

This Final Official Statement is dated March 27, 2019

In the opinion of Barnes & Thornburg LLP, South Bend, Indiana (“Bond Counsel”), under existing laws, interest on the Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Bonds (the “Code”), and is not an item of tax preference for purposes of the federal alternative minimum tax. In the opinion of Bond Counsel under existing laws, interest on the Bonds is exempt from income taxation in the State of Indiana (the “State”), except for the State financial institutions tax. See “TAX MATTERS” and Appendix C herein. The Bonds have not been designated as qualified tax-exempt obligations pursuant to the provisions of Section 265(b)(3) of the Code.

\$22,415,000
CARMEL CLAY SCHOOLS, HAMILTON COUNTY, INDIANA
Carmel, Indiana
GENERAL OBLIGATION BONDS, SERIES 2019

Original Date: Date of Delivery (April 18, 2019)

Due: January 15 and July 15, as shown on inside cover page

Carmel Clay Schools, Hamilton County, Indiana (the “School Corporation”) is issuing \$22,415,000 of General Obligation Bonds, Series 2019 (the “Bonds”) for the purpose of paying for a portion of (i) the demolition of the existing Carmel Elementary School and the construction and equipping of a new elementary school at the same location; (ii) the construction and equipping of a new elementary school to be located on property off Clay Center Road; (iii) acquisition and installation of technology upgrades at school facilities throughout the School Corporation; (iv) the construction, renovation, upgrade and improvement of school facilities throughout the School Corporation to improve safety and security; (v) improvement and renovations at Forest Dale Elementary School, College Wood Elementary School, and Creekside Middle School; (vi) improvement and renovations at Carmel High School; (vii) the acquisition of performing arts instruments; (viii) completing other miscellaneous facility improvements, equipping and land improvements and/or acquisition projects throughout the geographical boundaries of the School Corporation; and (ix) undertaking all projects related to any of the projects described in any of clauses (i) through and including (viii) (clauses (i) through and including (ix), collectively, the “Project”), and to pay issuance costs. The School Corporation anticipates issuing approximately \$58,645,000* in Spring 2020 to fund the remaining costs of the Project.

The Bonds will be issued as provided in the Bond Resolution adopted by the Board of School Trustees on February 25, 2019 (the “Bond Resolution” or “Resolution”). The Bonds are payable from ad valorem property taxes levied on all taxable property within the School Corporation as more fully described in this Official Statement. See “CIRCUIT BREAKER TAX CREDIT” herein and “PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY, AND COLLECTION” herein. The total indebtedness of the School Corporation subject to the constitutional debt limit, including the Bonds, amounts to less than two percent of one third of the net assessed valuation of the School Corporation, as required by the constitution of the State of Indiana, and applicable Indiana laws.

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 15 and July 15 of each year, beginning July 15, 2020. Principal and interest will be disbursed on behalf of the School Corporation by The Huntington National Bank, in Indianapolis, Indiana, as registrar and paying agent (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 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 are not subject to optional redemption or mandatory sinking fund redemption prior to maturity.

STIFEL

*Preliminary, subject to change.

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

MATURITY SCHEDULE
(Base CUSIP* 143267)

<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 15, 2020	\$1,395,000	2.00%	1.65%	FE7	January 15, 2023	\$2,395,000	2.00%	1.66%	FK3
January 15, 2021	1,745,000	2.00%	1.65%	FF4	July 15, 2023	2,420,000	2.00%	1.67%	FL1
July 15, 2021	2,325,000	2.00%	1.62%	FG2	January 15, 2024	2,445,000	2.00%	1.69%	FM9
January 15, 2022	2,350,000	2.00%	1.64%	FH0	July 15, 2024	2,470,000	2.00%	1.71%	FN7
July 15, 2022	2,375,000	2.00%	1.65%	FJ6	January 15, 2025	2,495,000	2.00%	1.75%	FP2

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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 Barnes & Thornburg LLP, South Bend, Indiana, Bond Counsel. Certain legal matters will be passed on by Church, Church, Hittle & Antrim, Noblesville, Indiana, as Attorney for the School Corporation. The Bonds are expected to be available for delivery to DTC, in New York, New York, or such other location as requested by the Underwriter, on April 18, 2019.

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 School Corporation 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 School Corporation. 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 School Corporation and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinions 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 School Corporation since the date of delivery of the securities described herein to the initial purchaser thereof. However, upon delivery of the securities, the School Corporation will provide a certificate stating there have been no material changes in the information contained in the Final Official Statement, since its delivery.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE BONDS OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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PROJECT PERSONNEL

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

Board of School Trustees

Michael Kerschner, President
Katie Browning, Vice President
Lin Zheng, Secretary
Pam Knowles
Layla Spanenberg

Superintendent

Michael Beresford

Associate Superintendent for
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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

\$22,415,000

CARMEL CLAY SCHOOLS, HAMILTON COUNTY, INDIANA Carmel, Indiana GENERAL OBLIGATION BONDS, SERIES 2019

INTRODUCTION TO THE OFFICIAL STATEMENT

Carmel Clay Schools, Hamilton County, Indiana (the “School Corporation”) is issuing \$22,415,000 of General Obligation Bonds, Series 2019 (the “Bonds”).

SECURITY AND SOURCES OF PAYMENT

The Bonds are the general obligation of the School Corporation payable from ad valorem property taxes to be levied on all taxable property within the School Corporation.

CIRCUIT BREAKER TAX CREDIT

Indiana Code Title 6, Article 1.1, Chapter 20.6 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”). If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. The legislation requires local governments to fund their debt service obligations regardless of any property tax revenue shortfalls due to the Circuit Breaker Tax Credit. The State may intercept funds to pay debt service. (See “Intercept Program” and “Circuit Breaker Tax Credit” herein).

PURPOSE

The Bonds are being issued for the purpose of paying for a portion of (i) the demolition of the existing Carmel Elementary School and the construction and equipping of a new elementary school at the same location; (ii) the construction and equipping of a new elementary school to be located on property off Clay Center Road; (iii) acquisition and installation of technology upgrades at school facilities throughout the School Corporation; (iv) the construction, renovation, upgrade and improvement of school facilities throughout the School Corporation to improve safety and security; (v) improvement and renovations at Forest Dale Elementary School, College Wood Elementary School, and Creekside Middle School; (vi) improvement and renovations at Carmel High School; (vii) the acquisition of performing arts instruments; (viii) completing other miscellaneous facility improvements, equipping and land improvements and/or acquisition projects throughout the geographical boundaries of the School Corporation; and (ix) undertaking all projects related to any of the projects described in any of clauses (i) through and including (viii) (clauses (i) through and including (ix), collectively, the “Project”), and to pay issuance costs. Funding for a portion of the Project will be provided from proceeds of the Bonds and interest earnings during construction. The School Corporation anticipates issuing approximately \$58,645,000* in Spring 2020 to fund the remaining costs of the Project.

REDEMPTION PROVISIONS

The Bonds are not subject to optional redemption or mandatory sinking fund redemption prior to maturity.

DENOMINATIONS

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

*Preliminary, subject to change.

REGISTRATION AND EXCHANGE FEATURES

The Huntington National Bank, Indianapolis, Indiana will serve as registrar and paying agent (the “Registrar” and the “Paying Agent”). Each registered Bond shall be transferable or exchangeable only on such record at the designated corporate trust office of the Registrar and Paying Agent, at the written request of the registered owner thereof or his/her 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/her duly authorized attorney. A further description of the registration and exchange features of the Bonds can be found in the Bond Resolution.

BOOK-ENTRY-ONLY SYSTEM

When issued, the Bonds will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). Purchases of beneficial interests in the Bonds will be made in book-entry-only form. Purchasers of beneficial interests in the Bonds (the “Beneficial Owners”) will not receive physical delivery of certificates representing their interests in the Bonds. For so long as the Bonds are held in book-entry-only form, payments of principal of and interest on the Bonds will be paid by the Paying Agent only to DTC or its nominee. Neither the School Corporation nor the Paying Agent will have any responsibility for a Beneficial Owner’s receipt from DTC or its nominee, or from any Direct Participant (as hereinafter defined) or Indirect Participant (as hereinafter defined), of any payments of principal of or interest on any Bonds. See “Book-Entry-Only System” under this caption of this Official Statement.

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 first day of the month of 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.

TAX MATTERS

In the opinion of Barnes & Thornburg LLP, South Bend, Indiana (“Bond Counsel”), under existing laws, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Bonds (the “Code”), and is not an item of tax preference for purposes of the federal alternative minimum tax. In the opinion of Bond Counsel under existing laws, interest on the Bonds is exempt from income taxation in the State of Indiana (the “State”), except for the State financial institutions tax. See “TAX MATTERS” and Appendix C herein. The Bonds have not been designated as “qualified tax-exempt obligations” pursuant to provisions of Section 265(b)(3) of the Code.

The foregoing does not purport to be a comprehensive description of all the tax consequences of owning the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to the foregoing and other tax consequences of owning the Bonds.

MISCELLANEOUS

The information contained in this Official Statement has been compiled from School Corporation officials and other sources deemed to be reliable, and while not guaranteed as to completeness or accuracy, it is believed to be correct as of this date. However, the Official Statement speaks only as of its date, and the information contained herein is subject to change.

In addition, the information presented in this Official Statement is based on the laws and regulations of the United States of America and the State of Indiana and related court and administrative law decisions in effect as of the date

of this Official Statement (collectively, the “Laws”). Furthermore, the opinion delivered by Barnes and Thornburg in connection with the issuance of the Bonds is based on the Laws. No assurance can be given as to the impact, if any, future events, regulations, legislation, court decisions or administrative decisions may have with respect to the Laws or that any or all of the Laws will remain in effect during the entire term of the Bonds.

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 Associate Superintendent for Business Affairs, Carmel Clay Schools, 5201 East Main Street, Carmel, Indiana 46033, phone (317) 844-9961.

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

The Bonds are being issued for the purpose of paying for a portion of (i) the demolition of the existing Carmel Elementary School and the construction and equipping of a new elementary school at the same location; (ii) the construction and equipping of a new elementary school to be located on property off Clay Center Road; (iii) acquisition and installation of technology upgrades at school facilities throughout the School Corporation; (iv) the construction, renovation, upgrade and improvement of school facilities throughout the School Corporation to improve safety and security; (v) improvement and renovations at Forest Dale Elementary School, College Wood Elementary School, and Creekside Middle School; (vi) improvement and renovations at Carmel High School; (vii) the acquisition of performing arts instruments; (viii) completing other miscellaneous facility improvements, equipping and land improvements and/or acquisition projects throughout the geographical boundaries of the School Corporation; and (ix) undertaking all projects related to any of the projects described in any of clauses (i) through and including (viii) (clauses (i) through and including (ix), collectively, the “Project”), and to pay issuance costs. Funding for a portion of the Project will be provided from proceeds of the Bonds and interest earnings during construction. The School Corporation anticipates issuing approximately \$58,645,000* in Spring 2020 to fund the remaining costs of the Project.

ESTIMATED PROJECT FUNDING AND COSTS

Estimated Project Funding

General Obligation Bonds, Series 2019	\$22,415,000.00
Net Bond Premium (1)	<u>165,191.55</u>
Total Estimated Project Funding	<u><u>\$22,580,191.55</u></u>

Estimated Project Costs

Project related costs	\$20,905,191.55
Site work related costs	1,500,000.00
Issuance costs and contingencies (2)	<u>175,000.00</u>
Total Estimated Project Costs	<u><u>\$22,580,191.55</u></u>

(1) Represents original issue premium of \$250,241.55 less Underwriter’s discount of \$85,050.00.

(2) Includes estimated fees for local attorney, Bond Counsel, Municipal Advisor, Registrar and Paying Agent, printing, rating, legal advertising, and other miscellaneous expenses.

*Preliminary, subject to change.

SCHEDULE OF AMORTIZATION OF \$22,415,000 PRINCIPAL AMOUNT OF
GENERAL OBLIGATION BONDS, SERIES 2019

<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>
07/15/2020	\$22,415	\$1,395	2.00	\$556,639.17	\$1,951,639.17	
01/15/2021	21,020	1,745	2.00	210,200.00	1,955,200.00	\$3,906,839.17
07/15/2021	19,275	2,325	2.00	192,750.00	2,517,750.00	
01/15/2022	16,950	2,350	2.00	169,500.00	2,519,500.00	5,037,250.00
07/15/2022	14,600	2,375	2.00	146,000.00	2,521,000.00	
01/15/2023	12,225	2,395	2.00	122,250.00	2,517,250.00	5,038,250.00
07/15/2023	9,830	2,420	2.00	98,300.00	2,518,300.00	
01/15/2024	7,410	2,445	2.00	74,100.00	2,519,100.00	5,037,400.00
07/15/2024	4,965	2,470	2.00	49,650.00	2,519,650.00	
01/15/2025	2,495	2,495	2.00	24,950.00	2,519,950.00	5,039,600.00
Totals		<u>\$22,415</u>		<u>\$1,644,339.17</u>	<u>\$24,059,339.17</u>	<u>\$24,059,339.17</u>

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 20, Article 48, Chapter 1, as in effect on the date of delivery of the Bonds and pursuant to the Bond Resolution (Appendix B) adopted by the Board of School Trustees on February 25, 2019.

Pursuant to Indiana Code 6-1.1-20, with certain exceptions listed below, when property taxes are pledged to the repayment of bonds or leases to finance a project, a determination must be made as to whether the project is a “controlled project”. Projects classified as controlled projects are subject to certain public approval procedures. A controlled project is one that is financed by a bond or lease, is payable by property taxes and costs the local governmental entity more than the thresholds set forth in Indiana Code 6-1.1-20. While the Project is a controlled project that could have been subject to the referendum process, such process was not initiated by real property owners or registered voters.

Therefore, the issuance of the Bonds was able to continue without additional approval procedures. Because the Project funded by the Bonds was not approved by a referendum vote, the ad valorem property tax to be levied on all taxable property within the School Corporation to repay the Bonds will be included in the Circuit Breaker Tax Credit calculation.

SECURITY AND SOURCES OF PAYMENT

The Bonds are the general obligation of the School Corporation payable from ad valorem property taxes to be levied on all taxable property within the School Corporation.

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

INTERCEPT PROGRAM

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

purpose for the next succeeding calendar year, the DLGF must establish levies and appropriations which are sufficient to pay such obligations.

The Act further provides upon failure to pay any Debt Service Obligation when due and upon notice and claim being filed with the Treasurer of the State of Indiana (the "State Treasurer"), the State Treasurer will pay the unpaid Debt Service Obligation of the school corporation within five (5) days, excluding Saturdays, Sundays and legal holidays of receiving such notice to the extent that the amounts described below as the Available Funds are available to the State Treasurer in accordance with the following procedures: (a) upon notice and claim being filed with the State Treasurer, the State Treasurer must immediately contact the school corporation and the person or entity filing the claim to confirm whether the school corporation is unable to make the required payment on the due date, (b) if confirmed, the State Treasurer must notify the Budget Director of the State of Indiana (the "State Budget Director"), the Auditor of the State of Indiana (the "State Auditor") and any department or agency of the State of Indiana responsible for distributing funds appropriated by the Indiana General Assembly (the "General Assembly") to provide the State Treasurer with available funds in order for the State Treasurer to fulfill his/her obligations under the Act, (c) within three (3) days, excluding Saturdays, Sundays and legal holidays, of receiving the notice from the State Treasurer, the State Budget Director, the State Auditor and any department or agency of the State of Indiana responsible for distributing funds appropriated by the General Assembly must provide the State Treasurer with available funds in order for the State Treasurer to fulfill his/her obligations under the Act, and (d) the State Treasurer must make such payment to the claimant from such funds within five (5) days, excluding Saturdays, Sundays and legal holidays of the claim being filed with the State Treasurer (clauses (a) through and including (d), collectively, the "State Intercept Program"). The funds to make such payment will be from the following sources, in the following amount and in the following order of priority: (i) first, from amounts appropriated by the General Assembly for distribution to the school corporation from State funds in the current fiscal year of the State of Indiana (the "Current Year School Distribution"), which begins on July 1 and ends on the immediately following June 30 (the "State Fiscal Year"), (ii) second, to the extent the amounts described in clause (i) are insufficient, from any remaining amounts appropriated by the General Assembly for distribution for tuition support in the current State Fiscal Year which are in excess of the aggregate amount of tuition support needed for distribution to all school corporations during the current State Fiscal Year, and (iii) third, to the extent the amounts described in clauses (i) and (ii) are insufficient and the General Assembly has adopted a biennial budget appropriating amounts in the immediately succeeding State fiscal year for distribution to the school corporation from State funds, then from such fund or account, as determined by the State Budget Director in an amount equal to the lesser of the unpaid Debt Service Obligation or the amount to be distributed to the school corporation in the immediately succeeding State Fiscal Year (clauses (i) through and including (iii), collectively, the "Available Funds"). If any such payment is made by the State Treasurer pursuant to the State Intercept Program, then the State will recover such amounts by deducting such amount from the future State distributions to be made to the school corporation, first from all funds of the school corporation except tuition support. In accordance with the paying agency agreement with the Registrar and Paying Agent, the Paying Agent is to immediately notify and demand payment from the State Treasurer if the School Corporation should default on its obligation to pay debt service with respect the Bonds on the date which is no later than the last day of the month prior to the month of each January 15 and July 15, commencing with the payment due on July 15, 2020. The estimated State distributions for State fiscal year 2019 and resulting debt service coverage levels are as follows:

Fiscal Year 2019 Basic Grant Distribution (all funds) (1)	<u>\$98,043,895</u>
Estimated Combined Maximum Annual Debt Service (2)	<u>\$28,051,514</u>
State Distributions Required to Provide Two-Times Coverage	<u>\$56,103,028</u>
State Distributions Above Two-Times Coverage Amount	<u>\$41,940,867</u>

(1) Per the Indiana Department of Education, net of adjustments.

