

This Final Official Statement is dated July 12, 2018

In the opinion of Ice Miller LLP (“Bond Counsel”), under federal statutes, decisions, regulations and rulings, interest on the Bonds (hereinafter defined) is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the “Code”), for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax, although Bond Counsel observes that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for taxable years that began prior to January 1, 2018. Such exclusion is conditioned on continuing compliance with the Tax Covenants (hereinafter defined). In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana. The Bonds have been designated as qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code. See “TAX MATTERS” herein.

\$3,090,000
TOWN OF ROSSVILLE, INDIANA
SEWAGE WORKS REVENUE BONDS OF 2018

Original Date: Date of Delivery (July 26, 2018)

Due: January 1 and July 1, as shown on inside cover page

The Town of Rossville, Indiana (the “Town”) is issuing \$3,090,000 of Sewage Works Revenue Bonds of 2018 (the “Bonds”) for the purpose of paying the costs of certain additions, extensions and improvements (the “Project”) to the Town’s municipal sewage works (the “Sewage Works”), and to pay issuance expenses.

The Bonds will be issued as provided in Amended and Restated Ordinance No. 2018-04 adopted by the Town Council on June 12, 2018 (the “Bond Ordinance” or “Ordinance”). The Bonds are payable solely from and constitute a first charge upon the Net Revenues (hereinafter defined) of the Town’s Sewage Works as more fully described in this Official Statement. The Bonds shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana. The Bonds will rank on parity with the Sewage Works Revenue Bonds of 2016, dated November 3, 2016 (the “2016 Bonds”), now outstanding in the amount of \$2,230,000.

The Bonds will be issued only as fully registered bonds, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”). Purchases of beneficial interests in the Bonds will be made in book-entry-only form in the denomination of \$5,000 or any integral multiple thereof. Purchasers of beneficial interests in the Bonds (the “Beneficial Owners”) will not receive physical delivery of certificates representing their interests in the Bonds. Interest on the Bonds will be payable semiannually on January 1 and July 1 of each year, beginning January 1, 2019. Principal and interest will be disbursed on behalf of the Town by The Bank of New York Mellon Trust Company, N.A. (the “Registrar” and “Paying Agent”). Interest on the 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 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 Bonds will be paid directly to DTC by the Paying Agent so long as DTC or its nominee is the registered owner of the Bonds. The final disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and the Indirect Participants. See “BOOK-ENTRY-ONLY SYSTEM”. The Bonds will be subject to optional redemption prior to maturity, as more fully described herein. The Bonds issued as “Term Bonds” are subject to mandatory sinking fund redemption as more fully described herein.



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* 778523)

<u>Maturity</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u>	<u>Maturity</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u>
July 1, 2019	\$55,000	3.500%	2.000%	BU3	July 1, 2021	\$55,000	3.500%	2.400%	BY5
January 1, 2020	55,000	3.500%	2.100%	BV1	January 1, 2022	55,000	3.500%	2.500%	BZ2
July 1, 2020	50,000	3.500%	2.200%	BW9	July 1, 2022	55,000	3.500%	2.600%	CA6
January 1, 2021	55,000	3.500%	2.300%	BX7					

Term Bonds

\$115,000 of Term Bonds at 3.500% due July 1, 2023, Yield 2.780%, CUSIP CC2
\$115,000 of Term Bonds at 3.500% due July 1, 2024, Yield 2.800%, CUSIP CE8
\$120,000 of Term Bonds at 3.500% due July 1, 2025, Yield 2.900%, CUSIP CG3
\$120,000 of Term Bonds at 3.500% due July 1, 2026, Yield 3.000%, CUSIP CJ7
\$250,000 of Term Bonds at 3.500% due July 1, 2028, Yield 3.250%, CUSIP CN8
\$265,000 of Term Bonds at 3.500% due July 1, 2030, Yield 3.400%, CUSIP CS7
\$290,000 of Term Bonds at 3.500% due July 1, 2032, Yield 3.500%, CUSIP CW8
\$310,000 of Term Bonds at 3.750% due July 1, 2034, Yield 3.750%, CUSIP DA5
\$420,000 of Term Bonds at 3.875% due January 1, 2037, Yield 3.875%, CUSIP DF4
\$705,000 of Term Bonds at 4.000% due January 1, 2039, Yield 4.000%, CUSIP DK3

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The 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, Bond Counsel. Certain legal matters will be passed on by Robert Shaffer, Attorney at Law, as Attorney for the Town. The Bonds are expected to be available for delivery to DTC, in New York, New York on July 26, 2018.

THE TOWN IS NOT OBLIGATED TO PAY THE BONDS OR INTEREST THEREON EXCEPT FROM THE NET REVENUES, AS DESCRIBED HEREIN, OF ITS SEWAGE WORKS, AND THE BONDS ARE NOT IN ANY RESPECT A CORPORATE INDEBTEDNESS OF THE TOWN 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 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 Town 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 Town. 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 Town 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 Town since the date of delivery of the securities described herein to the initial purchaser thereof. However, upon delivery of the securities, the Town 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.

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

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PROJECT PERSONNEL

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

Town Council

David Severt, President
Jack Fingerle
William Croto

Clerk-Treasurer

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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.

FINAL OFFICIAL STATEMENT

\$3,090,000

TOWN OF ROSSVILLE, INDIANA SEWAGE WORKS REVENUE BONDS OF 2018

INTRODUCTION TO THE OFFICIAL STATEMENT

The Town of Rossville, Indiana (the “Town”) is issuing \$3,090,000 of Sewage Works Revenue Bonds of 2018 (the “Bonds”). The Town owns and operates the Sewage Works.

SECURITY AND SOURCES OF PAYMENT

The Bonds are payable from the Net Revenues (defined in the Bond Ordinance as the gross revenues 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. The Bonds will rank on parity with the Sewage Work Revenue Bonds of 2016 dated November 3, 2016, originally issued in the amount of \$2,320,000, currently outstanding in the amount of \$2,230,000, and maturing semiannually over a period ending January 1, 2037 (the “2016 Bonds”)

PURPOSE

The Bonds are being issued for the purpose of paying the costs of certain additions, extensions and improvements to the Sewage Works, including various system upgrades and expansions (the “Project”), and to pay issuance expenses. Funding for the Project will be provided from proceeds of the Bonds and interest earnings during construction.

REDEMPTION PROVISIONS

The Bonds are subject to optional redemption beginning January 1, 2029 as more fully described herein. The Bonds issued as Term Bonds are subject to mandatory sinking fund redemption as more fully described herein.

DENOMINATIONS

The 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 Bonds can be found in the Bond Ordinance.

BOOK-ENTRY-ONLY SYSTEM

The Bonds shall 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 Bonds. The 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 Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC. The Town 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 Bonds, the receiving of notice and the giving of consent. Interest payable January 1, 2019, 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).

PROVISIONS FOR PAYMENT

The principal on the Bonds shall be payable at the designated corporate trust office of the Registrar and Paying Agent, or by wire transfer to DTC or any successor depository. 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 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 Bonds shall be made in lawful money of the United States of America, which, on the date of such payment, shall be legal tender.

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

NOTICES

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

TAX MATTERS

In the opinion of Ice Miller LLP (“Bond Counsel”), interest on the Bonds is excludable from gross income for federal income tax purposes, and is not a specific preference item for purposes of federal alternative minimum tax, although Bond Counsel observes that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for taxable years that began prior to January 1, 2018. Such exclusion is conditioned on continuing compliance with the Tax Covenants, hereinafter defined. In the opinion of Bond Counsel, interest on the Bonds is exempt from income taxation in the State of Indiana. *See* Appendix D.

The Bonds have been designated as qualified tax-exempt obligations to qualify for the \$10,000,000 exception from the provisions of Section 265(b)(3) of the Code relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations.

MISCELLANEOUS

The information contained in this Official Statement has been compiled from Town 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 Bonds, the security for the payment of the Bonds and the rights and obligations of the owners thereof. Additional information may be requested from the Clerk-Treasurer, Ms. Patricia McIlrath, Town of Rossville, 17 West Main Street, Rossville, Indiana, 46065, phone (765) 379-2645.

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 Bonds.

THE PROJECT

PROJECT DESCRIPTION

Construction of wastewater treatment plant improvements including new CSO storage tank, influent screening, wet weather pumps, sludge drying bed, aeration system improvements, new chemical building and associated sitework, piping, electrical, and instrumentation and control systems.

CONSTRUCTION PROGRAM

Construction costs for the Project are based on the GMAX Proposal dated June 7, 2018. Construction of the Project is anticipated to begin in August 2018 and is expected to be completed in August 2019.

PROJECT COSTS AND FUNDING

Project Costs

Construction Costs:	
Wastewater Treatment Plant	\$2,426,883
Construction Contingencies	<u>109,210</u>
Total Construction Costs	<u>2,563,093</u>
Non-Construction Costs:	
Contractor Fixed Fee	\$303,360
Engineering – Design and Inspection	100,000
Underwriter’s Discount	59,759
Costs of Issuance, Administrative and Miscellaneous	<u>125,147</u>
Total Non-Construction Costs	<u>588,266</u>
Total Project Costs	<u><u>\$3,124,359</u></u>

Project Funding

Sewage Works Revenue Bonds of 2018	\$3,090,000
Reoffering Premium	<u>34,359</u>
Total Project Funding	<u><u>\$3,124,359</u></u>

SCHEDULE OF AMORTIZATION OF \$3,090,000 PRINCIPAL AMOUNT OF SEWAGE WORKS REVENUE BONDS OF 2018

<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>
01/01/19	\$3,090			\$49,094.10	\$49,094.10	\$49,094.10
07/01/19	3,090	\$55	3.500	57,012.50	112,012.50	
01/01/20	3,035	55	3.500	56,050.00	111,050.00	223,062.50
07/01/20	2,980	50	3.500	55,087.50	105,087.50	
01/01/21	2,930	55	3.500	54,212.50	109,212.50	214,300.00
07/01/21	2,875	55	3.500	53,250.00	108,250.00	
01/01/22	2,820	55	3.500	52,287.50	107,287.50	215,537.50
07/01/22	2,765	55	3.500	51,325.00	106,325.00	
01/01/23	2,710	55 (1)	3.500	50,362.50	105,362.50	211,687.50
07/01/23	2,655	60 (1)	3.500	49,400.00	109,400.00	
01/01/24	2,595	55 (2)	3.500	48,350.00	103,350.00	212,750.00
07/01/24	2,540	60 (2)	3.500	47,387.50	107,387.50	
01/01/25	2,480	60 (3)	3.500	46,337.50	106,337.50	213,725.00
07/01/25	2,420	60 (3)	3.500	45,287.50	105,287.50	
01/01/26	2,360	60 (4)	3.500	44,237.50	104,237.50	209,525.00
07/01/26	2,300	60 (4)	3.500	43,187.50	103,187.50	
01/01/27	2,240	60 (5)	3.500	42,137.50	102,137.50	205,325.00
07/01/27	2,180	65 (5)	3.500	41,087.50	106,087.50	
01/01/28	2,115	60 (5)	3.500	39,950.00	99,950.00	206,037.50
07/01/28	2,055	65 (5)	3.500	38,900.00	103,900.00	
01/01/29	1,990	65 (6)	3.500	37,762.50	102,762.50	206,662.50
07/01/29	1,925	70 (6)	3.500	36,625.00	106,625.00	
01/01/30	1,855	65 (6)	3.500	35,400.00	100,400.00	207,025.00
07/01/30	1,790	65 (6)	3.500	34,262.50	99,262.50	
01/01/31	1,725	70 (7)	3.500	33,125.00	103,125.00	202,387.50
07/01/31	1,655	70 (7)	3.500	31,900.00	101,900.00	
01/01/32	1,585	75 (7)	3.500	30,675.00	105,675.00	207,575.00
07/01/32	1,510	75 (7)	3.500	29,362.50	104,362.50	
01/01/33	1,435	75 (8)	3.750	28,050.00	103,050.00	207,412.50
07/01/33	1,360	75 (8)	3.750	26,643.75	101,643.75	
01/01/34	1,285	80 (8)	3.750	25,237.50	105,237.50	206,881.25
07/01/34	1,205	80 (8)	3.750	23,737.50	103,737.50	
01/01/35	1,125	80 (9)	3.875	22,237.50	102,237.50	205,975.00
07/01/35	1,045	80 (9)	3.875	20,687.50	100,687.50	
01/01/36	965	85 (9)	3.875	19,137.50	104,137.50	204,825.00
07/01/36	880	90 (9)	3.875	17,490.63	107,490.63	
01/01/37	790	85 (9)	3.875	15,746.88	100,746.88	208,237.51
07/01/37	705	170 (10)	4.000	14,100.00	184,100.00	
01/01/38	535	175 (10)	4.000	10,700.00	185,700.00	369,800.00
07/01/38	360	180 (10)	4.000	7,200.00	187,200.00	
01/01/39	180	180 (10)	4.000	3,600.00	183,600.00	370,800.00
		<u>\$3,090</u>		<u>\$1,468,625.36</u>	<u>\$4,558,625.36</u>	<u>\$4,558,625.36</u>

- (1) \$115,000 of Term Bonds due July 1, 2023.
- (2) \$115,000 of Term Bonds due July 1, 2024.
- (3) \$120,000 of Term Bonds due July 1, 2025.
- (4) \$120,000 of Term Bonds due July 1, 2026.
- (5) \$250,000 of Term Bonds due July 1, 2028.

- (6) \$265,000 of Term Bonds due July 1, 2030.
- (7) \$290,000 of Term Bonds due July 1, 2032.
- (8) \$310,000 of Term Bonds due July 1, 2034.
- (9) \$420,000 of Term Bonds due January 1, 2037.
- (10) \$705,000 of Term Bonds due January 1, 2039.

SECURITIES BEING OFFERED

AUTHORIZATION AND APPROVAL PROCESS

The Bonds are to be issued under the authority of Indiana law, including, without limitation, Indiana Code Title 36, Article 9, Chapter 23 as in effect on the date of delivery of the Bonds and pursuant to the Bond Ordinance (Appendix C) adopted by the Town of Rossville, Indiana on June 12, 2018.

Prior to issuing revenue bonds, the political subdivision must adopt a bond ordinance to authorize the issuance and sale of the Bonds. The revenues pledged in the bond ordinance must not already be pledged to another bond issue, unless permitted by the terms of the prior issue. The political subdivision prepares a report showing the sufficiency of the proposed revenues to finance the Bonds. With a few exceptions, revenue bonds must be sold through a competitive public sale and may not be negotiated.

The political subdivision may also need to adopt a rate ordinance authorizing a sufficient increase in rates and charges in order to pay debt service on the revenue bonds. Owners of property served by the utility may file a petition objecting to the increased rates and charges. If the petition is filed properly, a court hearing will be set to hear evidence from the political subdivision and the objecting petitioners. The court will confirm the rates and charges set by the political subdivision or the court will set rates and charges they deem appropriate and the political subdivision must follow the decision of the court.

If a utility is regulated by the IURC, the Town must obtain approval from the IURC to issue revenue bonds and increase rates.

SECURITY AND SOURCES OF PAYMENT

The Bonds are payable solely out of the Net Revenues (defined as the gross revenues 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. The Bonds constitute a first charge upon the Net Revenues of the Sewage Works and will rank on parity with the Sewage Works Revenue Bonds of 2016, dated November 3, 2016, originally issued in the amount of \$2,320,000, currently outstanding in the amount of \$2,230,000, and maturing semiannually over a period ending January 1, 2037 (the “2016 Bonds”).

The Bonds are further secured by a Debt Service Reserve Account (the “Reserve Account”). It is anticipated that the Reserve Account will be funded over a five-year period from the date of delivery of the Bonds from funds on hand, Bond Proceeds, or a combination thereof.

The Town irrevocably pledges the Net Revenues of the Sewage Works to the payment of the principal of and interest on the Bonds and any bonds ranking on parity therewith to the extent necessary. The Town 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 Bonds are fully described in the Bond Ordinance, as is the pledge of Net Revenues (Section 4), flow of funds (Sections 9 through 12), rate covenant (Section 15), additional bond provisions (Section 17), further covenants of the Town (Section 18), tax covenants (Section 20) and other pertinent matters. Only the Net Revenues of the Sewage Works are pledged as security for the Bonds.

FUNDS AND ACCOUNTS

Construction Account: Accrued interest and any premium received at the time of delivery of the Bonds shall be deposited in the Sewage Works Sinking Fund (hereinafter defined). The remaining proceeds from the sale of the Bonds will be deposited in the Town of Rossville Sewage Works Construction Account (the “Construction Account”) and shall be expended only for the purpose of paying the costs of the Project, to pay costs of issuance or otherwise required by the Act. Any balances remaining unexpended in the Construction Account after completion of the Project, which are not required to meet unpaid obligations incurred in connection with the Project, shall either (i) be deposited

into the Sinking Fund and used solely for the purposes of the Sinking Fund or (ii) be used for the same purpose or type of project for which the Bonds were originally issued.

