.3-11.

## 1937 Firefighters' Pension Plan

### Plan Description

The 1937 Firefighters' Pension Plan is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (Indiana Code § 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

### Funding Policy

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute.

### On Behalf Payments

The 1937 Firefighters' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code § 5-10.3-11.

## 1977 Police Officers' and Firefighters' Pension and Disability Fund

### Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System for all police officers and firefighters hired after April 30, 1977.

State statute (Indiana Code § 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52. The plan also provides for death and disability benefits.

INPRS 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, Indiana 46204  
Phone (888) 526-1687

Funding Policy

The contribution requirements of plan members and the City are established by the Board of Trustees of INPRS.

Employer contributions for the year 2019 were \$2,255,368.

Other Post-Employment Benefits

Eligible employees may continue to participate in the City's insurance plan until the age of 65. Retirees are required to pay the same monthly contributions for medical coverage as active employees, and 100% of dental and vision coverage.

In July 2020, Nyhart completed an actuarial study for the year ending December 31, 2019. The following information is an excerpt from the County's actuarial report. A complete copy may be obtained by contacting the County.

	<u>FY 2019*</u>
Total OPEB Liability as of beginning of year	\$20,303,444
Normal cost as of beginning of year	1,113,067
Expected benefit payments during the year	(911,816)
Interest adjustment to end of year	861,669
Changes in assumptions	<u>1,701,594</u>
Expected Total OPEB Liability as of end of year	<u>\$23,067,958</u>

\*Based on the 2019 actuarial report, the future liability projection shows what the actuary expects the Total OPEB Liability to be at the beginning of the fiscal year based on current assumptions and plan provisions. The end of year Total OPEB Liability is expected to change on an annual basis as a result of expected and unexpected events. Generally, Total OPEB Liability is expected to have a net increase each year.

Presented below is the summary of estimated GASB 75 liabilities and expenditures for the County for the fiscal year ending December 31, 2019.

	<u>FY 2019*</u>
<u>Liability Information</u>	
Total OPEB Liability	\$23,067,958
Actuarial Value of Assets	\$0
Net OPEB Liability	\$23,067,958
Funded Ratio	0.0%
<u>Expenditures</u>	
OPEB Expense	\$2,129,426
Annual Employer Contributions	\$911,816
<u>Assumptions</u>	
Discount Rate	3.26%
Expected Return on Assets	N/A
<u>Enrollment Information</u>	
Total Active Participants	381
Total Retiree Participants	34

\*Based on the 2019 actuarial report, the future liability projection shows what the actuary expects the Total OPEB Liability to be at the beginning of the fiscal year based on current assumptions and plan provisions. The end of year Total OPEB Liability is expected to change on an annual basis as a result of expected and unexpected events. Generally, Total OPEB Liability is expected to have a net increase each year.

## GENERAL ECONOMIC AND FINANCIAL INFORMATION

### COMMERCE AND INDUSTRY

City residents have the opportunity for employment with several large employers located in Clark County. Additionally, many City residents work in nearby Louisville, Kentucky.

In 2003, the River Ridge Commerce Center was developed on the site of the former Indiana Army Mmunition Plant. The River Ridge Development Authority has invested over \$100 million in infrastructure improvements to the 6,000-acre site. River Ridge Commerce Center is home to approximately 60 companies, including Amazon, Bose, Enjoy Life Foods, Shoe Sensation and Tenneco. Companies that expanded or were new to the Commerce Center in 2019 include Medline Industries Inc., Ingram Micro, Niagara Bottling, PharmaCord, and Denso.

In June 2019, Inside Indiana Business reported that PharmaCord planned to invest \$52 million and hire up to 850 employees at the River Ridge Commerce Center. The Louisville based healthcare solutions provider plans to have the 80,000 square foot operations and call center fully staffed by 2023.

Enjoy Life Foods, an Illinois-based food company, opened its new production and distribution facility in the City in September 2016. The company is investing a total of \$39 million in the 200,000 square-foot facility.

Ohio Valley Precast, a manufacturer of precast concrete products, announced in November 2016 plans to invest \$12 million to establish new production operations in Clark County. The company started production at its 35,000 square-foot facility in 2017, and plans to nearly double that footprint over by 2022 and hire a total of 80 employees.

## LARGE EMPLOYERS

Below is a list of Clark County's largest employers. The number of employees shown are as reported by the Indiana Department of Workforce Development, Hoosiers by the Numbers 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>Type of Business</u>	<u>Reported Employment</u>
Amazon	Fulfillment center	2,907 (1)
Greater Clark County Schools	Public education	1,299 (2)
Clark Memorial Hospital	Healthcare	1,126 (1)
Shoe Sensation Inc	Corporate headquarters	700
Clark County	County government	525 (3)
National Distributors Leasing	Logistics	435
Ivy Tech Community College	Education	430
Koetter Woodworking, Inc.	Mfg. architectural products	399
City of Jeffersonville	City government	381 (4)
Wal-Mart, Inc.	Retail	338

- (1) Per One Southern Indiana economic development.
- (2) Includes 640 certified and 659 non-certified staff.
- (3) Per the County.
- (4) Per the City, includes 361 full-time and 20 part-time employees.

Additionally, Jeffersonville is located within the Louisville, Kentucky Metropolitan Area providing increased opportunities for employment and industrial activities for Jeffersonville residents. According to the Louisville Chamber of Commerce, the ten largest employers in Louisville are:

<u>Name</u>	<u>Type of Business</u>	<u>Reported Employment</u>
United Parcel Service, Inc.	Transportation and distribution of goods	21,233
Jefferson County Public Schools	Education	14,476
Ford Motor Company (2 plants)	Automotive manufacturer	12,600
Norton Healthcare, Inc.	Health care provider	12,247
Humana, Inc.	Health benefits, life, dental insurance	12,000
University of Louisville	Higher education	6,933
Amazon	Logistics and customer service	6,500
Louisville-Jefferson County Metro Government	Metro government	6,226
Baptist Healthcare System, Inc.	Health care provider	6,159
GE Appliances	Home appliances	6,000

## EMPLOYMENT

<u>Year</u>	<u>Unemployment Rate</u>	
	<u>Clark County</u>	<u>Indiana</u>
2015	4.5%	4.8%
2016	4.2%	4.4%
2017	3.5%	3.6%
2018	3.5%	3.5%
2019	3.3%	3.3%
2020, April	18.0%	17.1%

Source: Indiana Business Research Center. Data collected as of June 12, 2020.

On March 6, 2020, Indiana Governor Eric Holcomb issued Executive Order 20-02 which declared the Coronavirus Disease 2019 (“COVID-19”) outbreak in Indiana to be a public emergency, which was extended by Executive Order 20-17, issued on April 3, 2020 and Executive Order 20-25, issued on May 1, 2020. On March 11, 2020, the World Health Organization proclaimed COVID-19 to be a pandemic, and on March 13, 2020, the President of the United States declared a national emergency related to COVID-19. In an effort to lessen the risk of transmission of COVID-19, the United States government, state governments, local governments and private industries have taken measures to limit social interactions affecting business activities and impacting global, state and local commerce and financial markets.

## BUILDING PERMITS

Provided below is a summary of the number of building permits for the City.

<u>Year</u>	<u>Residential</u>	<u>Commercial</u>
	<u>Total Permits</u>	<u>Total Permits</u>
2015	228	25
2016	194	35
2017	305	45
2018	230	50
2019	284	51

Source: City of Jeffersonville



**POPULATION**

<u>Year</u>	<u>City of Jeffersonville</u>		<u>Clark County</u>	
	<u>Population</u>	<u>Percent of Change</u>	<u>Population</u>	<u>Percent of Change</u>
1970	20,008	2.49%	75,876	20.83%
1980	21,220	6.06%	88,838	17.08%
1990	21,841	2.93%	87,777	-1.19%
2000	27,362	25.28%	96,472	9.91%
2010	44,953	64.29%	110,232	14.26%
2019, Est.	48,126	7.06%	118,302	7.32%

Source: U.S. Census Bureau.

**AGE STATISTICS**

	<u>City of Jeffersonville</u>	<u>Clark County</u>
Under 25 Years	14,035	35,124
25 to 44 Years	13,179	30,803
45 to 64 Years	12,396	30,250
65 Years and Over	5,343	14,055
Totals	<u>44,953</u>	<u>110,232</u>

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

**EDUCATIONAL ATTAINMENT**

<u>Years of School Completed</u>	<u>Persons 25 and Over</u>	
	<u>City of Jeffersonville</u>	<u>Clark County</u>
Less than 9th grade	2.0%	2.8%
9th to 12th grade, no diploma	6.9%	8.0%
High school graduate	33.1%	34.2%
Some college, no degree	25.2%	23.7%
Associate's degree	10.2%	10.4%
Bachelor's degree	15.3%	14.3%
Graduate or professional degree	7.3%	6.6%

Source: U.S. Census Bureau's 2014-2018 American Community Survey 5-Year Estimates.

**MISCELLANEOUS ECONOMIC INFORMATION**

	<u>City of Jeffersonville</u>	<u>Clark County</u>	<u>Indiana</u>
Per capita income, past 12 months*	\$28,551	\$28,525	\$28,461
Median household income, past 12 months*	\$55,828	\$54,240	\$54,325
Average weekly earnings in manufacturing ( qtr. of 2019)	N/A	\$1,055	\$1,236
Land area in square miles - 2010	34.06	372.86	35,826.11
Population per land square mile - 2010	1,319.8	295.6	181.0
Retail sales in 2012:			
Total retail sales	\$415,371,000	\$1,814,333,000	\$85,857,962,000
Sales per capita**	\$9,240	\$16,459	\$13,242
Sales per establishment	\$3,461,425	\$4,258,998	\$3,974,722

\*In 2018 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 June 12, 2020.

<u>Employment and Earnings - Clark County 2018</u>	<u>Earnings</u> (In 1,000s)	<u>Percent of Earnings</u>	<u>Labor Force</u>	<u>Distribution of Labor Force</u>
Services	\$1,018,706	30.25%	24,992	36.38%
Manufacturing	608,625	18.07%	9,000	13.11%
Transportation and warehousing	429,743	12.76%	7,933	11.55%
Wholesale and retail trade	393,841	11.70%	9,637	14.03%
Government	379,253	11.26%	6,625	9.65%
Finance, insurance and real estate	239,731	7.12%	5,277	7.68%
Construction	237,597	7.06%	3,822	5.57%
Utilities	23,658	0.70%	207	0.30%
Other*	21,522	0.64%	520	0.76%
Mining	10,673	0.32%	155	0.23%
Farming	4,095	0.12%	508	0.74%
<b>Totals</b>	<b>\$3,367,444</b>	<b>100.00%</b>	<b>68,676</b>	<b>100.00%</b>

\*In order to avoid disclosure of confidential information, specific earnings and employment figures are not available for the Forestry, Fishing, and Related Activities and Mining sectors. The data is incorporated here.

Source: Bureau of Economic Analysis and the Indiana Business Research Center. Data collected as of June 12, 2020.

<u>Adjusted Gross Income</u>	<u>Year</u>	<u>Clark County Total</u>
	2014	\$2,384,157,883
	2015	2,515,425,201
	2016	2,634,426,874
	2017	2,762,431,709
	2018	2,889,838,517

Source: Indiana Department of Revenue.

**SCHEDULE OF INDEBTEDNESS**

The following schedule shows the outstanding indebtedness of the City and the taxing units within and overlapping its jurisdiction as of May 1, 2020, 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>
<b>Self-Supporting Revenue Debt (1)</b>			
Sewage Works Refunding Revenue Bonds of 2020	\$3,985,000 *	01/01/29	\$3,985,000 *
Sewage Works Revenue Bonds of 2020, Series A	15,279,000	01/01/41	15,279,000
Sewage Works Refunding Revenue Bonds, Series 2017A	12,800,000	01/01/31	12,800,000
Sewage Works Refunding Revenue Bonds of 2013	8,540,000	01/01/26	6,660,000
Sewage Works Revenue Bonds of 2012 (SRF)	11,865,000	01/01/33	8,153,000
Sewage Works Revenue Bonds of 2011, Series A (SRF)	22,350,000	01/01/32	17,370,000
Sewage Works Revenue Bonds of 2011, Series B	772,000	01/01/28	290,863
Sewage Works Revenue Bonds of 2011, Series C (SRF)	20,550,000	01/01/33	14,059,000
Sewage Works Revenue Bonds of 2010, Series A (SRF)	2,500,000	01/01/31	1,495,000
Capital Leases			<u>215,128</u>
Subtotal			<u>80,306,991</u>
<b>Tax Supported Debt</b>			
Economic Development Lease Rental Bonds of 2017	25,100,000	01/15/27	18,995,000
Economic Development Lease Rental Refunding Bonds of 2016	6,985,000	08/15/26	4,610,000
Tax Increment Revenue Bonds of 2013, Series A	2,225,000	01/15/32	1,520,000
Tax Increment Revenue Bonds of 2013, Series B	9,030,000	01/15/27	4,870,000
Tax Increment Revenue Bonds of 2013, Series C	5,500,000	01/15/32	3,775,000
Tax Increment Revenue Bonds of 2013, Series D	3,750,000	01/15/27	2,055,000
Tax Increment Revenue Bonds of 2013, Series E	1,750,000	01/15/32	1,750,000
Redevelopment Lease Rental Refunding Revenue Bonds of 2009	3,350,000	02/01/22	675,000
Redevelopment Tax Increment Revenue Bonds of 2008	2,790,000	01/15/26	1,285,000
Redevelopment Department Loan - CASI	459,787	01/01/22	68,638
State Infrastructure Bank Loan	3,410,167	01/15/26	1,783,462
2017 Capital Development Tourism Bond	1,000,000	09/22/27	827,507
Capital Leases			<u>1,600,269</u>
Subtotal			<u>43,814,876</u>
Total Direct Debt			<u>\$124,121,867</u>
<u>Overlapping Debt</u>	<u>Total Debt</u>	<u>Percent Allocable to City (2)</u>	<u>Amount Allocable to City</u>
<b>Tax Supported Debt</b>			
Clark County	\$32,027,121	37.46%	\$11,997,360
Greater Clark County School Corporation	130,849,944	60.77%	79,517,511
Jeffersonville Township Public Library	2,645,004	63.97%	<u>1,692,009</u>
Total Overlapping Debt			<u>\$93,206,880</u>

\*Preliminary, subject to change.

(1) Excludes \$8,103,000 of Sewage Works Revenue Bonds of 2008 and 2009 to be refunded through the proceeds of the 2020 Refunding Bonds.

(2) Based upon the 2019 payable 2020 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 City makes no representation or warranty as to its accuracy or completeness.

**DEBT RATIOS**

The following presents the ratios relative to the revenue supported indebtedness of the taxing units within the City as of May 1, 2020, including issuance of the 2020 Refunding Bonds.

	Direct Sewage Works Supported Debt*
	<u>\$80,306,991</u>
Per capita (1)	\$1,668.68
Per Sewage Works user (2)	\$5,135.37

\*Preliminary, subject to change.

- (1) According to the U.S. Census Bureau, the estimated 2018 population of the City is 48,126.
- (2) Based upon the billing records, the current number of users is 15,638.

**SCHEDULE OF HISTORICAL NET ASSESSED VALUATION**

(As Provided by the Clark 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>
2016	\$1,194,657,251	\$31,969,400	\$199,193,049	\$1,425,819,700
2017	1,240,858,830	33,382,720	229,440,921	1,503,682,471
2018	1,344,824,356	33,528,670	249,120,134	1,627,473,160
2019	1,425,340,395	33,527,360	279,430,607	1,738,298,362
2020	1,514,435,186	33,207,580	260,850,041	1,808,492,807

NOTE: Net assessed valuations represent the assessed value less certain deductions for 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 City. Lower assessed values of a City may result in higher tax rates in order for a City 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.

NOTE: THE BONDS ARE NOT PAYABLE FROM PROPERTY TAXES

**DETAIL OF NET ASSESSED VALUATION**

Assessed 2019 for Taxes Payable in 2020

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

	<u>Jeffersonville City - OFW</u>	<u>Jeffersonville City - IFW</u>	<u>Jeff City - Utica Twp. - OFW</u>	<u>Charlestown Twp. Jeff City</u>	<u>Total</u>
Gross Value of Land	\$439,612,800	\$170,387,500	\$174,041,900	\$10,649,300	\$794,691,500
Gross Value of Improvements	<u>1,347,937,800</u>	<u>585,027,000</u>	<u>924,434,500</u>	<u>70,225,000</u>	<u>2,927,624,300</u>
Total Gross Value of Real Estate	1,787,550,600	755,414,500	1,098,476,400	80,874,300	3,722,315,800
Less: Mortgage Exemptions, Veterans, Blind Age 65 & Other Exemptions	(689,047,972)	(260,517,731)	(523,660,521)	(39,865,050)	(1,513,091,274)
Tax Exempt Property	(72,077,240)	(38,075,703)	(8,744,660)	(90,700)	(118,988,303)
TIF	<u>(274,654,982)</u>	<u>(108,574,051)</u>	<u>(192,572,004)</u>		<u>(575,801,037)</u>
Net Assessed Value of Real Estate	<u>751,770,406</u>	<u>348,247,015</u>	<u>373,499,215</u>	<u>40,918,550</u>	<u>1,514,435,186</u>
Business Personal Property	61,162,900	73,323,100	250,695,480	470,450	385,651,930
Less: Deductions	(2,261,990)	(5,169,435)	(83,732,214)	(253,280)	(91,416,919)
TIF			<u>(33,384,970)</u>		<u>(33,384,970)</u>
Net Assessed Value of Personal Property	<u>58,900,910</u>	<u>68,153,665</u>	<u>133,578,296</u>	<u>217,170</u>	<u>260,850,041</u>
Net Assessed Value of Utility Property	<u>7,576,170</u>	<u>25,286,330</u>	<u>345,080</u>		<u>33,207,580</u>
Total Net Assessed Value	<u><u>\$818,247,486</u></u>	<u><u>\$441,687,010</u></u>	<u><u>\$507,422,591</u></u>	<u><u>\$41,135,720</u></u>	<u><u>\$1,808,492,807</u></u>

NOTE: THE BONDS ARE NOT PAYABLE FROM PROPERTY TAXES

**COMPARATIVE SCHEDULE OF CERTIFIED TAX RATES**

Per \$100 of Net Assessed Valuation

	Year Taxes Payable				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Detail of Certified Tax Rate:					
General	\$1.4326	\$1.4247	\$1.4084	\$1.3737	\$1.3354
Park	0.1849	0.1801	0.1680	0.1764	0.1696
Cumulative Capital Dev.	0.0120	0.0120	0.0120	0.0120	0.0120
Sanitation	0.1422	0.1549	0.1447	0.1192	0.1521
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Totals	<u>\$1.7717</u>	<u>\$1.7717</u>	<u>\$1.7331</u>	<u>\$1.6813</u>	<u>\$1.6691</u>

Total District Certified Tax Rate (1)

Jeffersonville City - OFW	\$3.3757	\$3.2402	\$3.2814	\$3.4660	\$3.2897
Jeffersonville City - IFW	\$3.4959	\$3.3552	\$3.3981	\$3.5827	\$3.4064
Jeff City - Utica Twp - OFW	\$3.2978	\$3.1772	\$3.1988	\$3.3904	\$3.2085
Chas Twp Jeff City	\$3.3195	\$3.2010	\$3.2247	\$3.4159	\$3.2335

(1) Includes certified tax rates of overlapping taxing units.

Source: DLGF Certified Budget Orders for the City.

NOTE: THE BONDS ARE NOT PAYABLE FROM PROPERTY TAXES

**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>
2015	\$24,338,315	(\$3,731,632)	\$20,606,683	\$21,226,208	87.21%	103.01%
2016	24,912,074	(4,483,131)	20,428,944	20,974,281	84.19%	102.67%
2017	26,160,375	(3,646,336)	22,514,039	22,911,143	87.58%	101.76%
2018	27,660,386	(4,032,390)	23,627,996	24,056,232	86.97%	101.81%
2019	28,611,349	(5,174,836)	23,436,513	23,605,758	82.50%	100.72%
2020	29,620,862	(4,547,922)	25,072,940	( ---- In process of collections ---- )		

Source: The Clark County Auditor's Office and the DLGF Certified Budget Orders for the City.

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

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.

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.

NOTE: THE BONDS ARE NOT PAYABLE FROM PROPERTY TAXES



**LARGE TAXPAYERS**

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

<u>Name</u>	<u>2019/2020 Net Assessed Valuation</u>	<u>Percent of Total Net Assessed Valuation (1)</u>
RHN Clark Memorial Hospital LLC (2) (3)	\$40,629,310	2.25%
Steel Dynamics, Inc. (2)	36,034,798	1.99%
Gilmore Construction Inc. / Boulder Creek LLC (Formerly Evan Elena, Lighthouse Apartments (LRG)) (2)	28,364,420	1.57%
Jeffersonville Orchard Hill, LLC (2)	26,425,140	1.46%
River Ridge Center, LLC	23,601,800	1.31%
Heartland Payment Systems, Inc. (2)	22,040,121	1.22%
PGP Corporation	21,684,449	1.20%
America Place At River Ridge / Jeffersonville Public Warehouse, Inc. (2)	21,613,290	1.19%
Pinnacle Properties Development Group, LLC (2)	20,585,660	1.14%
Exeter Hilton Land LLC	<u>19,957,000</u>	<u>1.10%</u>
Totals	<u><u>\$260,935,988</u></u>	<u><u>14.43%</u></u>

- (1) The total net assessed valuation of the City is \$1,808,492,807 for taxes payable in 2020, according to the Clark County Auditor's office.
- (2) Located in a tax increment allocation area ("TIF"); therefore, all or a portion of the taxes are captured as TIF and not distributed to individual taxing units.
- (3) Regional Health Network of Kentucky and Southern Indiana purchased the Hospital and is investing approximately \$80 million into the facility over the next ten years. The Hospital is now taxable.

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.

The City certifies to the best of its knowledge and belief that this Official Statement, as of its date and as it relates to the City 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.