(2) Based on combined outstanding debt for the year 2020 including debt service on the Bonds.

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

INVESTMENT OF FUNDS

The proceeds of the Bonds 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 School Corporation 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

The Bonds are not subject to optional redemption or mandatory sinking fund redemption prior to maturity.

BOOK-ENTRY-ONLY SYSTEM

DTC 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 certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities 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 S&P Global'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 affect 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 the 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 Resolution. For example, Beneficial Owners of the 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.

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

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the School Corporation or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the School Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School Corporation or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

The information in this subcaption concerning DTC and DTC's book-entry system has been obtained from sources that the School Corporation believes to be reliable, but the School Corporation takes no responsibility for the accuracy thereof.

Discontinuation of Book-Entry System

In the event that the book-entry system for the Bonds is discontinued, the Registrar would provide for the registration of the Bonds in the name of the Beneficial Owners thereof. The School Corporation and the Registrar 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 neither the School Corporation nor the Registrar would be bound by any notice or knowledge to the contrary.

Each Bond would be transferable or exchangeable only upon the presentation and surrender thereof at the corporate trust office of the Registrar, duly endorsed for transfer or exchange, or accompanied by a written assignment duly executed by the owner or its authorized representative in form satisfactory to the Registrar. Upon due presentation of any Bonds for transfer or exchange, the Registrar would authenticate and deliver in exchange therefor, within a reasonable time after such presentation, a new Bond, registered in the name of the transferee or transferees (in the case of a transfer), or the owner (in the case of an exchange), in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond so presented. The School

Corporation or the Registrar would require the owner of any Bonds to pay a sum sufficient to cover any tax, fee or other governmental charge required to be paid in connection with the transfer or exchange of such Bonds.

PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION

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

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

The certified statement of assessed value is used when the governing body of a local taxing unit meets to establish its budget for the next fiscal year (January 1 through December 31) and to set tax rates and levies. In preparing the taxing unit’s estimated budget, the governing body must consider the net property tax revenue that will be collected by the taxing unit during the ensuing year, after taking into account the DLGF’s estimate of the amount by which the taxing unit’s distribution of property taxes will be reduced by the application of the Circuit Breaker Tax Credit (as defined in the summary of “CIRCUIT BREAKER TAX CREDIT” herein), and after taking into account the DLGF’s estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the taxing unit will receive in the ensuing year. Before May 1 of each year after 2017, the fiscal officer of each political subdivision shall provide the DLGF with an estimate of the total amount of its debt service obligations (as defined in IC 6-1.1-20.6-9.8) that will be due in the last six months of the current year and in the ensuing year. Beginning in 2018, the DLGF shall provide to each political subdivision: (1) an estimate of the maximum property tax rate that may be imposed by the political subdivision for the ensuing year for each cumulative fund or other fund for which a maximum property tax rate is established by law; and (2) an estimate of property taxes payable for the ensuing year for debt service. Before August 1 of each year, the DLGF shall provide to each taxing unit (1) an estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the unit will receive in the ensuing year if the unit’s tax rates are imposed at the maximum allowable rate and levy under law and (2) an estimate of the amount by which the taxing unit’s distribution of property taxes will be reduced due to the Circuit Breaker Tax Credit. Beginning in 2018, the State Budget Agency must provide to the DLGF and the County Auditor an estimate of the certified local income tax distribution before June 1, and the DLGF must provide by July 1, the estimated amounts to be distributed at the taxing level to the County Auditor.

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

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

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

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

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

Pursuant to State law, real property is valued for assessment purposes at its "true tax value" as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4 and the 2011 Real Property Assessment Guidelines, Version A ("Guidelines"), as adopted by the DLGF. P.L. 204-2016, SEC. 3, enacted in 2016, retroactive to January 1, 2016, amends State law to provide that "true tax value" for real property does not mean the value of the property to the user and that true tax value shall be determined under the rules of the DLGF. As a result of P.L. 204-2016, the DLGF has begun the process of amending the Manual. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and IC 6-1.1-4, as amended by P.L. 180-2016. Except for agricultural land, as discussed below, the Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal method, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they produce "accurate and uniform values throughout the jurisdiction and across all classes of property". The Manual specifies the standards for accuracy and validation that the DLGF uses to determine the acceptability of any alternative appraisal method. "Net Assessed Value" or "Taxable Value" represents the "Gross Assessed Value" less certain deductions for mortgages, veterans, the aged, the blind, economic revitalization areas, resource recovery systems, rehabilitated residential property, solar energy systems, wind power devices, hydroelectric systems, geothermal devices and tax-exempt property. The "Net Assessed Value" or "Taxable Value" is the assessed value used to determine tax rates.

Changes in assessed values of real property occur periodically as a result of the county's reassessment plan, as well as when changes occur in the property value due to new construction or demolition of improvements. Before July 1, 2013, and before May 1 of every fourth year thereafter, each county assessor will prepare and submit to the DLGF a reassessment plan for the county. The DLGF must complete its review and approval of the reassessment plan before January 1 of the year following the year in which the reassessment plan is submitted by the county. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels in a particular class of real

property shall begin on May 1 of a year, and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed. The county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year. However, a plan must cover a four (4) year period. All real property in each group of parcels shall be reassessed under the county's current reassessment plan once during each reassessment cycle. The reassessment of the first group of parcels under a county's reassessment plan begins on May 1, 2018, and is to be completed on or before January 1, 2019. Since 2007, all real property assessments are revalued annually to reflect market value based on comparable sales data ("Trending"). When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner may file a petition requesting a review of the action. This petition must be filed with the county assessor in which the property is located within 45 days after the written notification is given to the taxpayer or May 10 of that year, whichever is later. While the appeal is pending, the taxpayer may pay taxes based on the current year's tax rate and the previous or current year's assessed value.

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

CIRCUIT BREAKER TAX CREDIT

Description of Circuit Breaker:

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

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

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

The Statute requires political subdivisions to fully fund the payment of outstanding debt service or lease rental obligations payable from property taxes ("Debt Service Obligations"), regardless of any reduction in property tax collections due to the application of the Circuit Breaker Tax Credit. For school corporations, any shortfall could

also be funded through the State Intercept Program (herein defined); however, application of the State Intercept Program will result in a shortfall in distributions to the school corporation's general fund and school corporations are encouraged by the DLGF to fund any shortfall directly from the school corporation's general fund to avoid the application of the State Intercept Program. Upon: (i) the failure of a political subdivision to pay any of its Debt Service Obligations; and (ii) notification of that event to the treasurer of the State by a claimant; the treasurer of State is required to pay the unpaid Debt Service Obligations from money in the possession of the State that would otherwise be available to the political subdivision under any other law. A deduction must be made: (i) first, from local income tax distributions that would otherwise be distributed to the county; and (ii) second, from any other undistributed funds of the political subdivision in possession of the State.

The Statute also provides that if a school corporation has sufficient Circuit Breaker Tax Credit losses in either 2014, 2015, 2016, 2017, 2018 or 2019 and has such annual losses timely certified by the DLGF, it will be an eligible school corporation for such year under I.C. 6-1.1-20.6-9.9 (an "Eligible School Corporation"). However, in 2017, 2018 and 2019, if a school corporation: (i) issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than: (A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or (B) for indebtedness that is approved in a local public question or referendum under I.C. 6-1.1-20 or any other law; and (ii) the school corporation's total debt service levy and rate in 2017, 2018 or 2019 is greater than the school corporation's debt service levy and rate in 2016, the school corporation will not be an Eligible School Corporation even if it would otherwise qualify. For the applicable year or years, an Eligible School Corporation may allocate its Circuit Breaker Tax Credit losses for that year proportionately across all of its property tax supported funds, including its debt service fund, thereby being exempted from the protected taxes requirement as described above.

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

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

The School Corporation cannot predict the timing, likelihood or impact on property tax collections of any future actions taken, amendments to the Constitution of the State of Indiana or legislation enacted, regulations or rulings promulgated or issued to implement any such regulations, statutes or the Constitutional Provision described above or of future property tax reform in general. There has been no judicial interpretation of this legislation. In addition, there can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes by the School Corporation.

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

Estimated Circuit Breaker Tax Credit for the School Corporation:

According to the DLGF, the Circuit Breaker Tax Credit allocable to the School Corporation for budget years 2016, 2017 and 2018 were \$2,209,910, \$2,206,756 and \$1,588,476, respectively. These estimates do not include the estimated debt service on the Bonds.

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

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 School Corporation will enter into a Continuing Disclosure Contract (the "Contract"), in connection with the sale of the Bonds, provided that the winning bidder is an Underwriter and the Bonds will be subject to the SEC Rule. Pursuant to the terms of the Contract, the School Corporation agrees to provide the information detailed in the Contract, the form of which is attached hereto as Appendix D.

The purpose of the Contract is to enable the Underwriter to purchase the Bonds by providing for an undertaking by the School Corporation in satisfaction of the SEC Rule. The School Corporation's failure to honor its covenants under the Contract shall not constitute a breach or default of the Bonds, the Bond Resolution or any other agreement.

In order to assist the Underwriter in complying with the Underwriter's obligations pursuant to the SEC Rule, the School Corporation represents that it has conducted or caused to be conducted what it believes to be a reasonable review of the School Corporation's compliance with its continuing disclosure obligations. Based upon such review, the School Corporation represents that in the previous five years it has not fully complied with its previous contracts including, but may not be limited to, the following instances: the unaudited annual financial statement was not timely filed for the calendar year ending December 31, 2014. The unaudited annual financial statement is now available on the MSRB's EMMA system. Certain operating data were not timely filed for calendar year ending December 31, 2014. Operating data for 2014 was not linked to all CUSIPS. The operating data is now available on the MSRB's EMMA system. Rating changes which are not assigned to the School Corporation, such as bond insurer rating changes, have not consistently been filed as material events because reportable events are only required to be filed on the ratings on the School Corporation's bonds.

The School Corporation makes no representations as to any potential materiality of such prior instances, as materiality is dependent upon individual facts and circumstances. The School Corporation has retained Baker Tilly (as hereinafter defined) as its dissemination agent. The School Corporation has conducted a review of compliance of its previous contracts, and the list above represents any instances of non-compliance of which the School Corporation is aware.

BOND RATING

S&P Global Ratings ("S&P Global") has assigned a programmatic bond rating of "AA+" to the Bonds based upon the Indiana State Intercept Program (see page 4 for a description of the State Intercept Program). S&P Global has also assigned an underlying rating of "AA" to the Bonds. Such ratings reflect only the view of S&P Global and any explanation of the significance of such ratings may only be obtained from S&P Global.

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

The School Corporation did not apply to any other rating service for a rating on the Bonds.

UNDERWRITING

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) at a purchase price of \$22,580,191.55, which is the par amount of the Bonds of \$22,415,000.00 less the Underwriter’s discount of \$85,050.00 plus the original issue premium of \$250,241.55.

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 reallocate concessions to other dealers. After the initial public offering, the public offering price may be varied from time to time by the Underwriter.

MUNICIPAL ADVISOR

Baker Tilly Municipal Advisors, LLC (successor to H.J. Umbaugh & Associates, Certified Public Accountants, LLP) (the “Municipal Advisor” or “Baker Tilly”) has been retained by the School Corporation 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 School Corporation officials and other sources deemed to be reliable. The Municipal Advisor has not and will not independently verify the completeness and accuracy of the information contained in the Official Statements.

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

Municipal Advisor Registration:

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

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

On March 1, 2019, H.J. Umbaugh & Associates, Certified Public Accountants, LLP (“Umbaugh”) effected a business combination with Baker Tilly Virchow Krause, LLP, (Chicago, Illinois), a financial services and accounting firm (“Umbaugh/Baker Tilly Combination”). Baker Tilly Virchow Krause, LLP also anticipates combining with Springsted Incorporated, (Saint Paul, Minnesota), a municipal and management advisory firm, which is expected to become effective the second quarter of 2019. As part of the Umbaugh/Baker Tilly Combination, (a) the School Corporation consented to the assignment of its engagement to perform municipal advisory services from Umbaugh to Baker Tilly and (b) Umbaugh’s former municipal advisor representatives became representatives of Baker Tilly.

Other Financial Industry Activities and Affiliations:

Umbaugh Cash Advisory Services, LLC (“UCAS”) is a wholly-owned subsidiary of Umbaugh. Since the Umbaugh/Baker Tilly Combination, all the representatives of UCAS are employees of Baker Tilly Virchow Krause, LLP, an advisory, tax and assurance firm headquartered in Chicago, Illinois. Baker Tilly Virchow Krause, LLP, and its affiliated entities, have operations in North America, South America, Europe, Asia and Australia. UCAS is an independent member of Baker Tilly International, a worldwide network of independent accounting and business advisory firms in 47 territories, with 33,600 professionals.

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 Baker Tilly.

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.

TAX MATTERS

In the opinion of Barnes & Thornburg LLP, South Bend, Indiana (“Bond Counsel”), under existing laws, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the Bonds (the “Code”). The opinion of Bond Counsel is based on certain certifications, covenants and representations of the School Corporation and is conditioned on continuing compliance therewith. In the opinion of Bond Counsel under existing laws, interest on the Bonds is exempt from income taxation in the State for all purposes, except the State financial institutions tax. See Appendix C for the form of opinion of Bond Counsel.

The Code imposes certain requirements which must be met subsequent to the issuance of the Bonds as a condition to the excludability of the interest on the Bonds from gross income for federal income tax purposes. Noncompliance with such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issue, regardless of the date on which noncompliance occurs. Should the Bonds bear interest that is not excludable from gross income for federal income tax purposes, the market value of the Bonds would be materially and adversely affected. It is not an event of default if interest on the Bonds is not excludable from gross income for federal income tax purposes pursuant to any provision of the Code which is not in effect on the date of issuance of the Bonds.

The interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum tax.

The Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Indiana Code 6-5.5 imposes a franchise tax on certain taxpayers (as defined in Indiana Code 6-5.5) which, in general, include all corporations which are transacting the business of a financial institution in the State. 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 excludable from gross income for federal income tax purposes and exempt from State income tax, the accrual or receipt of interest on the Bonds may otherwise affect an owner’s federal or state tax liability. The nature and extent of these other tax consequences will depend upon the owner’s particular tax status and the owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Bonds should consult their own tax advisors with regard to the other tax consequences of owning the Bonds.

The foregoing does not purport to be a comprehensive description of all of the tax consequences of owning the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the foregoing and other tax consequences of owning the Bonds.

AMORTIZABLE BOND PREMIUM

The initial public offering price of each maturity of the Bonds (collectively, the “Premium Bonds”), is greater than the principal amounts thereof payable at maturity. 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 public 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). The amount of amortizable Bond Premium will be computed on the basis of the taxpayer’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 such Premium Bonds and with respect to the state and local tax consequences of owning and disposing of the Premium Bonds.

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

LITIGATION

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

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

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving opinion of Barnes & Thornburg LLP, South Bend, Indiana, Bond Counsel, whose approving opinion will be available at the time of delivery of the Bonds. Barnes & Thornburg 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 C of this Official Statement.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The enforceability of the rights and remedies of the registered owners of the Bonds under the Bond Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the enforceability of the rights and remedies under the Bond Resolution may be limited.


The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State and the United States of America and bankruptcy, reorganization, insolvency 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). Those exceptions would encompass any exercise of federal, State or local police powers (including the police powers of the School Corporation and the State), in a manner consistent with the public health and welfare. The enforceability of the Bond Resolution, in a situation where such enforcement or availability may adversely affect the public health and welfare, may be subject to those police powers.

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

This Official Statement and its execution are duly authorized.

CARMEL CLAY SCHOOLS,
HAMILTON COUNTY, INDIANA

By: 
President, Board of School Trustees

Attest: 
Secretary, Board of School Trustees

APPENDIX A

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CARMEL CLAY SCHOOLS

SYSTEM OVERVIEW

Carmel Clay Schools (the “School Corporation”) was reorganized in 1962 and comprises approximately 50 square miles in southwestern Hamilton County. The School Corporation consists of Clay Township, which includes the City of Carmel.