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.

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.

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 (1/6) 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 principal and interest payable during the next succeeding six (6) calendar months. The Reserve Account provides the margin for safety against default on the Bonds and the 2016 Bonds. The balance to be maintained in the Reserve Account shall equal but not exceed the least of (i) the maximum annual debt service on the Bonds, the 2016 Bonds, and any parity bonds, (ii) 125% of average annual debt service on the Bonds, the 2016 Bonds, and any parity bonds or, (iii) 10% of the proceeds of the Bonds, the 2016 Bonds, and any parity bonds (the "Reserve Requirement"). The Reserve Requirement is anticipated to be funded over a five-year period from the date of delivery of the Bonds from Net Revenues of the Sewage Works. This is in accordance with Section 11 of the Bond Ordinance.

Improvement Fund: The Improvement Fund is to be used for improvements, replacements, additions and extensions of the Sewage Works or for any other lawful purpose including payment in lieu of taxes. 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.

See Sections 9-12 of the Bond Ordinance for a complete description of the funds of the Sewage Works.

ADDITIONAL BONDS

The Town reserves the right to authorize and issue additional bonds payable out of the Net Revenues of the Sewage Works ranking on parity with the Bonds for the purpose of financing the cost of future additions, extensions and improvements to the Sewage Works, or to refund obligations. See Section 17 of the Bond Ordinance.

INVESTMENT OF FUNDS

The proceeds of this issue are to be invested in accordance with the laws of the State of Indiana relating to the depositing, holding, securing or investing of public funds, including particularly Indiana Code 5-13, and the acts amendatory thereof and supplemental thereto. The Town shall direct the investment of Bond proceeds.

THE BONDS

INTEREST CALCULATION

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

REDEMPTION PROVISIONS

Optional Redemption:

The Bonds maturing on or after July 1, 2029 are redeemable prior to maturity at the option of the Town in whole or in part in any order of maturity as determined by the Town and by lot within maturities, on any date not earlier than January 1, 2029, at face value plus accrued interest to the date fixed for redemption and without any redemption premium.

Mandatory Sinking Fund Redemption:

The Bonds maturing on July 1, 2023 through and including January 1, 2039 (collectively, the “Term Bonds”) 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 in accordance with the following schedules:

<u>Term Bond due July 1, 2023</u>		<u>Term Bond due July 1, 2024</u>	
<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
01/01/23	\$55,000	01/01/24	\$55,000
07/01/23 Final maturity	<u>60,000</u>	07/01/24 Final maturity	<u>60,000</u>
Total	<u>\$115,000</u>	Total	<u>\$115,000</u>
<u>Term Bond due July 1, 2025</u>		<u>Term Bond due July 1, 2026</u>	
<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
01/01/25	\$60,000	01/01/26	\$60,000
07/01/25 Final maturity	<u>60,000</u>	07/01/26 Final maturity	<u>60,000</u>
Total	<u>\$120,000</u>	Total	<u>\$120,000</u>
<u>Term Bond due July 1, 2028</u>		<u>Term Bond due July 1, 2030</u>	
<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
01/01/27	\$60,000	01/01/29	\$65,000
07/01/27	65,000	07/01/29	70,000
01/01/28	60,000	01/01/30	65,000
07/01/28 Final maturity	<u>65,000</u>	07/01/30 Final maturity	<u>65,000</u>
Total	<u>\$250,000</u>	Total	<u>\$265,000</u>
<u>Term Bond due July 1, 2032</u>		<u>Term Bond due July 1, 2034</u>	
<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
01/01/31	\$70,000	01/01/33	\$75,000
07/01/31	70,000	07/01/33	75,000
01/01/32	75,000	01/01/34	80,000
07/01/32 Final maturity	<u>75,000</u>	07/01/34 Final maturity	<u>80,000</u>
Total	<u>\$290,000</u>	Total	<u>\$310,000</u>
<u>Term Bond due January 1, 2037</u>		<u>Term Bond due January 1, 2039</u>	
<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
01/01/35	\$80,000	07/01/37	\$170,000
07/01/35	80,000	01/01/38	175,000
01/01/36	85,000	07/01/38	180,000
07/01/36	90,000	01/01/39 Final maturity	<u>180,000</u>
01/01/37 Final maturity	<u>85,000</u>	Total	<u>\$705,000</u>
Total	<u>\$420,000</u>		

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

If fewer than all the Bonds are called for redemption at one time, the Bonds shall be redeemed in order of maturity determined by the Town and by lot within maturity. Each \$5,000 principal amount shall be considered a separate bond for purposes of optional and mandatory redemption. If some Bonds are to be redeemed by optional and mandatory sinking redemption on the same date, the Paying Agent shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.

Notice of Redemption:

Notice of redemption shall be mailed to the registered owners of all Bonds to be redeemed at least 30 days prior to the date fixed for such redemption. If any of the Bonds are so called for redemption, and payment therefore is made to the Paying Agent in accordance with the terms of the Bond Ordinance, then such Bonds shall cease to bear interest from and after the date fixed for redemption in the call.

BOOK-ENTRY-ONLY SYSTEM

The 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 Bonds. The ownership of one fully registered Bond for the entire issue of the Bonds will be registered in the name of Cede & Co., as nominee for DTC.

SO LONG AS CEDE & CO, AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE 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 Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

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

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

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

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

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

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

Payments of principal, interest and redemption amounts, if any, on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town 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 Town, 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 Town or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursements of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Town 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 Town 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 Town believes to be reliable, but neither the Town nor the Underwriter takes any responsibility for the accuracy thereof.

In the event that the book-entry-only system is discontinued, the Paying Agent will provide for the registration of the Bonds in the name of the Beneficial Owners thereof. The Town, 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 Town receives notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities as a clearing agency for the Bonds or (2) the Town elects to discontinue its use of DTC as a clearing agency for the Bonds, then the Town and the Paying Agent will do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the Bonds, as are necessary or appropriate to discontinue use of DTC as a clearing agency for the Bonds and to transfer the ownership of each of the Bonds to such person or persons, including any other clearing agency, as the holder of such Bonds may direct in accordance with the Ordinance. Any expenses of such a discontinuation and transfer, including any expenses of printing new certificates to evidence the Bonds will be paid by the Town.

CONTINUING DISCLOSURE

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission in SEC Rule 15c2-12, as amended (the "SEC Rule"), the Town will execute and deliver a Continuing Disclosure Undertaking (the "Undertaking"), to be dated the date of the closing of the Bonds. The Town represents that no Obligated Person is an obligated person (within the meaning of the SEC Rule) with respect to more than \$10,000,000 in aggregate amount of outstanding municipal securities including the Bonds and excluding municipal securities that were offered in a transaction exempt from the SEC Rule pursuant to paragraph (d)(1) of the SEC Rule. Pursuant to the terms of the Undertaking, the Town will agree to provide the following information while any of the Bonds are outstanding:

- At least annually to the MSRB, the most current copy of financial information of the Town which is customarily prepared by or for the Town, as required by Indiana law in effect at the time such financial information is prepared (the "Annual Information"). As of the date of the Undertaking, the Town is required by law to prepare or cause to be prepared, the following Annual Information:
 - Audit of the Town prepared biannually by the Indiana State Board of Accounts
 - Annual Town Finance Report by the Town
- Reportable Events. Within ten business days, to the MSRB, notice of the following events, if material, with respect to the Bonds (which determination of materiality shall be made by the Town):
 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; and
 6. appointment of a successor or additional trustee or the change of name of a trustee.

Within ten business days, to the MSRB, notice of the following events, regardless of materiality:

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 other material events affecting the tax-exempt 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 securities;
 8. tender offers; and
 9. bankruptcy, insolvency, receivership or similar event of the obligated person.
- Failure to Disclose. In a timely manner, to the MSRB, notice of the Town failing to provide the annual financial information as described above.

The Town may, from time to time, amend or modify the Undertaking without the consent of or notice to the owners 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 Town, 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 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 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 Town may, at its sole discretion, utilize an agent in connection with the dissemination of any annual financial information required to be provided by the Town pursuant to the terms of the Undertaking.

The purpose of the Undertaking is to enable the Underwriter to purchase the Bonds by providing for an undertaking by the Town in satisfaction of the SEC Rule. The Undertaking is solely for the benefit of the owners of the 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 Town for any failure to carry out any provision of the Undertaking shall be for specific performance of the Town's disclosure obligations under the Undertaking and not for money damages of any kind or in any amount or any other remedy. The Town's failure to honor its covenants under the Undertaking shall not constitute a breach or default of the Bonds, the Bond Ordinance, the Leases or any other agreement.

As required by the SEC Rule, in the previous five years, the Town has not failed to comply, in all material respects, with any previous undertakings.

UNDERWRITING

The Bonds are being purchased by J.J.B. Hilliard, W.L. Lyons, LLC (the "Underwriter") at a purchase price of \$3,064,599.75, which is the par amount of the Bonds of \$3,090,000.00 less the underwriter's discount of \$59,758.75 plus the original issue premium of \$34,358.50.

The Underwriter intends to offer the 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 Bonds into investment trusts), who may reallow 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

H.J. Umbaugh & Associates, Certified Public Accountants, LLP (the "Municipal Advisor") ("Umbaugh") has been retained by the Town 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 Town 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 Town and they have no secondary obligations or other responsibility. However, Umbaugh is preparing the Parity Report for the Bonds. The Municipal Advisor's fees are expected to be paid from proceeds of the Bonds.

Municipal Advisor Registration:

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

The offer and sale of the Bonds shall be made by the Town, in the sole discretion of the Town, and under its control and supervision. The Town agrees that Umbaugh does not undertake to sell or attempt to sell the Bonds, and will take no part in the sale thereof.

Other Financial Industry Activities and Affiliations:

Umbaugh Cash Advisory Services, LLC ("UCAS") is a wholly-owned subsidiary of Umbaugh. UCAS is registered as an investment adviser with the Securities and Exchange Commission under the federal Investment Advisers Act. UCAS provides non-discretionary investment advice with the purpose of helping clients create and maintain a disciplined approach to investing their funds prudently and effectively. UCAS may provide advisory services to the clients of Umbaugh.

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

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

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

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

TAX MATTERS

In the opinion of Ice Miller LLP, Indianapolis, Bond Counsel, under federal statutes, decisions, regulations and rulings, the interest on the Bonds is excludable for federal tax income purposes from gross income under Section 103 of the Internal Revenue Code of 1986, as amended ("Code"). Interest on the Bonds is not treated as a specific preference item for purposes of the federal alternative minimum tax, although Bond Counsel observes that it is included in

adjusted current earning in calculating corporate alternative minimum taxable income for taxable years that began prior January 1, 2018. Such exclusion is conditioned on continuing compliance by Town with the Tax Covenants (as hereinafter defined). Failure to comply with the Tax Covenants could cause interest on the Bonds to lose the exclusion from gross income for federal income taxation retroactive to the date of issue. In the opinion of Ice Miller LLP, Indianapolis, Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the 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 Bonds as a condition to the exclusion from gross income of interest on the Bonds for federal income tax purposes. The Town will covenant not to take any action, within its power and control, nor fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code (collectively, “Tax Covenants”). The Bond Ordinance and certain certificates and agreements to be delivered on the date of delivery of the 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 Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not in effect on the issue date of the Bonds.

IC 6-5.5 imposes a franchise tax on certain taxpayers (as defined in IC 6-5.5) which, in general, include all corporations which are transacting the business of a financial institution in Indiana. The franchise tax 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.

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

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

AMORTIZABLE BOND PREMIUM

The initial offering price of the Bonds maturing on July 1, 2019 through and including July 1, 2030 (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 Town, there is no litigation pending or threatened, against the Town, which in any way questions or affects the validity of the Bonds, the collection of revenues of the Sewage Works, the pledge of Net Revenues to the payment of the Bonds, or any proceedings or transactions relating to the issuance, sale or delivery thereof.

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

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving opinion of Ice Miller LLP, Indianapolis, Bond Counsel, whose approving opinion will be available at the time of delivery of the Bonds. Ice Miller LLP has not been asked nor has it undertaken to review the accuracy or sufficiency of this 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 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 Town from time to time, but the Town 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 Bonds.


The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by the valid exercise of the constitutional powers of the Town, 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 Town), 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.

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

Town of Rossville, Indiana

By: 
President, Town Council

Attest: 
Clerk-Treasurer

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APPENDIX A

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

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TOWN OF ROSSVILLE, INDIANA

SYSTEM OVERVIEW

The Town of Rossville owns and operates a wastewater collection and treatment system in the incorporated Town of Rossville, Clinton County, Indiana. The Sewage Works is authorized by National Pollutant Discharge Elimination System (NPDES) Permit Number IN 0020907 to discharge treated wastewater in accordance with the terms and conditions of the permit to receiving waters named Silverthorne Ditch, which is tributary to Wildcat Creek.

The collection component of the Sewage Works dates to the 1930s and includes over seven miles of separate and combined sanitary sewers, serving 640 residential, institutional and business connections. The average daily flow is 130,000 gallons per day. However, when wet weather events occur, the flow can increase because of inflow and infiltration to in excess of 650,000 gpd. When this occurs, flow (up to 1.3 MGD) is diverted to a combined sewer overflow (CSO) treatment component at the wastewater treatment plant to receive primary treatment and preliminary disinfection. This CSO treatment flow is recombined with the plant effluent (at an NPDES Permit designated location identified as Outfall 102) for final chlorination and dechlorination prior to discharge at the plant's main outfall, designated as Outfall 001. Flows in excess of 1.3 MGD rate overflow to Outfall 001 with solids and floatable controls.

The Sewage Works has completed several sewer separation projects over the past ten years to reduce inflow and infiltration. The most recent major project was completed in 2017 and consisted of improvements to the pumping station located at the high school.

The wastewater system has two designated CSO Outfalls – #005 at the High School pump station, discharging into Campbell's Run; and #006, prior to the headworks of the WWTP, discharging upstream of Outfall #001 into Silverthorne Ditch.

Rossville's Wastewater Treatment Plant ("WWTP") was originally constructed in the mid-1950s and consisted of trickling filters, with clarification and anaerobic digestion. The existing treatment plant was placed into service in 1991 and upgraded in 1996, 2004 and 2008, and is a Class II, 0.3 MGD average daily flow design capacity, 0.65 MGD peak flow design capacity activated sludge, single stage nitrification facility. The plant utilizes fine screening, grit removal, two aeration tanks, two secondary clarifiers, chlorination and dechlorination (using sulfur dioxide) with influent and effluent flow metering and cascade post aeration prior to discharge into Silverthorne Ditch through NPDES Permitted Outfall 001. Excess biosolids are wasted daily into an aerobic digester. Thickening of the waste biosolids is achieved by periodically turning the air off to the digester and decanting the supernatant back to the head of the plant. The thickened waste biomass is hauled off site by a licensed hauler and land applied through provisions of the Land Application Permit issued to Rossville by IDEM.

Rossville has an approved CSO Long Term Control Plan (LTCP) but did not meet the level of performance described in the LTCP. Accordingly, a LTCP Compliance Plan (CP), through an Agreed Order with IDEM, was approved and is being implemented. Construction of a new and expanded high school pump station should have eliminated Outfall #005. Increased influent pumping and storage (for treatment) of wet weather flow at the WWTP is Phase 2 of the compliance plan and is to be completed by August 31, 2019.

The Sewage Works provides services to 657 users.

RATES

The rates for the Sewage Works are set and approved by the Town Council. The last rate increase was on June 12, 2018. Phase I is effective July 1, 2018 and Phase II is effective July 1, 2019.

RATE HISTORY

<u>Year</u>	<u>Date Approved</u>	<u>Ordinance</u>	<u>Bill - 4,000 Gallons</u>
2004	May 1, 2004	2004-02	\$27.70
2008	August 1, 2008	2008-03	32.67
2009	January 1, 2009	2008-03	36.61
2009	July 1, 2009	2008-03	38.45
2010	January 1, 2010	2008-03	40.39
2012	July 1, 2012	2012-04	42.31
2013	July 1, 2013	2012-04	44.41
2017	October 11, 2016	2016-12	61.45
2018	June 12, 2018 – Phase I	2018-01	79.89
2019	June 12, 2018 – Phase II*	2018-01	99.86

*Effective July 1, 2019.