CITY OF JEFFERSONVILLE

By: 

Honorable Mike Moore, Mayor

Attest: 

Ms. Heather Metcalf, City Controller

## APPENDIX B



## APPENDIX B

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July 8, 2020

Mr. Len Ashack  
Wastewater Director  
City of Jeffersonville  
423 Lewman Way  
Jeffersonville, Indiana 47130

## ACCOUNTANTS' COMPILATION REPORT

Management is responsible for the accompanying financial statements of the Jeffersonville Wastewater Department, which comprise the statement of net position as of December 31, 2017, 2018 and 2019 and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Wastewater Department's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

*Baker Tilly Virchow Krause, LLP*

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**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**HISTORICAL FINANCIAL STATEMENTS**



**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**COMPARATIVE STATEMENT OF NET POSITION**

<b>ASSETS:</b>	As of		
	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>
Current Assets:			
Operating cash	\$11,800,458	\$10,097,625	\$9,673,815
Accounts receivable (net)	3,002,420	2,713,674	2,928,799
Interest receivable	3,225	3,225	3,225
Prepaid expense	169,980	169,980	169,980
Total Current Assets	<u>14,976,083</u>	<u>12,984,504</u>	<u>12,775,819</u>
Noncurrent Assets:			
Restricted Assets:			
Bond and interest	242,409	449,396	6,132,269
Debt service reserve	7,098,566	7,123,898	7,443,434
Construction	6,148,189	8,765,176	10,247,512
Cash with escrow	13,993,893	13,888,095	13,755,800
Sub-total	<u>27,483,057</u>	<u>30,226,565</u>	<u>37,579,015</u>
Capital Assets:			
Depreciable capital assets	168,444,663	171,458,328	176,921,027
Less accumulated depreciation	<u>(37,224,798)</u>	<u>(40,623,828)</u>	<u>(44,107,621)</u>
Sub-total	131,219,865	130,834,500	132,813,406
Land	<u>1,574,913</u>	<u>1,574,913</u>	<u>1,589,801</u>
Net Capital Assets	<u>132,794,778</u>	<u>132,409,413</u>	<u>134,403,207</u>
Total Noncurrent Assets	<u>160,277,835</u>	<u>162,635,978</u>	<u>171,982,222</u>
Total Assets	<u>\$175,253,918</u>	<u>\$175,620,482</u>	<u>\$184,758,041</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred Pension Outflow	\$638,818	\$353,378	\$367,412
Deferred Debt Issuance Costs	744,056	672,789	642,191
Deferred Amount on Refunding	85,696	56,929	37,470
Total Deferred Outflows of Resources	<u>\$1,468,570</u>	<u>\$1,083,096</u>	<u>\$1,047,073</u>
Total Assets and Deferred Outflows	<u>\$176,722,488</u>	<u>\$176,703,578</u>	<u>\$185,805,114</u>

(Continued on next page)

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**(Cont'd)**

**COMPARATIVE STATEMENT OF NET POSITION**

	As of		
	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts payable	\$911,087	\$911,609	\$915,562
Contracts payable	303,979	303,979	303,979
Net pension liability	1,847,688	1,401,838	1,413,165
Interfund payable	808	808	808
Capital lease payable (due within one year)	162,022	166,634	140,404
Retainage payable	93,052	93,052	93,052
Accrued interest payable	390	390	1,154,961
Bond anticipation notes payable	3,585,000	-	-
Matured bonds payable	-	-	4,724,953
Bonds payable (due within one year)	4,605,748	4,724,953	4,839,000
 Total Current Liabilities	 <u>11,509,774</u>	 <u>7,603,263</u>	 <u>13,585,884</u>
Noncurrent Liabilities:			
Bonds payable (net of discount with premium)	88,906,421	84,161,063	79,215,750
Capital lease obligations	451,467	284,833	144,429
 Total Noncurrent Liabilities	 <u>89,357,888</u>	 <u>84,445,896</u>	 <u>79,360,179</u>
 Total Liabilities	 <u>\$100,867,662</u>	 <u>\$92,049,159</u>	 <u>\$92,946,063</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Pension Inflow	<u>\$118,726</u>	<u>\$249,127</u>	<u>\$232,445</u>
<b>NET POSITION:</b>			
Invested in Capital Assets, Net of Related Debt	\$39,282,609	\$43,523,397	\$50,348,457
Restricted	27,483,057	30,226,565	37,579,015
Unrestricted	8,970,434	10,655,330	4,699,134
 Total Net Position	 <u>\$75,736,100</u>	 <u>\$84,405,292</u>	 <u>\$92,626,606</u>

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION**

	Calendar Year Ended		
	2017	2018	2019
Operating Revenues:			
Sewer	\$18,554,474	\$18,471,760	\$18,882,663
Drainage	2,001,629	2,098,724	2,156,520
Penalties	370,860	352,536	333,004
Total Operating Revenues	<u>20,926,963</u>	<u>20,923,020</u>	<u>21,372,187</u>
Operating Expenses:			
Salaries and wages	2,996,326	3,290,172	3,367,774
Employee benefits	2,168,306	2,275,886	2,223,328
Purchased power	799,397	850,588	897,204
Materials and supplies	576,722	583,105	774,529
Transportation	141,482	182,494	170,118
Repairs and maintenance	1,333,746	1,114,942	1,008,530
Sludge removal	201,753	250,650	217,745
Contractual services	1,562,054	842,175	869,442
Office supplies	140,813	158,400	157,879
Other	178,649	334,651	360,266
Sub-total	<u>10,099,248</u>	<u>9,883,063</u>	<u>10,046,815</u>
Depreciation expense	<u>3,329,879</u>	<u>3,399,030</u>	<u>3,483,794</u>
Total Operating Expenses	<u>13,429,127</u>	<u>13,282,093</u>	<u>13,530,609</u>
Net Operating Income	<u>7,497,836</u>	<u>7,640,927</u>	<u>7,841,578</u>
Nonoperating Income:			
Interest income	77,765	279,949	1,063,258
Inspection/tap/availability fees	1,615,635	2,751,893	1,567,110
BAB debt service subsidy payment	245,227	307,014	293,809
Other income	468,576	360,360	317,541
Total	<u>2,407,203</u>	<u>3,699,216</u>	<u>3,241,718</u>
Nonoperating Expenses:			
Interest expense	<u>2,942,240</u>	<u>2,670,951</u>	<u>2,861,982</u>
Income (Loss) Before Contributions and Transfers	<u>6,962,799</u>	<u>8,669,192</u>	<u>8,221,314</u>
Capital Contributions and (Transfers):			
Transfers	<u>(334,367)</u>	<u>-</u>	<u>-</u>
Change In Net Position	6,628,432	8,669,192	8,221,314
Total Net Position - Beginning	70,058,586	75,736,100	84,405,292
Net Position - Adjustment*	<u>(950,918)</u>	<u>-</u>	<u>-</u>
Total Net Position - Ending	<u>\$75,736,100</u>	<u>\$84,405,292</u>	<u>\$92,626,606</u>

\*Prior period adjustment for correction of drainage lien collections.

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**COMPARATIVE STATEMENT OF CASH FLOWS**

**Increase (Decrease) in Cash**

	Calendar Year Ended		
	2017	2018	2019
Cash flows from operating activities:			
Cash received from customers	\$21,756,465	\$21,211,766	\$21,157,062
Cash paid to suppliers, employees and others	(10,670,239)	(10,328,391)	(10,031,535)
Net cash from operating activities	11,086,226	10,883,375	11,125,527
Cash flows from capital and related financing activities:			
Additions to capital assets	(1,665,099)	(3,013,665)	(5,477,588)
Principal paid on revenue bonds	(3,668,426)	(4,626,153)	(106,313)
Bond proceeds	13,745,000	-	-
Principal paid on BANs	-	(3,585,000)	-
BAN proceeds	-	-	-
Deferred debits	(288,679)	515,875	19,341
Capital contributions	(334,367)	-	-
Capital Lease Payments	(182,499)	(162,022)	(166,634)
Interest paid on bonds	(2,942,240)	(2,670,951)	(1,707,411)
Other, tap, inspection and availability fee income	2,084,211	3,112,253	1,884,651
BAB subsidy credit	245,227	307,014	293,809
Net cash from capital and related financing activities	6,993,128	(10,122,649)	(5,260,145)
Cash flows from investing activities:			
Interest income	77,765	279,949	1,063,258
Cash and Cash Equivalents:			
Increase in cash and cash equivalents	18,157,119	1,040,675	6,928,640
Beginning balance	21,126,396	39,283,515	40,324,190
Ending balance	\$39,283,515	\$40,324,190	\$47,252,830

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(See Accountants' Compilation Report)

JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT

(Cont'd)

**COMPARATIVE STATEMENT OF CASH FLOWS**  
**Increase (Decrease) in Cash**

	Calendar Year Ended		
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Reconciliation of net operating revenues to cash provided from operations:			
Net operating revenues	\$7,497,836	\$7,640,927	\$7,841,578
Adjustments to reconcile net operating revenue to net cash provided from operating activities:			
Depreciation expense	3,329,879	3,399,030	3,483,794
Change in assets and liabilities			
Decrease (increase) in:			
Accounts receivable	829,502	288,746	(215,125)
Increase (decrease) in:			
Accounts payable	(1,344)	522	3,953
Net pension liability	381,271	(445,850)	11,327
Net position adjustment	<u>(950,918)</u>	<u>-</u>	<u>-</u>
Net cash provided from operations	<u>\$11,086,226</u>	<u>\$10,883,375</u>	<u>\$11,125,527</u>

(See Accountants' Compilation Report)

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**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SUPPLEMENTAL DATA**



**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**COMPUTATION OF HISTORICAL BOND COVERAGE**

**(Amounts rounded to the nearest \$100)**

	Calendar Year Ended		
	2017	2018	2019
Operating Revenues:			
Sewer	\$18,554,500	\$18,471,800	\$18,882,700
Drainage	2,001,600	2,098,700	2,156,500
Penalties	370,900	352,500	333,000
Sub-totals	20,927,000	20,923,000	21,372,200
Plus: interest income	77,800	279,900	1,063,300
Plus: inspection/tap/availability fees	1,615,600	2,751,900	1,567,100
Plus: BAB debt service subsidy payment	245,200	307,000	293,800
Plus: other income	468,600	360,400	317,500
Total Available Revenues	<u>23,334,200</u>	<u>24,622,200</u>	<u>24,613,900</u>
Less: Annual Operation and Maintenance Expense	<u>(10,099,200)</u>	<u>(9,883,100)</u>	<u>(10,046,800)</u>
Net Revenues Available for Debt Service	<u>\$13,235,000</u>	<u>\$14,739,100</u>	<u>\$14,567,100</u>
Annual Principal and Interest Payment on the Outstanding Bonds	<u>\$7,044,100</u>	<u>\$7,048,100</u>	<u>\$7,034,100</u>
Debt Service Coverage	<u>188%</u>	<u>209%</u>	<u>207% *</u>
Debt Service Coverage Excluding Inspection/tap/availability fees	<u>165%</u>	<u>170%</u>	<u>185% *</u>

\* Debt service coverage based on the maximum annual combined debt service is 190% and 170% excluding the inspection, tap and availability fees.

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**COMPARISON OF ACCOUNT BALANCES WITH  
MINIMUM BALANCES REQUIRED**

<u>Cash and Investments:</u>	<u>Account Balances 12/31/2019</u>	<u>Minimum Balance Required (1)</u>	<u>Variance</u>
Operation and Maintenance Fund (2)			
Sewer	\$7,522,358	\$1,379,475	\$6,142,883
Drainage	2,152,300	295,329	1,856,971
Sinking Fund:			
Bond and Interest Account (3)	6,132,269	6,149,049	(16,780)
Debt Service Reserve Account (4)	7,443,434	6,725,089	718,345
Construction Account - Capacity Fees (5)	<u>10,247,512</u>	<u>-</u>	<u>10,247,512</u>
 Totals	 <u>\$33,497,873</u>	 <u>\$14,548,942</u>	 <u>\$18,948,931</u>

(1) **Required Reserves:** Balances required per Bond Ordinance No. 2019-OR-68.

(2) **Operating and Maintenance Fund:** The balance maintained in the operation and maintenance account should be sufficient to pay the expenses of operation, repair, and maintenance of the utility for the next succeeding two (2) calendar months.

	<u>Sewer</u>	<u>Drainage</u>
2019 operation and maintenance expense	\$8,275,194	\$1,771,621
Times factor for 2 months	<u>16.67%</u>	<u>16.67%</u>
 Required Reserve	 <u>\$1,379,475</u>	 <u>\$295,329</u>

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(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

(Cont'd)

**COMPARISON OF ACCOUNT BALANCES WITH  
MINIMUM BALANCES REQUIRED**

(3) **Bond and Interest Account:** A balance must be maintained equal to the sum of the monthly transfers in the amount of 1/12 of the next succeeding principal payment and the amount of 1/6 of the next succeeding interest payment.

	<u>Amount</u>	<u>Factor</u>	<u>Months</u>	<u>Total</u>
Principal due 1/1/2020				
1999 SRF Revenue Bonds	\$612,953	1/12	12	\$612,953
2008 SRF Revenue Bonds	320,000	1/12	12	320,000
2009 SRF Revenue Bonds	70,000	1/12	12	70,000
2010 A SRF Revenue Bonds	120,000	1/12	12	120,000
2010 B Revenue Bonds	1,000,000	1/12	12	1,000,000
2011 A SRF Revenue Bonds	670,000	1/12	12	670,000
2011 B SRF Revenue Bonds	39,000	1/12	12	39,000
2011 C SRF Revenue Bonds	970,000	1/12	12	970,000
2012 SRF Revenue Bonds	558,000	1/12	12	558,000
2013 Refunding Revenue Bonds	365,000	1/12	12	<u>365,000</u>
Sub-total				<u>4,724,953</u>
Interest due 1/1/2020				
2008 SRF Revenue Bonds	116,215	1/6	6	116,215
2009 SRF Revenue Bonds	16,688	1/6	6	16,688
2010 A SRF Revenue Bonds	15,504	1/6	6	15,504
2010 B Revenue Bonds	446,756	1/6	6	446,756
2011 A SRF Revenue Bonds	241,736	1/6	6	241,736
2011 B SRF Revenue Bonds	39,000	1/6	6	39,000
2011 C SRF Revenue Bonds	115,723	1/6	6	115,723
2012 SRF Revenue Bonds	70,124	1/6	6	70,124
2013 Refunding Revenue Bonds	116,550	1/6	6	116,550
2017 A Refunding Revenue Bonds	245,800	1/6	6	<u>245,800</u>
Sub-total				<u>1,424,096</u>
Required Reserve				<u><u>\$6,149,049</u></u>

(4) **Debt Service Reserve Amount:** Equal to the maximum principal and interest payment on the outstanding bonds.

Required Reserve	<u><u>\$6,725,089</u></u>
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(5) **Construction Fund:** Monies available for capacity related improvement projects.

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF AMORTIZATION OF \$7,251,000 PRINCIPAL AMOUNT  
OF OUTSTANDING SEWAGE WORKS REVENUE BONDS OF 2008**

**Principal payable annually January 1st.**

**Interest payable semi-annually, January 1st and July 1st.**

**Interest rate as indicated**

Payment Date	Principal Balance (In 1,000's)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal (In 1,000's)	Interest (-----In Dollars-----)	Total	
01/01/21	\$7,251	3.07	\$326	\$111,302.85	\$437,302.85	\$437,302.85
07/01/21				106,298.75	106,298.75	
01/01/22	6,925	3.07	337	106,298.75	443,298.75	549,597.50
07/01/22				101,125.80	101,125.80	
01/01/23	6,588	3.07	340	101,125.80	441,125.80	542,251.60
07/01/23				95,906.80	95,906.80	
01/01/24	6,248	3.07	352	95,906.80	447,906.80	543,813.60
07/01/24				90,503.60	90,503.60	
01/01/25	5,896	3.07	357	90,503.60	447,503.60	538,007.20
07/01/25				85,023.65	85,023.65	
01/01/26	5,539	3.07	368	85,023.65	453,023.65	538,047.30
07/01/26				79,374.85	79,374.85	
01/01/27	5,171	3.07	1,672	79,374.85	1,751,374.85	1,830,749.70
07/01/27				53,709.65	53,709.65	
01/01/28	3,499	3.07	1,723	53,709.65	1,776,709.65	1,830,419.30
07/01/28				27,261.60	27,261.60	
01/01/29	1,776	3.07	1,776	27,261.60	1,803,261.60	1,830,523.20
	Totals		<u>\$7,251</u>	<u>\$1,389,712.25</u>	<u>\$8,640,712.25</u>	<u>\$8,640,712.25</u>

Note: Proposed to be refunded with the proceeds of the 2020 Refunding Bonds

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF AMORTIZATION OF \$852,000 PRINCIPAL AMOUNT  
OF OUTSTANDING SEWAGE WORKS REVENUE BONDS OF 2009**

**Principal payable annually January 1st.  
Interest payable semiannually, January 1st and July 1st.  
Interest rate as indicated.**

Payment Date	Principal Balance (In \$1,000's)	Interest Rate (%)	Principal Balance (In \$1,000's)	Debt Service		Bond Year Total
				Interest	Total	
				(------In Dollars-----)		
1/1/2021	\$852	3.62	\$72	\$15,421.20	\$87,421.20	\$87,421.20
7/1/2021				14,118.00	14,118.00	
1/1/2022	780	3.62	75	14,118.00	89,118.00	103,236.00
7/1/2022				12,760.50	12,760.50	
1/1/2023	705	3.62	78	12,760.50	90,760.50	103,521.00
7/1/2023				11,348.70	11,348.70	
1/1/2024	627	3.62	80	11,348.70	91,348.70	102,697.40
7/1/2024				9,900.70	9,900.70	
1/1/2025	547	3.62	83	9,900.70	92,900.70	102,801.40
7/1/2025				8,398.40	8,398.40	
1/1/2026	464	3.62	86	8,398.40	94,398.40	102,796.80
7/1/2026				6,841.80	6,841.80	
1/1/2027	378	3.62	89	6,841.80	95,841.80	102,683.60
7/1/2027				5,230.90	5,230.90	
1/1/2028	289	3.62	93	5,230.90	98,230.90	103,461.80
7/1/2028				3,547.60	3,547.60	
1/1/2029	196	3.62	96	3,547.60	99,547.60	103,095.20
7/1/2029				1,810.00	1,810.00	
1/1/2030	100	3.62	100	1,810.00	101,810.00	103,620.00
Totals			<u>\$852</u>	<u>\$163,334.40</u>	<u>\$1,015,334.40</u>	<u>\$1,015,334.40</u>

Note: Proposed to be refunded with the proceeds of the 2020 Refunding Bonds

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF AMORTIZATION OF \$1,495,000 PRINCIPAL AMOUNT  
OF OUTSTANDING SEWAGE WORKS REVENUE BONDS OF 2010, SERIES A**

**Principal payable annually January 1st.**

**Interest payable semiannually on January 1st and July 1st.**

**Interest rate as indicated.**

Payment Date	Principal Balance (In \$1,000's)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal (In \$1,000's)	Interest (-----In Dollars-----)	Total	
1/1/2021	\$1,495	1.92	\$125	\$14,352.00	\$139,352.00	\$139,352.00
7/1/2021				13,152.00	13,152.00	
1/1/2022	1,370	1.92	125	13,152.00	138,152.00	151,304.00
7/1/2022				11,952.00	11,952.00	
1/1/2023	1,245	1.92	130	11,952.00	141,952.00	153,904.00
7/1/2023				10,704.00	10,704.00	
1/1/2024	1,115	1.92	130	10,704.00	140,704.00	151,408.00
7/1/2024				9,456.00	9,456.00	
1/1/2025	985	1.92	130	9,456.00	139,456.00	148,912.00
7/1/2025				8,208.00	8,208.00	
1/1/2026	855	1.92	135	8,208.00	143,208.00	151,416.00
7/1/2026				6,912.00	6,912.00	
1/1/2027	720	1.92	140	6,912.00	146,912.00	153,824.00
7/1/2027				5,568.00	5,568.00	
1/1/2028	580	1.92	140	5,568.00	145,568.00	151,136.00
7/1/2028				4,224.00	4,224.00	
1/1/2029	440	1.92	145	4,224.00	149,224.00	153,448.00
7/1/2029				2,832.00	2,832.00	
1/1/2030	295	1.92	145	2,832.00	147,832.00	150,664.00
7/1/2030				1,440.00	1,440.00	
1/1/2031	150	1.92	150	1,440.00	151,440.00	152,880.00
Totals			<u>\$1,495</u>	<u>\$163,248.00</u>	<u>\$1,658,248.00</u>	<u>\$1,658,248.00</u>

(See Accountants' Compilation Report)



**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF AMORTIZATION OF \$17,370,000 PRINCIPAL AMOUNT OF  
OUTSTANDING SEWAGE WORKS REVENUE BONDS OF 2011, SERIES A**

**Principal payable annually on January 1st.  
Interest payable semiannually on January 1st and July 1st.  
Interest rate as indicated.**

Payment Date	Principal Balance (In \$1,000's)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal (In \$1,000's)	Interest (-----In Dollars-----)	Total	
01/01/21	\$17,370	2.68	\$685	\$232,758.00	\$917,758.00	\$917,758.00
07/01/21				223,579.00	223,579.00	
01/01/22	16,685	2.68	710	223,579.00	933,579.00	1,157,158.00
07/01/22				214,065.00	214,065.00	
01/01/23	15,975	2.68	730	214,065.00	944,065.00	1,158,130.00
07/01/23				204,283.00	204,283.00	
01/01/24	15,245	2.68	750	204,283.00	954,283.00	1,158,566.00
07/01/24				194,233.00	194,233.00	
01/01/25	14,495	2.68	775	194,233.00	969,233.00	1,163,466.00
07/01/25				183,848.00	183,848.00	
01/01/26	13,720	2.68	800	183,848.00	983,848.00	1,167,696.00
07/01/26				173,128.00	173,128.00	
01/01/27	12,920	2.68	820	173,128.00	993,128.00	1,166,256.00
07/01/27				162,140.00	162,140.00	
01/01/28	12,100	2.68	855	162,140.00	1,017,140.00	1,179,280.00
07/01/28				150,683.00	150,683.00	
01/01/29	11,245	2.68	880	150,683.00	1,030,683.00	1,181,366.00
07/01/29				138,891.00	138,891.00	
01/01/30	10,365	2.68	2,745	138,891.00	2,883,891.00	3,022,782.00
07/01/30				102,108.00	102,108.00	
01/01/31	7,620	2.68	2,925	102,108.00	3,027,108.00	3,129,216.00
07/01/31				62,913.00	62,913.00	
01/01/32	4,695	2.68	4,695	62,913.00	4,757,913.00	4,820,826.00
Totals			<u>\$17,370</u>	<u>\$3,852,500.00</u>	<u>\$21,222,500.00</u>	<u>\$21,222,500.00</u>

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF AMORTIZATION OF \$290,863 PRINCIPAL AMOUNT OF  
OUTSTANDING SEWAGE WORKS REVENUE BONDS OF 2011, SERIES B**

**Principal payable annually on January 1st.**

**Interest rate as indicated.**

Payment Date	Principal Balance (In \$1,000's)	Interest Rate (%)	Debt Service		Bond Year
			Principal (In \$1,000's)	Total (-----In Dollars-----)	Total
01/01/21	\$290.863	0.00	\$39.000	\$39,000.00	\$39,000.00
07/01/21				-	
01/01/22	251.863	0.00	39.000	39,000.00	39,000.00
07/01/22				-	
01/01/23	212.863	0.00	39.000	39,000.00	39,000.00
07/01/23				-	
01/01/24	173.863	0.00	39.000	39,000.00	39,000.00
07/01/24				-	
01/01/25	134.863	0.00	38.000	38,000.00	38,000.00
07/01/25				-	
01/01/26	96.863	0.00	38.000	38,000.00	38,000.00
07/01/26				-	
01/01/27	58.863	0.00	38.000	38,000.00	38,000.00
07/01/27				-	
01/01/28	20.863	0.00	<u>20.863</u>	<u>20,863.00</u>	<u>20,863.00</u>
Totals			<u><u>\$290.863</u></u>	<u><u>\$290,863.00</u></u>	<u><u>\$290,863.00</u></u>