The School Corporation is comprised of eleven elementary schools housing students in grades kindergarten through five; three middle schools which provide education to students in grades six through eight, and one high school which enrolls students in grades nine through twelve. Four of the elementary schools offer early childhood education.

Through the issuance of First Mortgage Bonds in 2002 and 2003, the School Corporation made capital improvements to Carmel Middle School, Clay Middle School, and Forest Dale Elementary School and constructed Creekside Middle School and a new freshmen center. Additionally, First Mortgage Bonds were issued in 2005 for the construction of West Clay Elementary School and the renovation of four existing elementary schools. Through the issuance of General Obligation Bonds in 2014, improvements were made to Mohawk Trails, Carmel, Smoky Row, and Cherry Tree elementary schools, as well as Carmel High School. Additionally, General Obligation Bonds, Series 2016 were issued for improvements to Carmel High School, replacing the temperature control systems at Creekside Middle School and Clay Middle School, and implementing technology upgrades at each of the schools throughout the School Corporation. General Obligation Bonds, Series 2018 were issued for renovations and facility improvements at Carmel High School and Forest Dale Elementary School, as well as technology upgrades throughout the School Corporation facilities.

FACILITIES

The School Corporation presently operates the following schools.

<u>School</u>	<u>Grades</u>	<u>Year Opened</u>	<u>Additions/ Renovations</u>	<u>Actual 2018/2019 Enrollment</u>
Carmel Elementary School	K-5	1961	1970, 1988, 1992, 2014	461
Cherry Tree Elementary School	PK-5	1989	1992, 2005, 2014	665
College Wood Elementary School	K-5	2004		773
Forest Dale Elementary School	PK-5	1979	1988, 1991, 2002	641
Mohawk Trails Elementary School	K-5	1972	1997, 2005, 2014	562
Orchard Park Elementary School	PK-5	1955	1959, 1965, 1979, 1988, 1992, 2005	663
Prairie Trace Elementary School	K-5	1998		598
Smoky Row Elementary School	PK-5	1992	2005, 2014	669
Towne Meadow Elementary School	K-5	2000	2002	643
West Clay Elementary School	K-5	2005		785
Woodbrook Elementary School	K-5	1970	1981, 1984, 1988, 1990, 1993, 1996	463
Carmel Middle School	6-8	1964	1970, 1981, 1984, 1987, 1992, 1993, 1994, 2004	1,371
Clay Middle School	6-8	1974	1987, 1988, 1990, 1991, 1993, 1994, 2004	1,372
Creekside Middle School	6-8	2004		1,254
Carmel High School	9-12	1958	1963, 1969, 1977, 1981, 1982, 1983, 1991, 1993, 1996, 1998, 2004, 2014	5,288

SERVICES

The School Corporation provides many extensive curricular offerings, special student programs, and services and extracurricular offerings. In addition to the core subjects of Language Arts, Math, Science, Social Studies, and World Languages, courses in the areas of Business Education, Family/Consumer Sciences, Fine & Performing Arts, Technology Education, and Wellness are also available to students. Special studies in the areas of Gifted & Talented, English as a New Language, Special Education, and Title 1 services are provided by the School Corporation. The School Corporation provides a wide range of athletics, clubs, and organizations to enhance the educational experience. In addition, the J. Everett Light Career Center provides vocational programs in auto mechanics, computers, construction trades, dental occupations, electronics, machine trades, and radio/television production, among others. Ivy Tech Community College offers a variety of dual credit courses including computer technology, business management, engineering, and education professions.

Twelve schools in the School Corporation have been designated as Four Star Schools as part of the Indiana School Incentive Awards program (ISIA). This designation indicates improvement and performance in the top 25 percent of all the schools in the State in the two ISTEP-based categories.

Higher education is pursued by the School Corporation's students with 90% of graduates going on to post secondary education. Gifted elementary students are placed in special classes in their respective schools in their strength areas as part of the gifted and talented program. Advanced classes are offered at the middle and high school levels.

ENROLLMENT

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

<u>Year</u>	<u>Enrollment</u>
2009/2010	14,898
2010/2011	14,978
2011/2012	15,071
2012/2013	15,169
2013/2014	15,328
2014/2015	15,313
2015/2016 (1)	15,855
2016/2017	15,941
2017/2018	16,034
2018/2019	16,208

(1) Prior to 2015, kindergarten students were counted as 0.5. Starting in 2015 and forward, kindergarten students are counted as 1.0.

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

<u>Year</u>	<u>Projected Enrollment (2)</u>
2019/2020	16,304
2020/2021	16,365
2021/2022	16,370
2022/2023	16,327
2023/2024	16,281

(2) Projected enrollment based upon 2018 Demographic Study.

BOARD OF SCHOOL TRUSTEES

<u>Name</u>	<u>Current Term Began</u>	<u>Current Term Ends</u>
Mike Krschner, President	01/01/2019	12/31/2022
Katie Browning, Vice President	01/01/2017	12/31/2020
Lin Zheng, Secretary	01/01/2017	12/31/2020
Pam Knowles	01/01/2019	12/31/2022
Layla Spanenberg	01/01/2019	12/31/2022

ADMINISTRATION AND STAFF

The School Corporation is under the direction of a five-member elected Board of School Trustees who serve staggered four-year terms. The School Corporation is divided into three Board member districts with one member elected from each district. The other two members are elected at large. The Superintendent, appointed by the Board of School Trustees, directs a certified staff of 1,131 and a non-certified staff of 1,618 with union representation as follows:

<u>Union Name</u>	<u>Union Representation</u>	<u>Number of Members</u>	<u>Contract Expiration Date</u>
Carmel Teachers' Association (CTA)	Independent	570	June 30, 2019

PENSION OBLIGATIONS

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Employer PERF contributions for the calendar year 2018 were \$1,932,490.

Teachers' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Employer TRF contributions for the calendar year 2018 were \$6,394,718.

Additional Benefits

Employer 401A contributions for the calendar year 2018 were \$880,320.
Employer 403B contributions for the calendar year 2018 were \$123,266.
Employer VEBA contributions for the calendar year 2018 were \$582,391.

Other Postemployment Benefits

The School Corporation pays health insurance premiums, until Medicare eligible, for retired certified staff hired prior to 2003, who meet the requirements for the early retirement incentive plan. There are currently 93 retirees receiving these health insurance benefits. For the calendar year 2018, the School Corporation contributed \$1,783,722 to retirees' health insurance premiums.

Upon separation from service, supportive and administrative staff are paid uncapped, unused vacation days which the School Corporation covers through normal operating expenses. The School Corporation paid out \$52,250 of unused vacation days in 2018 to those no longer active employees.

GENERAL PHYSICAL AND DEMOGRAPHIC INFORMATION

LOCATION

The School Corporation is located in Hamilton County in the City of Carmel and Clay Township. The School Corporation is located approximately 15 miles north of downtown Indianapolis.

GENERAL CHARACTERISTICS

The City of Carmel (the “City”) has experienced tremendous growth within the past few decades as represented in the population statistics presented herein. The City serves mainly as a residential and commercial area for both Carmel and Indianapolis professionals. Personal income statistics are above the national and State of Indiana averages. Hamilton County ranks first in the State of Indiana for median household income and second in the State for per capita personal income. The unemployment rate in Hamilton County has been substantially lower than that of the State of Indiana during the past 10 years. The City is recognized for its sound corporate environment, high quality residential neighborhoods, outstanding schools, cultural amenities, well-developed infrastructure, and strong economy. The City was ranked as the number one best place to live in America and number three best place to live in America for cities with a population of 50,000 to 300,000 by Money Magazine in 2012 and 2014, respectively. In 2017, the City was ranked as the number one best place to live in America by Niche.com. The proximity of Carmel to Indianapolis provides increased employment and higher education opportunities for local residents.

Cultural activities are provided by the \$175 million Center for the Performing Arts in City Center, which includes the Palladium - a state of the art, 1,600 seat concert hall; the Tarkington, a 500-seat proscenium theater and the 200-seat Studio Theater. The Center is home to many local arts organizations including The Booth Tarkington Civic Theatre and the Carmel Symphony Orchestra.

The Carmel Arts and Design District, located in the heart of Old Town Carmel, is comprised of galleries, eateries, boutiques, gift and interior design shops, antique stores, and other retail establishments geared toward the arts. It is also home to the Indiana Design Center, a premier destination for design in the Midwest.

The City’s proximity to Indianapolis also provides Carmel residents with an abundance of cultural, recreational, and entertainment activities including the Indianapolis Symphony Orchestra, Clowes Memorial Hall, the Ballet Theater and Opera Company, the Indianapolis Children’s Choir, the Indianapolis Museum of Art, the Indiana State Museum, the Eiteljorg Museum of American Indians and Western Art, the Indiana Repertory Theatre, and the Children’s Museum of Indianapolis.

Indianapolis, famous for “Indy 500” racing and home of the “Indiana Pacers”, the “Indiana Fever”, the “Indianapolis Colts”, the “Indy Eleven” professional soccer team, and the “Indianapolis Indians”, is also known as the amateur sports capital of the United States. Numerous facilities provide spectator sporting events, as well as facilities open to the public for swimming, tennis, and bicycling. Many public and private golf courses are located throughout the metropolitan area. The downtown White River State Park includes a 78-acre Indianapolis Zoo and the White River Gardens.

During the past ten years, park land in Carmel has increased from 20 to nearly 1,000 acres through purchases and gifts. Central Park, which opened in 2007, provides many recreational opportunities for residents of the City. The park includes a 146,000 square foot community recreation center, which houses a three-court gymnasium, an indoor walking/jogging track, a workout center, meeting rooms, a banquet facility, park offices, and outdoor and indoor aquatic centers. Another unique Carmel recreational feature is the Monon Greenway, a 5-mile paved trail built on an old rail corridor, which extends through the center of Carmel and links into the 10.5-mile Monon Trail system that extends all the way to downtown Indianapolis. The trail system is very popular with joggers, walkers, bicyclists, and roller bladers.

The Carmel Clay Public Library (the “Library”) serves residents of the City. The Library provides students, teachers and residents of the City access to books, other resource materials and programs located in the Library as well as a new mobile library service. The Library is consistently ranked in the top ten libraries in the country by Hennen's American Public Library Ratings (“HAPLR”). The present 116,000 square foot facility provides state-of-the-art technology, group study rooms and two technology centers.

PLANNING AND ZONING

The Carmel Plan Commission promotes orderly growth throughout the City and other areas of Clay Township. The 11-member Plan Commission is appointed by the Mayor (5), City Council (1), Park Board (1), City Engineer (1), Board of Public Works (1) and County Commissioners (2). The Board of Zoning Appeals has five members appointed by the Mayor, City Council and Plan Commission.

GENERAL ECONOMIC AND FINANCIAL INFORMATION

COMMERCE AND INDUSTRY

The City has experienced extensive residential and commercial development in recent years and has been one of the fastest growing areas in the Indianapolis Metropolitan Area. Approximately 100 companies have international, national or regional headquarters located in the City. Hamilton County has the second highest per capita income and highest median household income in the State of Indiana.

The newest or expanded businesses in the City include Allied Solutions, Delta Faucet expansion, Demand Jump, Eleven Fifty Consulting, enVista, Flix Brewhouse, GyanSys, HDR Advisory, Kroger, Market District, Next Gear, Orchard Software, Policy Stat, Stratice Healthcare and Theta Chi, relocation.

In April 2017, Mitsch Design, a commercial interior architectural design firm, announced plans to expand its headquarters in the City. The company will invest \$2.4 million and expects to triple its office space and create up to 43 new jobs by 2021. GadellNet, a provider of information technology services and solutions for small businesses, plans to expand in the City and create up to 30 new jobs by 2022. EduSource, a custom software development firm, announced plans to invest \$1.1 million to expand operations in the City. The company anticipates to add 30 new jobs in 2019 and to move into a bigger headquarters in the City. In May 2017, Allegion Americas announced plans to expand its regional headquarters in the City. The company will invest \$4 million and add 125 new high paying jobs by 2020.

Along US 31, known as the Meridian Corporate Corridor, numerous modern multi-story office complexes have been built in recent years. The corporate headquarters and offices of major corporations such as Delta Faucet, American Specialty Health, Blue Horseshoe Solutions, CNO Financial Group, Inc., formerly Consecro, Inc., Monster.com, and Liberty Mutual Insurance are among the many office complexes which form the Meridian Corridor. In addition to these corporate headquarters, the Corridor's strength as a provider of medical services is attested to by numerous health care facilities, including St. Vincent Carmel Hospital and its newly built Women's Center, St. Vincent Heart Center, I.U. Health North Hospital (formerly Clarian North Medical Center) and Franciscan Health Carmel (formerly Franciscan St. Francis Health). In February 2018, a health-care real estate company announced plans for a proposed \$1 billion medical center along the Meridian Corridor. The plans call for the redevelopment of a total of 30 acres for nine buildings, a rooftop helicopter pad, and four parking garages.

In 2017, along the Meridian Corporate Corridor, there were a few key projects under construction valued at more than \$30 million in private investments. These include a new Blue Horseshoe Solutions corporate headquarters building on the east side of Meridian at City Center Drive that opened in December 2017, a new Encore Sotheby's corporate headquarters a half block to the east on Old Meridian Street and a new Liberty Fund headquarters north of 111th Street on the east side of Meridian.

One of the City's largest employers is CNO Financial Group, Inc. It is a life insurance holding company that was founded in 1979 and acquired numerous insurance companies in the 1980s and 1990s. In May 2010, the company changed its name from Consecro to CNO Financial Group, Inc.

In November 2017, Liberty Mutual Insurance announced plans to spend \$14 million on an expansion at its Carmel location. The expansion is expected to create up to 400 high-wage jobs over the next four years. The new positions are expected to offer average salaries higher than the average Hamilton County wage of \$56,836 per year.

Midcontinent Independent Transmission System Operator, Inc. (MISO), a provider of open-access transmission services, located its corporate headquarters in the City in 2002, followed by the construction of a second building in 2012. In 2016, MISO announced a \$30 investment to its Carmel headquarters to reconfigure its 133,409-square-foot facility and increase the efficiency of its operations. The expansion will create 84 new high-wage jobs by 2020.

KAR Auction Services announced plans in September 2017 to create 400 jobs by 2020. The company plans to invest \$80 million into a state-of-the-art campus to house 1,500 workers. Groundbreaking began in 2018, with completion anticipated in the second half of 2019.

In February 2018, GEICO announced plans to invest more than \$16 million to expand its office in the City. The company currently employs 1,250 employees and plans to create an additional 1,500 jobs by the end of 2022.

Several other established major employers in the City include Resort Condominium Intl. (RCI), a resort hotel exchange network, with 1,120 employees; The Capital Group, a financial services management company, with approximately 970 employees; Next Gear Capital with 695 employees; Duke Realty with 237 employees; and Delta Faucet with 450 employees in the City. Allegion, the divisional headquarters for a security technology company, has 400 employees and is expected to create 125 new high-wage jobs by 2020.

The world headquarters for Firestone Industrial Products employed 825 employees at its Carmel facility and announced plans to relocate most of its jobs to Nashville, Tennessee in 2018.

In 1998, the City and its Redevelopment Commission began an aggressive effort to redevelop and revitalize the center of the City, including the historic downtown, into a cultural and civic center, undergoing a tremendous amount of new construction, including offices, restaurants, retail, up-scale apartments, condominiums, town homes and public spaces and monuments designed to create a vibrant urban atmosphere.

The oldest part of this area is known today as the Carmel Arts & Design District, home to more than 100 arts and design related businesses, including art galleries, design studios and the Indiana Design Center, where professional designers maintain offices and showrooms.

The City Center redevelopment project is home to the Center for the Performing Arts and several mixed-use buildings, including Carmel City Center, the James, the Nash, the Mezz on the Monon and nearly a dozen more buildings scheduled to be constructed in the next few years.

The City also approved and has started construction on the first several phases of its Midtown redevelopment project, which includes mixed-use buildings and has already attracted two corporate headquarters. In August 2018, MJ Insurance moved its corporate headquarters along with 125 existing jobs to Midtown and hired an additional 15 more. The company is leasing 30,000 square feet on most of the top two floors of a planned four-story, 88,000-square foot office building. Allied Solutions, one of the largest providers and distributors of insurance, lending and marketing products to financial institutions, celebrated the opening of its new office headquarters in Midtown in January 2018.

The City approved and broke ground in August 2017 on a redevelopment project area on the southern border of the city government center known as the Proscenium. It is in the beginning stages of transforming under-utilized land into a mixed-use project with seven buildings, located along a very heavily traveled roadway. The project includes apartments, offices and retail spaces and will have a one-level underground parking garage.

The City's \$30 million plan to expand the Monon Greenway, a popular trail that runs through the center of the City, is underway. The single-lane trail will be transformed to include green spaces, more trees, arts plazas, community benches, kiosks, a spray plaza, bocce ball court, and connections to popular destinations.