Approved by the Town Council

DEBT SERVICE COVERAGE

<u>Year</u>	<u>Net Revenues</u>	<u>Debt Service</u>	<u>Coverage</u>
2013	\$141,722	\$79,006	179%
2014	145,156	79,157	183%
2015	119,679	25,781 (partial year)	464%
2016	60,431	**	
2017	223,067	121,517	184%

**No bonds outstanding.

Source: Town of Rossville, Indiana

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	653
2012	654
2013	667
2014	659
2015	658
2016	654
2017	657

CUSTOMER USE

Percent of Total Billed Flow

	<u>Commercial</u>	<u>Residential</u>
2011	9%	91%
2012	10%	90%
2013	12%	88%
2014	10%	90%
2015	7%	93%
2016	7%	93%
2017	6%	94%

Percent of Total Revenues

	<u>Commercial</u>	<u>Residential</u>
2011	8%	92%
2012	9%	91%
2013	12%	88%
2014	9%	91%
2015	7%	93%
2016	7%	93%
2017	7%	93%

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, 2017 was \$493,433. The ten largest users as presented below accounted for approximately 20.20% percent of billed revenue.

	<u>Name</u>	<u>Type of Business</u>	<u>Calendar Year 2017</u>	
			<u>Billed Flow</u> (Gallons)	<u>Billed Revenue</u>
1.	Milner Healthcare	Nursing Home	3,950,400	\$50,966
2.	Rossville Consolidated Schools	Public Education	1,287,100	18,144
3.	DC Rentals	Apartment Complex	633,700	8,062
4.	Rossville Auto Wash	Car Wash	473,000	6,967
5.	Treece's Lounge	Restaurant	474,400	5,833
6.	Flour Mill Bakery	Bakery	190,000	2,388
7.	Angel Hill Golf Course	Golf Course	133,900	1,931
8.	Marlow, Brandy	Resident	176,300	1,869
9.	Abilities Services	Group Home	140,900	1,807
10.	Arni's, Inc.	Restaurant	131,400	1,697
	Totals		<u>7,591,100</u>	<u>\$99,664</u>

GENERAL PHYSICAL AND DEMOGRAPHIC INFORMATION

LOCATION

The Town of Rossville (the “Town”) is located in Clinton County (the “County”) in north central Indiana. The Town is approximately 60 miles northwest of Indianapolis, Indiana and 133 miles southeast of Chicago, Illinois.

GENERAL CHARACTERISTICS

The Town was incorporated in 1870 and is located approximately 11 miles north of the City of Frankfort, the county seat, which provides a variety of manufacturing, commercial, and industrial employment opportunities for County residents. The County has a strong agricultural background and the majority of the land is devoted to agriculture.

The Town is home to the Rossville Town Park that encompasses seven acres. The park has a variety of amenities including a lighted walking trail, basketball courts, two playground areas, two enclosed pavilions, an open-air pavilion, baseball fields, and soccer fields. The Summer’s End Festival takes place annually in the Town during the fourth full weekend in August. The main events include a car and bike show, golf tournament, fireworks, music, parade, and the Hornet Hustle 5K.

The Rossville Community Library serves the residents of the Town. The Library originated in 1982 as an independent library; in December 1984, it joined the Michigantown and Mulberry Libraries as a part of the Clinton County Contractual Library. As a branch of the Clinton County Contractual Library, the Rossville Community Library offers events and classes for all ages.

ADMINISTRATION AND STAFF

The management of the Sewage Works is under the direction of the Town Council. The Sewage Works Superintendent oversees the day-to-day operations of the system. The Sewage Works currently employs three personnel with no union representation.

PLANNING AND ZONING

Clinton County has an Area Plan Commission to provide orderly growth for residential, commercial, and industrial areas within the unincorporated areas of the County and the Towns of Colfax, Mulberry, Kirklin, and Rossville.

EDUCATION

The Rossville Consolidated School Corporation serves residents of the Town, operating one middle/high school and one elementary school. The superintendent’s office reports 2017 - 2018 enrollment for the School Corporation at 996 students, with approximately 67 certified and 54 non-certified employees. The School Corporation provides special education for its students through the Boone-Clinton North West Hendricks Joint Services, which serves six school corporations in the area. Vocational education is offered to high school students through the Wildcat Creek Career Cooperative.

PENSION OBLIGATIONS

Public Employees’ Retirement Fund

Plan Description

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

interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

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

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

Funding Policy and Annual Pension Cost

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

Employer contributions for the year 2017 were \$40,399.

GENERAL ECONOMIC AND FINANCIAL INFORMATION

COMMERCE AND INDUSTRY

Milner Community Health Care, the Town of Rossville's largest employer, was established in the Town in 1971. The health care center provides rehabilitation programs, assisted living, independent living, and a full care facility. The center has 80 state licensed and certified beds, Medicaid and Medicare programs, and 24 assisted living beds licensed by the State of Indiana. According to company personnel, employment is steady at 105 employees.

A large portion of the land in Clinton County is devoted to agriculture, which is the predominant economic feature of the County. The City of Frankfort, approximately 11 miles south of Rossville, has a wide variety of manufacturing industries which manufacture products including snack products, automobile oil seals, appliance timers, and automobile seating units.

Frito Lay, Inc. opened in Frankfort in 1980 and manufactures snack products. In 2004, the company closed its plant in Louisville, Kentucky and moved approximately 315,000 pounds of production per year to the Frankfort plant, causing an addition of 31 jobs. Frito Lay employs 1,120 workers according to the 2017 Harris Indiana Industrial Directory.

NHK Seating of America, Inc. opened in 1987 and manufactures automobile seating units for Subaru. According to company personnel, the company currently employs 670 people.

Federal Mogul Corporation manufactures automobile oil seals and opened in Frankfort in 1964. The company experienced layoffs in 2012 due to a restructuring plan. However, those employees have been hired back and the company has had a slight increase to 480.

Zachary Confections, Inc. opened in 1950 and manufactures candy and confections. The company currently employs 400 people. NTK Precision Axle Corporation opened in 2004 and manufactures constant-velocity joint axles and components for wheel bearing hub assembly units. Company personnel reports employment at 250 people.

The Frankfort Industrial Park (F.I.P.) began in the 1950s and continues to grow with 23 industries, including the world's largest salty food production facility, Frito Lay, and LEP Fasteners. The national headquarters are located in Clinton County. F.I.P. is diversified with food processing, automotive, and consumer goods.

In February 2014, ConAgra Foods announced the company's plan to build a 1.6 million square-foot distribution center in Frankfort. The facility, located on nearly 300 acres of land, was completed in August 2015. The new food grade distribution center in Frankfort will accommodate the company's existing operations in nearby Lebanon, Indiana as well as anticipated future growth. The facility currently employs 330 people, including 126 full-time Ryder Systems, Inc. contractors who serve as third party logistics workers.

Donaldson Company manufactures industrial air filters and began operations in Frankfort in 1980. The company was recently recognized as a 2016 Master of Quality Supplier by Daimler Trucks North America. According to Daimler Trucks North America, companies are awarded based on quality, technology, cost performance, and delivery. Donaldson Company currently employs approximately 300 workers according to the 2017 Harris Indiana Industrial Directory.

LARGE EMPLOYERS

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

<u>Name</u>	<u>Year Established</u>	<u>Type of Business</u>	<u>Reported Employment</u>
Frito Lay, Inc.	1980	Mfg. snack products	1,120 (1)
NHK Seating of America, Inc.	1987	Mfg. automobile seating units	670
Community Schools of Frankfort	-	Public education	560 (2)
Federal Mogul Corporation	1964	Mfg. automobile oil seals	480
Zachary Confections, Inc.	1950	Mfg. candy	400
ConAgra Foods	2015	Food distribution and warehousing	330 (3)
Donaldson Company	1980	Mfg. industrial air filters	300 (1)
Clinton County	1830	County government	287
NTK Precision Axle Corporation	2004	Mfg. CV joint axles and components	250
Wal-Mart	-	Retail store	220 (4)

(1) Per the 2017 Harris Indiana Industrial Directory.

(2) Includes 262 certified and 298 non-certified staff, these numbers include bus drivers and secretaries.

(3) Includes 126 full-time and 204 temporary employees.

(4) Per Hoosiers by the Numbers.

EMPLOYMENT

<u>Year</u>	<u>Unemployment Rate</u>		<u>Clinton County Labor Force</u>
	<u>Clinton County</u>	<u>Indiana</u>	
2013	7.1%	7.7%	16,421
2014	5.1%	6.0%	16,642
2015	4.0%	4.8%	16,919
2016	3.9%	4.4%	17,143
2017	3.1%	3.5%	16,913
2018, March	2.8%	3.3%	16,725

Source: Indiana Business Research Center. Data collected as of May 6, 2018.

BUILDING PERMITS

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

<u>Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Other</u>
	<u>Total Permits</u>	<u>Total Permits</u>	<u>Total Permits</u>
2013			
2014	1		
2015	3		
2016	6	2	6
2017	9	2	8

Source: Clinton County Area Plan Commission

POPULATION

<u>Year</u>	<u>Town of Rossville</u>		<u>Clinton County</u>	
	<u>Population</u>	<u>Percent of Change</u>	<u>Population</u>	<u>Percent of Change</u>
1970	830	-0.12%	30,547	-0.71%
1980	1,148	38.31%	31,545	3.27%
1990	1,175	2.35%	30,974	-1.81%
2000	1,513	28.77%	33,866	9.34%
2010	1,653	9.25%	33,224	-1.90%
2016, Est.	1,628	-1.51%	32,267	-2.88%

Source: U.S. Census Bureau

AGE STATISTICS

	<u>Town of Rossville</u>	<u>Clinton County</u>
Under 25 Years	559	11,621
25 to 44 Years	387	8,118
45 to 64 Years	394	8,709
65 Years and Over	313	4,776

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

EDUCATIONAL ATTAINMENT

<u>Years of School Completed</u>	<u>Persons 25 and Over</u>	
	<u>Town of Rossville</u>	<u>Clinton County</u>
Less than 9th grade	4.2%	6.4%
9th to 12th grade, no diploma	6.9%	7.5%
High school graduate	43.9%	45.3%
Some college, no degree	23.1%	18.8%
Associate's degree	8.8%	7.2%
Bachelor's degree	9.4%	10.1%
Graduate or professional degree	3.7%	4.8%

Source: U.S. Census Bureau's 2012-2016 American Community Survey 5-Year Estimates

MISCELLANEOUS ECONOMIC INFORMATION

	<u>Town of Rossville</u>	<u>Clinton County</u>	<u>Indiana</u>
Per capita income, past 12 months*	\$20,739	\$23,260	\$26,117
Median household income, past 12 months*	\$48,750	\$50,096	\$50,433
Average weekly earnings in manufacturing (3rd qtr. of 2017)	N/A	\$902	\$1,109
Land area in square miles - 2010	0.52	405.07	35,826.11
Population per land square mile - 2010	3,178.8	82.0	181.0
Retail sales in 2012:			
Total retail sales	N/A	\$239,143,000	\$85,857,962,000
Sales per capita**	N/A	\$7,198	\$13,242
Sales per establishment	N/A	\$2,344,539	\$3,974,722

*In 2016 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 May 6, 2018.

<u>Employment and Earnings - Clinton County 2016</u>	<u>Earnings (In 1,000s)</u>	<u>Percent of Earnings</u>	<u>Distribution of Labor Force</u>
Manufacturing	\$246,297	38.59%	26.72%
Services	113,837	17.84%	25.81%
Government	85,412	13.38%	12.28%
Wholesale and retail trade	50,713	7.95%	11.24%
Construction	37,312	5.85%	5.18%
Transportation and warehousing	33,504	5.25%	3.44%
Finance, insurance, and real estate	30,652	4.80%	6.92%
Farming	22,034	3.45%	4.59%
Other*	13,979	2.19%	3.10%
Information	3,904	0.61%	0.59%
Utilities**	603	0.09%	N/A
Mining***	N/A	N/A	0.13%
Totals	\$638,247	100.00%	100.00%

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

**In order to avoid disclosure of confidential information, employment figures are not available for the Utilities Sector.

***In order to avoid disclosure of confidential information, earnings figures are not available for the Mining Sector.

Source: Bureau of Economic Analysis and the Indiana Business Research Center. Data collected as of May 6, 2018.

<u>Adjusted Gross Income</u>	<u>Year</u>	<u>Clinton County Total</u>
	2011	\$593,567,358
	2012	624,719,277
	2013	618,891,720
	2014	636,394,535
	2015	640,885,951

Source: Indiana Department of Revenue

SCHEDULE OF INDEBTEDNESS

The following schedule shows the outstanding indebtedness of the Town and the taxing units within and overlapping its jurisdiction as of May 7, 2018, 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>
Self-Supporting Revenue Debt			
Proposed Sewage Works Revenue Bonds of 2018	\$3,090,000	01/01/39	\$3,090,000
Sewage Works Revenue Bonds of 2016	2,320,000	01/01/37	<u>2,275,000</u>
Total Direct Debt			<u><u>\$5,365,000</u></u>
<u>Overlapping Debt</u>	<u>Total Debt</u>	<u>Percent Allocable to Town (1)</u>	<u>Amount Allocable to Town</u>
Tax Supported Debt			
Clinton County	\$6,865,000	2.23%	\$153,090
Rossville Consolidated Schools	14,442,360	18.63%	<u>2,690,612</u>
Tax Supported Overlapping Debt			<u><u>\$2,843,702</u></u>

(1) Based upon the 2017 payable 2018 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 Town 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 and overlapping the Town as of May 7, 2018, including issuance of the Bonds.

	Direct Tax Sewage Works Revenue Supported Debt <u>\$5,365,000</u>	Direct Waterworks Revenue Supported Debt <u>\$0</u>	Total Direct Utility Revenue Debt <u>\$5,365,000</u>
Per capita (1)	\$3,295.45	\$0.00	\$3,295.45
Per user (2)			
Sewage Works	\$8,165.91		
Waterworks		\$0.00	

(1) According to the U.S. Census Bureau, the estimated 2016 population of the Town is 1,628.

(2) Based upon the billing records, the current number of users are as follows:

Sewage	657
Water	655

SCHEDULE OF HISTORICAL NET ASSESSED VALUATION

(As Provided by the Clinton 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>
2014	\$33,677,506	\$639,580	\$1,116,370	\$35,433,456
2015	32,442,812	687,550	821,120	33,951,482
2016	31,307,959	743,700	1,333,680	33,385,339
2017	32,806,157	793,310	1,069,050	34,668,517
2018	33,653,946	726,000	1,071,850	35,451,796

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

Real property is valued for assessment purposes at its true tax value as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4, and the 2011 Real Property Assessment Guidelines ("Guidelines"), as adopted by the Department of Local Government Finance ("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 Town. Lower assessed values of a Town may result in higher tax rates in order for a Town 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 2017 for Taxes Payable in 2018

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

	<u>Total</u>
Gross Value of Land	\$12,615,100
Gross Value of Improvements	<u>53,860,700</u>
Total Gross Value of Real Estate	66,475,800
Less: Mortgage Exemptions, Veterans, Blind	
Age 65 & Other Exemptions	(30,693,354)
Tax Exempt Property	<u>(2,128,500)</u>
Net Assessed Value of Real Estate	<u>33,653,946</u>
Net Assessed Value of Personal Property	<u>1,071,850</u>
Net Assessed Value of Utility Property	<u>726,000</u>
Total Net Assessed Value	<u><u>\$35,451,796</u></u>

NOTE: THE BONDS ARE NOT PAYABLE FROM PROPERTY TAXES

COMPARATIVE SCHEDULE OF CERTIFIED TAX RATES

Per \$100 of Net Assessed Valuation

	<u>Year Taxes Payable</u>				
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Detail of Certified Tax Rate:					
General	\$0.3984	\$0.4008	\$0.4577	\$0.4002	\$0.4929
MVH	0.1685	0.1997	0.1898	0.2436	0.1711
CCD	<u>0.0201</u>	<u>0.0201</u>	<u>0.0201</u>	<u>0.0494</u>	<u>0.0490</u>
Totals	<u><u>\$0.5870</u></u>	<u><u>\$0.6206</u></u>	<u><u>\$0.6676</u></u>	<u><u>\$0.6932</u></u>	<u><u>\$0.7130</u></u>

Total District Certified Tax Rate (1)

Town of Rossville	\$2.1244	\$2.0575	\$2.1223	\$2.1856	\$2.1130
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(1) Includes certified tax rates of overlapping taxing units.

Source: DLGF Certified Budget Orders for the Town.

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>
2013	\$204,508	(\$231)	\$204,277	\$215,757	105.50%	105.62%
2014	208,904	(1,038)	207,866	200,513	95.98%	96.46%
2015	217,464	(1,302)	216,162	209,084	96.15%	96.73%
2016	222,341	(2,332)	220,009	222,227	99.95%	101.01%
2017	241,058	(3,069)	237,989	234,659	97.35%	98.60%

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

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

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

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

The Statute categorizes property taxes levied to pay Debt Service Obligations as "protected taxes," regardless of whether the property taxes were approved at a referendum, and all other property taxes as "unprotected taxes." The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The political subdivision may allocate the reduction by using a combination of unprotected taxes of the political subdivision in those taxing districts in which the Circuit Breaker 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 Town.