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF AMORTIZATION OF \$14,059,000 PRINCIPAL AMOUNT OF  
OUTSTANDING SEWAGE WORKS REVENUE BONDS OF 2011, SERIES C**

**Principal payable annually on January 1st.**

**Interest payable semiannually on January 1st and July 1st.**

**Interest rate as indicated.**

Payment Date	Principal Balance (In \$1,000's)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal (In \$1,000's)	Interest (-----In Dollars-----)	Total	
01/01/21	\$14,059	1.54	\$985	\$108,254.30	\$1,093,254.30	\$1,093,254.30
07/01/21				100,669.80	100,669.80	
01/01/22	13,074	1.54	1,000	100,669.80	1,100,669.80	1,201,339.60
07/01/22				92,969.80	92,969.80	
01/01/23	12,074	1.54	1,016	92,969.80	1,108,969.80	1,201,939.60
07/01/23				85,146.60	85,146.60	
01/01/24	11,058	1.54	1,031	85,146.60	1,116,146.60	1,201,293.20
07/01/24				77,207.90	77,207.90	
01/01/25	10,027	1.54	1,047	77,207.90	1,124,207.90	1,201,415.80
07/01/25				69,146.00	69,146.00	
01/01/26	8,980	1.54	1,063	69,146.00	1,132,146.00	1,201,292.00
07/01/26				60,960.90	60,960.90	
01/01/27	7,917	1.54	1,080	60,960.90	1,140,960.90	1,201,921.80
07/01/27				52,644.90	52,644.90	
01/01/28	6,837	1.54	1,096	52,644.90	1,148,644.90	1,201,289.80
07/01/28				44,205.70	44,205.70	
01/01/29	5,741	1.54	1,113	44,205.70	1,157,205.70	1,201,411.40
07/01/29				35,635.60	35,635.60	
01/01/30	4,628	1.54	1,130	35,635.60	1,165,635.60	1,201,271.20
07/01/30				26,934.60	26,934.60	
01/01/31	3,498	1.54	1,148	26,934.60	1,174,934.60	1,201,869.20
07/01/31				18,095.00	18,095.00	
01/01/32	2,350	1.54	1,166	18,095.00	1,184,095.00	1,202,190.00
07/01/32				9,116.80	9,116.80	
01/01/33	1,184	1.54	1,184	9,116.80	1,193,116.80	1,202,233.60
Totals			<u>\$14,059</u>	<u>\$1,453,721.50</u>	<u>\$15,512,721.50</u>	<u>\$15,512,721.50</u>

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF AMORTIZATION OF \$8,153,000 PRINCIPAL AMOUNT OF  
OUTSTANDING SEWAGE WORKS REVENUE BONDS OF 2012**

**Principal payable annually on January 1st.**

**Interest payable semiannually on January 1st and July 1st.**

**Interest rate as indicated.**

Payment Date	Principal Balance (In \$1,000's)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal (In \$1,000's)	Interest (-----In Dollars-----)	Total	
01/01/21	\$8,153	1.61	\$567	\$65,631.65	\$632,631.65	\$632,631.65
07/01/21				61,067.30	61,067.30	
01/01/22	7,586	1.61	577	61,067.30	638,067.30	699,134.60
07/01/22				56,422.45	56,422.45	
01/01/23	7,009	1.61	586	56,422.45	642,422.45	698,844.90
07/01/23				51,705.15	51,705.15	
01/01/24	6,423	1.61	595	51,705.15	646,705.15	698,410.30
07/01/24				46,915.40	46,915.40	
01/01/25	5,828	1.61	606	46,915.40	652,915.40	699,830.80
07/01/25				42,037.10	42,037.10	
01/01/26	5,222	1.61	616	42,037.10	658,037.10	700,074.20
07/01/26				37,078.30	37,078.30	
01/01/27	4,606	1.61	626	37,078.30	663,078.30	700,156.60
07/01/27				32,039.00	32,039.00	
01/01/28	3,980	1.61	636	32,039.00	668,039.00	700,078.00
07/01/28				26,919.20	26,919.20	
01/01/29	3,344	1.61	647	26,919.20	673,919.20	700,838.40
07/01/29				21,710.85	21,710.85	
01/01/30	2,697	1.61	657	21,710.85	678,710.85	700,421.70
07/01/30				16,422.00	16,422.00	
01/01/31	2,040	1.61	669	16,422.00	685,422.00	701,844.00
07/01/31				11,036.55	11,036.55	
01/01/32	1,371	1.61	680	11,036.55	691,036.55	702,073.10
07/01/32				5,562.55	5,562.55	
01/01/33	691	1.61	691	5,562.55	696,562.55	702,125.10
Totals			<u>\$8,153</u>	<u>\$883,463.35</u>	<u>\$9,036,463.35</u>	<u>\$9,036,463.35</u>

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF AMORTIZATION OF \$6,660,000 PRINCIPAL AMOUNT OF  
OUTSTANDING SEWAGE WORKS REFUNDING REVENUE BONDS OF 2013**

**Principal payable annually on January 1st.**

**Interest payable semiannually on January 1st and July 1st.**

**Interest rate as indicated.**

Payment Date	Principal Balance (In \$1,000's)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal (In \$1,000's)	Interest (-----In Dollars-----)	Total	
01/01/21	\$6,660	3.50	\$1,010 (1)	\$116,550.00	\$1,126,550.00	\$1,126,550.00
07/01/21				98,875.00	98,875.00	
01/01/22	5,650	3.50	1,045 (1)	98,875.00	1,143,875.00	1,242,750.00
07/01/22				80,587.50	80,587.50	
01/01/23	4,605	3.50	1,090 (1)	80,587.50	1,170,587.50	1,251,175.00
07/01/23				61,512.50	61,512.50	
01/01/24	3,515	3.50	1,125 (1)	61,512.50	1,186,512.50	1,248,025.00
07/01/24				41,825.00	41,825.00	
01/01/25	2,390	3.50	1,175 (1)	41,825.00	1,216,825.00	1,258,650.00
07/01/25				21,262.50	21,262.50	
01/01/26	1,215	3.50	1,215 (1)	21,262.50	1,236,262.50	1,257,525.00
Totals			<u>\$6,660</u>	<u>\$724,675.00</u>	<u>\$7,384,675.00</u>	<u>\$7,384,675.00</u>

(1) \$6,660,000 of Remaining Term Bonds due January 1, 2026.

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF AMORTIZATION OF \$12,800,000 PRINCIPAL AMOUNT OF  
OUTSTANDING SEWAGE WORKS REFUNDING REVENUE BONDS, SERIES 2017A**

**Principal payable annually on January 1st.**

**Interest payable semiannually on January 1st and July 1st.**

**Interest rates as indicated.**

Payment Date	Principal Balance (In \$1,000's)	Interest Rates (%)	Debt Service			Bond Year Total
			Principal (In \$1,000's)	Interest (-----In Dollars-----)	Total	
01/01/21	\$12,800	2.00	\$1,025	\$245,800.00	\$1,270,800.00	\$1,270,800.00
07/01/21				235,550.00	235,550.00	
01/01/22	11,775	2.00	1,040	235,550.00	1,275,550.00	1,511,100.00
07/01/22				225,150.00	225,150.00	
01/01/23	10,735	2.00	1,060	225,150.00	1,285,150.00	1,510,300.00
07/01/23				214,550.00	214,550.00	
01/01/24	9,675	2.00	1,080	214,550.00	1,294,550.00	1,509,100.00
07/01/24				203,750.00	203,750.00	
01/01/25	8,595	4.00	1,095	203,750.00	1,298,750.00	1,502,500.00
07/01/25				181,850.00	181,850.00	
01/01/26	7,500	4.00	1,130	181,850.00	1,311,850.00	1,493,700.00
07/01/26				159,250.00	159,250.00	
01/01/27	6,370	5.00	1,170	159,250.00	1,329,250.00	1,488,500.00
07/01/27				130,000.00	130,000.00	
01/01/28	5,200	5.00	1,220	130,000.00	1,350,000.00	1,480,000.00
07/01/28				99,500.00	99,500.00	
01/01/29	3,980	5.00	1,270	99,500.00	1,369,500.00	1,469,000.00
07/01/29				67,750.00	67,750.00	
01/01/30	2,710	5.00	1,325	67,750.00	1,392,750.00	1,460,500.00
07/01/30				34,625.00	34,625.00	
01/01/31	1,385	5.00	1,385	34,625.00	1,419,625.00	1,454,250.00
Totals			<u>\$12,800</u>	<u>\$3,349,750.00</u>	<u>\$16,149,750.00</u>	<u>\$16,149,750.00</u>

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF AMORTIZATION OF \$15,279,000 PRINCIPAL AMOUNT OF  
OUTSTANDING SEWAGE WORKS REVENUE BONDS OF 2020, SERIES A**

**Principal payable annually on January 1st.**

**Interest payable semiannually on January 1st and July 1st.**

**Interest rate as indicated.**

Payment Date	Principal Balance (In \$1,000's)	Interest Rate (%)	Debt Service			Bond Year Total
			Principal (In \$1,000's)	Interest (-----In Dollars-----)	Total	
01/01/21	\$15,279	2.00		\$152,790.00	\$152,790.00	\$152,790.00
07/01/21				152,790.00	152,790.00	
01/01/22	15,279	2.00	\$629	152,790.00	781,790.00	934,580.00
07/01/22				146,500.00	146,500.00	
01/01/23	14,650	2.00	641	146,500.00	787,500.00	934,000.00
07/01/23				140,090.00	140,090.00	
01/01/24	14,009	2.00	654	140,090.00	794,090.00	934,180.00
07/01/24				133,550.00	133,550.00	
01/01/25	13,355	2.00	667	133,550.00	800,550.00	934,100.00
07/01/25				126,880.00	126,880.00	
01/01/26	12,688	2.00	681	126,880.00	807,880.00	934,760.00
07/01/26				120,070.00	120,070.00	
01/01/27	12,007	2.00	694	120,070.00	814,070.00	934,140.00
07/01/27				113,130.00	113,130.00	
01/01/28	11,313	2.00	708	113,130.00	821,130.00	934,260.00
07/01/28				106,050.00	106,050.00	
01/01/29	10,605	2.00	722	106,050.00	828,050.00	934,100.00
07/01/29				98,830.00	98,830.00	
01/01/30	9,883	2.00	737	98,830.00	835,830.00	934,660.00
07/01/30				91,460.00	91,460.00	
01/01/31	9,146	2.00	752	91,460.00	843,460.00	934,920.00
07/01/31				83,940.00	83,940.00	
01/01/32	8,394	2.00	767	83,940.00	850,940.00	934,880.00
07/01/32				76,270.00	76,270.00	
01/01/33	7,627	2.00	782	76,270.00	858,270.00	934,540.00
07/01/33				68,450.00	68,450.00	
01/01/34	6,845	2.00	798	68,450.00	866,450.00	934,900.00
07/01/34				60,470.00	60,470.00	
01/01/35	6,047	2.00	813	60,470.00	873,470.00	933,940.00
07/01/35				52,340.00	52,340.00	
01/01/36	5,234	2.00	830	52,340.00	882,340.00	934,680.00
07/01/36				44,040.00	44,040.00	
01/01/37	4,404	2.00	846	44,040.00	890,040.00	934,080.00
07/01/37				35,580.00	35,580.00	
01/01/38	3,558	2.00	863	35,580.00	898,580.00	934,160.00
07/01/38				26,950.00	26,950.00	
01/01/39	2,695	2.00	881	26,950.00	907,950.00	934,900.00
07/01/39				18,140.00	18,140.00	
01/01/40	1,814	2.00	898	18,140.00	916,140.00	934,280.00
07/01/40				9,160.00	9,160.00	
01/01/41	916	2.00	916	9,160.00	925,160.00	934,320.00
Totals			\$15,279	\$3,562,170.00	\$18,841,170.00	\$18,841,170.00

(See Accountants' Compilation Report)

**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF OUTSTANDING COMBINED BOND AMORTIZATION**

Payment Date	2008 SRF Bonds	2009 SRF Bonds	2010A Bonds	2011A Bonds	2011B Bonds	2011C Bonds	2012 Bonds	2013 Bonds	2017A Bonds	2020A Bonds	Total	Bond Year Total
01/01/21	\$437,302.85	\$87,421.20	\$139,352.00	\$917,758.00	\$39,000.00	\$1,093,254.30	\$632,631.65	\$1,126,550.00	\$1,270,800.00	\$152,790.00	\$5,896,860.00	\$5,896,860.00
07/01/21	106,298.75	14,118.00	13,152.00	223,579.00	-	100,669.80	61,067.30	98,875.00	235,550.00	152,790.00	1,006,099.85	
01/01/22	443,298.75	89,118.00	138,152.00	933,579.00	39,000.00	1,100,669.80	638,067.30	1,143,875.00	1,275,550.00	781,790.00	6,583,099.85	7,589,199.70
07/01/22	101,125.80	12,760.50	11,952.00	214,065.00	-	92,969.80	56,422.45	80,587.50	225,150.00	146,500.00	941,533.05	
01/01/23	441,125.80	90,760.50	141,952.00	944,065.00	39,000.00	1,108,969.80	642,422.45	1,170,587.50	1,285,150.00	787,500.00	6,651,533.05	7,593,066.10
07/01/23	95,906.80	11,348.70	10,704.00	204,283.00	-	85,146.60	51,705.15	61,512.50	214,550.00	140,090.00	875,246.75	
01/01/24	447,906.80	91,348.70	140,704.00	954,283.00	39,000.00	1,116,146.60	646,705.15	1,186,512.50	1,294,550.00	794,090.00	6,711,246.75	7,586,493.50
07/01/24	90,503.60	9,900.70	9,456.00	194,233.00	-	77,207.90	46,915.40	41,825.00	203,750.00	133,550.00	807,341.60	
01/01/25	447,503.60	92,900.70	139,456.00	969,233.00	38,000.00	1,124,207.90	652,915.40	1,216,825.00	1,298,750.00	800,550.00	6,780,341.60	7,587,683.20
07/01/25	85,023.65	8,398.40	8,208.00	183,848.00	-	69,146.00	42,037.10	21,262.50	181,850.00	126,880.00	726,653.65	
01/01/26	453,023.65	94,398.40	143,208.00	983,848.00	38,000.00	1,132,146.00	658,037.10	1,236,262.50	1,311,850.00	807,880.00	6,858,653.65	7,585,307.30
07/01/26	79,374.85	6,841.80	6,912.00	173,128.00	-	60,960.90	37,078.30		159,250.00	120,070.00	643,615.85	
01/01/27	1,751,374.85	95,841.80	146,912.00	993,128.00	38,000.00	1,140,960.90	663,078.30		1,329,250.00	814,070.00	6,972,615.85	7,616,231.70
07/01/27	53,709.65	5,230.90	5,568.00	162,140.00	-	52,644.90	32,039.00		130,000.00	113,130.00	554,462.45	
01/01/28	1,776,709.65	98,230.90	145,568.00	1,017,140.00	20,863.00	1,148,644.90	668,039.00		1,350,000.00	821,130.00	7,046,325.45	7,600,787.90
07/01/28	27,261.60	3,547.60	4,224.00	150,683.00		44,205.70	26,919.20		99,500.00	106,050.00	462,391.10	
01/01/29	1,803,261.60	99,547.60	149,224.00	1,030,683.00		1,157,205.70	673,919.20		1,369,500.00	828,050.00	7,111,391.10	7,573,782.20
07/01/29		1,810.00	2,832.00	138,891.00		35,635.60	21,710.85		67,750.00	98,830.00	367,459.45	
01/01/30		101,810.00	147,832.00	2,883,891.00		1,165,635.60	678,710.85		1,392,750.00	835,830.00	7,206,459.45	7,573,918.90
07/01/30			1,440.00	102,108.00		26,934.60	16,422.00		34,625.00	91,460.00	272,989.60	
01/01/31			151,440.00	3,027,108.00		1,174,934.60	685,422.00		1,419,625.00	843,460.00	7,301,989.60	7,574,979.20
07/01/31				62,913.00		18,095.00	11,036.55			83,940.00	175,984.55	
01/01/32				4,757,913.00		1,184,095.00	691,036.55			850,940.00	7,483,984.55	7,659,969.10
07/01/32						9,116.80	5,562.55			76,270.00	90,949.35	
01/01/33						1,193,116.80	696,562.55			858,270.00	2,747,949.35	2,838,898.70
07/01/33										68,450.00	68,450.00	
01/01/34										866,450.00	866,450.00	934,900.00
07/01/34										60,470.00	60,470.00	
01/01/35										873,470.00	873,470.00	933,940.00
07/01/35										52,340.00	52,340.00	
01/01/36										882,340.00	882,340.00	934,680.00
07/01/36										44,040.00	44,040.00	
01/01/37										890,040.00	890,040.00	934,080.00
07/01/37										35,580.00	35,580.00	
01/01/38										898,580.00	898,580.00	934,160.00
07/01/38										26,950.00	26,950.00	
01/01/39										907,950.00	907,950.00	934,900.00
07/01/39										18,140.00	18,140.00	
01/01/40										916,140.00	916,140.00	934,280.00
07/01/40										9,160.00	9,160.00	
01/01/41										925,160.00	925,160.00	934,320.00
<b>Totals</b>	<b>\$8,640,712.25</b>	<b>\$1,015,334.40</b>	<b>\$1,658,248.00</b>	<b>\$21,222,500.00</b>	<b>\$290,863.00</b>	<b>\$15,512,721.50</b>	<b>\$9,036,463.35</b>	<b>\$7,384,675.00</b>	<b>\$16,149,750.00</b>	<b>\$18,841,170.00</b>	<b>\$99,752,437.50</b>	<b>\$99,752,437.50</b>

(See Accountants' Compilation Report)



**JEFFERSONVILLE (INDIANA) WASTEWATER DEPARTMENT**

**SCHEDULE OF PRESENT RATES AND CHARGES**

**Wastewater Rates and Charges (1)**

		<u>Present</u>
<u>Monthly Metered Flow Rate (rate per 100 cubic feet):</u>		
First	1,000 CCF	\$10.05
Next	10,000 CCF	9.36
Over	11,000 CCF	8.63

**Minimum Charge (per month)**

Minimum monthly charge \$34.87

**Unmetered Water Consumption:**

Single family residential users \$72.76

**Stormwater Rates and Charges (2)**

Residential \$3.50

Non-Residential \$3.50 \*

\* The charge for non-residential users shall be \$3.50 times the number of equivalent drainage units, impervious area of the user and set forth in a schedule adopted by the Council prior determined by the to the effective date of the rate ordinance.

- (1) Current rates and charges were approved pursuant to Ordinance No. 2011-OR-73 and became effective on the first full billing period occurring after February 22, 2012, the date of the adoption of that ordinance.
- (2) Current rates and charges were approved pursuant to Ordinance No. 2000-OR-40 and became effective on July 1, 2001.

(See Accountants' Compilation Report)

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## APPENDIX C



AMENDED AND RESTATED ORDINANCE NO. 2019-OR-68

An Amended and Restated Ordinance of the City of Jeffersonville authorizing the issuance of sewage works revenue bonds for the purpose of providing funds to pay the cost of certain additions, extensions and improvements to the municipal sewage works of said City, and the current refunding by the City of its Sewage Works Revenue Bonds of 2008 and Sewage Works Revenue Bonds of 2009, providing for the safeguarding of the interests of the owners of said bonds, other matters connected therewith, including the issuance of notes in anticipation of bonds, and repealing ordinances inconsistent herewith

WHEREAS, the City of Jeffersonville, Indiana ("City") has heretofore established, constructed and financed a municipal sewage works and now owns and operates the sewage works pursuant to IC 36-9-23, and other applicable laws; and

WHEREAS, the Common Council of the City ("Common Council") now finds that certain improvements, additions and extensions to said works are necessary; and that plans, specifications and estimates have been prepared and filed by the engineers employed by the City for the construction of said improvements and extensions, as more fully described on Exhibit A attached hereto ("Projects"), which plans and specifications have been or will be submitted to the Common Council and all governmental authorities having jurisdiction, including, particularly, the Indiana Department of Environmental Management ("Department") and have been or will be approved by the aforesaid governmental authorities and are incorporated herein by reference and are open for inspection at the office of the Clerk as required by law; and

WHEREAS, the Common Council adopted Ordinance No. 2012-OR-45 on October 15, 2012 ("Original Ordinance"), which Original Ordinance approved: (i) the issuance of sewage works revenue bonds and bond anticipation notes, in one or more series, in an aggregate principal amount not to exceed \$50,000,000; (ii) the cost of the Projects in an amount not to

exceed \$50,000,000; and (iii) a description of the Projects on Exhibit A to the Original Ordinance; and

WHEREAS, the City has obtained engineer's estimates of the costs for the construction of the Projects and has advertised for and received bids for a portion of the Projects and will advertise for and receive for the remainder of the Projects, which bids have been and will be subject to the City's determination to construct the Projects and subject to the City obtaining funds to pay for the Projects; and

WHEREAS, the City issued, under its Original Ordinance, its Sewage Works Revenue Bonds of 2012, dated December 13, 2012 ("2012 Bonds") in the amount of \$11,865,000, which 2012 Bonds allowed the City to construct a portion of the Projects ("2012 Projects") and which are now outstanding in the amount of \$8,711,000 , and mature annually over a period ending January 1, 2033; and

WHEREAS, the Common Council has been advised by its consulting engineers and financial advisor that the Original Ordinance should be amended and restated to approve (i) an updated listing of improvements and extensions that will be part of the Projects (ii) an updated cost of the Projects and the financing therefor and (iii) the authority to refund certain outstanding bonds as further described in this ordinance; and

WHEREAS, based on the engineering estimates for the remaining Projects and excluding the cost of the 2012 Projects, the total cost of the Projects, including estimated incidental expenses, is an amount not to exceed \$53,135,000; and

WHEREAS, the adoption of this ordinance will amend and restate the Original Ordinance; the list of Projects set forth on Exhibit A reflects the updated list of Projects and the

total cost of the Projects, excluding the 2012 Projects, and the financing therefor are revised to \$53,135,000; and