In April 2017, the City announced plans to spend \$13.4 million to transform a major road, Rangeline Road, into a pedestrian friendly, tree-lined roundabout corridor through its downtown. The City is planning to add protected bike lanes and multi-use paths and build pedestrian crosswalks with signals at various points along the road.

In September 2017, the City approved a \$40 million investment for the development of a 106,347 square-foot boutique hotel. Hotel Carmichael, will include 122 rooms, a full-service restaurant, private dining, outdoor dining, a ballroom, meeting spaces, business center, and a fitness center.

Due to substantial growth in the area, the City saw the need to redesign Keystone Parkway. The City took State Road 431 over from the State and transformed it into free-flowing Keystone Parkway. The City received \$90 million from the State for reconstruction. The unique and award-winning design with double roundabout interchanges allows traffic to travel more easily through this previously congested thoroughfare.

Construction has also been completed on the major upgrade of 13 miles of existing highway on US 31 between I-465 in Indianapolis to SR 38 north of the City. The US 31 reconstruction has added new roundabout interchanges and reconstructed ramps and bridges and has reduced congestion and improved safety in the area. Additionally, the creation of new interchanges has helped spur additional economic development on Main Street.

In June 2018, Sun King, a craft distillery, celebrated the grand opening of their \$4 million, 15,000-square-foot specialty brewery and taproom in Carmel. The distillery features food from three local restaurants in their food hall, as well as many of Sun King's craft beers.

In February 2019, BraunAbility announced plans to relocate its global headquarters to Carmel, investing \$7.5 million to move to the Lakeside Green Business Center and construct a new Research & Development and Technology Center. The move will create up to 70 jobs that will include accounting, engineering, finance, human resources and marketing positions.

LARGE EMPLOYERS

Below is a list of the City'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>
Carmel Clay Schools	1888	Public education	2,749 (1)
CNO Financial Group, Inc. formerly Conseco, Inc.	1979	Life insurance holding company	1,600 (2)
Liberty Mutual Insurance	1912	Insurance company	1,450 (3)
GEICO	2013	Auto insurance company	1,250 (2)
I.U. Health North Hospital, formerly Clarian North Medical Center	2005	Acute healthcare facility	1,129
Resort Condominium Intl. (RCI)	1974	Vacation exchange network and services	1,120
The Capital Group	2007	Financial services	970
KAR Auction	2006	Automotive remarketing services	900
Midcontinent Independent System Operator, Inc. (MISO)	2002	Electric power grid management	850 (2)
St. Vincent Carmel Hospital	1985	Acute healthcare facility	800

(1) Per the School Corporation, includes 1,131 certified and 1,618 non-certified staff.

(2) Reported as of August 16, 2018.

(3) Per Inside Indiana Business

EMPLOYMENT

<u>Year</u>	<u>Unemployment Rate</u>	
	<u>Hamilton</u>	<u>Indiana</u>
2013	5.0%	7.7%
2014	4.1%	6.0%
2015	3.4%	4.8%
2016	3.2%	4.4%
2017	2.7%	3.5%
2018, December	2.6%	3.4%

Source: Indiana Business Research Center. Data collected as of February 13, 2019.

HOUSING SALES

Provided below is a summary of housing sales for the City of Carmel and Hamilton County.

<u>Year</u>	<u>Sold</u>	<u>Median</u> <u>Sales</u>	<u>Average</u> <u>Sales</u>	<u>Median</u> <u>SP/LP %</u>	<u>Average</u> <u>SP/LP %</u>	<u>Average</u> <u>Days on</u> <u>Market</u>
<u>City of Carmel</u>						
2014	1,567	\$287,000	\$342,061	91.14%	83.66%	66
2015	1,603	\$295,000	\$349,607	87.02%	84.33%	69
2016	1,666	\$306,500	\$364,424	91.52%	86.74%	64
2017	1,624	\$328,000	\$420,115	93.71%	88.70%	69
2018	1,600	\$377,250	\$440,895	98.01%	97.23%	51
<u>Hamilton County</u>						
2014	5,736	\$209,900	\$262,137	93.29%	86.73%	66
2015	5,981	\$219,900	\$272,057	92.05%	89.70%	62
2016	6,114	\$225,000	\$280,213	90.36%	88.10%	59
2017	6,554	\$279,900	\$314,293	89.39%	86.65%	60
2018	6,625	\$290,200	\$334,608	98.37%	97.89%	49

Source: MIBOR Realtor Association

BUILDING PERMITS

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

<u>Year</u>	<u>Single</u> <u>Family</u>	<u>Two</u> <u>Family</u>	<u>Multi-</u> <u>Family</u>	<u>Commercial</u>	<u>Institution</u>	<u>Total</u>
2014	348	2	55	16	4	425
2015	276	0	83	23	4	385
2016	428	0	1	16	1	446
2017	449	4	10	24	1	488
2018	476	0	2	19	4	501

Source: Carmel Department of Community Services

POPULATION

<u>Year</u>	<u>Clay Township</u>		<u>Hamilton County</u>	
	<u>Population</u>	<u>Percent of Change</u>	<u>Population</u>	<u>Percent of Change</u>
1970	19,518	91.07%	54,532	35.88%
1980	32,606	67.06%	82,027	50.42%
1990	43,007	31.90%	108,936	32.81%
2000	64,709	50.46%	182,740	67.75%
2010	83,293	28.72%	274,569	50.25%
2017, Est.	96,955	16.40%	323,747	17.91%

Source: U.S. Census Bureau

AGE STATISTICS

	<u>Clay Township</u>	<u>Hamilton County</u>
Under 25 Years	28,761	98,591
25 to 44 Years	21,153	82,113
45 to 64 Years	24,664	70,176
65 Years and Over	8,715	23,689
Totals	<u>83,293</u>	<u>274,569</u>

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

EDUCATIONAL ATTAINMENT

<u>Years of School Completed</u>	<u>Persons 25 and Over</u>	
	<u>Clay Township</u>	<u>Hamilton County</u>
Less than 9th grade	0.7%	1.1%
9th to 12th grade, no diploma	1.6%	2.7%
High school graduate	10.3%	15.2%
Some college, no degree	13.4%	17.0%
Associate's degree	4.9%	6.5%
Bachelor's degree	41.0%	36.8%
Graduate or professional degree	28.1%	20.7%

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

MISCELLANEOUS ECONOMIC INFORMATION

	<u>City of Carmel</u>	<u>Hamilton County</u>	<u>Indiana</u>
Per capita income, past 12 months*	\$55,796	\$44,443	\$27,305
Median household income, past 12 months*	\$109,201	\$90,582	\$52,182
Average weekly earnings in manufacturing (2nd qtr. of 2018)	N/A	\$1,114	\$1,138
Land area in square miles - 2010	47.46	394.27	35,826.11
Population per land square mile - 2010	1,668.6	696.4	181.0
Retail sales in 2012:			
Total retail sales	\$1,748,984,000	\$4,338,371,000	\$85,857,962,000
Sales per capita**	\$20,998	\$15,801	\$13,242
Sales per establishment	\$6,051,848	\$5,015,458	\$3,974,722

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

**Based on 2010 Population.

Source: Bureau of Census Reports and the Indiana Business Research Center. Data collected as of February 13, 2019.

<u>Employment and Earnings - Hamilton County 2017</u>	<u>Earnings (In 1,000s)</u>	<u>Percent of Earnings</u>	<u>Labor Force</u>	<u>Distribution of Labor Force</u>
Services	\$4,964,752	40.86%	93,582	46.05%
Finance, insurance and real estate	2,430,174	20.01%	37,444	18.42%
Wholesale and retail trade	1,820,335	14.99%	29,864	14.69%
Government	853,226	7.02%	15,079	7.42%
Construction	796,739	6.56%	10,499	5.17%
Manufacturing	537,566	4.43%	7,061	3.47%
Information	267,433	2.20%	3,722	1.83%
Utilities	154,739	1.27%	979	0.48%
Forestry, fishing, related activities	149,707	1.23%	334	0.16%
Transportation and warehousing	141,531	1.17%	3,291	1.62%
Mining	23,824	0.20%	665	0.33%
Farming	7,299	0.06%	726	0.36%
Totals	<u>\$12,147,325</u>	<u>100.00%</u>	<u>203,246</u>	<u>100.00%</u>

Source: Bureau of Economic Analysis and the Indiana Business Research Center. Data collected as of February 13, 2019.

<u>Adjusted Gross Income</u>	<u>Year</u>	<u>Hamilton County Total</u>
	2011	\$11,073,245,976
	2012	12,238,309,412
	2013	12,520,802,461
	2014	13,655,325,113
	2015	14,556,129,719

Source: Indiana Department of Revenue

SCHEDULE OF INDEBTEDNESS

The following schedule shows the outstanding indebtedness of the School Corporation and the taxing units within and overlapping its jurisdiction as of February 5, 2019, including issuance of the Bonds, as reported by the respective taxing units.

<u>Direct Debt</u>	<u>Original Par Amount</u>	<u>Final Maturity</u>	<u>Outstanding Amount</u>
Tax Supported			
General Obligation Bonds, Series 2019 (This Issue)(1)	\$22,415,000	01/15/25	\$22,415,000
General Obligation Bonds, Series 2018	7,985,000	01/15/21	7,985,000
General Obligation Bonds, Series 2016	8,160,000	01/15/21	3,780,000
General Obligation Bonds, Series 2015	12,080,000	01/15/20	1,415,000
Carmel 2002 School Building Corporation			
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016A	47,695,000	01/15/25	36,990,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016B	47,690,000	01/15/25	36,810,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2014	19,955,000	01/15/24	<u>11,410,000</u>
Total Direct Debt			<u><u>\$120,805,000</u></u>

Note: The School Corporation periodically evaluates the issuance of general obligation bonds based on its capital needs and within a tax rate management strategy.

<u>Overlapping Debt</u>	<u>Total Debt</u>	<u>Percent Allocable to School Corporation (2)</u>	<u>Amount Allocable to School Corporation</u>
Tax Supported Debt			
Hamilton County	\$150,155,599	35.74%	\$53,665,611
City of Carmel (3)	720,015,425	99.55%	716,775,356
Clay Township	29,035,000	100.00%	29,035,000
Carmel Clay Public Library	3,335,000	100.00%	<u>3,335,000</u>
Tax Supported Debt			<u>802,810,967</u>
Self-Supporting Revenue Debt			
City of Carmel	132,906,359	99.55%	<u>132,308,280</u>
Total Overlapping Debt			<u><u>\$935,119,247</u></u>

(1) The School Corporation anticipates the issuance of approximately \$58,645,000* in the Spring of 2020 to fund the remaining costs of the Project.

(2) Based upon the 2017 payable 2018 net assessed valuation of the respective taxing units.

(3) In 2019, the City anticipates issuing Taxable Lease Rental Bonds, Series 2018 A-1 and A-2 in the amounts of \$10,255,000 and \$8,380,000, respectively.

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

*Preliminary, subject to change.

DEBT RATIOS

The following presents the ratios relative to the tax supported indebtedness of the taxing units within and overlapping the School Corporation as of February 5, 2019, including issuance of the Bonds.

	Direct Tax Supported Debt \$120,805,000	Allocable Portion of All Other Overlapping Tax Supported Debt \$802,810,967	Total Direct and Overlapping Tax Supported Debt \$923,615,967
Per capita (1)	\$1,245.99	\$8,280.24	\$9,526.23
Percent of net assessed valuation (2)	1.64%	10.91%	12.56%
Percent of gross assessed valuation (3)	0.89%	5.92%	6.81%
Per pupil (4)	\$7,534.30	\$50,069.29	\$57,603.59

- (1) According to the U.S. Census Bureau, the estimated 2017 population of the School Corporation is 96,955.
- (2) The net assessed valuation of the School Corporation for taxes payable in 2018 is \$7,355,385,598 according to the Hamilton County Auditor's office.
- (3) The gross assessed valuation of the School Corporation for taxes payable in 2018 is \$13,571,668,017 according to the Hamilton County Auditor's office.
- (4) Enrollment of the School Corporation is 16,034 as reported by school personnel.

DEBT LIMIT

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

Certified net assessed valuation (Taxes payable in 2019)	\$7,721,533,824
Times: 2% general obligation debt issue limit	<u>2%</u>
Sub-total	154,430,677
Divided by 3	<u>3</u>
General obligation debt issue limit	51,476,892
Less: Outstanding general obligation debt including the Bonds	<u>(35,595,000)</u>
Estimated amount remaining for general obligation debt issuance	<u><u>\$15,881,892</u></u>

SCHEDULE OF HISTORICAL NET ASSESSED VALUATION

(As Provided by the Hamilton 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	\$5,961,850,539	\$77,468,280	\$394,652,617	\$6,433,971,436
2015	6,171,895,381	78,964,610	368,740,029	6,619,600,020
2016	6,391,358,668	77,721,940	380,006,600	6,849,087,208
2017	6,649,502,681	76,850,860	395,888,305	7,122,241,846
2018	6,851,413,231	76,135,120	427,837,247	7,355,385,598
2019 (1)	N/A	N/A	N/A	7,721,533,824

(1) Certified net assessed valuation per the Department of Local Government Finance ("DLGF").

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

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

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

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

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

DETAIL OF NET ASSESSED VALUATION
Assessed 2017 for Taxes Payable in 2018
(As Provided by the Hamilton County Auditor's Office)

	<u>Clay Township</u>	<u>City of Carmel</u>	<u>Carmel - County TIF</u>	<u>Total</u>
Gross Value of Land	\$81,096,200	\$3,261,048,720	\$61,103,200	\$3,403,248,120
Gross Value of Improvements	<u>222,675,400</u>	<u>9,178,963,900</u>	<u>172,508,800</u>	<u>9,574,148,100</u>
Total Gross Value of Real Estate	303,771,600	12,440,012,620	233,612,000	12,977,396,220
Less: Mortgage Exemptions, Veterans, Blind				
Age 65 & Other Exemptions	(115,013,238)	(3,782,537,422)	(4,228,420)	(3,901,779,080)
Tax Exempt Property	(11,921,748)	(284,931,227)	(29,436,525)	(326,289,500)
TIF	<u>(1,705,647,929)</u>	<u>(1,705,647,929)</u>	<u>(192,266,480)</u>	<u>(1,897,914,409)</u>
Net Assessed Value of Real Estate	<u>176,836,614</u>	<u>6,666,896,042</u>	<u>7,680,575</u>	<u>6,851,413,231</u>
Business Personal Property	1,981,150	516,133,277	22,250	518,136,677
Less: Deductions	<u>(116,910)</u>	<u>(90,182,520)</u>	<u> </u>	<u>(90,299,430)</u>
Net Assessed Value of Personal Property	<u>1,864,240</u>	<u>425,950,757</u>	<u>22,250</u>	<u>427,837,247</u>
Net Assessed Value of Utility Property	<u>34,646,190</u>	<u>41,414,850</u>	<u>74,080</u>	<u>76,135,120</u>
Total Net Assessed Value	<u><u>\$213,347,044</u></u>	<u><u>\$7,134,261,649</u></u>	<u><u>\$7,776,905</u></u>	<u><u>\$7,355,385,598</u></u>

COMPARATIVE SCHEDULE OF CERTIFIED TAX RATES

Per \$100 of Net Assessed Valuation

	Year Taxes Payable				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Detail of Certified Tax Rate:					
Referendum	\$0.1600	\$0.1600	\$0.1600	\$0.1900	\$0.1900
Debt Service	0.2907	0.2964	0.3252	0.2908	0.2944
Capital Projects	0.2185	0.2122	0.2078	0.1938	
Transportation	0.1119	0.1110	0.1105	0.1114	
Bus Replacement	0.0259	0.0257	0.0256	0.0258	
Operations Fund*					0.3407
Totals	<u>\$0.8070</u>	<u>\$0.8053</u>	<u>\$0.8291</u>	<u>\$0.8118</u>	<u>\$0.8251</u>

Total District Certified Tax Rate (1)

Clay Township	\$1.6821	\$1.6550	\$1.7577	\$1.9758	\$1.4246
City of Carmel	\$1.9569	\$2.0706	\$2.0486	\$2.0286	\$2.0354
Carmel - County TIF (2)	\$1.9569	\$2.0706	\$2.0486	\$2.0286	\$2.0354

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

(2) Applies to the county established TIF areas annexed by the City of Carmel.

Source: DLGF Certified Budget Orders for the School Corporation.