<u>Name</u>	<u>Type of Business</u>	<u>2017/2018 Net Assessed Valuation</u>	<u>Percent of Total Net Assessed Valuation (1)</u>
DC Rentals	Apartment complex	\$1,384,900	3.91%
Evans Rentals	Apartment complex	1,185,000	3.34%
Cree Mobile Home Park	Mobile homes	615,610	1.74%
Baker Rentals	Apartment complex	450,900	1.27%
Michael J. & Camilla B. Rowan	Residential	442,940	1.25%
Brian L. White, Catherine A., & Amber R. Kelly	Residential	417,496	1.18%
Steven C. & Ann M. Gaylor	Rental properties	402,900	1.14%
Duke Energy Indiana, Inc.	Utilities	363,630	1.03%
Robert K., Linda D., & Amy J. Klaiber	Residential	301,900	0.85%
David E. & Linda M. Bodine	Residential	279,035	0.79%
Totals		\$5,844,311	16.50%

(1) The total net assessed valuation of the Town is \$35,451,796 for taxes payable in 2018, according to the Clinton County Auditor's office.

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


NOTE: THE BONDS ARE NOT PAYABLE FROM PROPERTY TAXES

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

TOWN OF ROSSVILLE, INDIANA

By: 
President, Town Council

Attest: 
Clerk-Treasurer

APPENDIX B

The following information has not been updated to reflect the actual results of the bond sale.

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ACCOUNTANTS' FORECAST AND COMPILATION REPORT

June 25, 2018

Members of the Town Council
Town of Rossville
P.O. Box 550
17 West Main Street
Rossville, IN 46065

We have compiled the accompanying forecasted comparative schedule of selected financial information arising from cash transactions, the forecasted comparative schedule of cash receipts and disbursements and supplementary data of the Rossville Municipal Sewage Works (the "Sewage Works") as of December 31, 2018, 2019 and 2020 and for the calendar years then ending in accordance with attestation standards established by the American Institute of Certified Public Accountants. The financial forecast is presented on the cash basis of accounting used by the Sewage Works, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

We have also compiled the accompanying comparative schedule of selected financial information arising from cash transactions and the comparative schedule of cash receipts and disbursements as of December 31, 2015, 2016 and 2017, and for the periods then ended and supplementary data. We have not audited or reviewed the accompanying historical financial statements and supplementary data, and accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis of accounting.

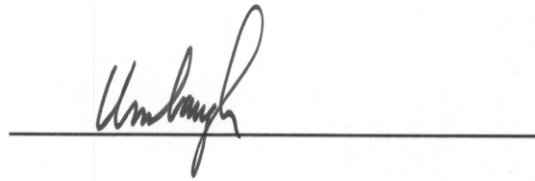
Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

(Continued on next page)

The financial statements are presented on the cash basis of accounting used by the Sewage Works which is a comprehensive basis of accounting other than the generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusion about the Sewage Works' assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed on such matters.

A handwritten signature, appearing to read "Umbough", is written in black ink above a solid horizontal line. The signature is cursive and somewhat stylized.

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

FORECASTED FINANCIAL STATEMENTS

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

**FORECASTED COMPARATIVE SCHEDULE OF SELECTED FINANCIAL
INFORMATION ARISING FROM CASH TRANSACTIONS**

(Rounded to the nearest \$100)

	<u>As of</u>		
	<u>12/31/18</u>	<u>12/31/19</u>	<u>12/31/20</u>
<u>Cash and Cash Equivalents:</u>			
Operation and Maintenance Fund	\$50,000	\$52,300	\$54,600
Sinking Fund:			
Bond and Interest Account	131,100	192,200	189,300
Debt Service Reserve Account	88,700	164,800	241,000
Improvement Fund	29,500	(45,500)	(13,400)
Meter Deposit Fund	49,200	49,200	49,200
Construction Fund	1,636,100	-	-
Stormwater Fund	<u>10,400</u>	<u>10,400</u>	<u>10,400</u>
Total Cash and Cash Equivalents	<u><u>\$1,995,000</u></u>	<u><u>\$423,400</u></u>	<u><u>\$531,100</u></u>
 <u>Bonded Indebtedness:</u>			
Sewage Works Revenue Bonds of 2016	\$2,180,000	\$2,085,000	\$1,985,000
Proposed Sewage Works Revenue Bonds of 2018	<u>3,090,000</u>	<u>2,980,000</u>	<u>2,875,000</u>
Total Bonded Indebtedness	<u><u>\$5,270,000</u></u>	<u><u>\$5,065,000</u></u>	<u><u>\$4,860,000</u></u>

(The Accountants' Compilation Report and the summary of significant accounting policies, assumptions and notes are an integral part of this statement.)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

**FORECASTED COMPARATIVE SCHEDULE OF CASH
RECEIPTS AND DISBURSEMENTS**

(Rounded to the nearest \$100)

	Calendar Year Ending		
	2018	2019	2020
Operating Receipts:			
Collection and treatment services	\$568,700	\$725,500	\$821,200
Stormwater fees	5,900	5,900	5,900
Miscellaneous receipts	500	500	500
Total Operating Receipts	<u>575,100</u>	<u>731,900</u>	<u>827,600</u>
Operating Disbursements:			
Salaries and wages	94,900	100,800	106,700
Employee benefits	74,400	78,400	82,500
Sludge removal	25,000	25,800	26,600
Purchased power	30,100	31,000	31,900
Fuel for power	3,700	3,800	3,900
Chemicals	3,500	3,600	3,700
Materials and supplies	11,300	11,600	11,900
Contractual services	9,400	9,700	10,000
Repairs and maintenance	23,900	24,600	25,300
Testing	2,200	2,300	2,400
Insurance	10,600	10,900	11,200
Miscellaneous	10,900	11,200	11,500
Total Operating Disbursements	<u>299,900</u>	<u>313,700</u>	<u>327,600</u>
Net Operating Receipts	<u>275,200</u>	<u>418,200</u>	<u>500,000</u>
Non-Operating Receipts:			
Interest	1,400	1,200	500
Bond proceeds	<u>3,090,000</u>	<u>-</u>	<u>-</u>
Total Non-Operating Receipts	<u>3,091,400</u>	<u>1,200</u>	<u>500</u>
Non-Operating Disbursements:			
Debt service	155,500	319,700	377,800
Costs of issuance	185,300	-	-
Capital outlays	15,000	15,000	15,000
Phase I project costs	604,800	-	-
Phase II project costs	<u>1,283,100</u>	<u>1,656,300</u>	<u>-</u>
Total Non-Operating Disbursements	<u>2,243,700</u>	<u>1,991,000</u>	<u>392,800</u>
Increase (Decrease) in Cash and Cash Equivalents	1,122,900	(1,571,600)	107,700
Beginning Cash and Cash Equivalents	<u>872,100</u>	<u>1,995,000</u>	<u>423,400</u>
Ending Cash and Cash Equivalents	<u><u>\$1,995,000</u></u>	<u><u>\$423,400</u></u>	<u><u>\$531,100</u></u>

(The Accountants' Compilation Report and the summary of significant accounting policies, assumptions and notes are an integral part of this statement.)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
ASSUMPTIONS AND NOTES
See Accountants' Compilation Report

These financial forecasts present, to the best of management's knowledge and belief, the expected cash flows of the Rossville Municipal Sewage Works (the "Sewage Works") for the forecast period. Accordingly, the forecast reflects management's judgment of the expected conditions and its expected course of action as of June 25, 2018, the date of this forecast. The financial forecast is based on management's assumptions concerning future events and circumstances. The assumptions disclosed herein, while not all-inclusive, are those which management believes are significant to the forecast or are key factors upon which the financial results of the enterprise depend.

Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to June 25, 2018, the date of this forecast. Therefore, the actual results achieved during the forecast period could vary from the forecast and the variations may be material. Management does not intend to revise this forecast to reflect changes in present circumstances or the occurrence of unanticipated events.

The financial forecast has been prepared in conjunction with the following:

- (1) The issuance of \$3,090,000 principal amount of Proposed Sewage Works Revenue Bonds of 2018 (the "Proposed Bonds") by the Town of Rossville, which will be issued to finance wastewater treatment plant improvements, including new CSO storage tank, influent screening, wet weather pumps, sludge drying bed, aeration system improvements, new chemical building and associated site work, piping, electrical, and instrumentation and control systems.

Significant Accounting Policies

Reporting Entity

The Sewage Works is owned and operated by the Town of Rossville, Indiana (the "Town"). The Sewage Works' services primarily consist of sewage collection and treatment. The Sewage Works had 657 customers as of December 31, 2017. Sewage Works receipts are generated through monthly user fees, stormwater fees and a one-time tap or reconnect fee.

Basis of Accounting

The Sewage Works is a component unit (enterprise fund) of the Town of Rossville, whose accounts are maintained and financial statements are presented on the cash basis of accounting. Under the cash basis of accounting, revenues are recognized when received and expenses are recognized when paid. Therefore, receivables and payables, inventories, accrued income and expenses, and utility plant and depreciation, which may be material in amount, are not reflected in these statements and these statements are not intended to present the overall financial position or results of operation in conformity with generally accepted accounting principles.

(Continued on next page)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

(Cont'd)

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
ASSUMPTIONS AND NOTES**

See Accountants' Compilation Report

Significant Assumptions and Notes

(1) Proposed Bond Issue

The Sewage Works, acting through the Town Council of the Town of Rossville (the "Town Council"), has proposed to issue long-term bonds to construct certain improvements to the sewage collection and treatment system. The project is estimated to cost approximately \$3,090,000, including construction costs of \$2,536,093, contractor fixed fee of \$303,360, engineering and inspection fee of \$100,000 and estimated costs of issuance and underwriter's discount of \$150,547. The Town proposes to finance the project with a 20-year revenue bond in the amount of \$3,090,000. Construction is anticipated to commence in August 2018 and be substantially complete by August 2019.

(2) Receipts

(A) Forecasted annual receipts for the forecast period are based upon the recorded results of operations for the twelve months ended December 31, 2017 (the "Test Year") adjusted as follows:

(i) Collection and treatment services - Normalized to reflect the 38% rate increase effective January 1, 2017, and the phased rate increase adopted by the Town Council on June 12, 2018 and becomes effective as follows:

Phase I: 30% rate increase effective July 1, 2018;

Phase II: 25% rate increase effective July 1, 2019

(ii) Stormwater fees - Assumed at Test Year amounts.

(iii) Miscellaneous receipts - Based on the three-year historical average.

(iv) Interest receipts - Based upon assumed average daily cash balance, invested at an assumed annual interest rate of 0.10 percent of the average cash balance.

(v) Bond proceeds - Assumes the issuance of the Proposed Bonds dated July 26, 2018.

(3) Operating Disbursements

(A) Forecasted operating disbursements are based upon the recorded results of operations for the Test Year adjusted for fixed, known and measureable items (detailed hereafter):

(Continued on next page)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

(Cont'd)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
ASSUMPTIONS AND NOTES

See Accountants' Compilation Report

(3) Disbursements (Cont'd)

- (i) Salaries and wages - Forecasted year 2018 is based on current employees and the 2018 Salary Ordinance. Forecasted year 2019 is based on the incremental difference between the forecasted 2018 salaries and wages and the forecasted 2020 salaries and wages for the plant employees. Forecasted year 2020 is based on the maximum salary cap set by the Town Council for the plant employees. Forecasted years 2019 and 2020 assume an annual inflation adjustment of 3% for the office employees.
- (ii) Employee benefits - FICA is based on forecasted salaries and wages times 7.65%. PERF is based on forecasted salaries and wages times the 2018 PERF rate of 14.2%. Forecasted year 2018 health insurance is based on the most current monthly premium times 12 months. Forecasted years 2019 and 2020 health insurance has been increased 5% for inflation.
- (iii) Sludge removal - Forecasted year 2018 is based on current management estimates. Forecasted years 2019 and 2020 have been increased 3% for inflation.
- (iv) Contractual services - Forecasted year 2018 is based on the three-year historical average normalized for periodic disbursements. Forecasted years 2019 and 2020 have been increased 3% for inflation.
- (v) Repairs and maintenance - Forecasted year 2018 is based on the three-year historical average adjusted for non-recurring items. Forecasted years 2019 and 2020 have been increased 3% for inflation.
- (vi) Materials and supplies, testing and miscellaneous - Forecasted year 2018 is based on the three-year historical average. Forecasted years 2019 and 2020 have been increased 3% for inflation.
- (vii) All other operating disbursements - Forecasted years 2018 through 2020 are assumed at Test Year amounts and increased for an assumed annual inflation rate of 3%.

(4) Debt Service

- (A) Principal and interest payments on the outstanding and Proposed Bonds are forecasted to average \$369,550 annually as shown on page B-13. The Proposed Bonds are assumed to be dated July 26, 2018 and are amortized at the assumed annual interest rates as shown on page B-12.
- (B) It is assumed that the Debt Service Reserve Account requirement will be funded through monthly transfers over a five-year period. Based on the proposed amortization schedule, the debt service reserve is assumed to equal approximately \$372,543 once fully funded.

(Continued on next page)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

(Cont'd)

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
ASSUMPTIONS AND NOTES**

See Accountants' Compilation Report

(5) Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired.

(6) Deposits and Investments

Deposits, made in accordance with IC 5-13, with financial institutions in the State of Indiana at year-end, are entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Town to invest in securities, including but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

(7) Pension Liabilities

The Town contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit plan. All full-time employees are eligible to participate in this defined benefit plan. The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

(8) Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding post-employment benefits); and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding post-employment benefits); and natural disasters are covered by commercial insurance from independent third parties.

(9) Capital Additions

The Sewage Works' cash expenditures for replacement and improvements are based on the utility management estimate of \$15,000 annually plus completion of the phase I project in 2018. Phase II project design and 42% of the phase II project construction is anticipated to be completed in 2018 and completion of the remaining 58% of the phase II project construction in 2019.

(Continued on next page)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

(Cont'd)

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES,
ASSUMPTIONS AND NOTES**

See Accountants' Compilation Report

(10) Restricted Accounts

- (A) Operation and Maintenance Fund - The forecasted balance is assumed to be equal to two months' forecasted cash operating expenses for the year.
- (B) Sinking Fund - Bond and Interest Account - The forecasted balance assumes that the bond payments due January 1st are paid on January 1st.
- (C) Sinking Fund - Debt Service Reserve Account - The requirement for the outstanding and Proposed Bonds is assumed to equal the combined maximum annual debt service (\$372,543). The requirement is assumed to be funded with monthly transfers over a five-year period.
- (D) Meter Deposit Fund - Restricted for return to customers. The forecasted balance is assumed to remain at Test Year amounts.
- (E) Construction Fund - Restricted for project related costs. The forecasted balance for 2018 is assumed at the constructions costs related to the portion of the project not completed in 2018. Forecasted balances for 2019 and 2020 are assumed at zero.
- (F) Stormwater Fund - The forecasted balance is assumed at Test Year amounts.
- (G) Improvement Fund - The forecasted balance consists of the remaining forecasted cash and investment balances not provided for above.

(11) Bonded Indebtedness

Long-term debt consists of the Sewage Works Revenue Bonds secured by Net Revenues of the Sewage Works. The amortization of the Proposed Bonds is shown on page B-12 and the amortization of the outstanding bonds is show on page B-20. The Proposed Bonds will be issued on a parity basis with the outstanding 2016 bonds.

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ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS
SUPPLEMENTAL INFORMATION TO FORECASTED
FINANCIAL STATEMENTS

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

GENERAL COMMENTS

The Town of Rossville, Indiana, proposes to issue \$3,090,000 par amount of Sewage Works Revenue Bonds of 2018. Proceeds from the sale of the Proposed Bonds, after payment of issuance costs, will be used to finance the costs of the wastewater treatment plant project.

The Proposed Bonds will be secured by the Net Revenues of the Sewage Works defined as the gross revenues less operation, repair and maintenance expenses, excluding transfers for payment in lieu of property taxes.

Schedule of Project Costs and Funding – Page B-11

This schedule presents estimated project costs and sources of funding. The project costs are based on construction costs provided by the GMAX Proposal dated June 7, 2018. The project (to be financed with the proceeds of the Proposed Bonds) is comprised of wastewater treatment plant improvements.

The Proposed Bonds will be the primary source of funding for the expected costs of the project.

Schedule of Amortization of \$3,090,000 Principal Amount of Proposed Sewage Works Revenue Bonds of 2018 – Page B-12

The amortization of the \$3,090,000 par amount of Proposed Bonds is presented in this schedule. The Proposed Bonds are anticipated to be dated July 26, 2018 and will mature over a period of approximately 20 years and 5 months ending January 1, 2039. Principal is scheduled to be payable semiannually on January 1st and July 1st beginning July 1, 2019. Interest will be payable semiannually on January 1st and July 1st beginning January 1, 2019 at tax-exempt interest rates resulting from a competitive sale.

Schedule of Proposed Combined Bond Amortization – Page B-13

This schedule combines the amortization of the Proposed Bonds and the outstanding 2016 Bonds.