WHEREAS, in addition to the heretofore mentioned 2012 Bonds, the Common Council finds that there are now outstanding bonds originally issued to refund outstanding bonds of the sewage works or to finance the construction of improvements and additions to the sewage works and payable out of the revenues therefrom designated as: (i) Sewage Works Revenue Bonds, Series 1999 ("1999 Bonds"), now outstanding in the amount of \$612,953, and maturing annually over a period ending January 1, 2020; (ii) Sewage Works Revenue Bonds of 2008 ("2008 Bonds"), now outstanding in the amount of \$7,571,000, and maturing annually over a period ending January 1, 2029; (iii) Sewage Works Revenue Bonds of 2009 ("2009 Bonds"), now outstanding in the amount of \$906,000, and maturing annually over a period ending January 1, 2030; (iv) Sewage Works Revenue Bonds of 2010, Series A ("2010A Bonds"), now outstanding in the amount of \$1,615,000, and maturing annually over a period ending January 1, 2031; (v) Sewage Works Revenue Bonds of 2010, Series B (Taxable Build America) ("2010B Bonds"), now outstanding in the amount of \$1,000,000, and maturing annually over a period ending January 1, 2020; (vi) Sewage Works Revenue Bonds of 2011, Series A ("2011A Bonds"), now outstanding in the amount of \$18,040,000, and maturing annually over a period ending January 1, 2032; (vii) Sewage Works Revenue Bonds of 2011, Series B ("2011B Bonds"), now outstanding in the amount of \$499,000, and maturing annually over a period ending January 1, 2032; (viii) Sewage Works Revenue Bonds of 2011, Series C ("2011C Bonds"), now outstanding in the amount of \$15,029,000, and maturing annually over a period ending January 1, 2033; (ix) Sewage Works Refunding Revenue Bonds of 2013 ("2013 Bonds"), now outstanding in the

amount of \$7,025,000, and maturing annually over a period ending January 1, 2026; and (x) Sewage Works Refunding Revenue Bonds, Series 2017 ("2017 Bonds"), now outstanding in the amount of \$12,800,000, and maturing annually over a period ending January 1, 2031, which 1999 Bonds, 2008 Bonds, 2009 Bonds, 2010A Bonds, 2010B Bonds, 2011A Bonds, 2011B Bonds, 2011C Bonds, 2012 Bonds, 2013 Bonds and 2017 Bonds (hereinafter, collectively, "Outstanding Bonds"), constitute a first charge upon the Net Revenues (as hereinafter defined) of the sewage works; and

WHEREAS, the Common Council has been advised that the 2008 Bonds and the 2009 Bonds are eligible for refunding and that a refunding of the 2008 Bonds and the 2009 Bonds ("Refunded Bonds") could achieve a savings for the City; and

WHEREAS, the Common Council desires to authorize the refunding the Refunded Bonds if the refunding will provide a savings to the City and if the Refunded Bonds are refunded under this ordinance, the 2008 Bonds and the 2009 Bonds shall no longer be deemed as part of the "Outstanding Bonds" under this ordinance; and

WHEREAS, the ordinances authorizing the issuance of the Outstanding Bonds permit the issuance of additional bonds ranking on a parity with the Outstanding Bonds provided that certain conditions can be met, and the City finds that the finances of said sewage works will enable the City to meet the conditions for the issuance of additional parity bonds and that, accordingly, the revenue bonds authorized herein shall constitute a first charge on the Net Revenues of the sewage works, on a parity with the Outstanding Bonds; and

WHEREAS, the Common Council finds that it has no funds on hand to apply on the cost of the Projects or the refunding of the Refunded Bonds and that it is necessary to authorize the



issuance of sewage works revenue bonds, in one or more series, to finance the Projects and the refunding, in an aggregate principal amount not to exceed \$61,440,000 and, if necessary, bond anticipation notes ("BANs"); and

WHEREAS, the bonds to be issued pursuant to this ordinance will constitute a first charge against the Net Revenues of the sewage works, on a parity with the Outstanding Bonds, and are to be issued subject to the provisions of IC 5-1-5 and IC 36-9-23, each as in effect on the issue date of the bonds authorized herein (collectively, "Act"), and the terms and restrictions of this ordinance; and

WHEREAS, the City desires to authorize the issuance of BANs hereunder, if necessary, in one or more series, payable from the proceeds of the sewage works revenue bonds issued to finance the aforementioned costs of the Projects and to authorize the refunding of the BANs, if issued; and

WHEREAS, the City may enter into a Financial Assistance Agreement (attached hereto as Exhibit B) with the Indiana Finance Authority ("Authority") as part of its wastewater loan program established and existing pursuant to IC 5-1.2-1 through IC 5-1.2-4 and IC 5-1.2-10 ("SRF Program"), pertaining to all or a portion of the Projects, the refunding and the financing thereof ("Financial Assistance Agreement"); and

WHEREAS, the City may accept other forms of financial assistance, as and if available, from the SRF Program; and

WHEREAS, the Common Council has been advised that it may be cost efficient to purchase municipal bond insurance and a debt service reserve surety for all or a portion of the bonds authorized herein; and

WHEREAS, the Common Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of revenue bonds and BANs have been complied with in accordance with the provisions of the Act;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF JEFFERSONVILLE, INDIANA, THAT:

Section 1. Project and Refunding Authorization. The City shall proceed with the construction of the Projects in accordance with the cost estimates, and the plans and specifications heretofore prepared and filed by the consulting engineers employed by the City, which cost estimates, plans and specifications are by reference made a part of this ordinance as fully as if the same were attached hereto and incorporated herein and two copies of which are now on file or shall be placed on file in the office of the Clerk of the City and are open for public inspection pursuant to IC 36-1-5-4, that the cost of construction of the Projects, excluding the 2012 Projects, shall not exceed the sum of \$53,135,000, plus investment earnings on the bond and BAN proceeds, without further authorization from this Common Council. Based on reports submitted by the City's financial advisor, the City may proceed with the refunding of the Refunded Bonds to effect a savings if the City is advised by its financial advisor that such refunding will produce a level of savings acceptable to the City. The Common Council hereby authorizes the Controller and the Jeffersonville Sewer Board to analyze the refunding transaction and determine, with the advice of the City's financial advisor, if the refunding should be completed under this ordinance. The terms "sewage works," "sewage works system," "system," "works," and other like terms where used in this ordinance shall be construed to mean the Treatment Works, as defined in the Financial Assistance Agreement entered into between the

City and the Authority, and includes all structures and property of the City's sewer utility, including items defined at IC 36-9-1-8. The Projects shall be constructed in accordance with the preliminary plans and specifications heretofore mentioned, which preliminary plans and specifications are hereby approved. The Projects shall be constructed and the bonds herein authorized shall be issued pursuant to and in accordance with the Act.

Section 2. Issuance of Bonds and BANs. (a) The City shall issue, if necessary, its BANs for the purpose of procuring interim financing to apply to the cost of the Projects. The City shall issue its BANs in an amount not to exceed Fifty Three Million One Hundred Thirty-five Thousand Dollars (\$53,135,000) to be designated "Sewage Works Bond Anticipation Notes of \_\_\_\_" (to be completed with the year in which issued and series designation, if any). The BANs shall be sold at a price not less than 99% of their par value or at a price not less than 100% of their par value if sold to the Authority as part of the SRF Program, shall be numbered consecutively from 1 upward, shall be in denominations of One Thousand Dollars (\$1,000) or integral multiples thereof, or, if sold to the Authority as part of the SRF Program, in denominations of One Dollar (\$1) or integral multiples thereof, as designated in the hereinafter defined Purchase Agreement, shall be dated as of the date of delivery thereof, and shall bear interest at a rate not to exceed 6% per annum (the exact rate or rates to be negotiated with the purchaser of the BANs). Interest shall be payable semiannually on January 1 and July 1 commencing on the first January 1 or the first July 1 after the date of issuance of the BANs as determined by the Controller, with the advice of the City's financial advisor, and upon maturity or redemption. Each series of BANs will mature no later than five years after their date of delivery. The BANs are subject to renewal or extension at an interest rate or rates not to exceed

6% per annum (the exact rate or rates to be negotiated with the purchaser of the BANs). The term of the BANs and all renewal BANs may not exceed five years from the date of delivery of the initial BANs. The BANs shall be registered in the name of the purchasers thereof. Payment on the BANs may be made in installments.

The BANs shall be issued pursuant to IC 5-1.5-8-6.1 if sold to the Indiana Bond Bank, pursuant to IC5-1.2-1 through IC 5-1.2-4 and IC 5-1.2-10 if sold to the Authority, or pursuant to IC 5-1-14-5 if sold to a financial institution or any other purchaser. The principal of and interest on the BANs shall be payable from the issuance of revenue bonds pursuant to and in the manner prescribed by the Act. Interest on the BANs may also be payable from capitalized interest and Net Revenues of the sewage works, provided, however, any pledge of Net Revenues will be junior and subordinate to the payment of the Outstanding Bonds, the bonds issued under this ordinance and any bonds issued in the future which are secured with a pledge of Net Revenues. If any interest on the BANs to be paid from Net Revenues is to occur on a date other than January 1 or July 1, by reason of maturity or redemption, such payment may only occur if all of the principal and interest on all then outstanding bonds of the sewage works of the City due on the next succeeding principal and interest payment date is fully accumulated in the Bond and Interest Account of the Sewage Works Sinking Fund. The revenue bonds will be payable solely out of and constitute a first charge against the Net Revenues (herein defined as gross revenues, inclusive of System Development Charges (as hereafter defined), after deduction only for the payment of the reasonable expenses of operation, repair and maintenance, excluding transfers for payment in lieu of property taxes ("PILOTs")) of the sewage works of the City, on a parity with the Outstanding Bonds. For purposes of this ordinance, "System Development Charges" shall

mean the proceeds and balances from any non-recurring charges such as tap fees, subsequent connector fees, capacity or contribution fees, and other similar one-time charges that are available for deposit under this ordinance; provided, however, that any System Development Charges that are enacted under IC 36-9-23-29, shall be considered as Net Revenues of the sewage works.

(b) The City is hereby authorized to issue its sewage works revenue bonds, in one or more series, to be designated "Sewage Works Revenue and Refunding Revenue Bonds of \_\_\_\_\_," to be completed with the year in which issued and series designation, if any; if the City, with the advice of its financial advisor, determines that it is necessary to issue its bonds solely to finance the Projects, the bonds shall be designated "Sewage Works Revenue Bonds of \_\_\_\_\_," to be completed with the year in which issued and series designation, if any; if the City, with the advice of its financial advisor, determines that it is necessary to issue its bonds solely to refund the Refunded Bonds, the bonds shall be designated "Sewage Works Refunding Revenue Bonds of \_\_\_\_\_," to be completed with the year in which issued (hereinafter collectively referred to as the "Bonds"), in an aggregate principal amount not to exceed \$61,440,000 for the purpose of procuring funds to be applied on the cost of the Projects, refunding the Refunded Bonds, the payment of costs of issuance, refunding the BANs, if issued, and all other costs related to the Projects and the refunding of the Refunded Bonds, including premiums for municipal bond insurance and a debt service reserve surety.

Each series of Bonds shall be sold at a price not less than par value if sold to the Authority as part of its SRF Program or not less than 98.5% of the par value thereof if sold to any other purchaser, shall be issued in the denomination of One Dollar (\$1) or integral multiples

thereof if sold to the Authority as part of its SRF Program, or in denominations of Five Thousand Dollars (\$5,000) each or integral multiples thereof if sold to any other purchaser, numbered consecutively from 1 upward, dated as of the first day of the month in which they are sold or issued, or as of the date of delivery, as determined by the Controller with the advice of the City's financial advisor, provided that if sold to the Authority as part of its SRF Program, the Bonds shall be dated the date of delivery. The Bonds shall bear interest at a rate or rates not exceeding 7% per annum (the exact rate or rates to be determined by bidding or negotiation with the Authority through its SRF Program), payable semiannually on January 1 and July 1 in each year, commencing on the first January 1 or the first July 1 following delivery of the Bonds as designated by the Controller, with the advice of the City's financial advisor. Each series of Bonds shall mature annually on January 1 of each year over a period ending no later than thirty-five (35) years after substantial completion of the Projects financed with such series of Bonds (as determined under the Financial Assistance Agreement for any Bonds sold to the Authority as part of its SRF Program). For any series of Bonds issued solely to refund the Refunded Bonds, Bonds shall mature annually on January 1 of each year over a period ending no later January 1, 2030. The Bonds shall mature in such amounts that will allow the City to meet the coverage and/or amortization requirements of the SRF Program for any Bonds sold to the Authority as part of its SRF Program and such debt service schedule shall be finalized and set forth in the Financial Assistance Agreement. For any Bonds sold to any other purchaser, such Bonds may mature in amounts that produce as level debt service as practicable with \$5,000 denominations, taking into account the annual debt service on the Outstanding Bonds and all other series of Bonds issued under this ordinance.

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 in the years as determined by the successful bidder, but in no event later than the final serial maturity date of the Bonds as determined in 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 principal payment dates which are hereinafter determined in accordance with the above paragraph.

Each series of Bonds shall rank on a parity with the other for all purposes, including the pledge of Net Revenues under this ordinance.

Interest on the Bonds and BANs shall be calculated according to a 360-day calendar year containing twelve 30-day months.

Notwithstanding anything contained herein, the City may accept any other forms of financial assistance, as and if available, from the SRF Program (including without limitation any forgivable loans, grants or other assistance whether available as an alternative to any Bond or BAN related provision otherwise provided for herein or as a supplement or addition thereto). If required by the SRF Program to be eligible for such financial assistance, one or more of the series of the Bonds issued hereunder may be issued on a basis such that the payment of the principal of or interest on such series of Bonds is junior and subordinate to the payment of the principal of and interest on other series of Bonds issued hereunder (and/or any other revenue bonds secured by a pledge of Net Revenues, whether now outstanding or hereafter issued), all as provided by the terms of such series of Bonds as modified pursuant to this authorization. Such financial assistance, if any, shall be as provided in the Financial Assistance Agreement and the

Bonds of each series of Bonds issued hereunder (including any modification made pursuant to the authorization in this paragraph to the form of Bond otherwise contained herein).

Section 3. Registrar and Paying Agent; Book-Entry Provisions. The Controller is hereby authorized to contract with a qualified financial institution to serve as Registrar and Paying Agent for the Bonds ("Registrar" or "Paying Agent"). The Registrar is hereby charged with the responsibility of authenticating the Bonds. The Controller is hereby authorized to enter into such agreements or understandings with the Registrar as will enable the institution to perform the services required of a registrar and paying agent. The Controller is further authorized to pay such fees as the Registrar may charge for the services it provides as Registrar and Paying Agent and such fees may be paid from the Sewage Works Sinking Fund established to pay the principal of and interest on the Bonds as fiscal agency charges.

As to the BANS and as to the Bonds, if sold to the Authority as part of its SRF Program or any other purchaser that does not object to such designation, the Controller may serve as Registrar and Paying Agent and is hereby charged with the duties of a Registrar and Paying Agent.

If any Bonds or BANS are sold to the Authority as part of its SRF Program, the principal of and interest thereon shall be paid by wire transfer to such financial institution if and as directed by the Authority on the due date of such payment or, if such due date is a day when financial institutions are not open for business, on the business day immediately after such due date. So long as the Authority is the owner of the Bonds or BANS, such Bonds and BANS shall be presented for payment as directed by the Authority.



If wire transfer payment is not required, the principal of the Bonds shall be payable at the principal corporate trust office of the Paying Agent. All payments of interest on the Bonds shall be paid by check, mailed one business day prior to the interest payment date to the registered owners thereof as the names appear as of the fifteenth day of the month preceding the interest payment date ("Record 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 Paying Agent in writing by such registered owner. If payment of principal or interest is made to a 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). All payments on the Bonds shall be made in any coin or currency of the United States of America, which on the date of such payment, shall be legal tender for the payment of public and private debts.

Each Bond shall be transferable or exchangeable only upon the books of the City kept for that purpose at the principal corporate trust office of the Registrar by the registered owner in person, or by its attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner, or its attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in an authorized aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The costs of such transfer or exchange shall be borne by the

City except for any tax or governmental charge required to be paid with respect to the transfer or exchange, which taxes or governmental charges are payable by the person requesting such transfer or exchange. The City, Registrar and Paying Agent for the Bonds may treat and consider the person in whose name such Bonds are registered as the absolute owner thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent upon giving 30 days' notice in writing to the City and by first class mail to each registered owner of the Bonds then outstanding, and such resignation will take effect at the end of such 30 day period or upon the earlier appointment of a successor registrar and paying agent by the City. Any such notice to the City may be served personally or sent by registered mail. The Registrar and Paying Agent may be removed at any time as Registrar and Paying Agent by the City, in which event the City may appoint a successor registrar and paying agent. The City shall notify each registered owner of the Bonds then outstanding by first class mail of the removal of the Registrar and Paying Agent. Notices to the 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 books kept by the Registrar.

Upon the appointment of any successor registrar and paying agent by the City, the Controller is authorized and directed to enter into such agreements and understandings with such successor registrar and paying agent as will enable the institution to perform the services required of a registrar and paying agent for the Bonds. The Controller is further authorized to pay such fees as the successor registrar and paying agent may charge for the services it provides

as registrar and paying agent and such fees may be paid from the Sewage Works Sinking Fund continued in Section 14 hereof. Any predecessor registrar and paying agent shall deliver all of the Bonds and any cash or investments in its possession with respect thereto, together with the registration books, to the successor registrar and paying agent.

Interest on any Bonds sold to the Authority as part of its SRF Program shall be payable from the date or dates of payments made by the Authority as part of its purchase of the Bonds as set forth in the Financial Assistance Agreement. Interest on all other Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date of the Bonds unless the Bonds are authenticated after the Record Date and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless the Bonds are authenticated on or before the Record Date preceding the first interest payment date, in which case they shall bear interest from the original date until the principal shall be fully paid.

The City has determined that it may be beneficial to the City to have the Bonds held by a central depository system pursuant to an agreement between the City and The Depository Trust Company, New York, New York ("Depository Trust Company") and have transfers of the Bonds effected by book-entry on the books of the central depository system ("Book Entry System"). The Bonds may be initially issued in the form of a separate single authenticated fully registered Bond for the aggregate principal amount of each separate maturity of the Bonds. In such case, upon initial issuance, the ownership of such Bonds shall be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company.

With respect to the Bonds registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, the City 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 the Depository Trust Company, CEDE & CO., 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 the Depository Trust Company, 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 the Depository Trust Company, 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 the Depository Trust Company shall receive an authenticated Bond evidencing an obligation of the City to make payments of the principal of and premium, if any, and interest on the Bonds pursuant to this ordinance. The City and the Registrar and Paying Agent may treat as and deem the Depository Trust Company or CEDE & CO. 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 the Depository Trust Company, and all such payments shall be valid and effective fully to satisfy

and discharge the City'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 the Depository Trust Company to the City of written notice to the effect that the Depository Trust Company has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this ordinance shall refer to such new nominee of the Depository Trust Company. Notwithstanding any other provision hereof to the contrary, so long as any Bond is registered in the name of CEDE & CO., as nominee of the Depository Trust Company, 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 the Depository Trust Company as provided in a representation letter from the City to the Depository Trust Company.

Upon receipt by the City of written notice from the Depository Trust Company to the effect that the Depository Trust Company is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of the Depository Trust Company 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 City kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, but may be registered in whatever name or names the bondholders transferring or exchanging the Bonds shall designate, in accordance with the provisions of this ordinance.

If the City determines that it is in the best interest of the bondholders that they be able to obtain certificates for the fully registered Bonds, the City may notify the Depository Trust

Company and the Registrar, whereupon the Depository Trust Company will notify the Beneficial Owners of the availability through the Depository Trust Company of certificates for the Bonds. In such event, the Registrar shall prepare, authenticate, transfer and exchange certificates for the Bonds as requested by the Depository Trust Company and any Beneficial Owners in appropriate amounts, and whenever the Depository Trust Company requests the City and the Registrar to do so, the Registrar and the City will cooperate with the Depository Trust Company 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 Depository Trust Company 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 Registrar shall cause the Bonds to be printed in blank in such number as the Registrar shall determine to be necessary or customary; provided, however, that the Registrar shall not be required to have such Bonds printed until it shall have received from the City 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 City or the Registrar with respect to any consent or other action to be taken by bondholders, the City or the Registrar, as the case may be, shall establish a record date for such consent or other action and give the Depository Trust Company 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 the Depository Trust Company or CEDE & CO. or any substitute nominee, the City and the Registrar and 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 the Depository Trust Company 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 Registrar and the Depository Trust Company, to the same extent as if such consent, advice, direction, demand or vote were made by the bondholders for purposes of this ordinance and the City and the Registrar and Paying Agent shall for such purposes treat the Beneficial Owners as the bondholders. Along with any such certificate or representation, the Registrar may request the Depository Trust Company to deliver, or cause to be delivered, to the Registrar 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.

Section 4. Redemption of BANs and Bonds. (a) Commencing 90 days after their date of issuance, the BANs are prepayable by the City, in whole or in part, at any time upon 20 days' notice to the owner of the BANs without premium.

(b) For any Bonds not sold to the Authority as part of its SRF Program, such Bonds are redeemable at the option of the City, but no sooner than eight years from their date of delivery, or any date thereafter, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the City and by lot within a maturity, at face value, together with a premium no greater than 1%, plus in each case accrued interest to the date fixed for redemption. The exact redemption features shall be determined by the Controller with the advice of the City's financial advisor and shall be set out in the notice of sale described in Section 8 herein.

For any Bonds sold to the Authority as part of its SRF Program, such Bonds are redeemable at the option of the City, but no sooner than ten years after their date of delivery, or any date thereafter, on sixty (60) days' notice, in whole or in part, in inverse order of maturity, and by lot within a maturity, at face value together with a premium no greater than 2%, plus accrued interest to the date fixed for redemption; provided however if the Bonds are sold to the SRF Program and registered in the name of the Authority, the Bonds shall not be redeemable at the option of the City unless and until consented to by the Authority. The exact redemption dates and premiums shall be established by the Controller, with the advice of the City's financial advisor, prior to the sale of the Bonds.

(c) If any Bond is issued as a term bond, the Paying Agent shall credit against the mandatory sinking fund requirement for the Bonds maturing as term bonds, and corresponding mandatory redemption obligation, in the order determined by the City, any Bonds maturing as term bonds which have previously been redeemed (otherwise 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 Bond maturing as a 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 authorized denomination shall be considered a separate bond for purposes of optional and mandatory redemption. If less than an entire maturity is called for redemption, the Bonds to be called shall be selected by lot by the Registrar. If some Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.

In either case, notice of such redemption shall be given not less than sixty (60) days, if the Bonds are sold to the Authority as part of its SRF Program, and at least thirty (30) days, if the Bonds are sold to another purchaser, prior to the date fixed for redemption by mail unless the notice is waived by the registered owner of a Bond. Such notice shall be mailed to the address of the registered owners as shown on the registration records of the City as of the date which is sixty-five (65) days, if the Bonds are sold to the Authority as part of its SRF Program, and forty-five (45) days, if the Bonds are sold to another purchaser, prior to such redemption date. The notice shall specify the date and place of redemption and sufficient identification of the Bonds called for redemption. The place of redemption shall be determined by the City. Interest on the Bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the principal office of the Paying Agent to pay the redemption price on the date so named. Coincidentally with the payment of the redemption price, the Bonds so called for redemption shall be surrendered for cancellation.