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

PROPERTY TAXES LEVIED AND COLLECTED

<u>Collection Year</u>	<u>Certified Taxes Levied</u>	<u>Circuit Breaker Tax Credit (1)</u>	<u>Certified Taxes Levied Net of Circuit Breaker Tax Credit</u>	<u>Taxes Collected</u>	<u>Collected as Percent of Gross Levy</u>	<u>Collected as Percent of Net Levy</u>
2014	\$56,938,184	(\$1,075,566)	\$55,862,618	\$55,290,829	97.11%	98.98%
2015	56,154,207	(1,002,043)	55,152,164	54,986,503	97.92%	99.70%
2016	57,946,832	(2,209,910)	55,736,922	55,426,891	95.65%	99.44%
2017	62,193,000	(2,206,756)	59,986,244	59,848,371	96.23%	99.77%
2018	63,606,144	(1,588,476)	62,017,668	61,826,203	97.20%	99.69%

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

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

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

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

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

LARGE TAXPAYERS

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

<u>Name</u>	<u>Type of Business</u>	2017/2018 Net Assessed <u>Valuation (1)</u>	Percent of Total Net Assessed <u>Valuation (2)</u>
Clarian Health North LLC	Healthcare facilities/medical office buildings	\$162,731,900	2.21%
Parkwood Crossing	Office Buildings	135,308,800	1.84%
Lakeside/Legacy Towns and Flats II LLC North Haven Apartments LLC/One One Six College Apartments LLC/Highpointe LLC	Apartments	116,983,150	1.59%
Providence HUD LLC/Woodland Housing Partners/ Mohawk WB LLC/Buckingham Fountains LLC/ Gramercy	Apartments	83,945,160	1.14%
Clay Terrace Partners LLC	Outdoor mall	81,387,340	1.11%
Pedcor Office LLC/CCC Residences/Indiana Design Center/Carmel City Center	Apartments/Office Buildings	77,277,470	1.05%
Hamilton Crossing Indianapolis Realty LP	Office Buildings	54,682,000	0.74%
Carmel Indy Holdings LLC	Office Buildings	54,451,500	0.74%
Washington National Life Insurance Co., formerly Bankers Life Insurance	Life Insurance holding company	52,459,020	0.71%
Carmel Lofts LLC	Mixed use, retail and apartments	<u>47,828,850</u>	<u>0.65%</u>
Totals		<u><u>\$867,055,190</u></u>	<u><u>11.78%</u></u>

- (1) Located in a tax allocation area for tax increment financing (TIF). All or a portion of the taxes are captured for TIF.
- (2) The total net assessed valuation of is \$7,355,385,598 for taxes payable in 2018, according to the County Auditor's office.

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

NOTICE OF LEGISLATIVE CHANGE FOR FINANCIAL STATEMENTS EFFECTIVE 2019

FINANCIAL STATEMENTS

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

Note: The following financial statements on pages A-21 - A-22 are excerpts from the School Corporation's July 1, 2015 to June 30, 2017 audit report of the Indiana State Board of Accounts. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. A complete audit will be furnished upon request. As of the date of this Official Statement, the Indiana State Board of Accounts has not completed its review and report of the School Corporation for July 1, 2015 through June 30, 2017. The School Corporation does not control the timing of such review and report. See "Continuing Disclosure Undertaking" herein. Current reports are available at <http://www.in.gov/sboa/resources/reports/audit/>.

CARMEL CLAY SCHOOLS

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

For the Years Ended June 30, 2016 and 2017

	Cash and Investments 07-01-15	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-16	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-17
General	\$2,872,204	\$94,089,221	\$90,370,623	(\$51,374)	\$6,539,428	\$97,845,549	\$95,790,259	(\$51,375)	\$8,543,343
Referendum Tax Levy	4,858,220	14,512,895	16,911,783		2,459,332	14,922,716	14,595,974		2,786,074
Debt Service	7,510,925	21,834,465	19,923,366	(41,397)	9,380,627	23,763,847	22,853,128	94,768	10,386,114
Retirement/Severance Bond Debt Service	0				0				0
Capital Projects	1,822,918	15,034,588	13,409,987		3,447,519	14,485,831	15,025,702	(580,000)	2,327,648
School Transportation	360,510	8,360,364	8,062,608	51,374	709,640	8,576,331	8,354,877	51,375	982,469
School Bus Replacement	1,157,212	1,800,981	3,393,995		(435,802)	2,429,426	1,993,124		500
Retirement/Severance Bond	2,030,882	309,212	361,977	(1,033,433)	944,684	265,013	359,566		850,131
Construction	15,301,704		9,295,113		6,006,591		8,148,703	8,160,000	6,017,888
School Lunch	1,588,773	7,826,535	7,529,979		1,885,329	8,093,080	7,602,472		2,375,937
Textbook Rental	1,663,403	2,383,515	3,628,652	41,397	459,663	2,353,209	1,972,521	54,272	894,623
Self-Insurance	11,922,441	16,649,792	16,949,713	1,033,433	12,655,953	16,414,478	20,984,126		8,086,305
Levy Excess	1,205				1,205				1,205
Alternative Education	0				0	4,117			4,117
SAFE School Haven	114				114				114
Early Intervention Grant	0				0	76,207	74,520		1,687
Eric Clark Center	73,742	91,236	33,816		131,162	93,486	115,675		108,973
Donations	377,683	90,229	129,603		338,309	102,113	110,231		330,191
Ball State Grant	263				263				263
CEC Grant	267				267		124		143
Writing Initiative	1,665				1,665				1,665
Formative Assessment, 2016-17	0				0	175,144	21,164		153,980
Formative Assessment, 2018-19	0	158,925			158,925		158,925		0
High Ability Grant, 2014-15	24,257		24,257		0				0
High Ability Grant, 2015-16	0	131,311	106,071		25,240		25,240		0
High Ability Grant, 2016-17	0				0	134,543	106,111		28,432
Economic Education Mini Grant	1				1				1
Secured Schools Safety Grant	0	50,000	50,000		0	92,798	100,000		(7,202)
Recreational Activities	14,982				14,982				14,982
Scholarships and Awards	89				89				89
Non-English Speaking Programs	1,076				1,076				1,076
Non-English Speaking, 2014-15	45,237		45,237		0				0
Non-English Speaking, 2015-16	0	99,679	37,026		62,653		62,653		0
Subtotals	\$51,629,773	\$183,422,948	\$190,263,806	\$0	\$44,788,915	\$189,827,888	\$198,455,095	\$7,729,040	\$43,890,748

(Continued on next page)

CARMEL CLAY SCHOOLS

(Cont'd)

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

For the Years Ended June 30, 2016 and 2017

	Cash and Investments <u>07-01-15</u>	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments <u>06-30-15</u>	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments <u>06-30-17</u>
Subtotals carried forward	\$51,629,773	\$183,422,948	\$190,263,806	\$0	\$44,788,915	\$189,827,888	\$198,455,095	\$7,729,040	\$43,890,748
Non-English Speaking, 2016-17	0				0	104,441	43,868		60,573
School Technology	155,099	113,666	252,744		16,021	214,178	167,732		62,467
Career and Technical Performance Grant	0				0	40,046	26,998		13,048
DC Trip	6,654	25,442	7,690		24,406	22,870	28,518		18,758
Title I	(2,320)				(2,320)				(2,320)
Title I, 2014-15	(17,002)	6,856	(10,146)		0				0
Title I, 2015-16	0	347,105	347,105		0				0
Title I, 2016-17	0				0	303,756	312,324		(8,568)
Part B TA Grant	(889)	889			0				0
5220 Federal Carry-Over	(2,858)				(2,858)				(2,858)
5230 Federal Carry-Over	1,552				1,552				1,552
Federal Part B 611 2013-14	(14,034)	142,442	128,408		0				0
Federal Part B 611 2014-15	(105,980)	312,620	207,061		(421)	99,104	98,683		0
Federal Part B 611 2015-16	0	2,231,902	2,317,878		(85,976)	530,889	445,825		(912)
Federal Part B 611 2016-17	0					2,268,996	2,365,162		(96,166)
(IDEA, Part B) LEA Capacity Building (Sliver) Grants	1,655				1,655				1,655
IDEA	1,512				1,512				1,512
Federal Early Childhood	153				153				153
Federal Early Childhood 2014-15	(4,836)	16,230	11,394		0	5,277	5,277		0
Federal Early Childhood 2015-16	0	65,232	68,296		(3,064)	13,751	10,687		0
Federal Early Childhood 2016-17	0				0	67,275	70,309		(3,034)
Federal Preschool Carry-Over	1,081				1,081				1,081
Milken Educator Grant	1,020				1,020				1,020
Title IV	367				367				367
Improving Teacher Quality, No Child Left, Title II, Part A	0				0				0
Title II, Part A FFY2013	(7,000)	91,100	84,100		0				0
Title Part A 2010-11	0	99,261	115,764		(16,503)	65,732	49,229		0
Title II, Part A	0				0	10,000	10,000		0
Title Part A 2012-13	0				0	92,859	103,576		(10,717)
Title III - English Proficiency Migrant	0	29,179	32,179		(3,000)	26,229	23,229		0
Title III, 2013-14	0	10,715	10,715		0				0
Title III, 2014-16	(3,785)	20,650	16,865		0	8,743	8,743		0
Title III, 2015-17	0	40,073	45,579		(5,506)	48,362	42,856		0
Title III, 2016-18						62,466	62,466		0
Payroll Clearing	448,362	58,943,563	59,073,476		318,449	60,682,257	60,701,646		299,061
Prepaid Meals	275,003	245,130	264,665		255,469	250,610	196,403		309,676
Totals	<u>\$52,363,527</u>	<u>\$246,165,003</u>	<u>\$253,237,578</u>	<u>\$0</u>	<u>\$45,290,952</u>	<u>\$254,745,730</u>	<u>\$263,228,625</u>	<u>\$7,729,040</u>	<u>\$44,537,096</u>

The following schedules on pages A-23 - A-29 contain limited and unaudited financial information which is presented solely for the purpose of conveying a statement of cash and investment balances for the School Corporation. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. Current reports are available at <http://www.doe.in.gov/finance/school-financial-reports>.

CARMEL CLAY SCHOOLS

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND (Unaudited)

	Calendar Year		
	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>GENERAL FUND</u>			
Receipts:			
Tuition	\$34,525	\$44,511	\$40,347
Earnings on Investments	59,207	65,388	64,082
School Corporation Activities	2,066,539	2,171,851	2,341,876
Other Revenue from Local Sources	619,447	269,853	671,492
Revenue from Intermediate Sources	12	13	24
Revenue from State Sources	94,815,431	94,557,275	97,417,854
Interfund Transfers			20,494
Other Items	10	1,313	1,684
Total Receipts	<u>97,595,172</u>	<u>97,110,205</u>	<u>100,557,852</u>
Expenditures:			
Instruction	73,510,345	74,122,359	65,855,120
Support Services	21,017,593	23,268,301	34,082,095
Community Services	1,679,682	1,705,356	1,830,344
Nonprogrammed Charges	51,375	51,374	51,374
Interfund Transfers		14,894	
Total Expenditures	<u>96,258,995</u>	<u>99,162,285</u>	<u>101,818,933</u>
Net Increase (Decrease)	1,336,177	(2,052,080)	(1,261,081)
Beginning Balance - January 1st	<u>8,200,137</u>	<u>9,536,314</u>	<u>7,484,234</u>
Ending Balance - December 31st (1)	<u><u>\$9,536,314</u></u>	<u><u>\$7,484,234</u></u>	<u><u>\$6,223,153</u></u>

(1) In 2019, the Education Fund will replace the General Fund, in part, and the estimated ending balance of the Education Fund as of 12/31/19 is \$7,610,078 per the School Corporation.

The General Fund is the primary operating fund and is used to budget and account for all receipts and disbursements relative to the basic operation and basic programs of the School Corporation.

Note: 2017 expenditures includes an approximate \$1.2 million one-time stipend payment to employees that occurred in 2017 and an approximate \$800,000 retroactive raise adjustment that would have occurred in 2016 had the salary adjustments settled timely.

(Continued on next page)

CARMEL CLAY SCHOOLS

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	<u>Calendar Year</u>		
	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>REFERENDUM FUND</u>			
Receipts:			
Local Property Tax	\$13,589,643	\$14,284,592	\$17,701,277
License Excise Tax	1,042,488	1,001,950	1,373,975
Commercial Vehicle Excise Tax	11,210	10,557	12,419
Financial Institutions Tax	25,294	22,106	25,341
	<u>14,668,634</u>	<u>15,319,205</u>	<u>19,113,011</u>
Total Receipts			
Expenditures:			
Instruction	5,077,471	6,075,838	16,783,858
Support Services	9,848,675	9,097,338	1,399,465
	<u>14,926,146</u>	<u>15,173,176</u>	<u>18,183,323</u>
Total Expenditures			
Net Increase (Decrease)	(257,512)	146,029	929,688
Beginning Balance - January 1st	<u>1,272,968</u>	<u>1,015,456</u>	<u>1,161,485</u>
Ending Balance - December 31st (1)	<u><u>\$1,015,456</u></u>	<u><u>\$1,161,485</u></u>	<u><u>\$2,091,173</u></u>

(1) Per the School Corporation, the estimated ending balance for the Referendum Fund as of 12/31/19 is \$1,084,220.

On May 4, 2010, voters approved an operating referendum rate of \$0.1600 per \$100 of Net Assessed Valuation for a maximum of seven years, expiring for taxes payable in 2017. On May 2, 2017, voters approved a renewal of the operating referendum at a rate of \$0.1900 per \$100 of Net Assessed Valuation for a maximum of seven years, first effective for taxes payable in 2018.

(Continued on next page)

CARMEL CLAY SCHOOLS

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	<u>Calendar Year</u>		
	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>DEBT SERVICE FUND</u>			
Receipts:			
Local Property Tax	\$20,123,917	\$23,100,403	\$21,363,744
License Excise Tax	1,931,208	2,036,463	2,102,905
Commercial Vehicle Excise Tax	20,766	21,456	19,007
Financial Institutions Tax	70,308	44,931	38,784
Other Revenue from Local Sources	43,090		19,612
Other Financing Sources	149,040		
	<hr/>	<hr/>	<hr/>
Total Receipts	22,338,329	25,203,254	23,544,052
	<hr/>	<hr/>	<hr/>
Expenditures:			
Principal on Debt	4,090,000	8,930,000	6,585,000
Interest on Debt	373,534	356,302	174,862
Lease Rental	16,345,500	15,608,800	16,906,000
Interfund Transfers	54,272	47,403	
	<hr/>	<hr/>	<hr/>
Total Expenditures	20,863,306	24,942,505	23,665,862
	<hr/>	<hr/>	<hr/>
Net Increase (Decrease)	1,475,023	260,749	(121,810)
Beginning Balance - January 1st	7,508,323	8,983,346	9,244,095
	<hr/>	<hr/>	<hr/>
Ending Balance - December 31st	<u>\$8,983,346</u>	<u>\$9,244,095</u>	<u>\$9,122,285</u>

The Debt Service Fund accounts for debt from funds borrowed or advanced for the purchase or lease of school buildings, school buses, judgments against the corporation, equipment or capital construction, and interest on emergency and temporary loans.

(Continued on next page)

CARMEL CLAY SCHOOLS

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	<u>Calendar Year</u>		
	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>CAPITAL PROJECTS FUND</u>			
Receipts:			
Local Property Tax	\$13,187,548	\$13,062,159	\$13,324,274
License Excise Tax	1,382,599	1,301,282	1,401,454
Commercial Vehicle Excise Tax	14,867	13,710	12,667
Financial Institutions Tax	33,546	28,711	25,847
Other Revenue from Local Sources	1,616	20,615	21,158
Interfund Transfers	<u>1,510,269</u>	<u>580,000</u>	
Total Receipts	<u>16,130,446</u>	<u>15,006,477</u>	<u>14,785,400</u>
Expenditures:			
Support Services	6,827,088	7,027,195	7,522,778
Facilities Acquisition and Construction	7,278,317	6,487,728	6,058,377
Interfund Transfers	<u>1,510,269</u>	<u>580,000</u>	
Total Expenditures	<u>15,615,674</u>	<u>14,094,923</u>	<u>13,581,156</u>
Net Increase (Decrease)	514,771	911,554	1,204,245
Beginning Balance - January 1st	<u>1,561,685</u>	<u>2,076,456</u>	<u>2,988,011</u>
Ending Balance - December 31st	<u><u>\$2,076,456</u></u>	<u><u>\$2,988,011</u></u>	<u><u>\$4,192,256</u></u>

The Capital Projects Fund accounts for planned construction, repair, replacement or remodeling; and the purchase, lease, upgrade, maintenance, or repair of computer equipment.

(Continued on next page)

CARMEL CLAY SCHOOLS

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year		
	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>TRANSPORTATION FUND</u>			
Receipts:			
Local Property Tax	\$6,895,501	\$7,610,362	\$7,656,570
License Excise Tax	723,226	691,971	805,583
Commercial Vehicle Excise Tax	7,777	7,291	7,281
Financial Institutions Tax	17,548	15,267	14,858
Other Revenue from Local Sources	507,679	618,676	749,521
Other Financing Sources	<u>51,375</u>	<u>51,374</u>	<u>51,374</u>
Total Receipts	<u>8,203,105</u>	<u>8,994,942</u>	<u>9,285,187</u>
Expenditures:			
Support Services	<u>8,078,947</u>	<u>8,519,660</u>	<u>9,144,998</u>
Total Expenditures	<u>8,078,947</u>	<u>8,519,660</u>	<u>9,144,998</u>
Net Increase (Decrease)	124,157	475,282	140,189
Beginning Balance - January 1st	<u>424,002</u>	<u>548,159</u>	<u>1,023,440</u>
Ending Balance - December 31st	<u><u>\$548,159</u></u>	<u><u>\$1,023,440</u></u>	<u><u>\$1,163,629</u></u>

The Transportation Fund accounts for financial resources for the transportation of school children to and from school.