Computation of Forecasted Bond Coverage – Page B-14

This schedule presents the forecasted annual debt service coverage based upon the forecasted annual principal and interest payments on the Proposed Bonds assuming semiannual interest rates on the Proposed Bonds as shown on page B-12. The computations are based upon forecasted operating receipts and interest income less the forecasted annual operation and maintenance disbursements for the forecasted calendar years 2018 through 2020.

Schedule of Present and Future Sewer Rates and Charges – Page B-15

This schedule displays the current rates and charges that were adopted by the Town Council on October 11, 2016 and effective January 1, 2017. This schedule also displays the future rates and charges adopted by the Town Council on June 12, 2018. Phase I is effective July 1, 2018 and Phase II is effective July 1, 2019.

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

SCHEDULE OF PROJECT COSTS AND FUNDING

PROJECT COSTS

Construction Costs:	
Wastewater Treatment Plant	\$2,426,883
Construction Contingencies	<u>109,210</u>
Total Construction Costs	<u>2,536,093</u>
Non-Construction Costs:	
Contractor Fixed Fee	303,360
Engineering and Inspection Fee	100,000
Underwriter's Discount	60,190
Costs of Issuance, Administrative and Miscellaneous	<u>125,147</u>
Total Non-Construction Costs	<u>588,697</u>
Total Project Costs	<u><u>\$3,124,790</u></u>

PROJECT FUNDING

Sewage Works Revenue Bonds of 2018	\$3,090,000
Reoffering Premium	<u>34,790</u>
Total Project Funding	<u><u>\$3,124,790</u></u>

(The Accountants' Compilation Report and the accompanying comments are an integral part of this statement.)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

**SCHEDULE OF AMORTIZATION OF \$3,090,000 PRINCIPAL AMOUNT OF
PROPOSED SEWAGE WORKS REVENUE BONDS OF 2018**

Assumes principal payable semiannually January 1 and July 1, beginning July 1, 2019.
Assumes interest payable semiannually January 1 and July 1, beginning January 1, 2019.

Assumes interest rates as shown.
Assumes bonds dated July 26, 2018.

Payment Date	Principal		Assumed Interest Rates (%)	Debt Service		Bond Year Total
	Balance (-----In \$1,000's-----)	Principal		Interest	Total (-----In Dollars-----)	
01/01/19				\$49,094.10	\$49,094.10	\$49,094.10
07/01/19	\$3,090	\$55	3.50	57,012.50	112,012.50	
01/01/20	3,035	55	3.50	56,050.00	111,050.00	223,062.50
07/01/20	2,980	50	3.50	55,087.50	105,087.50	
01/01/21	2,930	55	3.50	54,212.50	109,212.50	214,300.00
07/01/21	2,875	55	3.50	53,250.00	108,250.00	
01/01/22	2,820	55	3.50	52,287.50	107,287.50	215,537.50
07/01/22	2,765	55	3.50	51,325.00	106,325.00	
01/01/23	2,710	55	3.50	50,362.50	105,362.50	211,687.50
07/01/23	2,655	60	3.50	49,400.00	109,400.00	
01/01/24	2,595	55	3.50	48,350.00	103,350.00	212,750.00
07/01/24	2,540	60	3.50	47,387.50	107,387.50	
01/01/25	2,480	60	3.50	46,337.50	106,337.50	213,725.00
07/01/25	2,420	60	3.50	45,287.50	105,287.50	
01/01/26	2,360	60	3.50	44,237.50	104,237.50	209,525.00
07/01/26	2,300	60	3.50	43,187.50	103,187.50	
01/01/27	2,240	60	3.50	42,137.50	102,137.50	205,325.00
07/01/27	2,180	65	3.50	41,087.50	106,087.50	
01/01/28	2,115	60	3.50	39,950.00	99,950.00	206,037.50
07/01/28	2,055	65	3.50	38,900.00	103,900.00	
01/01/29	1,990	65	3.50	37,762.50	102,762.50	206,662.50
07/01/29	1,925	70	3.50	36,625.00	106,625.00	
01/01/30	1,855	65	3.50	35,400.00	100,400.00	207,025.00
07/01/30	1,790	65	3.50	34,262.50	99,262.50	
01/01/31	1,725	70	3.50	33,125.00	103,125.00	202,387.50
07/01/31	1,655	70	3.50	31,900.00	101,900.00	
01/01/32	1,585	75	3.50	30,675.00	105,675.00	207,575.00
07/01/32	1,510	75	3.50	29,362.50	104,362.50	
01/01/33	1,435	75	3.75	28,050.00	103,050.00	207,412.50
07/01/33	1,360	75	3.75	26,643.75	101,643.75	
01/01/34	1,285	80	3.75	25,237.50	105,237.50	206,881.25
07/01/34	1,205	80	3.75	23,737.50	103,737.50	
01/01/35	1,125	80	3.88	22,237.50	102,237.50	205,975.00
07/01/35	1,045	80	3.88	20,687.50	100,687.50	
01/01/36	965	85	3.88	19,137.50	104,137.50	204,825.00
07/01/36	880	90	3.88	17,490.63	107,490.63	
01/01/37	790	85	3.88	15,746.88	100,746.88	208,237.51
07/01/37	705	170	4.00	14,100.00	184,100.00	
01/01/38	535	175	4.00	10,700.00	185,700.00	369,800.00
07/01/38	360	180	4.00	7,200.00	187,200.00	
01/01/39	180	180	4.00	3,600.00	183,600.00	370,800.00
Totals		<u>\$3,090</u>		<u>\$1,468,625.36</u>	<u>\$4,558,625.36</u>	<u>\$4,558,625.36</u>

(The Accountants' Compilation Report and the accompanying
comments are an integral part of this statement.)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

SCHEDULE OF PROPOSED COMBINED BOND AMORTIZATION

<u>Payment Date</u>	<u>2016 Bonds</u>	<u>Proposed 2018 Bonds</u>	<u>Total</u>	<u>Bond Year Total</u>
07/01/18	\$77,500.00		\$77,500.00	
01/01/19	82,050.00	\$49,094.10	131,144.10	\$208,644.10
07/01/19	76,550.00	112,012.50	188,562.50	
01/01/20	81,100.00	111,050.00	192,150.00	380,712.50
07/01/20	80,600.00	105,087.50	185,687.50	
01/01/21	80,100.00	109,212.50	189,312.50	375,000.00
07/01/21	79,600.00	108,250.00	187,850.00	
01/01/22	79,100.00	107,287.50	186,387.50	374,237.50
07/01/22	78,600.00	106,325.00	184,925.00	
01/01/23	83,100.00	105,362.50	188,462.50	373,387.50
07/01/23	77,550.00	109,400.00	186,950.00	
01/01/24	82,050.00	103,350.00	185,400.00	372,350.00
07/01/24	76,500.00	107,387.50	183,887.50	
01/01/25	80,968.75	106,337.50	187,306.25	371,193.75
07/01/25	80,384.38	105,287.50	185,671.88	
01/01/26	79,800.00	104,237.50	184,037.50	369,709.38
07/01/26	78,975.00	103,187.50	182,162.50	
01/01/27	83,150.00	102,137.50	185,287.50	367,450.00
07/01/27	77,250.00	106,087.50	183,337.50	
01/01/28	81,425.00	99,950.00	181,375.00	364,712.50
07/01/28	80,525.00	103,900.00	184,425.00	
01/01/29	79,625.00	102,762.50	182,387.50	366,812.50
07/01/29	78,725.00	106,625.00	185,350.00	
01/01/30	82,825.00	100,400.00	183,225.00	368,575.00
07/01/30	81,850.00	99,262.50	181,112.50	
01/01/31	80,875.00	103,125.00	184,000.00	365,112.50
07/01/31	79,900.00	101,900.00	181,800.00	
01/01/32	78,925.00	105,675.00	184,600.00	366,400.00
07/01/32	77,950.00	104,362.50	182,312.50	
01/01/33	81,975.00	103,050.00	185,025.00	367,337.50
07/01/33	80,881.25	101,643.75	182,525.00	
01/01/34	79,787.50	105,237.50	185,025.00	367,550.00
07/01/34	78,693.75	103,737.50	182,431.25	
01/01/35	82,600.00	102,237.50	184,837.50	367,268.75
07/01/35	81,100.00	100,687.50	181,787.50	
01/01/36	79,600.00	104,137.50	183,737.50	365,525.00
07/01/36	78,100.00	107,490.63	185,590.63	
01/01/37	81,600.00	100,746.88	182,346.88	367,937.51
07/01/37		184,100.00	184,100.00	
01/01/38		185,700.00	185,700.00	369,800.00
07/01/38		187,200.00	187,200.00	
01/01/39		183,600.00	183,600.00	370,800.00
Totals	<u>\$3,041,890.63</u>	<u>\$4,558,625.36</u>	<u>\$7,600,515.99</u>	<u>\$7,600,515.99</u>

Average annual debt service for the five bond years ending January 1, 2024.

\$375,137.50

(The Accountants' Compilation Report and the accompanying comments are an integral part of this statement.)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

COMPUTATION OF FORECASTED BOND COVERAGE

(Rounded to the nearest \$100)

	Calendar Year Ending		
	2018	2019	2020
Forecasted Annual Operating Receipts (1):			
Collection and treatment services	\$568,700	\$725,500	\$821,200
Stormwater fees	5,900	5,900	5,900
Miscellaneous receipts	500	500	500
	575,100	731,900	827,600
Forecasted Interest Receipts	1,500	1,500	600
Total Available Receipts (1)	576,600	733,400	828,200
Less: Forecasted Annual Cash			
Operating Disbursements (1)	(299,900)	(313,700)	(327,600)
Forecasted Net Receipts Available for Debt Service	\$276,700	\$419,700	\$500,600
Forecasted Annual Principal and Interest Payment on the Outstanding and Proposed Bonds (2)	\$155,500	\$319,700	\$377,800 *
Forecasted Debt Service Coverage	178%	132%	133% *

* Estimated maximum annual debt service is \$380,713 for bond year ending January 1, 2030, which would result in debt service coverage of 132%.

(The Accountants' Compilation Report and the accompanying
comments are an integral part of this statement.)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

SCHEDULE OF PRESENT AND FUTURE SEWER RATES AND CHARGES

	Present	Future	
		Phase I	Phase II
I. <u>Flow Rate (Per 1,000 Gallons)</u>	(1)	(2)	(3)
All users	\$12.00	\$15.60	\$19.50
II. <u>Monthly Base Charge</u>			
5/8 - 3/4 inch meter	\$13.45	\$17.49	\$21.86
1 inch meter	30.85	40.11	50.14
1 1/4 inch meter	48.25	62.73	78.41
1 1/2 inch meter	69.60	90.48	113.10
2 inch meter	117.85	153.21	191.51
3 inch meter	268.35	348.86	436.08
4 inch meter	475.25	617.83	772.29
6 inch meter	1,062.55	1,381.32	1,726.65
III. <u>Unmetered users</u>			
Residential/Single family dwelling	\$68.60	\$89.18	\$111.48

- (1) Present rates and charges per Ordinance 2016-12, adopted on October 11, 2016 and effective January 1, 2017.
- (2) Phase I rates and charges per Ordinance 2018-01, adopted on June 12, 2018 and effective July 1, 2018.
- (2) Phase II rates and charges per Ordinance 2018-01, adopted on June 12, 2018 and effective July 1, 2019.

(The Accountants' Compilation Report and the accompanying comments are an integral part of this statement.)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

SUPPLEMENTARY HISTORICAL DATA

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

**COMPARATIVE SCHEDULE OF SELECTED FINANCIAL
INFORMATION ARISING FROM CASH TRANSACTIONS**

(Unaudited)

<u>Cash and Cash Equivalents:</u>	As of December 31st		
	<u>2015</u>	<u>2016</u>	<u>2017</u>
Operation and Maintenance Fund	\$127,998	\$75,142	\$111,986
Sinking Fund:			
Bond and Interest Account	288	10,080	45
Debt Service Reserve Account	-	5,424	37,968
Improvement Fund	53,510	50,220	57,720
Meter Deposit Fund	46,136	48,319	49,236
Construction Fund	-	2,236,503	604,778
Stormwater Fund	<u>20,859</u>	<u>4,436</u>	<u>10,373</u>
Total Cash and Cash Equivalents	<u>\$248,791</u>	<u>\$2,430,124</u>	<u>\$872,106</u>
<u>Bonded Indebtedness:</u>			
Sewage Works Revenue Bonds of 2016	<u>\$ -</u>	<u>\$2,320,000</u>	<u>\$2,275,000</u>

(See Accountants' Compilation Report and the accompanying
summary of accounting policies.)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

(Unaudited)

	Calendar Year		
	2015	2016	2017
Operating Receipts:			
Collection and treatment services	\$389,483	\$377,138	\$493,433
Stormwater fees	5,979	5,970	5,937
Miscellaneous receipts	329	165	1,014
Total Operating Receipts	<u>395,791</u>	<u>383,273</u>	<u>500,384</u>
Operating Disbursements:			
Salaries and wages	100,678	103,487	92,532
Employee benefits	42,028	56,965	64,536
Sludge removal	20,513	18,517	22,632
Purchased power	24,089	23,628	29,225
Fuel for power	3,616	3,503	3,636
Chemicals	4,105	4,878	3,361
Materials and supplies	15,961	11,734	10,780
Contractual services	14,512	11,531	7,295
Repairs and maintenance	27,341	39,724	22,510
Testing	2,491	2,505	1,711
Insurance	11,320	12,151	10,282
Miscellaneous	9,742	12,374	10,569
Stormwater disbursements	-	22,394	-
Total Operating Disbursements	<u>276,396</u>	<u>323,391</u>	<u>279,069</u>
Net Operating Cash	<u>119,395</u>	<u>59,882</u>	<u>221,315</u>
Non-Operating Receipts:			
Tap fees	-	-	700
Reconnect fees	131	61	-
Interest	284	549	1,752
Refunds and reimbursements	3,520	1,452	15,892
Meter deposits (net)	1,422	2,182	917
Capacity fees	-	-	1,500
Bond proceeds	-	2,346,803	-
Total Non-Operating Receipts	<u>5,357</u>	<u>2,351,047</u>	<u>20,761</u>
Non-Operating Disbursements:			
Debt service	25,781	-	121,517
Costs of issuance	-	107,670	-
Capital outlay	125,916	20,955	13,579
Phase I project costs	25,966	100,971	1,619,132
Phase II project costs	-	-	45,866
Other disbursements	84	-	-
Total Non-Operating Disbursements	<u>177,747</u>	<u>229,596</u>	<u>1,800,094</u>
Increase (decrease) in cash and cash equivalents	(52,995)	2,181,333	(1,558,018)
Beginning cash and cash equivalents	<u>301,786</u>	<u>248,791</u>	<u>2,430,124</u>
Ending cash and cash equivalents	<u>\$248,791</u>	<u>\$2,430,124</u>	<u>\$872,106</u>

(See Accountants' Compilation Report and the accompanying summary of accounting policies.)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

**COMPARISON OF FUND BALANCES WITH
MINIMUM BALANCES REQUIRED**

<u>Cash and Investments:</u>	<u>Fund Balances 12/31/17 (Unaudited)</u>	<u>Minimum Balance Required (1)</u>	<u>Ref.</u>	<u>Variance</u>
Operation and Maintenance Fund	\$111,986	\$54,237	(2)	\$57,749
Sinking Fund:				
Bond and Interest Account	45	-	(3)	45
Debt Service Reserve Account	37,968	37,968	(4)	-
Improvement Fund	57,720	53,483	(5)	4,237
Meter Deposit Fund	49,236	49,236	(6)	-
Construction Fund	604,778	604,778	(7)	-
Stormwater Fund	10,373	10,373	(8)	-
	<u>\$872,106</u>	<u>\$810,075</u>		<u>\$62,031</u>

(1) Minimum balances required per Bond Ordinance No. 2016-10

(2) The balance maintained in the operation and maintenance fund should be sufficient to pay the expenses of operation, repair, and maintenance of the sewage works for the next succeeding two (2) calendar months.

Pro forma operation and maintenance disbursements	\$325,354
Times factor for 2 months	<u>0.1667</u>
Minimum balance required	<u>\$54,237</u>

(3) A balance must be maintained equal to the sum of the monthly transfers in the amount of one-sixth (1/6) of the next succeeding principal payment and one-sixth (1/6) of the next succeeding interest payment.

2016 Revenue Bonds	<u>Amount</u>		<u>Factor</u>		<u>Total</u>
Principal due 7/1/2018	\$45,000	x	0/6	=	\$ -
Interest due 7/1/2018	32,500	x	0/6	=	<u>-</u>
Minimum balance required					<u>\$ -</u>

(Continued on next page)

(See Accountants' Compilation Report and the accompanying
summary of accounting policies.)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

(Cont'd)

**COMPARISON OF FUND BALANCES WITH
MINIMUM BALANCES REQUIRED**

- (4) A balance equal to the maximum annual debt service on the outstanding 2016 Bonds (\$162,725) to be funded over five years.