Section 5. Execution and Negotiability. Each of the BANs and Bonds shall be executed in the name of the City by the manual or facsimile signature of the Mayor, countersigned by the manual or facsimile signature of the Controller, and attested by the manual or facsimile signature of its Clerk, and the seal of the City shall be affixed, imprinted or impressed to or on each of the BANs and Bonds manually, by facsimile or any other means; and these officials, by the execution of a Signature and No Litigation Certificate, shall adopt as and for their own proper signatures the facsimile signatures appearing on the Bonds or BANs. In case any officer whose signature or facsimile signature appears on the Bonds or BANs shall cease to be such officer before the delivery of the Bonds or BANs, the signature of such officer shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

The BANs and Bonds shall have all of the qualities and incidents of negotiable instruments under the laws of the State of Indiana, subject to the provisions for registration herein.

The Bonds shall also be authenticated by the manual signature of the Registrar, and no Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed.

Section 6. Form of Bonds. The form and tenor of the Bonds shall be substantially as follows, all blanks to be filled in properly prior to delivery:

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City of Jeffersonville, Indiana, or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such

other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

No. \_\_\_\_\_

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF CLARK

CITY OF JEFFERSONVILLE

[SEWAGE WORKS REVENUE AND REFUNDING REVENUE BOND OF \_\_\_\_\_[, SERIES\_ ]

SEWAGE WORKS REVENUE BOND OF \_\_\_\_ [, SERIES \_\_\_\_]  
SEWAGE WORKS REFUNDING REVENUE BOND OF \_\_\_\_\_]

Interest	[Maturity	Original	Authentication	
<u>Rate</u>	<u>Date]</u>	<u>Date</u>	<u>Date</u>	[CUSIP]

REGISTERED OWNER:

PRINCIPAL SUM:

The City of Jeffersonville, in Clark County, State of Indiana ("City"), for value received, hereby promises to pay to the Registered Owner named above or registered assigns, solely out of the special revenue fund hereinafter referred to, the Principal Sum set forth above[, or so much thereof as may be advanced from time to time and be outstanding as evidenced by the records of the registered owner making payment for this bond, or its assigns,] on [the Maturity Date set forth above] **OR** [on the dates and in the amounts as set forth on Exhibit A attached hereto] (unless this bond be subject to and shall have been duly called for redemption and payment as provided for herein), and to pay interest hereon until the Principal Sum shall be fully paid at the rate per annum specified above from [the dates of payment made on this bond] **OR** [the interest payment date to which interest has been paid next preceding the Authentication Date of this bond unless this bond is authenticated after the fifteenth day of the month preceding an interest payment date and on or before such interest payment in which case it shall bear interest from such interest payment date, or unless this bond is authenticated on or before \_\_\_\_\_ 15, \_\_\_\_, in which case it shall bear interest from the Original Date,] until the principal is paid, which interest is payable semiannually on the first days of January and July in each year, beginning on \_\_\_\_\_ 1, 20\_\_ . Interest shall be calculated according to a 360-day calendar year containing twelve 30-day months.

[The principal of this bond is payable at the principal office of \_\_\_\_\_ ("Registrar" or "Paying Agent"), in the \_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_.] All payments of [principal of and] interest on this bond shall be paid by [check mailed one business day prior to the interest payment date] **OR** [wire transfer for deposit to a financial institution as directed by the Indiana Finance Authority ("Authority") on the due date or, if such due date is a day when financial institutions are not open for business, on the business day immediately after such due date] to the registered owner hereof, as of the fifteenth day of the month preceding such payment, at the address as it appears on the registration books kept by [\_\_\_\_\_ ("Registrar" or "Paying Agent") in the \_\_\_\_\_ of \_\_\_\_\_, Indiana] **OR** [the Registrar] or at such other address as is provided to the Paying Agent in writing by the registered owner. [If payment of principal or interest is made to a 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 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).] All payments on the Bond shall be made in any coin or currency of the United States of America, which on the dates of such payment, shall be legal tender for the payment of public and private debts.

THE CITY SHALL NOT BE OBLIGATED TO PAY THIS BOND OR THE INTEREST HEREON EXCEPT FROM THE HEREAFTER DESCRIBED SPECIAL FUND, AND NEITHER THIS BOND NOR THE ISSUE OF WHICH IT IS A PART SHALL IN ANY RESPECT CONSTITUTE A CORPORATE INDEBTEDNESS OF THE CITY WITHIN THE PROVISIONS AND LIMITATIONS OF THE CONSTITUTION OF THE STATE OF INDIANA.

This bond is [the only] one of an authorized issue of bonds of the City, [[to be] [issued in series] of like date, tenor and effect, [except as to rates of interest[, series designation,] and dates of maturity]]; aggregating \_\_\_\_\_ Dollars (\$ \_\_\_\_\_); numbered consecutively from 1 up; issued for the purpose of providing funds to be applied on the cost of additions, extensions and improvements to the City's sewage works ("Projects")[, to refund interim notes issued in anticipation of the bonds] [, to refund the Refunded Bonds (as defined in the hereinafter defined Ordinance), and to pay issuance expenses[, including premiums for municipal bond insurance and a debt service reserve surety]. This bond is issued pursuant to an amended and restated Ordinance adopted by the Common Council of the City on the \_\_\_\_ day of \_\_\_\_\_, 2019, entitled "An Amended and Restated Ordinance of the City of Jeffersonville authorizing the issuance of sewage works revenue bonds for the purpose of providing funds to pay the cost of certain additions, extensions and improvements to the municipal sewage works of said City, and the current refunding by the City of its Sewage Works Revenue Bonds of 2008 and Sewage Works Revenue Bonds of 2009, providing for the safeguarding of the interests of the owners of said bonds, other matters connected therewith, including the issuance of notes in anticipation of bonds, and repealing ordinances inconsistent herewith" ("Ordinance"), and in accordance with the provisions of Indiana law, including

without limitation Indiana Code 5-1-5 and 36-9-23, each as in effect on the date of delivery of the bonds of this issue (collectively, "Act"), the proceeds of which bonds are to be applied to the costs of the Projects, refunding the Refunded Bonds, [the payment of notes issued in anticipation of the bonds,] and expenses incurred in connection therewith[, including premiums for municipal bond insurance and a debt service reserve surety].

[Reference is hereby made to the Financial Assistance Agreement ("Financial Assistance Agreement") between the City and the Authority concerning certain terms and covenants pertaining to the Projects and the purchase of this bond as part of the wastewater loan program established and existing pursuant to IC 5-1.2-1 through IC 5-1.2-4 and IC 5-1.2-10.]

[Pursuant to the Ordinance and the Escrow Agreement defined therein, the City has set aside securities (purchased from proceeds of the bonds of this issue and funds on hand of the City) and certain cash in a Trust Account to provide payment of principal of and interest and redemption premium, if any, on the Refunded Bonds by the purchase of obligations of the United States of America.]

Pursuant to the provisions of the Act and the Ordinance, the principal of and interest on this bond and all other bonds of said issue, including the Outstanding Bonds (as defined in the Ordinance) [and the Sewage Works [Refunding] Revenue [and Refunding Revenue] Bonds of 20\_\_\_, Series \_\_\_ ("Series \_\_\_ Bonds")] and any bonds hereafter issued on a parity therewith are payable solely from the Sewage Works Sinking Fund continued by the Ordinance ("Sinking Fund") to be provided from the Net Revenues (defined as gross revenues, inclusive of System Development Charges (as defined in the Ordinance), after deduction only for the payment of the reasonable expenses of operation, repair and maintenance, excluding transfers for payment in lieu of property taxes) of the sewage works of the City. This bond and the issue of which it is a part constitute a first charge upon the Net Revenues, and shall rank on a parity with the Outstanding Bonds [and the Series \_\_\_ Bonds].

The City irrevocably pledges the entire Net Revenues of the sewage works to the prompt payment of the principal of and interest on the bonds authorized by the Ordinance, of which this is one, and any bonds ranking on a parity therewith, including the Outstanding Bonds [and the Series \_\_\_ Bonds] to the extent necessary for that purpose, and covenants that it will cause to be fixed, maintained and collected such rates and charges for services rendered by the utility as are sufficient in each year for the payment of the proper and reasonable expenses of [Operation and Maintenance (as defined in the Financial Assistance Agreement[, as defined in the Ordinance]) of the sewage works and for the payment of the sums required to be paid into the Sinking Fund under the provisions of the Act and the Ordinance. If the City or the proper officers thereof shall fail or refuse to so fix, maintain and collect such rates or charges, or if there be a default in the payment of the interest on or principal of this bond, the owner of this bond shall have all of the rights and remedies provided for in the Act, including the right to have a receiver appointed to administer the works and to charge and collect rates sufficient to provide for the payment of this bond and the interest hereon.

The City further covenants that it will set aside and pay into its Sinking Fund monthly, as available, or more often if necessary, a sufficient amount of the Net Revenues of the works for payment of (a) the interest on all bonds which by their terms are payable from the revenues of the sewage works, as such interest shall fall due, (b) the necessary fiscal agency charges for paying bonds and interest, (c) the principal of all bonds which by their terms are payable from the revenues of the sewage works, as such principal shall fall due, and (d) an additional amount as a margin of safety to [create and] maintain the debt service reserve required by the Ordinance. Such required payments shall constitute a first charge upon all the Net Revenues of the sewage works on a parity with the Outstanding Bonds [and the Series \_\_\_\_ Bonds].

The bonds of this issue maturing on and after January 1, 20\_\_, are redeemable at the option of the City on \_\_\_\_\_ 1, 20\_\_, or any date thereafter, on [sixty (60)] [thirty (30)] days' notice, in whole or in part, [in inverse order of maturity] **OR** [in the order of maturity as determined by the City] and by lot within a maturity, at face value, together with the following premiums:

\_\_\_% if redeemed on \_\_\_\_\_ 1, 20\_\_ or thereafter  
                           on or before \_\_\_\_\_, 20\_\_;  
 \_\_\_% if redeemed on \_\_\_\_\_ 1, 20\_\_ or thereafter  
                           on or before \_\_\_\_\_, 20\_\_;  
 0% if redeemed on \_\_\_\_\_ 1, 20\_\_ or thereafter  
                           prior to maturity;

plus accrued interest to the date fixed for redemption[]; provided however if the Bonds are registered in the name of the Authority, the Bonds shall not be redeemable at the option of the City unless and until consented to by the Authority].

[The bonds maturing on January 1, \_\_\_\_, are subject to mandatory sinking fund redemption prior to maturity, at a redemption price equal to the principal amount thereof plus accrued interest, on the dates and in the amounts set forth below:

<u>Date</u>	<u>Term Bond</u>	<u>Amount</u>
*		

\* Final Maturity]

Each [Five Thousand Dollars (\$5,000)] [One Dollar (\$1)] principal amount shall be considered a separate bond for purposes of optional [and mandatory] redemption. If less than an entire maturity is called for redemption, the bonds to be redeemed shall be selected by lot by the Registrar. [If some bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the bonds for optional redemption before selecting the bonds by lot for the mandatory sinking fund redemption.]

Notice of such redemption shall be mailed to the address of the registered owner as shown on the registration records of the City, as of the date which is [sixty-five (65)] [forty-five (45)] days prior to such redemption date, not less than [sixty (60)] [thirty (30)] days prior to the date fixed for redemption unless the notice is waived by the registered owner of this bond. 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 City. Interest on the bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named.

If this bond shall not be presented for payment or redemption on the date fixed therefor, the City may deposit in trust with its depository bank an amount sufficient to pay such bond or the redemption price, as the case may be, and thereafter the registered owner shall look only to the funds so deposited in trust with said bank for payment and the City shall have no further obligation or liability in respect thereto.

This bond is transferable or exchangeable only upon the books of the City kept for that purpose at the [principal corporate trust] office of the Registrar by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner, or his attorney duly authorized in writing, and thereupon a new fully registered bond or bonds in an authorized aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or to the registered owner, as the case may be, in exchange therefor. This bond may be transferred without cost to the registered owner except for any tax or governmental charge required to be paid with respect to the transfer. The City, the Registrar, the Paying Agent and any other registrar or paying agent for this bond may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

[The bonds shall be initially issued in a Book Entry System (as defined in the Ordinance). The provisions of this bond and of the Ordinance are subject in all respects to the provisions of the Letter of Representations between the City and The Depository Trust Company, or any substitute agreement, effecting such Book Entry System.]

This bond is subject to defeasance prior to redemption or payment as provided in the Ordinance referred to herein. THE OWNER OF THIS BOND, BY THE ACCEPTANCE HEREOF, HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE ORDINANCE. The Ordinance may be amended without the consent of the owners of the bonds as provided in the Ordinance.

The bonds maturing in any one year are issuable only in fully registered form in the denomination of [\$5,000] [\$1] or any integral multiple thereof.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the execution, issuance and delivery of this bond have been done and performed in regular and due form as provided by law.

This bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the City of Jeffersonville, in Clark County, Indiana, has caused this bond to be executed in its corporate name by the manual or facsimile signature of its Mayor, countersigned with the manual or facsimile signature of its Controller, its corporate seal to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by its Clerk.

CITY OF JEFFERSONVILLE, INDIANA

By \_\_\_\_\_  
Mayor

Countersigned:

\_\_\_\_\_  
Controller

[SEAL]

Attest:

\_\_\_\_\_  
Clerk

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Ordinance.

\_\_\_\_\_,  
as Registrar

By \_\_\_\_\_  
Authorized Representative



ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ this bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney, to transfer the within bond in the books kept for the registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatsoever.

[EXHIBIT A

[To be completed on a separate page]]

Section 7. Authorization for Preparation and Sale of the BANs and the Bonds;

Escrow Agreement; Municipal Bond Insurance; Official Statement; Continuing Disclosure. (a)

The Controller is hereby authorized and directed to have the BANs and the Bonds prepared, and the Mayor, the Controller and the Clerk are hereby authorized and directed to execute and attest the BANs and the Bonds in the form and manner provided herein. The Controller is hereby authorized and directed to deliver the BANs and the Bonds to the respective purchasers thereof. At the time of delivery of the BANs and the Bonds, the Controller shall collect the full amount which the respective purchasers have agreed to pay therefor, which amount shall not be less than the par value of the BANs if sold to the Authority as part of its SRF Program, not less than 99% of the face value of the BANs if sold to any other purchaser, not less than the par value of the Bonds if sold to the Authority as part of its SRF Program, and not less than 98.5% of the face value of the Bonds if sold to any other purchaser, as the case may be, plus accrued interest to the

date of delivery, if any. Payment for the BANs and any Bonds sold to the Authority as a part of its SRF Program may be made in installments. Each series of Bonds, when fully or as and to the extent paid for and delivered to the purchaser, shall be the binding special revenue obligations of the City payable out of the Net Revenues of the sewage works. The proper officers of the City are hereby directed to sell the Bonds, to draw all proper and necessary warrants, and to do whatever acts and things which may be necessary to carry out the provisions of this ordinance.

(b) The Mayor and the Controller are hereby authorized to negotiate the sale of any series of Bonds issued to refund the Refunded Bonds to a purchaser which may be an underwriter ("Purchaser") in accordance with a bond purchase agreement or bond placement agreement ("Purchase Agreement") between the City and the Purchaser. The Mayor and the Controller are hereby authorized to execute the Purchase Agreement and deliver such series of Bonds to the Purchaser so long as their terms are consistent with this ordinance. Such Purchase Agreement shall establish a final principal amount, purchase price, interest rates, maturity schedule and term bond mandatory redemptions, if any. The Purchase Agreement will also state that the Purchaser or placement agent, as the case may be, will agree to assist the City with establishing the issue price of the Bonds under Treas. Reg. Section 1.148-1(f). Any Bonds issued to refund the Refunded Bonds may also be sold to the Authority as part of its SRF Program in accordance with Section 8 of this ordinance.

(c) To the extent required, the Controller is hereby authorized to appoint a financial institution to serve as escrow trustee ("Escrow Trustee") for the Refunded Bonds in accordance with the terms of the Escrow Agreement between the City and the Escrow Trustee ("Escrow Agreement"). The Common Council hereby authorizes the Mayor and the Controller to

complete, execute and attest the same on behalf of the City so long as its provisions are consistent with this ordinance and the Purchase Agreement.

(d) To the extent required, the execution, by either the Mayor, the Controller, the Purchaser, or the City's financial advisor, of a subscription for United States Treasury Obligations – State and Local Government Series for investments of proceeds of the Bonds to be held under the Escrow Agreement in a manner consistent with this ordinance is hereby approved.

(e) Distribution of an Official Statement (preliminary and final) prepared by Sycamore Advisors, LLC, on behalf of the City, is hereby approved and the Mayor or the Controller are authorized and directed to execute the Official Statement on behalf of the City in a form consistent with this ordinance. The Mayor or the Controller are hereby authorized to designate the preliminary Official Statement as "nearly final" for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission ("Rule").

(f) If any series of Bonds are subject to the Rule, a Continuing Disclosure Undertaking ("Undertaking") for the Bonds is hereby authorized and approved by the Common Council, and the Mayor and Controller are hereby authorized and directed to complete, execute and attest the same on behalf of the City. Notwithstanding any other provisions of this ordinance, failure of the City to comply with the Undertaking shall not be considered an event of default under the Bonds or this ordinance.

(g) In the event the financial advisor to the City certifies to the City that it would be economically advantageous for the City to acquire a municipal bond insurance policy for any of the Bonds, the City hereby authorizes and directs the Mayor and Controller to obtain such an insurance policy. The acquisition of a municipal bond insurance policy is hereby deemed

economically advantageous in the event the difference between the present value cost of (a) the total debt service on the Bonds if issued without municipal bond insurance and (b) the total debt service on the Bonds if issued with municipal bond insurance, is greater than the cost of the premium on the municipal bond insurance policy. If such an insurance policy is purchased, the Mayor and Controller are hereby authorized to execute and deliver all agreements with the provider of the policy, to the extent necessary to comply with the terms of such insurance policy and the commitment to issue such policy. Such agreement is hereby incorporated herein by reference and shall be deemed as a part of this ordinance for all purposes, including the rights of the bond insurer providing the policy.

Section 8. Bond Sale Notice. If any series of Bonds will be sold at a competitive sale, prior to the sale of Bonds, the Controller shall cause to be published either (i) a notice of bond sale in *The News and Tribune*, the only newspaper published in the City, two times, at least one week apart, the first publication made at least fifteen (15) days before the date of the sale and the second publication being made at least three (3) days before the date of the sale, or (ii) a notice of intent to sell in *The News and Tribune* and the *Court & Commercial Record* all in accordance with IC 5-1-11 and IC 5-3-1. A notice of sale may also be published one time in the *Court & Commercial Record*, and a summary notice may also be published in *The Bond Buyer* in New York, New York. The notice shall state the character and amount of the Bonds, the maximum rate of interest thereon, the terms and conditions upon which bids will be received and the sale made, and such other information as the Controller and the attorneys employed by the City shall deem advisable and any summary notice may contain any information deemed so advisable. The notice will also state that the winning bidder will agree to assist the City in

establishing the issue price of the Bonds under Treas. Reg. Section 1.148-1(f) ("Issue Price Regulation"). The criteria for establishing the issue price under the Issue Price Regulation shall be set forth in the preliminary Official Statement and/or the bid form. The notice may provide, among other things, that electronic bidding will be permitted and that the successful bidder shall be required to submit a certified or cashier's check or a wire transfer in an amount equal to 1% of the principal amount of the Bonds described in the notice to guarantee performance on the part of the bidder not later than 3:30 p.m. (Jeffersonville time) on the next business day following the award. In the event the successful bidder shall fail or refuse to accept delivery of the Bonds and pay for the same as soon as the Bonds are ready for delivery, or at the time fixed in the notice of sale, then said check or wire transfer and the proceeds thereof shall be the property of the City and shall be considered as its liquidated damages on account of such default. Bidders for the Bonds will be required to name the rate or rates of interest which the Bonds are to bear, not exceeding the maximum rate hereinbefore fixed, and such interest rate or rates shall be in multiples of one-eighth ( $1/8$ ) or one-twentieth ( $1/20$ ) of one percent (1%). The rate bid on a maturity shall be equal to or greater than the rate bid on the immediately preceding maturity. No conditional bid or bid for less than 98.5% of the face amount of the Bonds will be considered. The opinion of Ice Miller LLP, bond counsel of Indianapolis, Indiana, approving the legality of the Bonds, will be furnished to the purchaser at the expense of the City.

The Bonds shall be awarded by the Controller to the best bidder who has submitted his bid in accordance with the terms of this ordinance, IC 5-1-11 and the notice of sale. The best bidder will be the one who offers the lowest net interest cost to the City, to be determined by computing the total interest on all of the Bonds to their maturities and adding thereto the discount

bid, if any, and deducting the premium bid, if any. The right to reject any and all bids shall be reserved. If an acceptable bid is not received on the date of sale, the sale may be continued from day to day thereafter without further advertisement for a period of thirty (30) days, during which time no bid which provides a higher net interest cost to the City than the best bid received at the time of the advertised sale will be considered.

As an alternative to public sale, the Controller may negotiate the sale of any series of Bonds to the Authority as a part of its SRF Program. The Mayor and the Controller are hereby authorized to: (i) submit an application to the Authority as a part of its SRF Program; (ii) execute a Financial Assistance Agreement with the Authority with terms conforming to this ordinance; and (iii) sell such Bonds upon such terms as are acceptable to the Mayor and the Controller consistent with the terms of this ordinance. The Mayor and Controller are hereby authorized to execute and deliver the Financial Assistance Agreement with terms consistent with the terms of this ordinance. The substantially final form of Financial Assistance Agreement attached hereto as Exhibit B and incorporated herein by reference is hereby approved by the Common Council, and the Mayor and Controller are hereby authorized to execute and deliver the same, and to approve any changes in form or substance to the Financial Assistance Agreement, which are consistent with the terms of this ordinance, such changes to be conclusively evidenced by its execution.

Section 9. Use of Proceeds and Costs of Issuance. The Refunded Bonds are owned by the Authority as part of the SRF Program. The Controller shall, with the assistance of the City's financial advisor and legal counsel, determine the date the Refunded Bonds will be paid, which date will be as soon as legally possible after delivery of the Bonds. The City shall use

Bond proceeds and funds on hand allocable to the Refunded Bonds to pay the principal of and interest and redemption premium, if any, on the Refunded Bonds due on the date on which the Refunded Bonds may be called for redemption. The City shall confirm the redemption date and amounts due with the SRF Program. To the extent required, concurrently with the delivery of the Bonds, the Controller shall acquire if available, with a portion of the proceeds of the Bonds and cash on hand, direct obligations of or obligations the principal and interest on which are unconditionally guaranteed by, the United States of America ("Government Obligations") to be used, together with certain cash from the proceeds of the Bonds and cash on hand as set forth in the Escrow Agreement, to refund and legally defease the Refunded Bonds all as set forth in the Escrow Agreement. In order to refund the Refunded Bonds, to the extent required, the Controller shall deposit Government Obligations and certain cash with the Escrow Trustee under the Escrow Agreement in an amount sufficient to provide money for payment of the principal of and interest and redemption premium, if any, on the Refunded Bonds until the earliest date upon which the Refunded Bonds may be called for redemption.

The City shall obtain a verification of an accountant as to the sufficiency of the funds to accomplish said refunding and legal defeasance of the Refunded Bonds.