(Continued on next page)

CARMEL CLAY SCHOOLS

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	<u>Calendar Year</u>		
	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>TRANSPORTATION SCHOOL BUS REPLACEMENT FUND</u>			
Receipts:			
Local Property Tax	\$1,595,784	\$1,763,239	\$1,775,562
License Excise Tax	167,450	160,312	186,571
Commercial Vehicle Excise Tax	1,801	1,689	1,686
Financial Institutions Tax	4,063	3,537	3,441
Other Revenue from Local Sources	1,400	1,475	25,800
Interfund Loans		580,000	
Other Items			18,411
	<hr/>	<hr/>	<hr/>
Total Receipts	<u>1,770,497</u>	<u>2,510,252</u>	<u>2,011,472</u>
Expenditures:			
Support Services	1,724,056	1,883,596	1,469,004
Interfund Loans		580,000	
	<hr/>	<hr/>	<hr/>
Total Expenditures	<u>1,724,056</u>	<u>2,463,596</u>	<u>1,469,004</u>
Net Increase (Decrease)	46,441	46,656	542,468
Beginning Balance - January 1st	<u>202,533</u>	<u>248,974</u>	<u>295,630</u>
Ending Balance - December 31st	<u><u>\$248,974</u></u>	<u><u>\$295,630</u></u>	<u><u>\$838,098</u></u>

The Transportation School Bus Replacement Fund is used to account for receipts and disbursements concerning the acquisition and disposal of school buses.

(Continued on next page)

CARMEL CLAY SCHOOLS

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year		
	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>OTHER FUNDS</u>			
Receipts:			
Revenues from Local Sources	\$24,123,901	\$27,125,382	\$28,341,957
Earnings on Investments			27,447
Revenues from State Sources	948,345	1,330,459	1,373,548
Revenues from Federal Sources	4,820,406	4,983,165	4,825,980
Revenues from Intermediate Sources	190,088	254,104	501,972
Interfund Transfers		65,602	8,896
Financial Institutions Tax	(23,451)		
Other Items	49,557	300,876	77,160
Other Financing Sources (1)	8,215,899		8,190,129
	<hr/>	<hr/>	<hr/>
Total Receipts	38,324,744	34,059,589	43,347,089
	<hr/>	<hr/>	<hr/>
Expenditures:			
Support Services	3,195,587	4,797,102	3,831,600
Community Services	7,641,598	7,376,404	7,597,333
Facilities Acquisition and Construction	6,977,785	6,754,663	7,403,263
Instruction	2,964,690	3,693,474	3,231,725
Nonprogrammed Charges	19,207,330	20,884,679	21,006,609
Interfund Transfers		3,305	29,276
	<hr/>	<hr/>	<hr/>
Total Expenditures	39,986,990	43,509,627	43,099,805
	<hr/>	<hr/>	<hr/>
Net Increase (Decrease)	(1,662,246)	(9,450,038)	247,284
Beginning Balance - January 1st	25,644,237	23,981,991	14,531,954
	<hr/>	<hr/>	<hr/>
Ending Balance - December 31st	<u>\$23,981,991</u>	<u>\$14,531,954</u>	<u>\$14,779,238</u>
	<hr/>	<hr/>	<hr/>
 <u>GRAND TOTALS</u>			
Total Receipts	<u>\$199,030,926</u>	<u>\$198,203,923</u>	<u>\$212,644,064</u>
Total Expenditures	<u>197,454,114</u>	<u>207,865,771</u>	<u>210,963,082</u>
Net Increase (Decrease)	1,576,812	(9,661,848)	1,680,983
Beginning Balance - January 1st	44,813,885	46,390,697	36,728,849
	<hr/>	<hr/>	<hr/>
Ending Balance - December 31st	<u>\$46,390,697</u>	<u>\$36,728,849</u>	<u>\$38,409,831</u>
	<hr/>	<hr/>	<hr/>

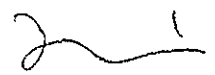
(1) Primarily consists of bond proceeds in construction funds.

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

This Official Statement and its execution are duly authorized.

CARMEL CLAY SCHOOLS,
HAMILTON COUNTY, INDIANA

By: 
President, Board of School Trustees

Attest: 
Secretary, Board of School Trustees

APPENDIX B

BOND RESOLUTION OF THE BOARD OF SCHOOL TRUSTEES OF CARMEL CLAY SCHOOLS, HAMILTON COUNTY, INDIANA, AUTHORIZING ISSUANCE OF BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO BE APPLIED TO PAY FOR ALL OR A PORTION OF THE COSTS OF CERTAIN CAPITAL PROJECTS, MISCELLANEOUS FACILITY IMPROVEMENTS AND TECHNOLOGY/EQUIPMENT UPGRADES AND COSTS ASSOCIATED THEREWITH AND ON ACCOUNT OF THE ISSUANCE OF THE BONDS

WHEREAS, the Board School Trustees (the “Board”) of Carmel Clay Schools, Hamilton County, Indiana (the “School Corporation”), has given consideration to undertaking (i) the demolition of the existing Carmel Elementary School and the construction and equipping of a new elementary school at the same location; (ii) the construction and equipping of a new elementary school to be located on property off Clay Center Road; (iii) acquisition and installation of technology upgrades at school facilities throughout the School Corporation; (iv) the construction, renovation, upgrade and improvement of school facilities throughout the School Corporation to improve safety and security; (v) improvement and renovations at Forest Dale Elementary School, College Wood Elementary School, and Creekside Middle School; (vi) improvement and renovations at Carmel High School; (vii) the acquisition of performing arts instruments; (viii) completing other miscellaneous facility improvements, equipping and land improvements and/or acquisition projects throughout the geographical boundaries of the School Corporation; and (ix) undertaking all projects related to any of the projects described in any of clauses (i) through and including (viii) (clauses (i) through and including (ix), collectively, the “Project”); and

WHEREAS, following public hearings held on November 19, 2018, and on November 26, 2018, the Board adopted a resolution determining that a need exists for the Project and to take all necessary steps to issue bonds to finance all or a portion of the Project; and

WHEREAS, the Board now desires to issue general obligation bonds pursuant to Indiana Code 20-48-1 and other applicable provisions of the Indiana Code (the “Act”), to be designated the “Carmel Clay Schools, Indiana, General Obligation Bonds, Series 2019” (the “Bonds”) in an original aggregate principal amount not to exceed Twenty-Two Million Four Hundred Fifteen Thousand Dollars (\$22,415,000) (the “Authorized Amount”) for the purpose of providing for the payment of a portion of the costs of the Project, all or a portion of the costs associated therewith, including, but not limited to, the costs of selling and issuing the Bonds; and

WHEREAS, the original principal amount of the Bonds, together with the outstanding principal amount of previously issued bonds and any bonds anticipated to be issued contemporaneously with the Bonds, which constitute a debt of the School Corporation, is no more than two percent (2%) of one-third of the total net assessed valuation of the School Corporation; and

WHEREAS, the amount of proceeds of the Bonds allocated to pay costs of the Project, together with estimated investment earnings thereon, does not exceed the cost of the Project; and

WHEREAS, the Board expects to pay for certain costs of the Project or costs related to the Project (collectively, the “Expenditures”) prior to the issuance of the Bonds, and to reimburse the Expenditures with proceeds of the Bonds; and

WHEREAS, all conditions precedent to the adoption of a resolution authorizing the issuance of the Bonds have been complied with in accordance with the applicable provisions of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SCHOOL TRUSTEES OF CARMEL CLAY SCHOOLS, HAMILTON COUNTY, INDIANA, AS FOLLOWS:

Section 1. Authorization and General Terms of Bonds.

(a) **Issuance of Bonds.** In order to procure said loan for such purposes, the School Corporation hereby authorizes the issuance of the Bonds as described herein. Each of the President of the Board (the “President”) and the Treasurer of the School Corporation (the “Treasurer”) is hereby authorized and directed to have prepared and to issue and sell the Bonds as negotiable, fully registered bonds of the School Corporation in an amount not to exceed the Authorized Amount.

The Bonds shall be executed in the name of the School Corporation by the manual or facsimile signature of the President and attested by the manual or facsimile signature of the Secretary of the Board (the “Secretary”). In case any officer whose signature appears on the Bonds shall cease to be such officer before the delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in office until delivery thereof. The Bonds also shall be, and will not be valid or become obligatory for any purpose or entitled to any benefit under this Resolution unless and until, authenticated by the manual signature of the Registrar (as defined in Section 3 hereof). Subject to the provisions of this Resolution regarding the registration of the Bonds, the Bonds shall be fully negotiable instruments under the laws of the State of Indiana.

The Bonds shall be numbered consecutively from 2019R-1 upward, shall be issued in denominations of Five Thousand Dollars (\$5,000) or any integral multiple thereof, shall be originally dated as of the first day or the fifteenth day of the month in which the Bonds are sold or the date of delivery, as designated by the President at the time of issuance of the Bonds, and shall bear interest payable semiannually on each January 15 and July 15, commencing no earlier than July 15, 2020, at a rate or rates not exceeding five percent (5.00%) per annum (the exact rate or rates to be determined by bidding pursuant to Section 4 of this Resolution), calculated on the basis of a 360-day year comprised of twelve 30-day months.

The Bonds shall mature substantially in accordance with the maturity schedule as set forth on Exhibit A attached hereto, as modified by the Treasurer at the time the Bonds are issued based on the recommendation of the School Corporation’s municipal advisor. The Bonds are not subject to optional redemption prior to maturity. The Bonds may be subject to mandatory sinking fund redemption at 100% face value at the successful bidder’s discretion. If any Bonds are subject to mandatory sinking fund redemption, the Registrar and the Paying Agent (as defined in Section 2 hereof) shall credit against the mandatory sinking fund requirement for any term bonds and corresponding mandatory redemption obligation, in the order determined by the School Corporation, any term bonds maturing on the same date which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Registrar and Paying Agent for cancellation or purchased for cancellation by the Registrar and 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 Registrar and

Paying Agent at 100% of the principal amount thereof against the mandatory sinking fund obligation of such mandatory 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 Registrar and Paying Agent shall only credit such term bonds to the extent received on or before forty-five days preceding the applicable mandatory redemption date.

If any of the Bonds are subject to redemption, notice of any redemption will be mailed by first class mail by the Registrar and Paying Agent not less than 30 days prior to the date selected for redemption to the registered owners of all Bonds to be redeemed at the address shown on the registration books; provided, however, that failure to give such notice by mailing or a defect in the notice or the mailing as the Bonds will not affect the validity or any proceedings for redemption as to any other Bonds for which notice is adequately given. Notice having been mailed, the Bonds designated for redemption will, on the date specified in such notice, become due and payable at the then applicable redemption price. On presentation and surrender of such Bonds in accordance with such notice at the place at which the same are expressed in such notice to be redeemable, such Bonds will be redeemed by the Registrar and Paying Agent and any paying agent for that purpose. From and after the date of redemption so designated, unless default is made in the redemption of the Bonds upon presentation, interest on the Bonds designated for redemption will cease. If the amount necessary to redeem any Bonds called for redemption has been deposited with the Registrar and Paying Agent or any paying agent for the account of the registered owner or registered owners of such Bonds on or before the date specified for such redemption and if the notice described has been duly mailed by the Registrar and Paying Agent, the School Corporation will be released from all liability on such Bonds and such Bonds will no longer be deemed to be outstanding and interest thereon will cease at the date specified for such redemption.

(b) **Source of Payment.** The Bonds are, as to all the principal thereof, and as to all interest due thereon, general obligations of the School Corporation, payable from ad valorem property taxes on all taxable property within the School Corporation, to be levied beginning in 2019 for collection beginning in 2020.

(c) **Payments.** Except as may be otherwise provided in the Bonds, all payments of interest on the Bonds shall be paid by the School Corporation to the Paying Agent (as hereinafter defined) no later than the last day of the month preceding the month of each interest payment date with the understanding that the Paying Agent shall pay all of the interest due on each interest payment date by wire transfer, or by check mailed one business day prior to the interest payment date, to the registered owners thereof as of the first day of the month of each interest payment date (the "Record Date") at the addresses as they appear on the registration and transfer books of the School Corporation kept for that purpose by the Registrar (the "Registration Record") or at such other address as is provided to the Paying Agent in writing by such registered owner. All principal payments on the Bonds shall be made upon surrender thereof at the principal office of the Paying Agent 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; provided, however, that with respect to the holder of any of the Bonds who holds Bonds at any time in the principal amount of at least One Million Dollars (\$1,000,000), principal payments may be paid by wire transfer or by check mailed without any surrender of the Bonds if written notice is provided to the Paying Agent at least sixteen (16) days prior to the commencement of such wire transfers or mailing of the check without surrender of the Bonds.

Interest on Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date thereof unless such Bonds are authenticated after the Record Date for an interest payment date and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless authenticated on or before the Record Date for the first interest payment date, in which case they shall bear interest from the original date, until the principal shall be fully paid.

(d) **Transfer and Exchange.** Each Bond shall be transferable or exchangeable only upon the Registration Record, by the registered owner thereof in writing, or by the registered owner's 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 such attorney, 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 the registered owner, as the case may be, in exchange therefor. The costs of such transfer or exchange shall be borne by the School Corporation. The School Corporation, Registrar, and Paying Agent may treat and consider the persons in whose name such Bonds are registered as the absolute owners thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

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

(f) **Book-Entry-Only Requirements.** If it is determined by the President, based on the advice of the Treasurer or the municipal advisor of the School Corporation, to be advantageous to the School Corporation, the Bonds will initially be issued and held in book-entry form on the books of the central depository system, The Depository Trust Company, its successors, or any successor central depository system appointed by the School Corporation from time to time (the "Clearing Agency"), without physical distribution of Bonds to the public. The following provisions of this Section apply in such event.

One definitive Bond of each maturity shall be delivered to the Clearing Agency and held in its custody. The School Corporation, the Registrar, and the Paying Agent may, in connection therewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the holders of the Bonds as are necessary or appropriate to accomplish or recognize such book-entry form bonds.

So long as the Bonds remain and are held in book-entry form on the books of a Clearing Agency, then (1) any such Bond may be registered upon the registration record in the name of such Clearing Agency, or any nominee thereof, including Cede & Co.; (2) the Clearing Agency in whose name such Bond is so registered shall be, and the School Corporation, the Registrar, and the Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such Bond for all purposes of this Resolution, including, without limitation, receiving payment of the principal of and interest and premium, if any, on such Bond, the receiving of notice and the giving of consent; and (3) neither the School Corporation, the Registrar, nor the Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency, or any person on behalf of which, or otherwise in respect of which, any such participant holds any interest in any Bond, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any Bond or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or interest or premium, if any, on any Bond, the receiving of notice or the giving of consent.

If the School Corporation receives notice from the Clearing Agency which is currently the registered owner of the Bonds to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the Bonds or the School Corporation elects to discontinue its use of such Clearing Agency as a Clearing Agency for the Bonds, then the School Corporation, the Registrar, and the Paying Agent each shall 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 such Clearing Agency 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 holders of the Bonds may direct in accordance with this Resolution. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the Bonds, shall be paid by the School Corporation.

So long as the Bonds remain and are held in book-entry form on the books of a Clearing Agency, the Registrar, and the Paying Agent shall be entitled to request and rely upon a certificate or other written representation from the Clearing Agency or any participant or indirect participant with respect to the identity of any beneficial owner of Bonds as of a record date selected by the Registrar or Paying Agent. For purposes of determining whether the consent, advice, direction, or demand of a registered owner of a Bond has been obtained, the Registrar shall be entitled to treat the beneficial owners of the Bonds as the bondholders and any consent, request, direction, approval, objection, or other instrument of such beneficial owner may be obtained in the fashion described in this Resolution.

So long as the Bonds remain and are held in book-entry form on the books of the Clearing Agency, the provisions of its standard form of Letter of Representations, if executed in connection with the issuance of such Bonds, as amended and supplemented, or any successor agreement shall control on the matters set forth therein. Each of the Registrar and the Paying Agent agrees that it will (i) undertake the duties of agent set forth therein and that those duties to be undertaken by either the agent or the issuer shall be the responsibility of the Registrar and the Paying Agent, and (ii) comply with all requirements of the Clearing Agency, including without limitation same day funds settlement payment procedures. Further, so long as the Bonds remain and are held in book-entry form, the provisions of Section 1(f) of this Resolution shall control over conflicting provisions in any other section of this Resolution.