Debt Service Reserve requirement	\$162,725	
Divide by 60 months	<u>60</u>	
Monthly transfer required	2,712	
Time 14 months for Nov. 2016 through Dec. 2017	<u>14</u>	
Minimum balance required		<u><u>\$37,968</u></u>

- (5) No minimum balance is required. However, as a general rule an amount equal to one year's capital improvements is typically maintained to provide a funding source for ongoing capital improvements.

Minimum balance suggested		<u><u>\$53,483</u></u>
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- (6) Monies are restricted for return to customers.
- (7) Monies are restricted for project costs.
- (8) Monies are restricted for stormwater disbursements.

(See Accountants' Compilation Report and the accompanying summary of accounting policies.)

ROSSVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

**SCHEDULE OF AMORTIZATION OF \$2,275,000 PRINCIPAL AMOUNT OF
OUTSTANDING SEWAGE WORKS REVENUE BONDS OF 2016**
(Unaudited)

Payment Date	Principal Balance (-----In \$1,000's-----)	Principal	Interest Rates (%)	Debt Service		Bond Year Total
				Interest	Total	
				(-----In Dollars-----)		
07/01/18	\$2,275	\$45	2.000	\$32,500.00	\$77,500.00	
01/01/19	2,230	50 (1)	2.000	32,050.00	82,050.00	\$159,550.00
07/01/19	2,180	45 (1)	2.000	31,550.00	76,550.00	
01/01/20	2,135	50 (2)	2.000	31,100.00	81,100.00	157,650.00
07/01/20	2,085	50 (2)	2.000	30,600.00	80,600.00	
01/01/21	2,035	50 (3)	2.000	30,100.00	80,100.00	160,700.00
07/01/21	1,985	50 (3)	2.000	29,600.00	79,600.00	
01/01/22	1,935	50 (4)	2.000	29,100.00	79,100.00	158,700.00
07/01/22	1,885	50 (4)	2.000	28,600.00	78,600.00	
01/01/23	1,835	55 (5)	2.000	28,100.00	83,100.00	161,700.00
07/01/23	1,780	50 (5)	2.000	27,550.00	77,550.00	
01/01/24	1,730	55 (5)	2.000	27,050.00	82,050.00	159,600.00
07/01/24	1,675	50 (6)	2.125	26,500.00	76,500.00	
01/01/25	1,625	55 (6)	2.125	25,968.75	80,968.75	157,468.75
07/01/25	1,570	55 (6)	2.125	25,384.38	80,384.38	
01/01/26	1,515	55 (7)	3.000	24,800.00	79,800.00	160,184.38
07/01/26	1,460	55 (7)	3.000	23,975.00	78,975.00	
01/01/27	1,405	60 (7)	3.000	23,150.00	83,150.00	162,125.00
07/01/27	1,345	55 (8)	3.000	22,250.00	77,250.00	
01/01/28	1,290	60 (8)	3.000	21,425.00	81,425.00	158,675.00
07/01/28	1,230	60 (8)	3.000	20,525.00	80,525.00	
01/01/29	1,170	60 (9)	3.000	19,625.00	79,625.00	160,150.00
07/01/29	1,110	60 (9)	3.000	18,725.00	78,725.00	
01/01/30	1,050	65 (9)	3.000	17,825.00	82,825.00	161,550.00
07/01/30	985	65 (9)	3.000	16,850.00	81,850.00	
01/01/31	920	65 (10)	3.000	15,875.00	80,875.00	162,725.00
07/01/31	855	65 (10)	3.000	14,900.00	79,900.00	
01/01/32	790	65 (10)	3.000	13,925.00	78,925.00	158,825.00
07/01/32	725	65 (10)	3.000	12,950.00	77,950.00	
01/01/33	660	70 (11)	3.125	11,975.00	81,975.00	159,925.00
07/01/33	590	70 (11)	3.125	10,881.25	80,881.25	
01/01/34	520	70 (11)	3.125	9,787.50	79,787.50	160,668.75
07/01/34	450	70 (11)	3.125	8,693.75	78,693.75	
01/01/35	380	75 (12)	4.000	7,600.00	82,600.00	161,293.75
07/01/35	305	75 (12)	4.000	6,100.00	81,100.00	
01/01/36	230	75 (12)	4.000	4,600.00	79,600.00	160,700.00
07/01/36	155	75 (12)	4.000	3,100.00	78,100.00	
01/01/37	80	80 (12)	4.000	1,600.00	81,600.00	159,700.00
Totals		<u>\$2,275</u>		<u>\$766,890.63</u>	<u>\$3,041,890.63</u>	<u>\$3,041,890.63</u>

- (1) \$95,000 of Term Bonds due July 1, 2019.
- (2) \$100,000 of Term Bonds due July 1, 2020.
- (3) \$100,000 of Term Bonds due July 1, 2021.
- (4) \$100,000 of Term Bonds due July 1, 2022.
- (5) \$160,000 of Term Bonds due January 1, 2024.
- (6) \$160,000 of Term Bonds due July 1, 2025.

- (7) \$170,000 of Term Bonds due January 1, 2027.
- (8) \$175,000 of Term Bonds due July 1, 2028.
- (9) \$250,000 of Term Bonds due July 1, 2030.
- (10) \$260,000 of Term Bonds due July 1, 2032.
- (11) \$280,000 of Term Bonds due July 1, 2034.
- (12) \$380,000 of Term Bonds due January 1, 2037.

Average annual debt service for the nineteen bond years ending January 1, 2037.

\$160,099.51

(See Accountants' Compilation Report and the accompanying
summary of accounting policies.)

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APPENDIX C

AMENDED AND RESTATED ORDINANCE NO. 2018-04

An Amended and Restated Ordinance concerning the construction of additions and improvements to the sewage works of the Town of Rossville, the issuance of revenue bonds to provide the cost thereof, the collection, segregation and distribution of the revenues of said works, the safeguarding of the interests of the owners of said revenue bonds, other matters connected therewith, including the issuance of notes in anticipation of bonds, and repealing ordinances inconsistent herewith

WHEREAS, the Town of Rossville, Indiana ("Town") has heretofore established, constructed and financed its sewage works, and now owns and operates said sewage works pursuant to IC 36-9-23, as in effect on the issue date of the bonds authorized herein ("Act"); and

WHEREAS, the Town Council finds that certain improvements and extensions to said works are necessary; that plans, specifications and estimates have been prepared and filed by the engineers employed by the Town for the construction of said improvements and extensions which are more fully set forth in Exhibit A hereto and made a part hereof ("Project"), which plans and specifications have been or will be submitted to all governmental authorities having jurisdiction, particularly the Indiana Department of Environmental Management, will be approved by the aforesaid governmental authorities and are incorporated herein by reference and will be open for inspection at the office of the Clerk-Treasurer as required by law; and

WHEREAS, the Town adopted Ordinance No. 2018-03 on April 10, 2018, which Ordinance No. 2018-03 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 \$3,000,000; and (ii) the cost of the Project in an amount not to exceed \$3,000,000;

WHEREAS, the Town has received construction bids for the construction of the Project and has been advised that it is now necessary to amend and restate Ordinance No. 2018-03 to reflect: (i) the increase in the maximum cost of Project to \$3,120,000; and (ii) the increase in the

maximum aggregate issuance amount of the sewage works revenue bonds and bond anticipation notes authorized herein to \$3,120,000 to provide for the costs of the Project, as defined in IC 36-9-1-8, including estimated incidental expenses;

WHEREAS, the Town Council finds that the Town has no funds on hand to apply on the cost of the Project, and that the entire balance is to be financed by the issuance of sewage works revenue bonds, in one or more series, issued in an aggregate amount not to exceed \$3,120,000 and, if necessary, bond anticipation notes, in one or more series ("BANs"); and

WHEREAS, the Town has heretofore issued certain "Sewage Works Revenue Bonds of 2016" ("Outstanding Bonds"), originally issued in the amount of \$2,320,000, now outstanding in the amount of \$2,275,000, and maturing semiannually over a period ending January 1, 2037, which Outstanding Bonds constitute a first charge upon the Net Revenues (as hereinafter defined) of the sewage works; and

WHEREAS, the ordinance authorizing the issuance of the Outstanding Bonds permits the issuance of additional bonds ranking on a parity with the Outstanding Bonds provided that certain conditions can be met, and the Town finds that the finances of the sewage works will enable the Town 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 bonds to be issued pursuant to this ordinance will constitute a first charge against the Net Revenues (as hereinafter defined) of the sewage works, on a parity with the Outstanding Bonds, and are to be issued subject to the provisions of the laws of the Act, and the terms and restrictions of this ordinance; and

WHEREAS, the Town desires to authorize the issuance of BANs hereunder, in one or more series, if necessary, and to authorize the refunding of the BANs, if issued;

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

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

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF ROSSVILLE, INDIANA, THAT:

Section 1. Authorization of Project. The Town shall proceed with the construction of the Project in accordance with the plans and specifications to be prepared and filed by the contractor selected by the Town under IC 36-1-12.5, which plans and specifications will be subsequently placed on file in the office of the Clerk-Treasurer of the Town, and are hereby adopted and approved, and by reference made a part of this ordinance as fully as if the same were attached hereto and incorporated herein. Two copies of any additional plans and specifications and the cost estimates will be placed on file in the office of the Clerk-Treasurer of the Town and be open for public inspection pursuant to IC 36-1-5-4. The estimated cost of the Project is expected not to exceed \$3,120,000, plus investment earnings on the BAN and bond proceeds. The terms "sewage works," "sewage works system," "works," "system," and words of like import where used in this ordinance shall be construed to mean all structures and property of the Town's sewer utility, including items defined at IC 36-9-1-8. The Project shall be constructed in accordance with the plans, specifications and cost estimates heretofore mentioned,

which Project is hereby approved. The Project shall be constructed and the BANs and bonds herein authorized shall be issued pursuant to and in accordance with the Act.

Section 2. Issuance of BANs and Bonds; Registrar and Paying Agent; Book-Entry Provisions. (a) The Town shall issue, if necessary, its BANs for the purpose of procuring interim financing to apply on the cost of the Project. The Town may issue its BANs, in one or more series, in an aggregate amount not to exceed Three Million One Hundred Twenty Thousand Dollars (\$3,120,000) to be designated "Sewage Works Bond Anticipation Notes of _____" (to be completed with the year in which issued and appropriate series designation, if any). The BANs shall be sold at not less than 99% of their par value, shall be numbered consecutively from 1 upward, shall be in any multiples of One Thousand Dollars (\$1,000) as set forth in the hereinafter defined Bond Anticipation Note Agreement for the BANs, shall be dated as of the date of delivery thereof, and shall bear interest at a rate not to exceed 5% per annum (the exact rate or rates to be determined through negotiation with the purchaser of the BANs) payable at maturity or upon redemption. The BANs will mature no later than two (2) years after their date of delivery. The BANs are subject to renewal or extension at an interest rate or rates not to exceed 5% 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.

The BANs shall be issued pursuant to IC 5-1.5-8-6.1 if sold to the Indiana Bond Bank or pursuant to IC 5-1-14-5 if sold to a financial institution or any other purchaser. The Town shall pledge to the payment of the principal of and interest on the BANs the proceeds from the issuance of revenue bonds pursuant to and in the manner prescribed by the Act.

The revenue bonds will be payable solely out of and constitute a first charge against the Net Revenues (herein defined as gross revenues of the sewage works of the Town remaining after 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 Town, including the works herein authorized to be acquired and construed and all additions and improvements thereto and replacements thereof subsequently constructed or acquired, on a parity with the Outstanding Bonds.

(b) The Town shall issue its sewage works revenue bonds, in one or more series, in the aggregate principal amount not to exceed \$3,120,000 to be designated "Sewage Works Revenue Bonds of ____" to be completed with the year in which issued and appropriate series designation, if any ("Bonds"), for the purpose of procuring funds to apply on the cost of the Project, refunding the BANs, if issued, and issuance costs, including premiums for municipal bond insurance and a debt service reserve surety.

The Bonds shall be issued and sold at a price not less than 98% of par value, shall be issued in fully registered form in denominations of \$5,000 or integral multiples thereof, numbered consecutively from 1 up, originally dated as of the first day of the month in which they are issued or sold or their date of delivery, as determined by the Clerk-Treasurer with the advice of the Town's financial advisor, and shall bear interest at a rate or rates not exceeding 5% per annum (the exact rate or rates to be determined by bidding). Interest is payable semiannually on January 1 and July 1 in each year, commencing on the first January 1 or the first July 1 after the date of issuance of the Bonds, as determined by the Clerk-Treasurer, with the advice of the Town's financial advisor. Principal shall be payable in lawful money of the United States of America, at the principal office of the Paying Agent (as hereinafter defined) and such Bonds

shall mature semiannually on January 1 and July 1 or be subject to mandatory sinking fund redemption on January 1 and July 1 over a period ending no later than January 1, 2040, and in such amounts that will produce as level annual debt service as practicable with \$5,000 denominations, taking into account the annual debt service of the Outstanding Bonds.

All or a portion of the Bonds may be issued as one or more term bonds, upon election of the purchaser. Such term bonds shall have a stated maturity or maturities on January 1 or July 1 on the dates as determined by the purchaser, but in no event later than the final serial maturity date of the Bonds as determined in accordance with the above paragraph. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity at 100% of the principal amount thereof, plus accrued interest to the redemption date, on principal payment dates which are hereinafter determined in accordance with the above paragraph.

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

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

(c) The Clerk-Treasurer is hereby authorized to contract with a qualified financial institution to serve as Registrar and Paying Agent for the Bonds, which Registrar is hereby charged with the responsibility of authenticating the Bonds ("Registrar" or "Paying Agent"). The Clerk-Treasurer is hereby authorized to enter into such agreements or understandings with such institution as will enable the institution to perform the services required of a Registrar and Paying Agent. The Clerk-Treasurer is further authorized to pay such fees as the institution 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 hereunder to pay the principal of and interest on the Bonds and fiscal agency charges.

As to the BANs and as to the Bonds, if acceptable to the purchaser, the Clerk-Treasurer may serve as Registrar and Paying Agent and in that case is hereby charged with the duties of Registrar and Paying Agent.

The principal of the Bonds shall be payable at the principal office of the Paying Agent. All payments of interest on the Bonds and principal of and interest on the BANs 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"), 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 and BANs 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 Town kept for that purpose at the principal office of the Registrar, by the registered owner thereof 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 the same aggregate principal amount and of the same maturity and the same series 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 Town. The Town and the 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 Town 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 Town. Any such notice to the Town 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 Town, in which event the Town may appoint a successor registrar and paying agent. The Town 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 Town, the Clerk-Treasurer 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 Clerk-Treasurer 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 11 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 Bonds which are authenticated on or before the Record Date which precedes the first interest payment date shall be paid from their original date. Interest on Bonds authenticated subsequent to the Record Date which precedes the first interest payment date thereon shall be paid from the interest payment date to which interest has been paid as of the date on which such Bonds are authenticated, unless a Bond is authenticated between the Record Date and the interest payment date in which case the interest shall be paid from such interest payment date.

(d) The Town has determined that it may be beneficial to the Town to have the Bonds held by a central depository system pursuant to an agreement between the Town 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 Town 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 Town to make payments of the principal of and premium, if any, and interest on the Bonds pursuant to this ordinance. The Town 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 Town'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 Town 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 Town to the Depository Trust Company.

Upon receipt by the Town 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 Town 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 Town determines that it is in the best interest of the bondholders that they be able to obtain certificates for the fully registered Bonds, the Town 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 Town and the Registrar to do so, the Registrar and the Town 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 the 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 Town 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 Town or the Registrar with respect to any consent or other action to be taken by bondholders, the Town 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 Town 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 Town 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.

The Town is authorized to issue its BANs in book-entry form and, in that case, all of the provisions set forth in this subsection (d) shall apply.

Section 3. Redemption of BANs and Bonds. (a) The BANs are prepayable by the Town, in whole or in part, on any date, upon 20 days' notice to the owner of the BANs, without premium.

(b) The Bonds of this issue are redeemable at the option of the Town, but no sooner than January 1, 2029, and thereafter on any date, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the Town, and by lot within a maturity, at face value together with a premium no greater than 1%, plus accrued interest to the date fixed for redemption. The exact redemption dates and premiums shall be established by the Clerk-Treasurer, with the advice of the Town'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 Town, 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.

Each \$5,000 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 for redemption 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.

(d) Notice of redemption shall be given not less than thirty (30) days prior to the date fixed for redemption unless such redemption notice is waived by the owner of the Bond or Bonds redeemed. Such notice shall be mailed to the address of the registered owner as shown on the registration record of the Town as of the date which is forty-five (45) days 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 may be determined by the Town. 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.