Any accrued interest and any premium received at the time of the delivery of the Bonds shall be deposited in the Sewage Works Sinking Fund hereinafter defined. The remaining proceeds from the sale of the Bonds, after allocating the amount needed to accomplish the refunding of the Refunded Bonds and to the extent not used to refund BANs, and BAN proceeds shall be deposited in a bank or banks which are legally designated depositories for the funds of the City, in a special account or accounts to be designated as "City of Jeffersonville, Sewage

Works Construction Account" ("Construction Account"). All funds deposited to the credit of the Sewage Works Sinking Fund or the Construction Account shall be deposited, held, secured or invested in accordance with the laws of the State of Indiana relating to the depositing, holding, securing or investing of public funds, including particularly IC 5-13, as amended and supplemented, and as applicable, pursuant to IC 5-1.2-1 through IC 5-1.2-4 and IC 5-1.2-10. The funds in the Construction Account shall be expended only for the purpose of paying the cost of the Projects, refunding the BANs, if issued, or as otherwise required by the Act or for the expenses of issuance of the Bonds. The cost of obtaining the services of Ice Miller LLP, Sycamore Advisors, LLC and counsel for the City, shall be considered as a part of the cost of the Projects on account of which the BANs and Bonds are issued. Any balance or balances remaining unexpended in such special account or accounts after completion of the Projects, which are not required to meet unpaid obligations incurred in connection with the Projects, shall either (1) be paid into the Sinking Fund and used solely for the purposes of the Sinking Fund or (2) be used for the same purpose or type of project for which the Bonds were originally issued, all in accordance with IC 5-1-13, as amended and supplemented.

With respect to any Bonds sold to the Authority as part of its SRF Program, to the extent that (a) the total principal amount of the Bonds is not paid by the purchaser or drawn down by the City or (b) proceeds remain in the Construction Account and are not applied to the Projects (or any modifications or additions thereto approved by the Department and the Authority), the City shall reduce the principal amount of the Bond maturities to effect such reduction in a manner that will still achieve the annual debt service as described in Section 2 subject to and upon the terms set forth in the Financial Assistance Agreement.



Section 10. Financial Records and Accounts. The City shall keep proper records and books of account, separate from all of its other records and accounts, in which complete and correct entries shall be made showing all revenues received on account of the operation of the sewage works and all disbursements made therefrom and all transactions relating to the utility. Copies of all such statements and reports shall be kept on file in the office of the Clerk.

If any series of Bonds or BANs are sold to the Authority as part of its SRF Program, the City shall establish and maintain the books and other financial records of the Projects (including the establishment of a separate account or subaccount for the Projects) and the sewage works in accordance with (i) generally accepted governmental accounting standards for utilities, on an accrual basis, as promulgated by the Government Accounting Standards Board and (ii) the rules, regulations and guidance of the State Board of Accounts.

Section 11. Pledge of Net Revenues. The interest on and the principal of the Bonds issued pursuant to the provisions of this ordinance, and any bonds hereafter issued on a parity therewith, shall constitute a first charge on all the Net Revenues, on a parity with the Outstanding Bonds, and such Net Revenues are hereby irrevocably pledged to the payment of the interest on and principal of such Bonds, to the extent necessary for that purpose.

Section 12. Revenue Fund. All revenues derived from the operation of the sewage works and from the collection of sewer and storm water rates (including any System Development Charges that are not considered Net Revenues) and charges shall be deposited in the Revenue Fund ("Revenue Fund") hereby continued. The Revenue Fund shall be maintained separate and apart from all other accounts of the City. Out of the Revenue Fund, the proper and reasonable expenses of operation, repair and maintenance of the works shall be paid, the

principal and interest of all bonds and fiscal agency charges of registrars or paying agents shall be paid, the reserve shall be funded, and the costs of replacements, extensions, additions and improvements to the works shall be paid. No moneys derived from the revenues of the sewage works shall be transferred to any other fund of the City or be used for any purposes not connected with the sewage works, other than to pay PILOTs, so long as any obligations payable from the Net Revenues of the sewage works are outstanding.

Section 13. Operation and Maintenance Fund There is hereby continued a fund known as the Operation and Maintenance Fund ("O&M Fund"). On the last day of each calendar month, a sufficient amount of revenues of the sewage works shall thereafter be transferred from the Revenue Fund to the O&M Fund. The balance maintained in this Fund shall be sufficient to pay the expenses of operation, repair and maintenance of the works for the then next succeeding two calendar months. The moneys credited to the O&M Fund shall be used for the payment of the reasonable and proper operation, repair and maintenance expenses of the sewage works on a day-to-day basis, but none of the moneys in the O&M Fund shall be used for PILOTs, depreciation, replacements, improvements, extensions or additions. Any monies in the O&M Fund may be transferred to the Sewage Works Sinking Fund if necessary to prevent a default in the payment of principal of or interest on the outstanding bonds of the sewage works.

Section 14. Sewage Works Sinking Fund (a) There is hereby continued a fund for the payment of the principal of and interest on revenue bonds which by their terms are payable from the Net Revenues of the sewage works and the payment of any fiscal agency charges in connection with the payment of the bonds, which fund is designated as the Sewage Works Sinking Fund ("Sinking Fund"). There shall be set aside and deposited in the Sinking Fund, as

available, and as hereinafter provided, a sufficient amount of the Net Revenues of the sewage works to meet the requirements of the Bond and Interest Account and the Debt Service Reserve Account hereby continued in the Sinking Fund. Such payments shall continue until the balances in the Bond and Interest Account and the Debt Service Reserve Account equal the principal of and interest on all the then outstanding bonds to the final maturity thereof.

(b) Bond and Interest Account. The Bond and Interest Account is hereby continued. Any moneys heretofore accumulated to pay principal and interest for the Refunded Bonds shall be applied on the payments made to refund the Refunded Bonds. There shall be credited on the last day of each calendar month from the Revenue Fund to the Bond and Interest Account of the Sinking Fund an amount of the Net Revenues equal to the sum of at least one-twelfth (1/12) of the principal of and at least one-sixth (1/6) of the interest on all then outstanding bonds payable on the then next succeeding principal and interest payment dates, until the amount of interest and principal payable on the then next succeeding respective interest and principal payment dates shall have been so credited. There shall similarly be credited to the Account any amount necessary to pay the bank fiscal agency charges for paying principal and interest on the bonds as the same become payable. The City shall, from the sums deposited in the Sinking Fund and credited to the Bond and Interest Account, remit promptly to the registered owner or to the bank fiscal agency sufficient moneys to pay the interest and principal on the due dates thereof together with the amount of bank fiscal agency charges.

(c) Debt Service Reserve Account. The Debt Service Reserve Account ("Reserve Account") is hereby continued. On the date of delivery of the Bonds, the City may deposit funds on hand of the sewage works, Bond proceeds or a combination thereof into the Reserve Account.

If no deposit is made or if the initial deposit does not cause the balance therein to equal the hereinafter defined Reserve Requirement, the City shall deposit Net Revenues into the Reserve Account on the last day of each calendar month until the balance in the Reserve Account equals but not exceed the least of: (i) the maximum annual debt service on the Bonds, the Outstanding Bonds and any bonds issued in the future by the City which are payable from Net Revenues of the sewage works and which rank on a parity with the Bonds ("Parity Bonds"); (ii) 125% of average annual debt service on the Bonds, the Outstanding Bonds or any Parity Bonds; or (iii) 10% of the principal amount of the Bonds, the Outstanding Bonds or any Parity Bonds ("Reserve Requirement"); provided that if any Bonds are sold to, or for so long as any Outstanding Bonds are owned by, the Authority as part of its SRF Program, the Reserve Requirement shall equal the maximum annual debt service on the Bonds, the Outstanding Bonds and any Parity Bonds. The monthly deposits of Net Revenues shall be equal in amount and sufficient to accumulate the Reserve Requirement within five (5) years of the date of delivery of the Bonds.

Once the 1999 Bonds have been paid, the City may fund all or part of the Reserve Account with a debt service reserve surety bond. If any Bonds are sold to ,or for so long as any Outstanding Bonds are owned by, the Authority as part of its SRF Program, the City shall receive the written consent of the Authority before funding the Reserve Account with such a surety bond. The Reserve Account shall constitute the margin for safety and protection against default in the payment of principal of and interest on the Bonds, the Outstanding Bonds and any Parity Bonds, and the moneys in the Reserve Account shall be used to pay current principal and interest on the Bonds, the Outstanding Bonds and any Parity Bonds to the extent that moneys in

the Bond and Interest Account are insufficient for that purpose. Any deficiency in the balance maintained in the Reserve Account shall be promptly made up from the next available Net Revenues remaining after credits into the Bond and Interest Account. Any moneys in the Reserve Account in excess of the Reserve Requirement shall either be transferred to the Sewage Works Improvement Fund or be used for the purchase of outstanding bonds or installments of principal of fully registered bonds.

(d) The Sinking Fund (containing the Bond and Interest Account and the Reserve Account) and the Construction Account, may be held by a financial institution acceptable to the Authority as part of its SRF Program, pursuant to terms acceptable to the Authority. If the Sinking Fund and the accounts therein are held in trust, the City shall transfer the monthly required amounts of Net Revenues to the Bond and Interest Account and the Reserve Account in accordance with Section 14, and the financial institution holding such funds in trust shall be instructed to pay the required payments in accordance with the payment schedules for the City's outstanding bonds. The financial institution selected to serve in this role may also serve as the Registrar and the Paying Agent for the Bonds. If the Construction Account is so held in trust, the City shall deposit the proceeds of the Bonds therein until such proceeds are applied consistent with this ordinance and the Financial Assistance Agreement. The Mayor and the Controller are hereby authorized to execute and deliver an agreement with a financial institution to reflect this trust arrangement for all or a part of the Sinking Fund and the Construction Account in the form of trust agreement as approved by the Mayor and the Controller, consistent with the terms and provisions of this ordinance.

Section 15. Sewage Works Improvement Fund. After meeting the requirements of the O&M Fund and the Sinking Fund, any excess revenues may be transferred or credited to the Sewage Works Improvement Fund ("Improvement Fund"), hereby continued, and such Fund shall be used for improvements, replacements, additions and extensions of the sewage works and to make payments representing PILOTs. The City reserves the right to transfer PILOTs from the Improvement Fund no more frequently than semiannually in accordance with the Act, and only if all required transfers have been made to the Sinking Fund and the accounts of the Sinking Fund contain the required balances as of the date the PILOTs are paid. In no event shall any PILOTs be treated as an expense of operation and maintenance, nor in any case shall it be payable from the O&M Fund or the Sinking Fund. Moneys in the Improvement Fund shall be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal of and interest on any outstanding bonds payable from the Sinking Fund or, if necessary, to eliminate any deficiencies in credits to or minimum balance in the Reserve Account of the Sinking Fund or may be transferred to the O&M Fund to meet unforeseen contingencies in the operation, repair and maintenance of the sewage works.

Section 16. Maintenance of Funds. The Sinking Fund shall be deposited in and maintained as a separate banking account or accounts from all other accounts of the City. The O&M Fund and the Improvement Fund may be maintained in a single banking account, or accounts, but such account, or accounts, shall likewise be maintained separate and apart from all other accounts of the City and apart from the Sinking Fund account or accounts. All moneys deposited in the accounts shall be deposited, held and secured as public funds in accordance with the public depository laws of the State of Indiana; provided that moneys therein may be invested

in obligations in accordance with the applicable laws, including particularly IC 5-13, as amended or supplemented and as applicable, pursuant to IC 5-1.2-1 through IC 5-1.2-4 and IC 5-1.2-10, and in the event of such investment the income therefrom shall become a part of the funds invested and shall be used only as provided in this ordinance. Nothing in this Section or elsewhere in this ordinance shall be construed to require that separate bank accounts be established and maintained for the Funds and Accounts continued by this ordinance except that (a) the Sinking Fund and Construction Account shall be maintained as a separate bank account from the other Funds and Accounts of the sewage works and (b) the other Funds and Accounts of the sewage works shall be maintained as a separate bank account from the other funds and accounts of the City.

Section 17. Defeasance of the Bonds. If, when the Bonds or a portion thereof shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds or a portion thereof for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds or a portion thereof then outstanding shall be paid; or (i) cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in (ii) below), or (ii) direct 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, the principal of and the interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Bonds

or any designated portion thereof issued hereunder shall no longer be deemed outstanding or entitled to the pledge of the Net Revenues of the City's sewage works.

Section 18. Rate Covenant. The City covenants and agrees that, by ordinance of the Council, it will establish just and equitable rates or charges for the use of and the service rendered by said works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses said sewage works by or through any part of the sewage system of the City, or that in any way uses or is served by such works (including user and other charges, fees, income or revenues available to the City), provided that System Development Charges shall be excluded, to the extent permitted by law, when determining if such rates and charges are sufficient so long as the Bonds are outstanding and owned by the Authority as part of its SRF Program; that such rates or charges shall be sufficient in each year to provide for the payment of the proper and reasonable expenses of Operation and Repair, as defined in the Financial Assistance Agreement, and for the payment of the sums required to be paid into the Sinking Fund by the Act and this ordinance and to comply with and satisfy all covenants contained in this ordinance and the Financial Assistance Agreement. Such rates and charges shall, if necessary, be changed and readjusted from time to time so that the revenues therefrom shall always be sufficient to meet the expenses of Operation and Maintenance of the sewage works, and the requirements of the Sinking Fund. The rates and charges so established shall apply to any and all use of such works by and service rendered to the City and all departments thereof, and shall be paid by the City or the various departments thereof as the charges accrue.

Section 19. Additional Bond Provisions. The City reserves the right to authorize and issue additional BANs at any time ranking on a parity with the BANs. The City reserves the



right to authorize and issue additional Parity Bonds payable out of the Net Revenues of its sewage works ranking on a parity with the Bonds for the purpose of financing the cost of future additions, extensions and improvements to its sewage works, or to refund obligations, subject to the following conditions:

(a) All required payments into the Sinking Fund shall have been made in accordance with the provisions of this ordinance, and the interest on and principal of all bonds payable from the Net Revenues of the sewage works shall have been paid to date in accordance with their terms. The Reserve Requirement shall be satisfied for the additional Parity Bonds either at the time of delivery of the additional Parity Bonds or over a five year or shorter period, in a manner which is commensurate with the requirements established in Section 14 of this ordinance.

(b) The Net Revenues of the sewage works in the fiscal year immediately preceding the issuance of any such Parity Bonds shall be not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of the then outstanding bonds and the additional Parity Bonds proposed to be issued; or, prior to the issuance of the Parity Bonds, the sewage rates and charges shall be increased sufficiently so that said increased rates and charges applied to the previous fiscal year's operations would have produced Net Revenues for said year equal to not less than one hundred twenty-five percent (125%) of the maximum annual interest and principal requirements of all bonds payable from the revenues of the sewage works, including the additional Parity Bonds proposed to be issued.

For purposes of this subsection, the records of the sewage works shall be analyzed and all showings prepared and certified by a certified public accountant employed by the City for that purpose, who shall certify that he has no pecuniary interest in said additions, extensions, and

improvements or the financing thereof in any way whatsoever other than to analyze the records of said sewage works and to prepare said showings. In addition, for purposes of this subsection with respect to any Parity Bonds hereafter issued, while the Bonds remain outstanding and owned by the Authority as part of its SRF Program, Net Revenues may not include any revenues from the System Development Charges unless the Authority provides its consent to include all or some portion of the System Development Charges as part of the Net Revenues or otherwise consents to the issuance of such Parity Bonds without satisfying this subsection (b).

(c) The interest on the additional Parity Bonds shall be payable semiannually on the first days of January and July and the principal of, or mandatory sinking fund redemption dates for, the additional Parity Bonds shall be payable annually on January 1.

(d) So long as any Bonds or Outstanding Bonds are outstanding and owned by the Authority as part of the SRF Program, (i) the City obtains the consent of the Authority, (ii) the City has faithfully performed and is in compliance with each of its obligations, agreements and covenants contained in the Financial Assistance Agreement and this ordinance, and (iii) the City is in compliance with its National Pollutant Discharge Elimination System permits, except for non-compliance for which purpose the Parity Bonds are issued, including refunding bonds issued prior to, but part of the overall plan to eliminate such non-compliance.

Section 20. Further Covenants of the City; Maintenance, Insurance, Pledge Not To Encumber, Subordinate Indebtedness, and Contract with Bondholders. For the purpose of further safeguarding the interests of the owners of the BANs and the Bonds, it is hereby specifically provided as follows:

(a) All contracts let by the City in connection with the construction of the Projects shall be let after due advertisement as required by the laws of the State of Indiana, and all contractors shall be required to furnish surety bonds in an amount equal to 100% of the amount of such contracts, to insure the completion of said contracts in accordance with their terms, and such contractors shall also be required to carry such employers' liability and public liability insurance as are required under the laws of the State of Indiana in the case of public contracts, and shall be governed in all respects by the laws of the State of Indiana relating to public contracts.

(b) The Projects shall be constructed under supervision and subject to the approval of such competent engineer as shall be designated by the City. All estimates for work done or material furnished shall first be checked by the engineer and approved by the City.

(c) So long as any of the Bonds or BANs are outstanding, the City shall at all times maintain its sewage works in good condition and operate the same in an efficient manner at a reasonable cost.

(d) So long as any of the Bonds or BANs are outstanding, the City shall maintain insurance on the insurable parts of said works, of a kind and in an amount, including fidelity bonds, such as would normally be carried by private corporations engaged in a similar type of business and, if any Bonds or BANs are sold to the Authority as part of its SRF Program, acceptable to the Authority. All insurance shall be placed with responsible insurance companies qualified to do business under the laws of the State of Indiana. All insurance proceeds shall be used either in replacing or restoring the property destroyed or damaged, unless if such BANs or

Bonds are sold to the Authority as part of its SRF Program, the Authority consents to a different use.

(e) So long as any of the Bonds or BANs are outstanding, the City shall not mortgage, pledge or otherwise encumber the property and plant of its sewage works system, or any part thereof, nor shall it sell, lease or otherwise dispose of any part of the same, excepting only such machinery, equipment or other property as may be replaced, or shall no longer be necessary for use in connection with said utility, provided, however, the City shall obtain the prior written consent of the Authority if such BANs or Bonds are sold to the Authority as part of its SRF Program.

(f) If the Authority purchases the Bonds as part of its SRF Program, so long as the Bonds are outstanding and owned by the Authority, and, except as otherwise specifically provided in Section 19 hereof, the City shall not without the prior written consent of the Authority (i) enter into any lease, contract or agreement or incur any other liabilities in connection with the sewage works other than for normal operating expenditures or (ii) borrow any money (including without limitation any loan from other utilities operated by the City) in connection with the sewage works.

(g) Except as otherwise specifically provided in Section 19 of this ordinance, so long as any of the Bonds are outstanding, no additional bonds or other obligations pledging any portion of the revenues of said sewage works shall be authorized, issued or executed by the City except such as shall be made junior and subordinate in all respects to the Bonds, unless all of the Bonds are redeemed or defeased coincidentally with the delivery of such additional bonds or other obligations.

(h) The City shall take all action or proceedings necessary and proper, to the extent permitted by law, to require connection of all property where liquid and solid waste, sewage, night soil or industrial waste is produced with available sanitary sewers. The City shall, insofar as possible, and to the extent permitted by law, cause all such sanitary sewers to be connected with said sewage works.

(i) The provisions of this ordinance shall constitute a contract by and between the City and the owners of the Bonds and BANs herein authorized, and after the issuance of the Bonds or BANs, this ordinance shall not be repealed or amended in any respect which will adversely affect the rights or interests of the owners of the Bonds or BANs, nor shall the Common Council adopt any law, ordinance or resolution which in any way adversely affects the rights of the holders of the Bonds or BANs so long as any of the Bonds, BANs or the interest thereon, remain unpaid. Except in the case of changes described in Section 21(a)-(f), this ordinance may be amended, however, without the consent of Bond or BAN owners, if the Common Council determines, in its sole discretion, that such amendment would not adversely affect the owners of the Bonds or BANs; provided, however, that if the Bonds or BANs are sold to the Authority as part of its SRF Program, the City shall obtain the prior written consent of the Authority.

(j) The provisions of this ordinance shall be construed to create a trust in the proceeds of the sale of the Bonds and BANs herein authorized for the uses and purposes herein set forth, and the owners of the Bonds and BANs shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this ordinance and of the governing Act. The provisions of this ordinance shall also be construed to create a trust in the Net Revenues

herein directed to be set apart and paid into the Sinking Fund for the uses and purposes of that Fund as in this ordinance set forth. The owners of the Bonds shall have all the rights, remedies and privileges set forth in the provisions of the governing Act hereinbefore referred to, including the right to have a receiver appointed to administer said sewage works, in the event the City shall fail or refuse to fix and collect sufficient rates and charges for those purposes, or shall fail or refuse to operate and maintain said system and to apply the revenues derived from the operation thereof, or if there be a default in the payment of the principal of or interest on any of the Bonds or in the event of default in respect to any of the provisions of this ordinance or the governing Act.

(k) For purpose this Section 20, the term "lease" shall include any lease, contract, or other instrument conferring a right upon the City to use property in exchange for a periodic payments made from the revenues of the sewage works, whether the City desires to cause such to be, or by its terms (or its intended effects) is to be, (i) payable as rent, (ii) booked as an expense or an expenditure, or (iii) classified for accounting or other purposes as a capital lease, financing lease, operating lease, non-appropriation leases, installment purchase agreement or lease, or otherwise (including any combination thereof).

Section 21. Amendments with Consent of Bondholders. Subject to the terms and provisions contained in this section and Section 20(i), 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 issued pursuant to this ordinance and then outstanding shall have the right from time to time, to consent to and approve the adoption by the Common Council of the City of such ordinance or ordinances supplemental hereto or amendatory hereof, as shall be deemed necessary or desirable

by the City for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this ordinance, or in any supplemental ordinance; provided, however, that if the Bonds or BANs are sold to the Authority as part of its SRF Program, the City shall obtain the prior written consent of the Authority and provided, further that nothing herein contained shall permit or be construed as permitting:

(a) An extension of the maturity of the principal of or interest on, or any mandatory sinking fund redemption date for, any Bond issued pursuant to this ordinance; or

(b) A reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon; or

(c) Except as provided in Section 2 with respect to the BANs, the creation of a lien upon or a pledge of the revenues or Net Revenues of the sewage works ranking prior to the pledge thereof created by this ordinance; or

(d) A preference or priority of any Bond or Bonds issued pursuant to this ordinance over any other Bond or Bonds issued pursuant to the provisions of this ordinance; or

(e) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental ordinance; or

(f) A reduction in the Reserve Requirement.

If the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds outstanding at the time of adoption of such supplemental ordinance shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the Clerk of the City, no owner of any Bond issued pursuant to this ordinance shall have any right to object to the adoption of such supplemental ordinance 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 Common Council of the City from adopting the same, or from taking any action pursuant to the provisions thereof. Upon the adoption of any supplemental ordinance pursuant to the provisions of this section, this ordinance shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this ordinance of the City and all owners of Bonds then outstanding, shall thereafter be determined, exercised and enforced in accordance with this ordinance, subject in all respects to such modifications and amendments. Notwithstanding anything contained in the foregoing provisions of this ordinance, the rights and obligations of the City and of the owners of the Bonds authorized by this ordinance, and the terms and provisions of the Bonds and this ordinance, or any supplemental or amendatory ordinance, may be modified or altered in any respect with the consent of the City and the consent of the owners of all the Bonds then outstanding.