Section 2. Appointment of Registrar and Paying Agent. The Huntington National Bank is hereby appointed as the initial registrar and paying agent with respect to the Bonds. The President or the Treasurer is hereby authorized to appoint a successor registrar and paying agent at any time (The Huntington National Bank, together with any successor, the “Registrar” or the “Paying Agent”). The Registrar is hereby charged with the responsibility of authenticating the Bonds, and shall keep and maintain the Registration Record at its office. The President is hereby authorized to enter into such agreements or understandings with any institution serving in such capacities as will enable the institution to perform the services required of the Registrar and Paying Agent. The School Corporation shall pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent.

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

Section 3. Form of Bonds. The form and tenor of the Bonds shall be substantially as follows, all blanks to be filled in properly prior to delivery thereof:

(Form of Bond)

No. 2019R-___

UNITED STATES OF AMERICA

STATE OF INDIANA

HAMILTON COUNTY

**CARMEL CLAY SCHOOLS, INDIANA
GENERAL OBLIGATION BOND, SERIES 2019**

Interest <u>Rate</u>	Maturity <u>Date</u>	Original <u>Date</u>	Authentication <u>Date</u>	<u>CUSIP</u>
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Registered Owner:

Principal Sum:

Carmel Clay Schools, Hamilton County, Indiana (the "School Corporation"), for value received, hereby promises to pay to the Registered Owner set forth above, the Principal Sum set forth above on the Maturity Date set forth above, and to pay interest thereon until the Principal Sum shall be fully paid at the Interest Rate per annum specified above 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 first day of the month of the interest payment date (the "Record Date") and on or before such interest payment date in which case interest shall be paid from such interest payment date, or unless this bond is authenticated on or before July 1, 2020, in which case it shall bear interest from the Original Date, which interest is payable semi-annually on January 15 and July 15 of each year, beginning on July 15, 2020. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The principal of this bond is payable at the office of The Huntington National Bank (the "Registrar" or "Paying Agent"), in Indianapolis, Indiana. All payments of interest on this bond shall be paid by wire transfer, or by check mailed five business days prior to the interest payment date, to the Registered Owner as of the Record Date 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. All payments of principal of this bond shall be made upon surrender thereof at the principal office of the Paying Agent 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.

This bond is one of an authorized issue of bonds of the School Corporation of like original date, tenor and effect, except as to denominations, numbering, interest rates, and dates of maturity, in the total amount of _____ Dollars (\$_____), numbered from 2019R-1 upward, issued for the purpose of providing funds to pay the costs of certain capital projects, miscellaneous facility improvements and technology/equipment upgrades and for the purpose of paying incidental expenses to be incurred in connection therewith and on account of the sale and issuance of bonds therefor, as authorized by a resolution adopted by the Board of School Trustees of the School Corporation on the 25th day of February, 2019, entitled "BOND RESOLUTION OF THE BOARD OF SCHOOL TRUSTEES OF CARMEL CLAY SCHOOLS, HAMILTON, INDIANA, AUTHORIZING ISSUANCE OF BONDS FOR THE PURPOSE OF PROVIDING FUNDS TO BE APPLIED TO PAY FOR ALL OR A PORTION OF THE COSTS OF CERTAIN CAPITAL PROJECTS, MISCELLANEOUS FACILITY IMPROVEMENTS AND TECHNOLOGY/EQUIPMENT UPGRADES AND COSTS ASSOCIATED THEREWITH AND ON ACCOUNT OF THE ISSUANCE OF THE BONDS" (the "Resolution"), and in strict compliance with Indiana Code 20-48-1 and other applicable provisions of the Indiana Code, as amended (collectively, the "Act"), all as more particularly described in the Resolution. The owner of this bond, by the acceptance hereof, agrees to all the terms and provisions contained in the Resolution and the Act.

PURSUANT TO THE PROVISIONS OF THE ACT AND THE RESOLUTION, THE PRINCIPAL OF THIS BOND AND ALL OTHER BONDS OF SAID ISSUE AND THE INTEREST DUE THEREON ARE PAYABLE AS A GENERAL OBLIGATION OF THE SCHOOL CORPORATION, FROM AD VALOREM PROPERTY TAXES TO BE LEVIED ON ALL TAXABLE PROPERTY WITHIN THE SCHOOL CORPORATION.

[Insert optional and mandatory sinking fund redemption language, if applicable]

This bond is subject to defeasance prior to payment as provided in the Resolution.

If this bond shall not be presented for payment on the date fixed therefor, the School Corporation may deposit in trust with the Paying Agent or another paying agent, an amount sufficient to pay such bond, and thereafter the Registered Owner shall look only to the funds so deposited in trust for payment and the School Corporation shall have no further obligation or liability in respect thereto.

This bond is transferable or exchangeable only upon the registration record kept for that purpose at the office of the Registrar by the Registered Owner in person, or by the Registered Owner's 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 such attorney, 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 the Registered Owner, as the case may be, in exchange therefor. The School Corporation, any 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.

The bonds maturing on any maturity date are issuable only in the denomination of \$5,000 or any integral multiple thereof not exceeding the aggregate principal amount of the bonds maturing on such date.

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.

A Continuing Disclosure Contract from the School Corporation to each registered owner or holder of any bonds of this issue, dated as of the date of initial issuance of the bonds of this issue (the "Contract"), has been executed by the School Corporation, a copy of which is available from the School Corporation and the terms of which are incorporated herein by this reference. The Contract contains certain promises of the School Corporation to each registered owner or holder of any bonds of this issue, including a promise to provide certain continuing disclosure. By its payment for and acceptance of this bond, the registered owner or holder of this bond assents to the Contract and to the exchange of such payment and acceptance for such promises.

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, Carmel Clay Schools, Hamilton County, Indiana, has caused this bond to be executed in the name of such School Corporation, by the manual or facsimile signature of the President of the Board of School Trustees of said School Corporation, and attested by manual or facsimile signature by the Secretary of the Board of School Trustees of said School Corporation.

CARMEL CLAY SCHOOLS, HAMILTON

COUNTY, INDIANA

By: _____
President of the Board of School Trustees

ATTEST:

Secretary of the Board of School Trustees

REGISTRAR'S CERTIFICATE

It is hereby certified that this bond is one of the bonds described in the within-mentioned Resolution duly authenticated by the Registrar.

_____, as
Registrar

By: _____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (Please Print or Typewrite Name and Address and Social Security or Other Identifying Number) \$_____ principal amount (must be a multiple of \$5,000) of the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the within bond on the books kept for the registration thereof with full power of substitution in the premises.

Signature Guaranteed:

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

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

The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN. COM. as tenants in common

TEN. ENT.	as tenants by the entireties
JT. TEN.	as joint tenants with right of survivorship and not as tenants in common
UNIF. TRANS.	
MIN. ACT	<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="border-bottom: 1px solid black; width: 150px;"></div> <div>Custodian</div> <div style="border-bottom: 1px solid black; width: 150px;"></div> </div> <div style="display: flex; justify-content: space-between; align-items: center;"> <div>(Cust.)</div> <div>(Minor)</div> </div>
	under Uniform Transfers to Minors Act of
	(State)

Additional abbreviations may also be used, although not contained in the above list.

(End of Bond Form)

Section 4. Sale of Bonds. The Treasurer shall cause to be published a notice of sale once each week for two consecutive weeks in accordance with Indiana Code 5-3-1-2. The date fixed for the sale shall not be earlier than fifteen (15) days after the first of such publications and not earlier than three (3) days after the second of such publications. Said bond sale notice shall state the time and place of sale, the purpose for which the Bonds are being issued, the total amount thereof, the amount and date of each maturity, the maximum rate or rates of interest thereon, their denominations, the time and place of payment, the terms and conditions upon which bids will be received and the sale made, and such other information as is required by law or as the Treasurer shall deem necessary.

As an alternative to the publication of a notice of sale, the Treasurer may sell the Bonds through the publication of a notice of intent to sell the Bonds and compliance with related procedures, pursuant to Indiana Code 5-1-11-2(b).

All bids for the Bonds shall be sealed and shall be presented to the Treasurer or her designee in accordance with the terms set forth in the bond sale notice. Bidders for the Bonds must bid for all of the Bonds and shall be required to name the rate or rates of interest which the Bonds are to bear, which shall be the same for all Bonds maturing on the same date, not exceeding five percent (5.00%) per annum, and such interest rate or rates shall be in multiples of one-eighth or one-one hundredth of one percent. The Treasurer, based on the recommendation and the municipal advisor of the School Corporation, shall award the Bonds to the bidder who offers the lowest net interest cost, to be determined by computing the total interest on all the Bonds to their maturities and deducting therefrom the premium bid, if any, or adding thereto the amount of the discount, if any. No conditional bid or bid for less than ninety-nine and one-half percent (99.50 %) of the par value of the Bonds, plus accrued interest, shall be considered. The Treasurer may require that all bids be accompanied by certified or cashier's checks payable to the order of the School Corporation, or a surety bond, in an amount not to exceed one percent of the aggregate principal amount of the Bonds as a guaranty of the performance of said bid, should it be accepted. In the event no satisfactory bids are received on the day named in the sale notice, the sale may be continued from day to day thereafter for a period of thirty (30) days without readvertisement; provided, however, that if said sale is continued, no bid shall be accepted which

offers an interest cost which is equal to or higher than the best bid received at the time fixed for sale in the bond sale notice. The Treasurer shall have full right to reject any and all bids.

The Treasurer is hereby authorized and directed to have the Bonds prepared, the President and Secretary are hereby authorized and directed to execute the Bonds in substantially the form and the manner herein provided. The Treasurer is hereby authorized and directed to deliver the Bonds to the purchaser; thereupon, the Treasurer shall be authorized to receive from the purchaser the purchase price and take the purchaser's receipt for the Bonds. The amount to be collected by the Treasurer shall be the full amount which the purchaser has agreed to pay therefor, which shall be not less than ninety-nine and one-half percent (99.50%) of the face value of the Bonds plus accrued interest to the date of delivery.

The proceeds from the sale of the Bonds shall be deposited in a fund, funds, account, or accounts of the School Corporation established by the Treasurer and held or invested as permitted by law.

The President is hereby authorized and directed to obtain a legal opinion as to the validity of the Bonds from Barnes & Thornburg LLP, and to furnish such opinion to the purchasers of the Bonds. The cost of such opinion shall be paid out of the proceeds of the Bonds.

Section 5. Defeasance. If, when the Bonds or any portion thereof shall have become due and payable in accordance with their terms, and the whole amount of the principal and the interest so due and payable upon such Bonds or any portion thereof then outstanding shall be paid, or (i) cash, or (ii) direct non-callable obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America, and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, the principal of and the interest on which when due without reinvestment will provide sufficient money, or (iii) any combination of the foregoing, shall be held irrevocably in trust for such purpose, and provision shall also be made for paying all fees and expenses for the payment, then and in that case the Bonds or such designated portion thereof shall no longer be deemed outstanding or secured by this Resolution.

Section 6. Tax Matters. In order to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the Bonds, the School Corporation represents, covenants, and agrees that:

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

With respect to any management or service contracts with respect to the Project or any portion thereof, the School Corporation will comply with Revenue Procedure 2017-13, as the same may be amended or superseded from time to time.

(b) No Bond proceeds will be loaned to any entity or person other than a state or local governmental unit. No Bond proceeds will be transferred, directly or indirectly, or deemed transferred to a non-governmental person in any manner that would in substance constitute a loan of the Bond proceeds.

(c) The School Corporation will not take any action or 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 Internal Revenue Code of 1986, as amended (the "Code"), and the regulations thereunder as applicable to the Bonds, including, without limitation, the taking of such action as is necessary to rebate or cause to be rebated arbitrage profits on Bond proceeds or other monies treated as General Obligation proceeds to the federal government as provided in Section 148 of the Code, and will set aside such monies, which may be paid from investment income on funds and accounts notwithstanding anything else to the contrary herein, in trust for such purposes.

(d) The School Corporation will file an information report on Form 8038-G with the Internal Revenue Service as required by Section 149 of the Code.

(e) The School Corporation will not make any investment or do any other act or thing during the period that any Bond is outstanding hereunder which would cause any Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations thereunder as applicable to the Bonds.

Notwithstanding any other provisions of this Resolution, the foregoing covenants and authorizations (the "Tax Sections") which are designed to preserve the exclusion of interest on the Bonds from gross income under federal income tax law (the "Tax Exemption") need not be complied with if the School Corporation receives an opinion of nationally recognized bond counsel that any Tax Section is unnecessary to preserve the Tax Exemption.

Section 7. Amendments. 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 then outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption by the School Corporation of such resolution or resolutions supplemental hereto as shall be deemed necessary or desirable by the School Corporation for the purpose of amending in any particular any of the terms or provisions contained in this Resolution, or in any supplemental resolution; provided, however, that nothing herein contained shall permit or be construed as permitting without the consent of all affected owners of the Bonds:

(a) An extension of the maturity of the principal of or interest on any Bond without the consent of the holder of each Bond so affected; or

(b) A reduction in the principal amount of any Bond or the rate of interest thereon or a change in the monetary medium in which such amounts are payable, without the consent of the holder of each Bond so affected; or

(c) A preference or priority of any Bond over any other Bond, without the consent of the holders of all Bonds then outstanding; or

(d) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental resolution, without the consent of the holders of all Bonds then outstanding.

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

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

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

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

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

(a) to cure any ambiguity or formal defect or omission in this Resolution or in any supplemental resolution; or

(b) to grant to or confer upon the owners of the Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Bonds; or

(c) to procure a rating on the Bonds from a nationally recognized securities rating agency designated in such supplemental resolution, if such supplemental resolution will not adversely affect the owners of the Bonds; or

(d) to provide for the refunding or advance refunding of the Bonds; or

(e) to make any other change which, in the determination of the Board in its sole discretion, is not to the prejudice of the owners of the Bonds.

Section 8. Official Statement and Continuing Disclosure Contract.

(a) The distribution of the Preliminary Official Statement related to the Bonds (the “Preliminary Official Statement”) and the final Official Statement related to the Bonds (the “Official Statement”), to be prepared by the municipal advisor of the School Corporation, on behalf of the School Corporation, is hereby authorized and approved, and the President is authorized and directed to execute the Official Statement on behalf of the School Corporation in a form consistent with this Ordinance. The President or the Treasurer is authorized to deem the Preliminary Official Statement as “final” for purposes of Rule 15c2-12 of the U.S. Securities and Exchange Commission, as amended (the “Rule”). Notwithstanding the foregoing and if acceptable to the purchasers of the Bonds: (i) the Treasurer, with the advice of the municipal advisor and bond counsel of the School Corporation, may set the minimum authorized denomination of the Bonds at \$100,000; and (ii) the School Corporation need not prepare and distribute a Preliminary Official Statement or prepare and execute an Official Statement.

(b) If necessary in order for the purchaser of the Bonds to comply with the Rule, the President and Secretary are hereby authorized to execute and deliver, in the name and on behalf of the School Corporation, (1) an agreement by the School Corporation to comply with the requirements for a continuing disclosure undertaking of the School Corporation pursuant to subsection (b)(5) or (d)(2) of the Rule, and (2) amendments to such agreement from time to time in accordance with the terms of such agreement (the agreement and any amendments thereto are collectively referred to herein as the “Continuing Disclosure Contract”). The School Corporation hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Contract. The remedies for any failure of the School Corporation to comply with and carry out the provisions of the Continuing Disclosure Contract shall be as set forth therein.

Section 9. Other Actions and Documents. The officers of the School Corporation, and the Treasurer are hereby authorized and directed, for and on behalf of the School Corporation, to execute, attest and seal all such documents, instruments, certificates, closing papers and other papers and do all such acts and things as may be necessary or desirable to carry out the intent of this Resolution. In addition, any and all actions previously taken by any member of the Board or the Treasurer in connection with this Resolution, including, but not limited to, publication of the notice of the public hearing held in connection herewith and the notice of intent to sell bonds, be,

and hereby are, ratified and approved. In addition to the foregoing, the President and the Secretary, based on the advice of the municipal advisor of the School Corporation or at the request of the purchaser of the Bonds, may modify the dates of the semi-annual interest payment dates to be such other dates which are at least six (6) months apart, and if such interest payment dates are changed, the President and the Secretary may modify the Record Date to such other date that is at least fourteen (14) days prior to each such interest payment date.

Section 10. No Conflict. All resolutions and orders or parts thereof in conflict with the provisions of this Resolution are to the extent of such conflict hereby repealed. After the issuance of the Bonds authorized by this Resolution and so long as any of the Bonds or interest thereon remains unpaid, except as expressly provided herein, this Resolution shall not be repealed or amended in any respect which will adversely affect the rights of the holders of the Bonds, nor shall the School Corporation adopt any law which in any way adversely affects the rights of such holders.

Section 11. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 12. Non-Business Days. If the date of making any payment or the last date for performance of any act or the exercising of any right, as provided in this Resolution, shall be a legal holiday or a day on which banking institutions in the School Corporation or the jurisdiction in which the Registrar or Paying Agent is located are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date provided in this Resolution, and no interest shall accrue for the period after such nominal date.

Section 13. Interpretation. Unless the context or laws clearly require otherwise, references herein to statutes or other laws include the same as modified, supplemented, or superseded from time to time.