Section 4. Execution of Bonds and BANs; Pledge of Net Revenues to Bonds. The BANs and Bonds shall be signed in the name of the Town by the manual or facsimile signature of the Town Council President and attested by the manual or facsimile signature of its Clerk-Treasurer, who shall affix the seal of the Town to each of the BANs and Bonds manually or shall have the seal imprinted or impressed thereon by facsimile. These officials, by the signing of a Signature and No Litigation Certificate, shall adopt as and for their own proper signatures their facsimile signatures appearing on the BANs and Bonds. The Bonds must be authenticated by an authorized officer of the Registrar.

The Bonds, and any bonds ranking on a parity therewith, as to both principal and interest, shall be payable from and secured by an irrevocable pledge of and shall constitute a first charge upon the Net Revenues of the sewage works of the Town, on a parity with the Outstanding Bonds. The Town shall not be obligated to pay the Bonds or the interest thereon except from the Net Revenues of said works, and the Bonds shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana.

Section 5. Form of Bonds. The form and tenor of the Bonds shall be substantially as follows, all blanks to be filled in properly and all necessary additions and deletions to be made prior to delivery thereof:

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Town of Rossville, 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.]

UNITED STATES OF AMERICA
STATE OF INDIANA COUNTY OF CLINTON
TOWN OF ROSSVILLE
SEWAGE WORKS REVENUE BOND OF _____, [SERIES _____]

[INTEREST RATE]	[MATURITY DATE]	ORIGINAL DATE	AUTHENTICATION DATE	[CUSIP]
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REGISTERED OWNER:

PRINCIPAL SUM:

The Town of Rossville ("Town"), in Clinton County, State of Indiana, 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 [on the Maturity Date set forth above] **OR** [on January 1 and July 1 on the dates and in the amounts as set forth on Exhibit A attached hereto] (unless this hereinafter defined 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 [Interest Rate specified above] **OR** [interest rate[s] per annum set forth on Exhibit A attached hereto] from 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 _____, 20____, in which case it shall bear interest from the Original Date, which interest is payable semiannually on the first days of January and July of each year, beginning on _____, 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 _____, Indiana. All payments of interest on this Bond shall be paid by check mailed one business day prior to the interest payment 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 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.

This Bond shall not constitute an indebtedness of the Town within the meaning of the provisions and limitations of the constitution of the State of Indiana, and the Town shall not be obligated to pay this Bond or the interest hereon except from the special fund provided from the Net Revenues, on a parity with the Outstanding Bonds (each as hereinafter defined).

This Bond is [the only] one of an authorized issue of Bonds of the Town[, to be issued in series,] [of like tenor and effect, except as to numbering, interest rate[, series designation] and dates of maturity,] in the total amount of _____ Dollars (\$_____) [for this series] ("Bonds"), numbered from 1 up, issued for the purpose of providing funds to be applied on the cost of additions and improvements to the Town's sewage works[, to refund interim notes issued in anticipation of the Bonds] and to pay incidental expenses [, including premiums for municipal bond insurance and a debt service reserve surety], as authorized by an Ordinance adopted by the Town Council of the Town on the ____ day of _____, 2018, entitled "An Amended and Restated Ordinance concerning the construction of additions and improvements to the sewage works of the Town of Rossville, the issuance of revenue bonds to provide the cost thereof, the collection, segregation and distribution of the revenues of said works, the safeguarding of the interests of the owners of said revenue bonds, other matters connected therewith, including the issuance of notes in anticipation of bonds, and repealing ordinances inconsistent herewith" ("Ordinance"), and in strict compliance with the provisions of IC 36-9-23, as in effect on the issue date of the Bonds ("Act").

Pursuant to the provisions of the Act and the Ordinance, the principal and interest of this Bond and all other Bonds of said issue, [including the Sewage Works Revenue Bonds of _____, 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) to be provided from the Net Revenues (defined as the gross revenues of the sewage works of the Town remaining after 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 Town, including the works authorized to be acquired and construed and all additions and improvements thereto and replacements thereof subsequently constructed or acquired. The bonds of this issue of which this bond is a part are on a parity with the Outstanding Bonds (as defined in the Ordinance).

The Town irrevocably pledges the entire Net Revenues of said 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 service rendered by said works, as are sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of said 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 Town or the proper officers of the Town 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 Town has designated the Bonds as qualified tax-exempt obligations to qualify for the \$10,000,000 exception from the provisions of Section 265(b) of the Internal Revenue Code of 1986 relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations.

[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 Town and The Depository Trust Company, or any substitute agreement, effecting such Book Entry System.]

The Town further covenants that it will set aside and pay into its Sewage Works Sinking Fund a sufficient amount of the Net Revenues of said works to meet: (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 the 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 to [create and] maintain the reserve required by the Ordinance. Such required payments shall constitute a first charge upon all the Net Revenues of said works, on a parity with the Outstanding Bonds [and the Series ____ Bonds].

The Bonds of this issue maturing on _____ 1, 20____, and thereafter, are redeemable at the option of the Town on _____ 1, 20____, or any date thereafter, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the Town 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____;
 0% if redeemed on _____ 1, 20____, or thereafter
 prior to maturity;

plus in each case accrued interest to the date fixed for redemption.

[The Bonds maturing on _____ 1, 20____ 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>
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*

*Final Maturity]

Each Five Thousand Dollars (\$5,000) 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 Town, as of the date which is forty-five (45) days prior to such redemption date, not less than 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 Town. 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 Town 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 Town shall have no further obligation or liability in respect thereto.

This Bond is transferable or exchangeable only upon the books of the Town kept for that purpose at the office of the Registrar, by the registered owner hereof in person, or by its 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 its attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in the same 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. The Town, the Registrar and any 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.

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, if the Town Council determines, in its sole discretion, that the amendment shall not adversely affect the rights of any of the owners of the Bonds.

The Bonds maturing in any one year are issuable only in fully registered form in the denomination of \$5,000 or any integral multiple thereof not exceeding the aggregate principal amount of the Bonds maturing in such year.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the preparation and complete 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 Town of Rossville, in Clinton County, Indiana, has caused this Bond to be executed in its corporate name by the manual or facsimile signature of its Town Council President, its corporate seal to be hereunto affixed, imprinted or impressed by any means and attested manually or by facsimile by its Clerk-Treasurer.

TOWN OF ROSSVILLE, INDIANA

[SEAL]

By: _____
Town Council President

Attest:

Clerk-Treasurer

[BOND INSURANCE LEGEND]

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

It is hereby certified that this Bond is one of the Bonds described in the Ordinance.

As Registrar

By: _____
Authorized Representative

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____, the within 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]

[End of bond form]

Section 6. Preparation and Sale of BANs and Bonds; Official Statement; Continuing Disclosure; Bond Insurance. (a) The Clerk-Treasurer is hereby authorized and directed to have the BANs and Bonds prepared, and the Town Council President and Clerk-Treasurer are hereby authorized and directed to execute the BANs and Bonds in the form and manner herein provided. The Clerk-Treasurer is hereby authorized and directed to deliver the BANs and Bonds to the respective purchasers thereof after sale made in accordance with the provisions of this ordinance, provided that at the time of the delivery the Clerk-Treasurer shall collect the full amount which the respective purchasers have agreed to pay therefor, which amount shall not be less than 99% of the par value of the BANs, and not less than 98% of the par value of the Bonds, as the case may be. The Town may receive payment for the BANs in installments. Each series of Bonds, when fully paid for and delivered to the purchaser, shall be the binding special revenue obligations of the Town, payable out of the Net Revenues of the Town's sewage works to be set aside into the Sinking Fund as herein provided, on a parity with the Outstanding Bonds. The proceeds derived from the sale of the Bonds shall be and are hereby set aside for application on the cost of the Project hereinbefore referred to, the refunding of the BANs, if issued, and the expenses necessarily incurred in connection with the BANs and Bonds. The proper officers of the Town are hereby directed 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) Distribution of an Official Statement (preliminary and final) for the Bonds, prepared by H.J. Umbaugh & Associates, Certified Public Accountants, LLP, on behalf of the Town, is hereby authorized and approved and the Town Council President and the Clerk-Treasurer are authorized and directed to execute the Official Statement on behalf of the Town in a form consistent with the ordinance. The Town Council President or Clerk-Treasurer is hereby authorized to designate the preliminary Official Statement as "nearly final" for purposes of Rule 15c2-12 as promulgated by the Securities and Exchange Commission ("Rule").

(c) If the Bonds are subject to the Rule, a continuing disclosure undertaking ("Undertaking") for the Bonds is hereby authorized and approved by the Town Council, and the Town Council President and Clerk-Treasurer are hereby authorized and directed to complete, execute and attest the same on behalf of the Town. Notwithstanding any other provisions of this ordinance, failure of the Town to comply with the Undertaking shall not be considered an event of default under the Bonds or this ordinance.

(d) In the event the financial advisor to the Town certifies to the Town that it would be economically advantageous for the Town to obtain a municipal bond insurance policy the Town hereby authorizes the purchase of 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 Town Council President and the Clerk-Treasurer 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 shall be deemed a part of this ordinance for all purposes and is hereby incorporated herein by reference.

Section 7. Bond Sale Notice. Prior to the sale of the Bonds, the Clerk-Treasurer shall cause to be published either (i) a notice of such sale in *The Times*, 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 Times* 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 notice or 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 Clerk-Treasurer and the attorneys employed by the Town 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 Town in establishing the issue price 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 of funds in an amount equal to 1% of the principal amount of the Bonds described in the notice and that 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 and the proceeds thereof shall be the property of the Town and shall be considered as its liquidated damages on account of such

default; that 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 that such interest rate or rates shall be in multiples of one-eighth (1/8) or one-hundredth (1/100) of one percent (1%). No conditional bid or bid for less than 98% 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 Town.

The Bonds shall be awarded by the Clerk-Treasurer to the best bidder who has submitted his bid in accordance with the terms of this ordinance, IC 5-1-11 and the notice. The best bidder will be the one who offers the lowest net interest cost to the Town, to be determined by computing the total interest on all of the Bonds to their maturities, 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 Town than the best bid received at the time of the advertised sale will be considered.

Section 8. Use of Proceeds. Any accrued interest received at the time of the delivery of the Bonds, and premium, if any, shall be deposited in the Sewage Works Sinking Fund, continued in Section 11. The remaining proceeds from the sale of the Bonds, 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 Town, in a special account or accounts to be designated as "Town of Rossville, Sewage Works Construction Account" ("Construction Account"). All funds deposited to the credit of the Sewage Works Sinking Fund or 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, and the acts amendatory thereof and supplemental thereto. The funds in the Construction Account shall be expended only for the purpose of paying the cost of the Project, refunding the BANs, if issued, or as otherwise required by the Act or for the expenses of issuance of the Bonds or BANs. The cost of obtaining the services of Ice Miller LLP, H.J. Umbaugh & Associates, Certified Public Accountants, LLP and the Town Attorney shall be considered as a part of the cost of the Project 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 Project, which are not required to meet unpaid obligations incurred in connection with such Project, shall either (1) be paid into the Sewage Works Sinking Fund and used solely for the purposes of the Sewage Works 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.

Section 9. Sewage Works Revenue Fund. There is hereby continued a fund known as the Sewage Works Revenue Fund ("Revenue Fund") into which all income and revenues of the sewage works shall be deposited upon receipt. This fund shall be maintained separate and apart from all other funds and accounts of the Town. Out of the Revenue Fund the proper and reasonable expenses of operation, repair and maintenance of the works shall be paid, the requirements of the Sewage Works Sinking Fund shall be met, and the cost of replacements, extensions, additions and improvements to the works and any PILOTs shall be paid. All moneys deposited in the Revenue Fund may be invested in accordance with IC 5-13-9 and other applicable laws.

Section 10. Operation and Maintenance Fund. The Operation and Maintenance Fund ("O&M Fund") is hereby continued. There shall be credited on the last day of each calendar month a sufficient amount of the revenues of the sewage works so that the balance in the O&M Fund shall be sufficient to pay the expenses of operation, repair and maintenance of the works for the then next succeeding two (2) 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 this Fund shall be used for PILOTs, depreciation, improvements, replacements, extensions or additions. Any moneys 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 11. Sewage Works Sinking Fund. (a) There is hereby continued a sinking 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 bonds, which fund shall be designated 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 Reserve Account hereby continued in the Sinking Fund. Such payments of Net Revenues shall continue until the balances in the Bond and Interest Account and the Reserve Account equal the principal of and interest on all of the then outstanding bonds of the sewage works to the final maturity.

(b) Bond and Interest Account. There is hereby continued within the Sinking Fund the Bond and Interest Account. There shall be credited on the last day of each calendar month from the Revenue Fund to the Bond and Interest Account an amount of the Net Revenues equal to (i) at least one-sixth (1/6) of the interest on all outstanding bonds payable on the then next succeeding interest payment date and (ii) at least one-sixth (1/6) of the principal on all then outstanding bonds payable on the then next succeeding principal payment date, until the amount of interest and principal payable on the then next succeeding interest and principal payment date 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 outstanding bonds as the same become payable. The Town 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) Reserve Account. There is hereby continued, within the Sinking Fund, the Reserve Account ("Reserve Account"). On the date of delivery of the Bonds, funds on hand of the sewage works, Bond proceeds or a combination thereof may be deposited into the Reserve Account. The Town may also fund all or a portion of the Reserve Account with a debt service reserve surety bond. The balance to be maintained in the Reserve Account shall equal but not exceed the least of: (i) maximum annual debt service on the Bonds and the Outstanding Bonds; (ii) 125% of average annual debt service on the Bonds and the Outstanding Bonds; or (iii) 10% of the stated principal amount or issue price, if applicable, of the Bonds and the Outstanding Bonds ("Reserve Requirement"). If the initial deposit into the Reserve Account does not cause the balance therein to equal the Reserve Requirement or if no deposit is made, a sum of Net

Revenues shall be credited to the Reserve Account on the last day of each calendar month until the balance therein equals the Reserve Requirement. The monthly deposits of Net Revenues shall be equal in amount and sufficient to accumulate the Reserve Requirement within five years of the date of delivery of the Bonds.

If the Town acquires a debt service reserve surety to satisfy the Reserve Requirement, the Town Council President and the Clerk-Treasurer are hereby authorized to execute and deliver all agreements with the provider of the surety to the extent necessary to comply with such terms. Such agreement shall be deemed a part of this ordinance for all purposes and is hereby incorporated herein by reference.

The Reserve Account shall constitute the margin for safety and protection against default in the payment of principal of and interest on the Bonds and the Outstanding Bonds and the moneys in the Reserve Account shall be used to pay current principal and interest on the Bonds and the Outstanding 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 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.

Section 12. Sewage Works Improvement Fund. There is hereby continued the Sewage Works Improvement Fund ("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 Improvement Fund, and said Fund shall be used for improvements, replacements, additions and extensions of the sewage works and to make payments representing PILOTs. The Town 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 O&M Fund and the Sinking Fund and the Accounts of the Sinking Fund contain the required balances as of the date the PILOTs are paid. Moneys in the Improvement Fund shall be transferred to the Sinking Fund if necessary to prevent a default in the payment of principal and interest on the then outstanding bonds 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. 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.

Section 13. Maintenance of Accounts; Investments. The Sinking Fund shall be deposited in and maintained as a separate account or accounts from all other accounts of the Town. The O&M Fund and the Improvement Fund may be maintained in a single account, or accounts, but such account, or accounts, shall likewise be maintained separate and apart from all other accounts of the Town 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 Indiana Code, Title 5, Article 13, as amended or supplemented, 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.

Section 14. Maintenance of Books and Records. The Town shall keep proper books of records and accounts, separate from all of its other records and accounts, in which complete

and correct entries shall be made showing all revenues collected from said works and all disbursements made on account of the works, also all transactions relating to said works. Copies of all such reports shall be kept on file in the office of the Clerk-Treasurer.

Section 15. Rate Covenant. The Town covenants and agrees that it will establish and maintain 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 or to be connected with and uses said sewage works by or through any part of the sewage system of the Town, or that in any way uses or is served by such works; that such rates or charges shall be sufficient in each year for the payment of the proper and reasonable expenses of operation, repair and maintenance of the works, and for the payment of the sums required to be paid into the Sinking Fund by the Act and this ordinance. Such rates or 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, repair and maintenance, and the requirements of the Sinking Fund. The rates or charges so established shall apply to any and all use of such works by and service rendered to the Town, and shall be paid by the Town as the charges accrue.

Section 16. Defeasance of Bonds. If, when any of the Bonds issued hereunder 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 any 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 any portion thereof and coupons then outstanding shall be paid; or (i) sufficient moneys, 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, 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 issued hereunder or any designated portion thereof shall no longer be deemed outstanding or entitled to the pledge of the Net Revenues of the Town's sewage works.

Section 17. Additional Bond Provisions. The Town reserves the right to authorize and issue additional BANs at any time ranking on a parity with the BANs. The Town 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 the 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 11(c) of this ordinance.