Section 22. Investment of Funds. (a) The Controller is hereby authorized to invest moneys pursuant to the provisions of this ordinance and IC 5-1-14-3 (subject to applicable requirements of federal law to insure such yield is then current market rate) to the extent necessary or advisable to preserve the exclusion from gross income of interest on the Bonds and BANs under federal law.

(b) The Controller shall keep full and accurate records of investment earnings and income from moneys held in the funds and accounts referenced herein. In order to comply with the provisions of the ordinance, the Controller is hereby authorized and directed to employ consultants or attorneys from time to time to advise the City as to requirements of federal law to



preserve the tax exclusion. The Controller may pay any fees as operation expenses of the sewage works.

Section 23. Tax Covenants. In order to preserve the exclusion of interest on the Bonds and BANs from gross income for federal tax purposes under Section 103 of the Internal Revenue Code of 1986 as existing on the date of issuance of the Bonds or BANs, as the case may be ("Code"), and as an inducement to purchasers of the Bonds and BANs, the City represents, covenants and agrees that:

(a) The sewage works will be available for use by members of the general public. Use by a member of the general public means use by natural persons not engaged in a trade or business. No person or entity other than the City or another state or local governmental unit will use more than 10% of the proceeds of the Bonds or BANs or property financed by the Bond or BAN proceeds other than as a member of the general public. No person or entity other than the City or another state or local governmental unit will own property financed by Bond or BAN proceeds or will have any actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, arrangements such as take-or-pay or output contracts or any other type of arrangement that conveys other special legal entitlements and differentiates that person's or entity's use of such property from use by the general public, unless such uses in the aggregate relate to no more than 10% of the proceeds of the Bonds or BANs, as the case may be. If the City enters into a management contract for the sewage works, the terms of the contract will comply with IRS Revenue Procedure 2017-13, as it may be amended, supplemented or superseded for time to time, so that the contract will not give rise to private business use under

the Code and the Regulations, unless such use in aggregate relates to no more than 10% of the proceeds of the Bonds or BANs, as the case may be.

(b) No more than 10% of the principal of or interest on the Bonds or BANs is (under the terms of the Bonds or BANs, this ordinance or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for any private business use or payments in respect of any private business use or payments in respect of such property or to be derived from payments (whether or not to the City) in respect of such property or borrowed money used or to be used for a private business use.

(c) No more than 5% of the Bond or BAN proceeds will be loaned to any person or entity other than another state or local governmental unit. No more than 5% of the Bond or BAN 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 or BAN proceeds.

(d) The City reasonably expects, as of the date hereof, that the Bonds and BANs will not meet either the private business use test described in paragraph (a) and (b) above or the private loan test described in paragraph (c) above during the entire term of the Bonds or BANs, as the case may be.

(e) No more than 5% of the proceeds of the Bonds or BANs will be attributable to private business use as described in (a) and private security or payments described in (b) attributable to unrelated or disproportionate private business use. For this purpose, the private business use test is applied by taking into account only use that is not related to any government use of proceeds of the issue (Unrelated Use) and use that is related but disproportionate to any governmental use of those proceeds (Disproportionate Use).

(f) The City will not take any action nor fail to take any action with respect to the Bonds or BANs that would result in the loss of the exclusion from gross income for federal tax purposes on the Bonds or BANs pursuant to Section 103 of the Code, nor will the City act in any other manner which would adversely affect such exclusion. The City covenants and agrees not to enter into any contracts or arrangements which would cause the Bonds or BANs to be treated as private activity bonds under Section 141 of the Code.

(g) It shall be not an event of default under this ordinance if the interest on any Bond or BAN is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the Bonds or BANs, as the case may be.

(h) These covenants are based solely on current law in effect and in existence on the date of delivery of such Bonds or BANs, as the case may be.

(i) The City represents that it will rebate any arbitrage profits to the United States in accordance with the Code. If any Bonds are sold to the Authority as part of its SRF Program, the Mayor and Controller are authorized to enter into a rebate agreement with the Authority.

Section 24. Issuance of BANs. (a) The City, having satisfied all the statutory requirements for the issuance of its Bonds, may elect to issue its BAN or BANs to a financial institution, the Indiana Bond Bank or any other purchaser pursuant to a Bond Anticipation Note Purchase Agreement ("Purchase Agreement") to be entered into between the City and the purchaser of the BAN or BANs. If the BANs are sold to the Authority as part of its SRF Program, the Financial Assistance Agreement shall serve as the Purchase Agreement. The Common Council hereby authorizes the issuance and execution of the BAN or BANs in lieu of

initially issuing the Bonds to provide interim financing for the Projects until permanent financing becomes available. It shall not be necessary for the City to repeat the procedures for the issuance of its Bonds, as the procedures followed before the issuance of the BAN or BANs are for all purposes sufficient to authorize the issuance of the Bonds and the use of the proceeds to repay the BAN or BANs.

(b) The Mayor and the Controller are hereby authorized and directed to execute a Purchase Agreement in such form or substance as they shall approve acting upon the advice of counsel. The Mayor, the Controller and the Clerk may also take such other actions or deliver such other certificates as are necessary or desirable in connection with the issuance of the BANs or the Bonds and the other documents needed for the financing as they deem necessary or desirable in connection therewith.

Section 25. Noncompliance with Tax Covenants. Notwithstanding any other provisions of this ordinance, the covenants and authorizations contained in this ordinance ("Tax Sections") which are designed to preserve the exclusion of interest on the Bonds and BANs from gross income under federal law ("Tax Exemption") need not be complied with if the City receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.

Section 26. Rates and Charges. The estimate of the rates and charges of the sewage works is set forth in Ordinance No. 2011-OR-73 adopted on February 22, 2012. Such ordinance is hereby incorporated herein by reference.

Section 27. Conflicting Ordinances. All ordinances and parts of ordinances in conflict herewith, including the Original Ordinance, are hereby repealed; provided, however, that this

ordinance shall not be construed as modifying, amending or repealing the ordinances authorizing the Outstanding Bonds or as adversely affecting the rights of the holders of the aforementioned Outstanding Bonds or the Refunded Bonds. The Common Council finds that the adoption of this ordinance does not adversely affect the 2012 Bonds and that it will obtain the consent of the Authority, as the owner of the 2012 Bonds.

Section 28. Ordinance Constitutes Resolution under IC 36-9-23. For purposes of Sections 10 and 12 of IC 36-9-23, this ordinance shall constitute and be deemed as the "resolution" as such term is used under Sections 10 and 12 of IC 36-9-23.

Section 29. Headings. The headings or titles of the several sections shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this ordinance.

Section 30. Effective Date. This ordinance shall be in full force and effect from and after its passage and approval by the Mayor.

Passed and adopted by the Common Council of the City of Jeffersonville, Indiana, this 16 day of December, 2019.

COMMON COUNCIL

  
\_\_\_\_\_  
Presiding Officer

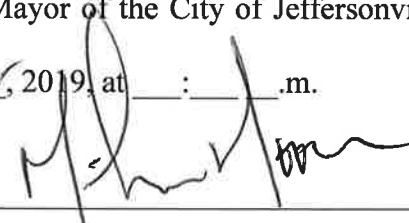
Attest:

  
\_\_\_\_\_  
Clerk

Presented by me to the Mayor of the City of Jeffersonville, Indiana, on the 17 day of December, 2019, at    :   .m.

  
\_\_\_\_\_  
Clerk

Presented to and approved by me, the Mayor of the City of Jeffersonville, Indiana, and signed this 23<sup>rd</sup> day of December, 2019, at    :   .m.

  
\_\_\_\_\_  
Mayor

ORDINANCE NO. \_\_\_\_\_

An Ordinance of the City of Jeffersonville amending and supplementing Amended and Restated Ordinance No. 2019-OR-68 to restate the provisions governing the Debt Service Reserve Account, other matters connected therewith, and repealing ordinances inconsistent herewith

WHEREAS, the City of Jeffersonville, Indiana ("City") adopted Amended and Restated Ordinance No. 2019-OR-68 ("2019 Ordinance") on December 16, 2019 which authorized sewage works revenue bonds, in one or more series, to provide financing for: (i) the refunding of certain outstanding sewage works bonds; and (ii) the projects described on Exhibit A attached thereto and under which the City has issued its Sewage Works Revenue Bonds of 2020, Series A ("2020 Bonds"), dated February 14, 2020 in the principal amount of \$15,279,000; and

WHEREAS, the City sold the 2020 Bonds to the Indiana Finance Authority ("Authority") as part of its wastewater loan program established and existing pursuant to IC 5-1.2-1 through IC 5-1.2-4 and IC 5-1.2-10 ("SRF Program"); and

WHEREAS, the SRF Program has requested that the 2019 Ordinance be supplemented to restate the provisions governing the Debt Service Reserve Account continued by the 2019 Ordinance; and

WHEREAS, the Common Council of the City now finds that it is necessary to amend and restate Section 14(c) of the 2019 Ordinance to satisfy the SRF Program's request;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF JEFFERSONVILLE, INDIANA, THAT:

Section 1. Section 14(c) of the 2019 Ordinance is hereby amended and restated as follows:

"The Debt Service Reserve Account ("Reserve Account") is hereby continued. There is hereby continued, within the Reserve Account, two separate reserve subaccounts designated as the "Cash Reserve Subaccount" and the "Surety Reserve Subaccount". The Cash Reserve Subaccount shall secure the 2020 Bonds issued under the 2019 Ordinance, the Outstanding Bonds (other than the 2017 Bonds) and any bonds issued in the future by the City which are payable from Net Revenues of the sewage works and which rank on a parity with the Bonds ("Parity Bonds"), but shall exclude any Parity Bonds which constitute "Surety Reserve Obligations" (as hereinafter defined) (collectively referred to as the "Cash Reserve Obligations"). The Surety Reserve Subaccount contains a debt service reserve insurance policy ("2017 Surety") which only secures the 2017 Bonds and may not be used to pay principal of or interest on and does not secure the Cash Reserve Obligations.

On the date of delivery of any Cash Reserve Obligations, the City may deposit funds on hand of the sewage works, bond proceeds or a combination thereof into the Cash Reserve Subaccount. If no deposit is made or if the initial deposit does not cause the balance therein to equal the hereinafter defined Reserve Requirement, the City shall deposit Net Revenues into the Cash Reserve Subaccount on the last day of each calendar month until the balance in the Cash Reserve Subaccount equals but not exceed the least of: (i) the maximum annual debt service on the Cash Reserve Obligations; (ii) 125% of average annual debt service on the Cash Reserve Obligations; or (iii) 10% of the principal amount of the Cash Reserve Obligations ("Reserve Requirement"); provided that if any Cash Reserve Obligations are sold to, or for so long as any Outstanding Bonds or 2020 Bonds are owned by, the Authority as part of its SRF Program, the Reserve Requirement shall equal the maximum annual debt service on the Cash Reserve Obligations. The monthly deposits of Net Revenues shall be equal in amount and sufficient to



accumulate the Reserve Requirement within five (5) years of the date of delivery of any issue of Cash Reserve Obligations. The Cash Reserve Subaccount shall secure only the Cash Reserve Obligations.

The City has deposited the 2017 Surety into the Surety Reserve Subaccount. The 2017 Surety provides coverage which equals but not exceed the least of: (i) the maximum annual debt service on the 2017 Bonds and any Parity Bonds which are secured by the Surety Reserve Subaccount (collectively, "Surety Reserve Obligations"); (ii) 125% of average annual debt service on the Surety Reserve Obligations; or (iii) 10% of the principal amount of the Surety Reserve Obligations ("Surety Reserve Subaccount Reserve Requirement"); provided that if any Cash Reserve Obligations are sold to, or for so long as any Outstanding Bonds or 2020 Bonds are owned by, the Authority as part of its SRF Program, the Surety Reserve Subaccount Reserve Requirement shall equal the maximum annual debt service on the Surety Reserve Obligations. The Surety Reserve Subaccount shall secure only the Surety Reserve Obligations.

The Cash Reserve Subaccount shall constitute the margin for safety and protection against default in the payment of principal of and interest on the Cash Reserve Obligations, and the moneys in the Cash Reserve Subaccount shall be used to pay current principal and interest on the Cash Reserve Obligations to the extent that moneys in the Bond and Interest Account are insufficient for that purpose. The Surety Reserve Subaccount shall constitute the margin for safety and protection against default in the payment of principal of and interest on the Surety Reserve Obligations, and the moneys in the Surety Reserve Subaccount shall be used to pay current principal and interest on the Surety Reserve Obligations to the extent that moneys in the Bond and Interest Account are insufficient for that purpose. Any deficiency in the balance maintained in the Cash Reserve Subaccount and the Surety Reserve Subaccount shall be

promptly made up from the next available Net Revenues remaining after credits into the Bond and Interest Account on a parity basis. If there is ever a shortfall in the Bond and Interest Account to pay debt service on the Cash Reserve Obligations and the Surety Reserve Obligations, funds shall be drawn on the 2017 Surety to pay the Surety Reserve Obligations and funds from the Cash Reserve Subaccount shall be drawn to pay the Cash Reserve Obligations in a manner that results in the shortfall being provided for on a pro rata basis (on a parity basis) from the Cash Reserve Subaccount and the Surety Reserve Subaccount. The City shall cause Net Revenues to be (i) deposited to replenish the Cash Reserve Subaccount to the Reserve Requirement for the Cash Reserve Subaccount and (ii) applied to cause the 2017 Surety to be fully reinstated to the Surety Reserve Subaccount Reserve Requirement for the Surety Reserve Subaccount, which payments to the Cash Reserve Subaccount and the provider of the 2017 Surety shall be made on a pro rata basis so that the Cash Reserve Subaccount and the Surety Reserve Subaccount are replenished on a parity basis. Any moneys in the Cash Reserve Subaccount in excess of the Reserve Requirement shall either be transferred to the Sewage Works Improvement Fund or be used for the purchase of outstanding bonds or installments of principal of fully registered bonds."

Section 2. All provisions of the 2019 Ordinance not amended by the adoption of this ordinance shall remain in full force and effect. The Council hereby finds that the adoption of this ordinance does not adversely affect the owners of the 2020 Bonds.

Section 3. This ordinance shall be in full force and effect from and after its passage and approval by the Mayor.

Passed and adopted by the Common Council of the City of Jeffersonville, Indiana this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

COMMON COUNCIL

\_\_\_\_\_  
Presiding Officer

Attest:

\_\_\_\_\_  
Clerk

Presented by me to the Mayor of the City of Jeffersonville this \_\_\_\_\_ day of \_\_\_\_\_, 2020 at \_\_\_:\_\_\_ \_\_.m.

\_\_\_\_\_  
Clerk

Signed and approved by me, the Mayor of the City of Jeffersonville, this \_\_\_ day of \_\_\_\_\_, 2020 at \_\_\_:\_\_\_ \_\_.m.

\_\_\_\_\_  
Mayor

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## APPENDIX D



FORM OF BOND COUNSEL OPINION

Upon delivery of the Bonds in definitive form, Ice Miller LLP, Bond Counsel, proposes to render the following opinion with respect to the Bonds substantially in the form set forth below.

\_\_\_\_\_, 2020

\_\_\_\_\_  
\_\_\_\_\_

Re: City of Jeffersonville, Indiana  
Sewage Works Refunding Revenue Bonds of 2020  
Total Issue: \$ \_\_\_\_\_  
Dated: \_\_\_\_\_, 2020

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the City of Jeffersonville, Indiana ("Issuer") of \$ \_\_\_\_\_ of its Sewage Works Refunding Revenue Bonds of 2020, dated \_\_\_\_\_, 2020 ("Bonds"). We have examined the law and the certified transcript of proceedings of the Issuer had 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 of the Issuer, including the Issuer's tax covenants and representations ("Tax Representations"), and we have not undertaken to verify any facts by independent investigation.

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

1. The Bonds are the valid and binding special revenue obligations of the Issuer in accordance with the terms and provisions thereof, and together with any additional bonds on a parity therewith hereafter issued, will be secured by a pledge of and payable solely out of the special fund heretofore legally established and designated as the "Sewage Works Sinking Fund," on a parity with certain: (i) Sewage Works Revenue Bonds of 2010, Series A, now outstanding in the amount of \$1,495,000, and maturing annually over a period ending January 1, 2031; (ii) Sewage Works Revenue Bonds of 2011, Series A, now outstanding in the amount of \$17,370,000, and maturing annually over a period ending January 1, 2032; (iii) Sewage Works Revenue Bonds of 2011, Series B, now outstanding in the amount of \$290,863, and maturing annually over a period ending January 1, 2028; (iv) Sewage Works Revenue Bonds of 2011, Series C, now outstanding in the amount of \$14,059,000, and maturing annually over a period ending January 1, 2033; (v) Sewage Works Revenue Bonds of 2012, now outstanding in the amount of \$8,153,000, and maturing annually over a period ending January 1, 2033; (vi) Sewage

Works Revenue Refunding Bonds of 2013, now outstanding in the amount of \$6,660,000, and maturing annually over a period ending January 1, 2026; (vii) Sewage Works Refunding Revenue Bonds, Series 2017A, now outstanding in the amount of \$12,800,000, and maturing annually over a period ending January 1, 2031; and (viii) Sewage Works Revenue Bonds of 2020, Series A, now outstanding in the amount of \$15,279,000, and maturing annually over a period ending January 1, 2041, to which fund there has been legally pledged the net revenues (such net revenues being the gross revenues, inclusive of System Development Charges (as defined in the ordinance authorizing the Bonds), after deduction only for the payment of reasonable expenses of operation, repair and maintenance, excluding transfers for payment in lieu of property taxes) of the sewage works of the Issuer.

2. Under statutes, decisions, regulations and rulings existing on this date, interest on the Bonds is exempt from income taxation in the State of Indiana ("State"). This opinion relates only to the exemption of interest on the Bonds from State income taxes.

3. Under federal statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is excludable from gross income for purposes of federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as amended, and is not a specific preference item for purposes of the federal individual alternative minimum tax. This opinion is conditioned on continuing compliance by the Issuer with the Tax Representations. Failure to comply with the Tax Representations could cause interest on the Bonds to lose the exclusion from gross income for purposes of federal income taxation retroactive to the date of issuance of the Bonds.

We have not been engaged nor have we undertaken to review the accuracy, completeness or sufficiency of the Official Statement or any other offering material relating to the Bonds and we express no opinion thereon.

It is to be understood that the rights of the owners of the Bonds and the enforceability thereof may be subject to 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 equity. It is to be understood that the rights of the owners of the Bonds and the enforceability thereof may be subject to the valid exercise of the constitutional powers of the Issuer, the State and the United States of America.

Very truly yours,



## APPENDIX E



CONTINUING DISCLOSURE UNDERTAKING CERTIFICATE

This CONTINUING DISCLOSURE UNDERTAKING CERTIFICATE ("Certificate") is made as of \_\_\_\_\_, 2020, by the City of Jeffersonville, Indiana, a municipal corporation organized and existing under the laws of the State of Indiana (the "Obligor") for the purpose of permitting \_\_\_\_\_ ("Underwriter") to purchase the Obligor's \$\_\_\_\_\_ of Sewage Works Refunding Revenue Bonds of 2020, dated \_\_\_\_\_, 2020 ("Bonds"), in compliance with the Securities and Exchange Commission ("SEC") Rule 15c2-12 ("SEC Rule") as published in the Federal Register on November 17, 1994.

WHEREAS, the Obligor is an Obligated Person (as defined in the SEC Rule) because the Net Revenues (as defined in the hereinafter defined Ordinance) are the only source of funds (other than bond proceeds) pledged to pay the principal and interest due on the Bonds; and

WHEREAS, the Underwriter, by its agreement to purchase the Bonds, accepts and assents to this Certificate and the exchange of such purchase and acceptance for the promises of Obligor contained herein, and hereby assigns all its rights hereunder, as promisee, to the holders of the Bonds;

NOW, THEREFORE, in consideration of the payment for and acceptance of any Bonds by the Underwriter, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Obligor hereby promises to the Underwriter:

Section 1. Definitions. The words and terms defined in this Certificate shall have the meanings herein specified unless the context or use clearly indicates another or different meaning or intent. Those words and terms not expressly defined herein and used herein with initial capitalization where rules of grammar do not otherwise require capitalization, shall have the meanings assigned to them in the SEC Rule.

- (1) "Bondholder" or "holder" or any similar term, when used with reference to a Bond or Bonds, means any person who shall be the registered owner of any outstanding Bond, or the holders of beneficial interests in the Bonds.
- (2) "EMMA" is Electronic Municipal Market Access System established by the Municipal Securities Rulemaking Board.
- (3) "Final Official Statement" means the Official Statement, dated as of \_\_\_\_\_, 2020, relating to the Bonds, including any document included by specific reference to such document filed with the MSRB.
- (4) "MSRB" means the Municipal Securities Rulemaking Board.

Section 2. Term. The term of this Certificate is from the date hereof to the earlier of (i) the date of the last payment of principal of and interest on the Bonds, (ii) the date the Bonds are defeased under Section 17 of the Amended and Restated Bond Ordinance adopted by the Obligor on December 16, 2019, as amended, authorizing the Bonds (collectively, "Ordinance"), or (iii) the date of rescission as described in Section 10.

Section 3. Obligated Persons. The Obligor hereby represents and warrants as of the date hereof that it is the only Obligated Person with respect to the Bonds. If the Obligor is no longer committed by contract or other arrangement to support payment of the Bonds, such person shall no longer be considered an Obligated Person within the meaning of the SEC Rule and the continuing obligation under this Certificate to provide annual financial information and notices of events shall terminate with respect to such person.

Section 4. Provision of Financial Information. (a) The Obligor hereby undertakes to provide, with respect to the Bonds, the following annual financial information, in each case (i) in an electronic format as prescribed by the MSRB and (ii) accompanied by identifying information as prescribed by the MSRB:

- (1) To the MSRB, the report of the Indiana State Board of Accounts ("SBOA"), which may consist of either the Independent Accountant's Report or the Independent Auditor's Report, and the financial statements of the Obligor, as audited or examined by the SBOA, on an annual basis for each fiscal year, together with the opinion of the SBOA and all notes thereto (collectively, the "SBOA Report"), by the June 30 immediately following each annual period. Such disclosure of SBOA Report shall first occur by June 30, 2021, and shall be made by June 30 of every year thereafter, if the SBOA Report is delivered to the Obligor by June 15 of each annual period. If, however, the Obligor has not received the SBOA Report by such June 15 annual date, the Obligor agrees to (i) post a voluntary notice to the MSRB by June 30 of such annual period that the SBOA Report has not been received, and (ii) post the SBOA Report within 60 days of the Obligor's receipt thereof; and
- (2) To the MSRB, no later than June 30 of each year, beginning June 30, 2021, the most recent annual financial information for the Obligor including (i) unaudited financial statements of the Obligor, and (ii) operating data (excluding any demographic information or forecast) of the general type included under the following headings in Appendix A in the Final Official Statement (together, with the SBOA Report, the "Annual Information"), provided, however, that the updated Annual Information may be provided in such format as the Obligor deems appropriate:

## APPENDIX A

### LARGE USERS

(b) If any Annual Information relating to the Obligor referred to in paragraph (a) of this Section 4 no longer can be provided because the operations to which they related have been materially changed or discontinued, a statement to that effect, provided by the Obligor to the MSRB, along with any other Annual Information required to be provided under this Certificate, shall satisfy the undertaking to provide such Annual Information. To the extent available, the Obligor shall cause to be filed along with the other Annual Information, operating data similar to that which can no longer be provided.

(c) The disclosure may be accompanied by a certificate of an authorized representative of the Obligor in the form of Exhibit A attached hereto.

(d) The Obligor agrees to make a good faith effort to obtain Annual Information. However, failure to provide portions of Annual Information because it is unavailable through circumstances beyond the control of the Obligor shall not be deemed to be a breach of this Certificate. The Obligor further agrees to supplement the Annual Information filing when such data is available.

(e) Annual Information required to be provided pursuant to this Section 4 may be provided by a specific reference to such Annual Information already prepared and previously provided to the MSRB. Any information included by reference shall also be (i) available to the public on the MSRB's Internet Web Site, or (ii) filed with the Securities and Exchange Commission.

(f) All continuing disclosure filings under the Certificate shall be made in accordance with the terms and requirements of the MSRB at the time of such filing. Currently, the SEC has approved the submission of continuing disclosure filings with EMMA, and the MSRB has requested that such filings be made by transmitting such filings electronically to EMMA at [www.emma.msrb.org](http://www.emma.msrb.org).

Section 5. Accounting Principles. The Obligor's financial statements will be prepared in accordance with financial reporting provisions as prescribed by the SBOA, as in effect from time to time, as described in the SBOA Report and notes accompanying the SBOA Report or those mandated by state law from time to time. The SBOA Report, as described in Section 4(a)(1) hereof, is either (i) an audit of the Obligor's financial statements conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, or (ii) an examination conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

Section 6. Reportable Events. The Obligor undertakes to disclose the following events within 10 business days of the occurrence of any of the following events, if material (which determination of materiality shall be made by the Obligor in accordance with the standards established by federal securities laws), to the MSRB, in each case (i) in an electronic format as prescribed by the MSRB and (ii) accompanied by identifying information as prescribed in MSRB:

- (1) non-payment related defaults;
- (2) modifications to rights of Bondholders;
- (3) bond calls;
- (4) release, substitution or sale of property securing repayment of the Bonds;
- (5) the consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the obligated person, or entry into or termination of a definitive agreement relating to the foregoing;

- (6) appointment of a successor or additional trustee or the change of name of a trustee; and
- (7) solely as to the Bonds and any obligations issued after the date hereof which are subject to the SEC Rule, incurrence of a financial obligation (as defined in the SEC Rule) of the Obligor or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Obligor, any of which affect security holders.

The Obligor undertakes to disclose the following events, within 10 business days of the occurrence of any of the following events, regardless of materiality, to the MSRB, in each case (i) in an electronic format as prescribed by the MSRB and (ii) accompanied by identifying information as prescribed in MSRB:

- (1) principal and interest payment delinquencies;
- (2) unscheduled draws on debt service reserves reflecting financial difficulties;
- (3) unscheduled draws on credit enhancements reflecting financial difficulties;
- (4) substitution of credit or liquidity providers, or their failure to perform;
- (5) defeasances;
- (6) rating changes;
- (7) adverse tax opinions or events affecting the status of the Bonds, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material events, notices or determinations with respect to the tax status of the Bonds;
- (8) tender offers;
- (9) bankruptcy, insolvency, receivership or similar event of the obligated person; and
- (10) solely as to the Bonds and any obligations issued after the date hereof which are subject to the SEC Rule, default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation (as defined in the SEC Rule) of the Obligor, any of which reflect financial difficulties.

The disclosure may be accompanied by a certificate of an authorized representative of the Obligor in the form of Exhibit B attached hereto.

Section 7. Use of Agent. The Obligor may, at its sole discretion, utilize an agent (the "Dissemination Agent") in connection with the dissemination of any information required to be provided by the Obligor pursuant to the SEC Rule and the terms of this Certificate. If a Dissemination Agent is selected for these purposes, the Obligor shall provide prior written notice thereof (as well as notice of replacement or dismissal of such agent) to EMMA, and the MSRB.

Further, the Obligor may, at its sole discretion, retain counsel or others with expertise in securities matters for the purpose of assisting the Obligor in making judgments with respect to the scope of its obligations hereunder and compliance therewith, all in order to further the purposes of this Certificate.

Section 8. Failure to Disclose. If, for any reason, the Obligor fails to provide the Annual Information as required by this Certificate, the Obligor shall provide notice of such failure in a timely manner to EMMA or to the MSRB, in the form of the notice attached as Exhibit C.

Section 9. Remedies.

(a) The purpose of this Certificate is to enable the Underwriter to purchase the Bonds by providing for an undertaking by the Obligor in satisfaction of the SEC Rule. This Certificate is solely for the benefit of (i) the Underwriter and (ii) the Bondholders and creates no new contractual or other rights for, nor can it be relied upon by, the SEC, underwriters, brokers, dealers, municipal securities dealers, potential customers, other Obligated Persons or any other third party. The sole remedy against the Obligor for any failure to carry out any provision of this Certificate shall be for specific performance of the Obligor's disclosure obligations hereunder and not for money damages of any kind or in any amount or for any other remedy. The Obligor's failure to honor its covenants hereunder shall not constitute a breach or default of the Bonds, the Ordinance or any other agreement to which the Obligor is a party and shall not give rise to any other rights or remedies.

(b) Subject to paragraph (d) of this Section 9, in the event the Obligor fails to provide any information required of it by the terms of this Certificate, any holder of Bonds may pursue the remedy set forth in the preceding paragraph in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such person is a holder of Bonds supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue this remedy.

(c) Subject to paragraph (d) of this Section 9, any challenge to the adequacy of the information provided by the Obligor by the terms of this Certificate may be pursued only by holders of not less than 25% in principal amount of Bonds then outstanding in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such persons are holders of Bonds supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue the remedy set forth in the preceding paragraph.

(d) Prior to pursuing any remedy for any breach of any obligation under this Certificate, a holder of Bonds shall give notice to the Obligor, by registered or certified mail, of such breach and its intent to pursue such remedy. Thirty (30) days after the receipt of such notice, or upon earlier response from the Obligor to this notice indicating continued noncompliance, such remedy may be pursued under this Certificate if and to the extent the Obligor has failed to cure such breach.

Section 10. Modification of Certificate. The Obligor may, from time to time, amend or modify this Certificate without the consent of or notice to the holders of the Bonds if either (a)(i) such amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the Obligor, or type of business conducted, (ii) this Certificate, as so amended or modified, would have complied with the requirements of the SEC Rule on the date hereof, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances, and (iii) such amendment or modification does not materially impair the interests of the holders of the Bonds, as determined either by (A) nationally recognized bond counsel or (B) an approving vote of the holders of the Bonds pursuant to the terms of Section 21 of the Ordinance at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds this Certificate) is permitted by the SEC Rule, as then in effect.

Section 11. Interpretation Under Indiana Law. It is the intention of the parties hereto that this Certificate and the rights and obligations of the parties hereunder shall be governed by and construed and enforced in accordance with, the laws of the State of Indiana.

Section 12. Severability Clause. In case any provision in this Certificate shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13. Successors and Assigns. All covenants and agreements in this Certificate made by the Obligor shall bind its successors, whether so expressed or not.

Section 14. Notices. All notices required to be given under this Certificate shall be made at the following addresses:

If to the Obligor:	City of Jeffersonville, Indiana c/o Controller 500 Quartermaster Ct., St. 300 Jeffersonville, IN 47130
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N WITNESS WHEREOF, the Obligor has caused this Certificate to be executed as of the day and year first hereinabove written.

CITY OF JEFFERSONVILLE, INDIANA

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Mayor

ATTEST:

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Controller

EXHIBIT A

CERTIFICATE RE: ANNUAL FINANCIAL INFORMATION DISCLOSURE

The undersigned, on behalf of the City of Jeffersonville, Indiana, as the Obligor under the Continuing Disclosure Undertaking Certificate, dated \_\_\_\_\_, 2020 ("Certificate"), hereby certifies that the information enclosed herewith constitutes the Annual Information (as defined in the Certificate) which is required to be provided pursuant to Section 4(a) of the Certificate.

Dated: \_\_\_\_\_

CITY OF JEFFERSONVILLE, INDIANA

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DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT B

CERTIFICATE RE: REPORTABLE EVENT DISCLOSURE

The undersigned, on behalf of the City of Jeffersonville, Indiana, as Obligor under the Continuing Disclosure Undertaking Certificate, dated \_\_\_\_\_, 2020 ("Certificate"), hereby certifies that the information enclosed herewith constitutes notice of the occurrence of a reportable event which is required to be provided pursuant to Section 6 of the Certificate.

Dated: \_\_\_\_\_

CITY OF JEFFERSONVILLE, INDIANA

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DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT C

NOTICE TO MSRB OF FAILURE TO FILE INFORMATION

Notice is hereby given that the City of Jeffersonville, Indiana ("Obligor") has not provided the Annual Information as required by Section 4(a) of the Continuing Disclosure Undertaking Certificate, dated as of \_\_\_\_\_, 2020.

Dated: \_\_\_\_\_

CITY OF JEFFERSONVILLE, INDIANA

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DO NOT EXECUTE – FOR FUTURE USE ONLY

## APPENDIX F



## OFFICIAL NOTICE OF INTENT TO SELL BONDS

Upon not less than twenty-four (24) hours' notice given by telephone by the undersigned Controller, the City of Jeffersonville, Indiana ("City") will receive and consider bids for the purchase of the bonds described below. Any person interested in submitting a bid for the bonds must furnish in writing to the undersigned Controller of the City, c/o Baker Tilly Municipal Advisors, LLC, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240, (317) 465-1500, or via e-mail to [bids@bakertilly.com](mailto:bids@bakertilly.com), the person's name, address, and telephone number, on or before 11:00 a.m. (EDT) on July 14, 2020. The persons may also furnish an e-mail address. Bids may also be submitted electronically via PARITY® in accordance with this notice. 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 City's municipal advisor, Baker Tilly Municipal Advisors, LLC, at (317) 465-1500 or PARITY® at (212) 849-5021. The undersigned Controller 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. The sale is expected to take place on or about July 15, 2020.

If a potential bidder has questions related to the City, the financing or submission of bids, questions should be submitted by email to the addresses above no later than two days before sale by 11:00 a.m. (EDT). (The sale is anticipated to occur on July 15, 2020). To the best of the City's ability, all questions will be addressed by the City and sent to potential bidders, including any bidders requesting 24 hours' notice of sale, no later than two days prior to sale by 5:00 p.m. (EDT time). 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.

At the time designated for the sale, the Controller will receive and consider bids for the purchase of the bonds of the City designated as "Sewage Works Refunding Revenue Bonds of 2020" in the aggregate principal amount of \$3,985,000 (preliminary, subject to change) ("Bonds"). The minimum purchase price of the Bonds is 99.25% of the par value of the Bonds. The Bonds will bear interest at a rate or rates not to exceed 4% for the Bonds (the exact interest rate or rates will be determined by bidding). Interest will be payable semiannually on January 1 and July 1 of each year beginning on January 1, 2021. Interest will be calculated on a 360-day year consisting of twelve 30-day months. The Bonds will be dated as of their date of delivery, will be in the denominations of \$5,000 or integral multiples thereof and will mature annually on January 1 in the years and in the amounts as provided by the City at least 24 hours prior to the time of the sale. **The City reserves the right to adjust the principal amount and maturity schedule following the sale to accomplish level annual debt service savings based upon the rates bid by the successful bidder.**

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 on January 1 in the years as determined by the successful bidder but no later than the final maturity established by the City prior to the sale. 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 consistent with the schedule provided prior to the sale.

Principal is payable at the office of a registrar and paying agent to be designated by the City. Interest shall be paid by check mailed to the registered owners or by wire transfer to depositories. The Bonds will be issued in fully registered form.

Each bid, including bids submitted via PARITY®, must be for all of the Bonds and must state the rate or rates of interest in multiples of 1/8 or 1/100 of 1%. Any bids specifying two or more interest rates shall also specify the amount and maturities of the Bonds bearing each rate, but all Bonds maturing on the same date shall bear the same single interest rate. The rate on any maturity shall be equal to or greater than the rate on the immediately preceding maturities. The award will be made to the best bidder complying with the terms of sale and offering the lowest net interest cost to the City, to be determined by computing the total interest on all of the Bonds to their maturities and adding thereto the discount bid, if any, and deducting therefrom the premium bid, if any. Although not a term of sale, it is requested that each bid show the net dollar interest cost to final maturity and the net effective average interest rate on the entire issue. No conditional bid or bids for less than 99.25% of the par value of the Bonds will be considered. The right is reserved to reject any and all bids. In the event no satisfactory bids are received at the time of the sale, the sale will be continued from day to day thereafter, without further advertisement for a period of thirty (30) days during which time no bid which provides a higher net interest cost to the City than the best bid received at the time of the advertised sale will be considered.

Each bid not submitted via PARITY® must be on a customary bid form which shall be either enclosed in a sealed envelope addressed to the undersigned Controller or sent via e-mail to [bids@bakertilly.com](mailto:bids@bakertilly.com) and marked "Bid for City of Jeffersonville Sewage Works Refunding Revenue Bonds of 2020." The winning bidder will be notified and instructed to submit a good faith deposit which may consist of either a certified or cashier's check or a wire transfer in the amount of \$39,850 (preliminary, subject to change) ("Deposit"). If a check is submitted, it shall be drawn on a bank or trust company which is insured by the Federal Deposit Insurance Corporation and shall be submitted to the City (or shall wire transfer such amount as instructed by the City) not later than 3:30 p.m. (EDT) on the next business day following the award. In either case, the Deposit shall be payable to the "City of Jeffersonville, Indiana," and shall be held as a guaranty of the performance of the bid. No interest on the Deposit will accrue to the successful bidder. In the event the successful bidder fails to honor its accepted bid, the Deposit will be retained by the City. The successful bidder will be required to make payment for such Bonds in Federal Reserve funds or other immediately available funds and accept delivery of the Bonds within five days after being notified that the Bonds are ready for delivery, at such bank in the City of Indianapolis, Indiana, or the City, as the purchaser shall designate, or at such other location which may be mutually agreed to by the City and such bidder. It is anticipated that the Bonds will be ready for delivery within thirty days after the date of the sale and if not ready for delivery within forty-five days after the sale date, the purchaser shall be entitled to rescind the sale and obtain the return of the Deposit. The successful bidder is expected to apply to a securities depository registered with the SEC to make such Bonds depository eligible. The opinion of Ice Miller LLP, Bond Counsel of Indianapolis, Indiana, approving the legality of the



Bonds, together with a transcript of the Bond proceedings, and closing certificates in the usual form showing no litigation, will be furnished to the successful bidder at the expense of the City.

The Bonds may be issued, at the option of the successful bidder, by means of a book-entry-only system with no physical distribution of bond certificates made to the public. In this case, one bond certificate for each maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and immobilized in its custody. In this case, the successful bidder, as a condition of delivery of the Bonds, shall be required to deposit the bond certificates with DTC, registered in the name of Cede & Co., nominee of DTC.

Unless otherwise requested by the winning bidder, 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 bid. 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 City 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 City; 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 successful bidder. The successful bidder will also be responsible for any other fees or expenses it incurs in connection with the resale of the Bonds.

The Bonds are being issued under the provisions of Indiana Code 5-1-5 and 36-9-23 for the purpose of providing funds to be applied on the cost of refunding certain outstanding bonds. The Bonds will be payable solely out of a special fund from the net revenues of the sewage works of the City. In the opinion of bond counsel, under the federal statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is excludable from gross income for purposes of federal income taxation.

The City has outstanding certain: (i) Sewage Works Revenue Bonds of 2010, Series A, now outstanding in the amount of \$1,495,000, and maturing annually over a period ending January 1, 2031; (ii) Sewage Works Revenue Bonds of 2011, Series A, now outstanding in the amount of \$17,370,000, and maturing annually over a period ending January 1, 2032; (iii) Sewage Works Revenue Bonds of 2011, Series B, now outstanding in the amount of \$290,863, and maturing annually over a period ending January 1, 2028; (iv) Sewage Works Revenue Bonds of 2011, Series C, now outstanding in the amount of \$14,059,000, and maturing annually over a period ending January 1, 2033; (v) Sewage Works Revenue Bonds of 2012, now outstanding in the amount of \$8,153,000, and maturing annually over a period ending January 1, 2033; (vi) Sewage Works Refunding Revenue Bonds of 2013, now outstanding in the amount of \$6,660,000, and maturing annually over a period ending January 1, 2026; (vii) Sewage Works Refunding Revenue Bonds, Series 2017A, now outstanding in the amount of \$12,800,000, and maturing annually over a period ending January 1, 2031; and (viii) Sewage Works Revenue Bonds of 2020, Series A, now outstanding in the amount of \$15,279,000, and maturing annually over a period ending January 1, 2041 (collectively, "Outstanding Bonds"), payable from the net revenues of the sewage works. The Bonds now being offered will rank on a parity with the Outstanding Bonds. The City has reserved the right to issue additional bonds ranking on a parity

with the Bonds now being offered, upon certain terms and conditions specifically set forth in the ordinance authorizing issuance of the Bonds.

The Bonds are subject to the Internal Revenue Code of 1986 as in effect on the date of their issuance ("Code") which imposes limitations on the issuance of obligations like the Bonds under federal tax law. The City has covenanted to comply with those limitations to the extent required to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes. The Bonds have not been designated for purposes of Section 265(b) of the Code to qualify for the \$10,000,000 annual exception from the 100% disallowance, in the case of banks and other financial institutions, of the deduction for interest expense allocable to tax-exempt obligations.

The City has prepared an Official Statement relating to the Bonds which it deems to be nearly final. A copy of the nearly final Official Statement ("Preliminary Official Statement") may be obtained from the City's Municipal Advisor, Baker Tilly Municipal Advisors, LLC, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240 or from [www.newissuehome.ideal.com](http://www.newissuehome.ideal.com).

All provisions of the Preliminary Official Statement and the bid form contained therein are incorporated into this notice. As described in the Preliminary Official Statement, the winning bidder agrees by submission of its bid to assist the City in establishing the issue price of the Bonds under the terms outlined therein and shall execute and deliver to the City 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 winning bidder, the City and Bond Counsel.

Within seven (7) business days of the sale, the City will provide the successful bidder with up to 10 copies of the final Official Statement at the City's expense and such additional copies as may be requested, within five (5) business days of the sale, by the successful bidder at the expense of the successful bidder. Inquiries concerning matters contained in the nearly final Official Statement must be made and pricing and other information necessary to complete the final Official Statement must be submitted by the successful bidder within two (2) business days following the sale to be included in the final Official Statement.

In the ordinance approving the Bonds and pursuant to a Continuing Disclosure Undertaking to be delivered by the City upon delivery of the Bonds, the City will covenant to comply with Securities and Exchange Commission Rule 15c2-12, as in effect of the date of delivery of the Bonds ("Rule 15c2-12"). The City will covenant to provide the most recent annual financial information and operating data relating to the City as described in the Preliminary Official Statement prepared in connection with the sale of the Bonds. Further, with respect to the Bonds, the City will undertake to provide notice of those material events required by Rule 15c2-12.

Dated July 8, 2020.

/s/ Heather Metcalf, Controller,  
City of Jeffersonville, Indiana

## APPENDIX G



## APPENDIX G

**This Appendix G 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 City of Jeffersonville, Indiana (“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 2020 Refunding 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 2020 Refunding Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Schedule I with respect to 2020 Refunding Bonds that satisfy the competitive sale requirements or Schedule II with respect to 2020 Refunding 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 2020 Refunding 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 2020 Refunding Bonds) will apply to the initial sale of the 2020 Refunding 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 2020 Refunding Bonds to the bidder who submits a firm offer to purchase the 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding Bonds satisfies the 10% test as of the date and time of the award of the 2020 Refunding Bonds. The Issuer shall promptly advise the winning bidder, at or before the time of award of the 2020 Refunding Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the 2020 Refunding 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 2020 Refunding Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the 2020 Refunding Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the 2020 Refunding Bonds.

(d) By submitting a bid, the winning bidder shall confirm that the underwriters have offered or will offer the 2020 Refunding 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 2020 Refunding Bonds, that the underwriters will neither offer nor sell unsold 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding Bonds of that maturity or all 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding Bonds of that maturity or all 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding Bonds to the public),
- (iii) a purchaser of any of the 2020 Refunding 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 2020 Refunding Bonds are awarded by the Issuer to the winning bidder; and
- (v) “Closing” and “Closing Date” mean the day the 2020 Refunding Bonds are delivered to the successful bidder and payment is made thereon by the Issuer.

## Schedule I

**\$3,985,000\***

### **SEWAGE WORKS REFUNDING REVENUE BONDS OF 2020 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 “2020 Refunding Bonds”).

**1. Reasonably Expected Initial Offering Price.**

(a) As of the Sale Date, the reasonably expected initial offering prices of the 2020 Refunding 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 2020 Refunding Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the 2020 Refunding Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the 2020 Refunding Bonds.

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

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the 2020 Refunding Bonds.

**2. Defined Terms.**

(a) *Maturity* means 2020 Refunding Bonds with the same credit and payment terms. 2020 Refunding Bonds with different maturity dates, or 2020 Refunding 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 2020 Refunding Bonds. The Sale Date of the 2020 Refunding Bonds is July 15, 2020.

(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 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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

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\*Preliminary, subject to change.

<sup>1</sup> 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.



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 2020 Refunding Bonds, and by bond counsel, in connection with rendering its opinion that the interest on the 2020 Refunding 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 2020 Refunding Bonds.

[UNDERWRITER]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Dated: [ISSUE DATE]

SCHEDULE A  
EXPECTED OFFERING PRICES  
(Attached)

SCHEDULE B  
COPY OF UNDERWRITER'S BID  
(Attached)

## Schedule II

**\$3,985,000\***

### **SEWAGE WORKS REFUNDING REVENUE BONDS OF 2020**

#### **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 “2020 Refunding 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 (July 15, 2020), 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 City of Jeffersonville, Indiana.

(c) *Maturity* means 2020 Refunding Bonds with the same credit and payment terms. 2020 Refunding Bonds with different maturity dates, or 2020 Refunding 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 July 15, 2020.

(f) *Substantial Amount* means ten percent.

\*Preliminary, subject to change.

(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 2020 Refunding 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 2020 Refunding 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 2020 Refunding 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 2020 Refunding Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the 2020 Refunding 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 2020 Refunding 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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