(b) The Net Revenues of the sewage works in the fiscal year immediately preceding the issuance of any additional 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 additional parity bonds, the sewage rates and charges shall be increased sufficiently so that said increased rates and charges applied to the previous year's operations would have produced Net Revenues equal to 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. For purposes of this subsection, the records of the sewage works shall be analyzed and all showings shall be prepared by a certified public accountant employed by the Town for that purpose.

(c) The principal of and interest on the additional parity bonds shall be payable semiannually on the first days of January and July.

Section 18. Further Covenants of the Town; Maintenance, Insurance, Pledge Not to Encumber, Subordinate Indebtedness, and Contract with Bondholders. For the purpose of further safeguarding the interests of the holders of the BANs and Bonds, it is specifically provided as follows:

(a) All contracts let by the Town in connection with the construction of the Project 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 one hundred percent (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 employer's 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 Project shall be constructed under the supervision and subject to the approval of such competent engineer as shall be designated by the Town. All estimates for work done or material furnished shall first be checked by the engineer and approved by the Town.

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

(d) So long as any of the BANs or Bonds are outstanding, the Town shall maintain insurance on the insurable parts of said works, of a kind and in an amount as would normally be carried by private companies engaged in a similar type of business. All insurance shall be placed with responsible insurance companies qualified to do business under the laws of the State of Indiana. As an alternative to maintaining such insurance, the Town may maintain a self insurance program with catastrophic or similar coverage so long as such program meets the requirements of any applicable laws or regulations and is maintained in a manner consistent with programs maintained by similarly situated municipalities. All insurance proceeds shall be used in replacing or repairing the property destroyed or damaged, or if not used for that purpose shall be treated and applied as Net Revenues of the works.

(e) So long as any of the BANs or Bonds are outstanding, the Town shall not mortgage, pledge or otherwise encumber such works, or any part thereof, nor shall it sell, lease or otherwise dispose of any part of the same, except equipment or property which may become worn out, obsolete, or no longer suitable for use in the sewage works.

(f) Except as hereinbefore provided in Section 17 hereof, so long as any of the Bonds herein authorized are outstanding, no additional bonds or other obligations pledging any portion of the revenues of said sewage works shall be authorized, executed, or issued by the Town except such as shall be made subordinate and junior in all respects to the Bonds herein authorized, unless all of the Bonds herein authorized are redeemed, retired or defeased pursuant

to Section 16 hereof coincidentally with the delivery of such additional bonds or other obligations.

(g) The Town 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 Town shall, insofar as possible, and to the extent permitted by law, cause all such sanitary sewers to be connected with said sewage works.

(h) The provisions of this ordinance shall constitute a contract by and between the Town 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 of the owners of the Bonds or BANs nor shall the Town Council adopt any law, ordinance or resolution which in any way adversely affects the rights of such owners so long as any of the Bonds, BANs or the interest thereon remain unpaid. Except for the changes set forth in Section 21(a)-(g), this ordinance may be amended, however, without the consent of BAN or Bond owners, if the Town Council determines, in its sole discretion, that such amendment would not adversely affect the owners of the BANs or Bonds.

(i) 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 portion of the Net Revenues herein directed to be set apart and paid into the Sinking Fund for the uses and purposes of said fund as in this ordinance set forth. The owners of the Bonds shall have all of 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 Town 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 properly the revenues derived from the operation thereof, in the event of default in the payment of the principal of or interest on any of the Bonds herein authorized or in the event of default in respect to any of the provisions of this ordinance or the governing Act.

Section 19. Investment of Funds. (a) The Clerk-Treasurer is hereby authorized to invest money pursuant to IC 5-1-14-3 and the provisions of this ordinance (subject to applicable requirements of federal law to insure such yield is the 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 Clerk-Treasurer 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 Clerk-Treasurer is hereby authorized and directed to employ consultants or attorneys from time to time to advise the Town as to requirements of federal law to preserve the tax exclusion. The Clerk-Treasurer may pay any fees as operation expenses of the sewage works.

Section 20. Tax Covenants. In order to preserve the exclusion of interest on the Bonds and BANs from gross income for federal income 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 Town 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 Town 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 Town 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 Town enters into a management contract for the sewage works, the terms of the contract will comply with IRS Revenue Procedure 2017-33, 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 Town) 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 Town 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 Town 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 Town act in any other manner which would adversely affect such exclusion. The Town 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) For the calendar year 2018, the Town represents that:

(i) The Town is a governmental unit with general taxing powers, which powers include the power to impose taxes of general applicability that, when collected, may be used for the general purposes of the Town;

(ii) The BANs and the Bonds are not private activity bonds as defined in Section 141 of the Code;

(iii) At least 95% of the net proceeds of the BANs and Bonds will be used for local governmental activities of the Town or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the Town;

(iv) The aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the Town and all units subordinate to the Town, including on-behalf-of issuers and subordinate entities as those terms are defined in Regulations Section 1.148-8(c)(2), is not reasonably expected to exceed \$5,000,000 in calendar year 2018; and

(v) The Town has not been formed or availed of to otherwise avoid the purposes of the \$5,000,000 size limitation.

Therefore, for the calendar year 2018, the Town meets the requirements of Section 148(f)(4)(D) of the Code and will not have to rebate any arbitrage profits to the United States.

(j) The Town covenants that it will rebate any arbitrage profits to the United States to the extent required by the Code and the regulations promulgated thereunder for any Bonds or BANs issued after 2018 which do not meet an exception to rebate as set forth in the Code and the regulations.

(k) For the calendar year 2018, the Town represents that:

(i) The Bonds and BANs are not private activity bonds as defined in Section 141 of the Code;

(ii) The Town hereby designates the Bonds and BANs as qualified tax-exempt obligations for purposes of Section 265(b) of the Code;

(iii) The reasonably anticipated amount of qualified tax-exempt obligations (including qualified 501(c)(3) obligations and tax-exempt leases but excluding other private activity bonds) which will be issued by the Town, and all entities subordinate to the Town during 2018 does not exceed \$10,000,000; and

(iv) The Town will not designate more than \$10,000,000 of qualified tax-exempt obligations during 2018.

Therefore, the Bonds and the BANs issued in 2018 qualify for the exception in the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to newly acquired tax-exempt obligations.

(l) The Town Council President and Clerk-Treasurer are authorized to designate the Bonds and the BANs issued in years after 2018 as qualified tax-exempt obligations under Section 265(b)(3) of the Code if the requirements of such Section of the Code are met for any series of Bonds or BANs.

Section 21. Amendments with Consent of Bondholders. Subject to the terms and provisions contained in this Section, 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, anything contained in this ordinance to the contrary notwithstanding, to consent to and approve the adoption by the Town of such ordinance or ordinances supplemental hereto as shall be deemed necessary or desirable by the Town 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 nothing herein contained shall permit or be construed as permitting:

- (a) An extension of the maturity of the principal of or interest on 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) The creation of a lien upon or a pledge of the 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; or
- (g) The extension of mandatory sinking fund redemption dates, if any.

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-Treasurer of the Town, 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 Town or its officers 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 Town and all owners of Bonds issued pursuant to the provisions of this ordinance 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 Town 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 ordinance, may be modified or altered in any respect with the consent of the Town and the consent of the owners of all the Bonds issued pursuant to this ordinance then outstanding.

Section 22. Issuance of BANs. (a) The Town, 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 to any other purchaser, pursuant to a Bond Anticipation Note Purchase Agreement ("Bond Anticipation Note Agreement") to be entered into between the

Town and the purchaser of the BAN or BANs. The Town Council hereby authorizes the issuance and execution of the BAN or BANs in lieu of initially issuing Bonds to provide interim financing for the Project until permanent financing becomes available. It shall not be necessary for the Town 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 Town Council President and the Clerk-Treasurer are hereby authorized to execute a Bond Anticipation Note Agreement (and any amendments made from time to time) in such form or substance as they shall approve acting upon the advice of counsel. The Town Council President and the Clerk-Treasurer 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 23. Rate Ordinance. The estimates of the rates and charges of the sewage works are set forth in Ordinance No. 2018-01 to be adopted on June 12, 2018 and said ordinance is incorporated herein by reference.

Section 24. Tax Exemption. 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 BANs and Bonds from gross income under federal law ("Tax Exemption") need not be complied with if the Town receives an opinion of nationally recognized bond counsel that any Tax Sections are unnecessary to preserve the Tax Exemption.

Section 25. Conflicting Ordinances. All ordinances and parts of ordinances in conflict herewith, including Ordinance No. 2018-03 adopted, on April 10, 2018, are hereby repealed; provided, however, that this ordinance shall not be construed as modifying, amending or repealing the ordinance authorizing the Outstanding Bonds or as adversely affecting the rights of the owners of the Outstanding Bonds.

Section 26. Effective Date. This ordinance shall be in full force and effect from and after its passage.

Passed and adopted by the Town Council of the Town of Rossville, Indiana on the 12th
day of JUNE, 2018.

TOWN COUNCIL OF THE TOWN OF
ROSSVILLE, INDIANA

David Scott
Justin [unclear]
Wm [unclear]

Attest:

[Signature]
Clerk-Treasurer

EXHIBIT A

Project Description

Construction of wastewater treatment plant improvements including new CSO storage tank, influent screening, wet weather pumps, sludge drying bed, aeration system improvements, new UV disinfection system, new chemical building and associated sitework, piping, electrical, and instrumentation and control systems.

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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.

July 26, 2018

J.J.B. Hilliard, W.L. Lyons, LLC
Indianapolis, Indiana

Re: City of Rossville, Indiana
Sewage Works Revenue Bonds of 2018
Total Issue: \$3,090,000
Dated: July 26, 2018

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the City of Rossville, Indiana ("Issuer") of \$3,090,000 of its Sewage Works Revenue Bonds of 2018, dated July 26, 2018 ("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 Sewage Works Revenue Bonds of 2016, dated November 3, 2016, now outstanding in the amount of \$2,230,000 and maturing semiannually over a period ending January 1, 2037, to which fund there has been legally pledged the net revenues (such net revenues being the gross revenues of the sewage works of the Town remaining after the payment of the reasonable expenses of operation, repair and maintenance, excluding transfers for payment in lieu of property taxes) of the sewage works.

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 alternative minimum tax, but it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for taxable years that began prior to January 1, 2018. 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 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 July 26, 2018, by the Town of Rossville, Indiana ("Obligor") for the purpose of permitting J.J.B. Hilliard, W.L. Lyons, LLC, as underwriter ("Underwriter"), to purchase the hereinafter defined 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 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:

1. Definitions. The words and terms defined in this Certificate shall have the meanings herein specified. Those words and terms not expressly defined herein, 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" means an Internet-based electronic filing system called the "Electronic Municipal Market Access" system as described in 1934 Act Release No. 59062 and maintained by the MSRB as further described in Section 5(e).
- (3) "Official Statement" means the Final Official Statement, dated as of July 12, 2018, relating to the Bonds, including any document or set of documents included by specific reference to such document or documents previously provided to MSRB.
- (4) "MSRB" shall mean the Municipal Securities Rulemaking Board, or any successor thereto for the purposes of the SEC Rule, which is the sole central repository, through the operation of EMMA, as provided in Section 5(e) hereof.
- (5) "Obligated Person" means any person, including an issuer of municipal securities, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), for which Annual Information (as defined in Section 5 hereof) is presented in the Official Statement. All Obligated Persons with respect to the Bonds are identified in Section 4 below.

2. Bonds. This Certificate applies to the Obligor's Sewage Works Revenue Bonds of 2018 in the principal amount of \$3,090,000 ("Bonds").

3. Term. The term of this Certificate is from the date of delivery of the Bonds by the Obligor to the earlier of: (i) the date of the last payment of principal or redemption price, if any, of, and interest to accrue on, all the Bonds; or (ii) the date the Bonds are defeased under Section 16 of the Amended and Restated Bond Ordinance adopted by the Obligor on June 12, 2018 ("Ordinance"), or (iii) the date of rescission as described in Section 11.

4. Obligated Persons. (a) 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, at its sole discretion, determines that it is no longer an Obligated Person, this Certificate shall no longer apply to the Obligor.

(b) The Obligor hereby represents and warrants that no Obligated Person is an obligated person (within the meaning of the SEC Rule) with respect to more than \$10,000,000 in aggregate amount of outstanding municipal securities, including the Bonds and excluding municipal securities that were offered in a transaction exempt from the SEC Rule pursuant to paragraph (d)(1) of the SEC Rule.

5. Provision of Annual Information. (a) The Obligor hereby undertakes to provide at least annually to the MSRB the most current copy of financial information of the Obligor which is customarily prepared by or for the Obligor, as required by Indiana law in effect at the time such financial information is prepared ("Annual Information").

As of the date of this Certificate, the Obligor is required by law to prepare, or cause to be prepared, the following Annual Information:

- Audit or Examination Report ("SBOA Report") of the Obligor prepared by the Indiana State Board of Accounts ("SBOA")
- Annual Financial Report of the Obligor

The Annual Information shall be filed by the June 30 immediately following each annual period. Such disclosure of Annual Information shall first occur by June 30, 2019, and shall be made by June 30 of every year thereafter, if the Annual Information is delivered to the Obligor by June 30 of each annual period. If, however, the Obligor has not received the Annual Information by such June 30 annual date, the Obligor agrees to (i) post a voluntary notice to the MSRB by June 30 of such annual period that the Annual Information has not been received, and (ii) post the Annual Information within 60 days of the Obligor's receipt thereof.

(b) If any Annual Information relating to the Obligor referred to in paragraph (a) of this Section 5 no longer can be generated 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 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.

(d) Annual Information required to be provided pursuant to this Section 5 may be provided by a specific reference to such Annual Information already prepared and previously provided to the MSRB or filed with the SEC. 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 SEC.

(e) 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.

(f) The Obligor or a Dissemination Agent (as defined in Section 8) must provide all filings in electric format, in the form of a word searchable portable document format (PDF).

6. 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 5(a) 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.

7. Reportable Events. The Obligor shall disclose the following events, in a timely manner 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:

- (a) non-payment related defaults;
- (b) modifications to the rights of Bondholders;
- (c) Bond calls;
- (d) release, substitution or sale of property securing repayment of the Bonds;
- (e) the consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the obligated person, or entry into or termination of a definitive Certificate relating to the foregoing; and

- (f) appointment of a successor or additional trustee or the change of name of a trustee.

The Obligor shall disclose the following events, in a timely manner within 10 business days of the occurrence of any of the following events, regardless of materiality, to the MSRB:

- (a) principal and interest payment delinquencies;
- (b) unscheduled draws on debt service reserves reflecting financial difficulties;
- (c) unscheduled draws on credit enhancements reflecting financial difficulties;
- (d) substitution of credit or liquidity providers, or their failure to perform;
- (e) defeasances;
- (f) rating changes;
- (g) adverse tax opinions or other material events affecting the tax exempt 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 notices or determinations with respect to the tax status of the securities;
- (h) tender offers; and
- (i) bankruptcy, insolvency, receivership or similar event of the obligated person.

The Obligor may from time to time choose to provide notice of the occurrence of any other event, in addition to those listed above, if, in the judgment of the Obligor, such other event is material with respect to the Bonds and should be disclosed, but the Obligor does not commit to provide any such notice of the occurrence of any material event except those events set forth above. The disclosure may be made to the MSRB through its EMMA system.

8. Use of Agent. The Obligor may, at its sole discretion, use an agent ("Dissemination Agent") in connection with the dissemination of any information required to be provided by the Obligor pursuant to 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 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.

9. 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 the MSRB.

10. 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 the holders of the Bonds 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 Certificate to which the Obligor is a party.

(b) Subject to paragraph (d) of this Section 10, if the Obligor fails to provide any information required of it by the terms of this Certificate, any Bondholder may pursue the remedy set forth in the preceding paragraph in any court of competent jurisdiction in the county in which the Obligor is located. An affidavit to the effect that such person is a Bondholder 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 10, 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 county in which the Obligor is located. 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 under this Section, a holder of Bonds shall give notice to the Obligor, via registered or certified mail, of such breach and its intent to pursue such remedy. Fifteen (15) days after mailing of such notice, and not before, a holder of Bonds may pursue such remedy under this Section. The Obligor's failure to honor its covenants hereunder shall not constitute a breach or default of the Bonds, the Ordinance or any other Certificate to which the Obligor is a party.

11. 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.

12. 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 law of the State of Indiana.

13. 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.

14. Successors and Assigns. All covenants and Certificates in this Certificate made by the Obligor shall bind their successors, whether so expressed or not.

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

To the Obligor:	Town of Rossville, Indiana
	Attn: Clerk-Treasurer
	17 West Main Street
	Rossville, IN 46065

IN WITNESS WHEREOF, the Obligor have caused this Certificate to be executed as of the 26th day of July, 2018.

TOWN OF ROSSVILLE, INDIANA, as Obligor

Town Council President

ATTEST:

Clerk-Treasurer

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