Section 14. Effectiveness. This Resolution shall be in full force and effect from and after its passage. Upon payment in full of the principal and interest respecting the Bonds authorized hereby or upon deposit of an amount sufficient to pay when due such amounts in accord with the defeasance provisions herein, all pledges, covenants and other rights granted by this Resolution shall cease.

[Signature Page Follows on Next Page]

Adopted and approved by the Board of School Trustees of Carmel Clay Schools, Hamilton County, Indiana, this 25th day of February, 2019.

BOARD OF SCHOOL TRUSTEES
OF CARMEL CLAY SCHOOLS

Michael Kerschner, President

Katie Browning, Vice President

Lin Zheng, Secretary

Pam Knowles, Member

Layla Spanenberg, Member

[Signature Page to Bond Resolution]

EXHIBIT A

ESTIMATED MATURITY SCHEDULE

<u>Maturity Date</u>	<u>Principal Amount*</u>
July 15, 2020	\$585,000
January 15, 2021	1,075,000
July 15, 2021	2,470,000
January 15, 2022	2,505,000
July 15, 2022	2,540,000
January 15, 2023	2,575,000
July 15, 2023	2,610,000
January 15, 2024	2,645,000
July 15, 2024	2,685,000
January 15, 2025	2,725,000

*Preliminary, subject to change.

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APPENDIX C

April 18, 2019

Carmel Clay Schools, Hamilton County, Indiana
Carmel, Indiana

Re: \$22,415,000 Carmel Clay Schools, Indiana, General Obligation Bonds, Series 2019

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Carmel Clay Schools, Hamilton County, Indiana (the “Issuer”), of \$22,415,000 aggregate principal amount of its General Obligation Bonds, Series 2019, dated the date hereof (the “Bonds”), pursuant to Indiana Code 20-48-1 as amended, and a resolution adopted by the Issuer on February 25, 2019 (the “Resolution”). We have examined the law and such certified proceedings and such other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Resolution, the certified proceedings and other certifications of public officials furnished to us, and certifications, representations and other information furnished to us by or on behalf of the Issuer and others, including certifications contained in the tax and arbitrage certificate of the Issuer dated the date hereof, without undertaking to verify the same by independent investigation. We have relied upon the legal opinion of Church, Church Hittle & Antrim, counsel to the Issuer, dated the date hereof, as to the matters stated therein.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Issuer is a school corporation validly existing under the laws of the State of Indiana, with the corporate power to adopt the Resolution and perform its obligations thereunder and to issue the Bonds.

2. The Bonds have been duly authorized, executed and delivered by the Issuer, and are valid and binding general obligations of the Issuer, enforceable in accordance with their terms. The Bonds are payable solely from *ad valorem* taxes to be levied and collected on all taxable property in the territory of the Issuer in an amount sufficient to pay the principal of, and interest on, the Bonds as such becomes due.

3. Under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on this date (the “Code”), the interest on the Bonds is excludable from gross income for federal income tax purposes. The opinion set forth in this paragraph is subject to the condition that the Issuer complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Issuer has covenanted or represented that it will comply with such requirements. Failure

to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

4. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

5. Interest on the Bonds is exempt from income taxation in the State of Indiana (the "State") for all purposes except the State financial institutions tax.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Final Official Statement dated March 27, 2019, or any other offering material relating to the Bonds, and we express no opinion relating thereto.

We express no opinion regarding any tax consequences arising with respect to the Bonds, other than as expressly set forth herein.

With respect to the enforceability of any document or instrument, this opinion is subject to the qualifications that: (i) the enforceability of such document or instrument may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance and similar laws relating to or affecting the enforcement of creditors' rights; (ii) the enforceability of equitable rights and remedies provided for in such document or instrument is subject to judicial discretion, and the enforceability of such document or instrument may be limited by general principles of equity; (iii) the enforceability of such document or instrument may be limited by public policy; and (iv) certain remedial, waiver and other provisions of such document or instrument may be unenforceable, provided, however, that in our opinion the unenforceability of those provisions would not, subject to the other qualifications set forth herein, affect the validity of such document or instrument or prevent the practical realization of the benefits thereof.

This opinion is given only as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Very truly yours,

APPENDIX D

CONTINUING DISCLOSURE CONTRACT

This Continuing Disclosure Contract (this “Contract”) is made this 18th day of April, 2019, from the Carmel Clay Schools, Hamilton County, Indiana (the “Promisor”), to each registered owner or holder of any Bond (as hereinafter defined) (each, a “Promisee”);

WITNESSETH THAT:

WHEREAS, the Carmel Clay Schools, Hamilton County, Indiana (the “Issuer”), is issuing its General Obligation Bonds, Series 2019, issued on the date hereof (the “Bonds”), pursuant to a Resolution adopted by the Board of Trustees of the Promisor on February 25, 2019 (the “Resolution”); and

WHEREAS, Stifel, Nicolaus & Co., Inc. (the “Underwriter”) is, in connection with an offering of the Bonds directly or indirectly by or on behalf of the Issuer, purchasing the Bonds from the Issuer and selling the Bonds to certain purchasers; and

WHEREAS, Rule 15c2-12, as amended (the “Rule”), promulgated by the Securities and Exchange Commission (the “Commission”) under the Securities Exchange Act of 1934, as amended (the “Act”), provides that, except as otherwise provided in the Rule, a participating underwriter (as defined in the Rule) shall not purchase or sell municipal securities in connection with an offering (as defined in the Rule) unless the participating underwriter has reasonably determined that an issuer of municipal securities (as defined in the Rule) or an obligated person (as defined in the Rule) for whom financial or operating data is presented in the final official statement (as defined in the Rule) has undertaken, either individually or in combination with other issuers of such municipal securities or obligated persons, in a written agreement or contract for the benefit of holders of such securities, to provide certain information; and

WHEREAS, the Promisor desires to enter into this Contract in order to assist the Underwriter in complying with the Rule; and

WHEREAS, any registered owner or holder of any Bond shall, by its payment for and acceptance of such Bond, accept and assent to this Contract and the exchange of (i) such payment and acceptance for (ii) the promises of the Promisor contained herein;

NOW, THEREFORE, in consideration of the Underwriter’s and any Promisee’s payment for and acceptance of any Bonds, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Promisor hereby promises to each Promisee as follows:

Section 1. Definitions. The terms defined herein, including the terms defined above and in this Section 1, shall have the meanings herein specified unless the context or use clearly indicates another or different meaning or intent. Any terms defined in the Rule, but not otherwise defined herein, shall have the meanings specified in the Rule unless the context or use clearly indicates another or different meaning or intent.

(a) “Bond” shall mean any of the Bonds.

- (b) “Bondholder” shall mean any registered or beneficial owner or holder of any Bond.
- (c) “Final Official Statement” shall mean the Official Statement, dated March 27, 2019, relating to the Bonds, including any document included therein by specific reference which is available to the public on the MSRB’s Internet Web site or filed with the Commission.
- (d) “Financial Obligation” shall mean (i) a debt obligation, (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of either clause (i) or (ii); provided, however, “Financial Obligation” shall not include any municipal securities (as defined in the Act) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.
- (e) “Fiscal Year” of any person shall mean any period from time to time adopted by such person as its fiscal year for accounting purposes, which as of the date of this Contract for this Contract and all prior undertakings shall be January 1 through and including the immediately following December 31.
- (f) “MSRB” shall mean the Municipal Securities Rulemaking Board.
- (g) “Obligated Person” shall mean any person who is either generally or through an enterprise, fund or account of such person committed by contract or other arrangement to support payment of all or part of the obligations on the Bonds (other than any providers of municipal bond insurance, letters of credit or liquidity facilities), for whom financial information or operating data is presented in the Final Official Statement.
- (h) “State” shall mean the State of Indiana.

Section 2. Term. The term of this Contract shall commence on the date of delivery of the Bonds by the Issuer to the Underwriter and shall expire on the earlier of (a) the date of payment in full of principal of and premium, if any, and interest on the Bonds, whether upon scheduled maturity, redemption, acceleration or otherwise, or (b) the date of defeasance of the Bonds in accordance with the terms of the Resolution.

Section 3. Obligated Person(s). The Promisor hereby represents and warrants that, as of the date hereof:

- (a) The only Obligated Person with respect to the Bonds is the Promisor; and
- (b) Except as set forth in the Final Official Statement, there have been no instances in the five (5) years prior to the date of the Final Official Statement in which any Obligated Person failed to comply, in all material respects,

with any previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of the Rule.

Section 4. Undertaking to Provide Information.

- (a) The Promisor hereby undertakes to provide the following to the MSRB in an electronic format as prescribed by the MSRB, either directly or indirectly through a registrar or designated agent, for the Promisor:

- (i) Annual Financial Information. Within one hundred eighty (180) days after the close of each Fiscal Year of such Obligated Person beginning with the Fiscal Year ending in the year after the year in which the Bonds are issued, financial information and operating data of the Obligated Person of the type provided under the following headings in Appendix A of the Final Official Statement, as applicable:

- (A) “CARMEL CLAY SCHOOLS, HAMILTON COUNTY, INDIANA – ENROLLMENT;”
- (B) “GENERAL ECONOMIC AND FINANCIAL INFORMATION – SCHEDULE OF HISTORICAL NET ASSESSED VALUATION;”
- (C) “GENERAL ECONOMIC AND FINANCIAL INFORMATION – DETAIL OF NET ASSESSED VALUATION;”
- (D) “GENERAL ECONOMIC AND FINANCIAL INFORMATION – COMPARATIVE SCHEDULE OF TAX RATES;”
- (E) “GENERAL ECONOMIC AND FINANCIAL INFORMATION – PROPERTY TAXES LEVIED AND COLLECTED;”
- (F) “GENERAL ECONOMIC AND FINANCIAL INFORMATION – LARGE TAXPAYERS”
- (G) “GENERAL ECONOMIC AND FINANCIAL INFORMATION – SUMMARY OF REVENUES AND EXPENDITURES BY FUND”

(the financial information and operating data set forth in Section 4(a)(i) hereof, collectively, the “Annual Financial Information”);

- (ii) If not submitted as part of the Annual Financial Information, then when and if available, audited financial statements for such Obligated Person;
- (iii) Within 10 business days of the occurrence of any of the following events with respect to the Bonds, if material (which determination of materiality shall be made by the Promisor in accordance with the standards established by federal securities laws):
 - (A) Non-payment related defaults;
 - (B) Modifications to rights of Bondholders;
 - (C) Bond calls (other than mandatory, scheduled redemptions, not otherwise contingent upon the occurrence of an event, the terms of which redemptions are set forth in detail in the Final Official Statement);
 - (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 agreement relating to the foregoing;
 - (F) Appointment of a successor or additional trustee or the change of name of a trustee; and
 - (G) Incurrence of a Financial Obligation of the Obligated Person or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the Obligated Person, any of which affect Bondholders.
- (iv) Within 10 business days of the occurrence of any of the following events with respect to the Bonds, regardless of materiality:
 - (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) Adverse tax opinions or events affecting the tax-exempt status of the security;
 - (F) Defeasances;
 - (G) Rating changes;
 - (H) 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 security;
 - (I) Tender offers;
 - (J) Bankruptcy, insolvency, receivership or similar events of the Obligated Person; and
 - (K) Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.
- (v) In a timely manner, notice of a failure of such Obligated Person to provide required Annual Financial Information or audited financial statements, on or before the date specified in this Contract.
- (b) Any financial statements of any Obligated Person provided pursuant to subsection (a)(i) of this Section 4 shall be prepared in accordance with any accounting principles mandated by the laws of the State, as in effect from time to time, or any other consistent accounting principles that enable market participants to evaluate results and perform year to year comparisons, but need not be audited.
 - (c) Any Annual Financial Information or audited financial statements may be set forth in a document or set of documents, or may be included by specific reference to documents available to the public on the MSRB's Internet Web site or filed with the Commission.
 - (d) If any Annual Financial Information otherwise required by subsection (a)(i) of this Section 4 no longer can be generated because the operations to which it relates have been materially changed or discontinued, a statement to that effect shall be deemed to satisfy the requirements of such subsection.
 - (e) All documents provided to the MSRB under this Contract shall be accompanied by identifying information as prescribed by the MSRB.

Section 5. Termination of Obligation. The obligation to provide Annual Financial Information, audited financial statements and notices of events under Section 4(a) hereof shall

terminate with respect to any Obligated Person, if and when such Obligated Person no longer remains an obligated person (as defined in the Rule) with respect to the Bonds.

Section 6. Bondholders. Each Bondholder is an intended beneficiary of the obligations of the Promisor under this Contract, such obligations create a duty in the Promisor to each Bondholder to perform such obligations, and each Bondholder shall have the right to enforce such duty.

Section 7. Limitation of Rights. Nothing expressed or implied in this Contract is intended to give, or shall give, to the Issuer, the Underwriter, the Commission or any Obligated Person, or any underwriters, brokers or dealers, or any other person, other than the Promisor, each Promisee and each Bondholder, any legal or equitable right, remedy or claim under or with respect to this Contract or any rights or obligations hereunder. This Contract and the rights and obligations hereunder are intended to be, and shall be, for the sole and exclusive benefit of the Promisor, each Promisee and each Bondholder.

Section 8. Remedies.

- (a) The sole and exclusive remedy for any breach or violation by the Promisor of any obligation of the Promisor under this Contract shall be the remedy of specific performance by the Promisor of such obligation. Neither any Promisee nor any Bondholder shall have any right to monetary damages or any other remedy for any breach or violation by the Promisor of any obligation of the Promisor under this Contract, except the remedy of specific performance by the Promisor of such obligation.
- (b) No breach or violation by the Promisor of any obligation of the Promisor under this Contract shall constitute a breach or violation of or default under the Bonds or the Resolution.
- (c) Any action, suit or other proceeding for any breach or violation by the Promisor of any obligation of the Promisor under this Contract shall be instituted, prosecuted and maintained only in a court of competent jurisdiction in Hamilton County, Indiana.
- (d) No action, suit or other proceeding for any breach or violation by the Promisor of any obligation of the Promisor under this Contract shall be instituted, prosecuted or maintained by any Promisee or any Bondholder unless, prior to instituting such action, suit or other proceeding: (i) such Promisee or such Bondholder has given the Promisor notice of such breach or violation and demand for performance; and (ii) the Promisor has failed to cure such breach or violation within sixty (60) days after such notice.

Section 9. Waiver. Any failure by any Promisee or any Bondholder to institute any suit, action or other proceeding for any breach or violation by the Promisor of any obligation of the Promisor under this Contract, within three hundred sixty (360) days after the date such Promisee or such Bondholder first has knowledge of such breach or violation, shall constitute a waiver by

such Promisee or such Bondholder of such breach or violation and, after such waiver, no remedy shall be available to such Promisee or such Bondholder for such breach or violation.

Section 10. Annual Appropriations. This Contract and the obligations of the Promisor hereunder are subject to annual appropriation by the fiscal body of the Promisor.

Section 11. Limitation of Liability. The obligations of the Promisor under this Contract are special and limited obligations of the Promisor, payable solely from funds on deposit in the Promisor's Operations Fund. The obligations of the Promisor under this Contract are not and shall never constitute a general obligation, debt or liability of the Promisor or the State, or any political subdivision thereof, within the meaning of any constitutional limitation or provision, or a pledge of the faith, credit or taxing power of the Promisor or the State, or any political subdivision thereof, and do not and shall never constitute or give rise to any pecuniary liability or charge against the general credit or taxing power of the Promisor or the State, or any political subdivision thereof.

Section 12. Immunity of Officers, Directors, Members, Employees and Agents. No recourse shall be had for any claim based upon any obligation in this Contract against any past, present or future officer, director, member, employee or agent of the Promisor, as such, either directly or through the Promisor, under any rule of law or equity, statute or constitution.

Section 13. Amendment of Obligations. The Promisor may, from time to time, amend any obligation of the Promisor under this Contract, without notice to or consent from any Promisee or any Bondholder, if: (a)(i) such amendment 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 any Obligated Person, or type of business conducted, (ii) this Contract, after giving effect to such amendment, would have complied with the requirements of the Rule on the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (iii) such amendment does not materially impair the interests of any Bondholders, as determined either by (A) any person selected by the Promisor that is unaffiliated with the Promisor, the Issuer or any Obligated Person (such as any registrar under the Resolution) or (B) an approving vote of the Bondholders pursuant to the terms of the Resolution at the time of such amendment; or (b) such amendment is otherwise permitted by the Rule.

Section 14. Assignment and Delegation. Neither any Promisee nor any Bondholder may, without the prior written consent of the Promisor, assign any of its rights under this Contract to any other person. The Promisor may not assign any of its rights or delegate any of its obligations under this Contract to any other person, except that the Promisor may assign any of its rights or delegate any of such obligations to any entity (a) into which the Promisor merges, with which the Promisor consolidates or to which the Promisor transfers all or substantially all of its assets or (b) which agrees in writing for the benefit of Bondholders to assume such rights or obligations.

Section 15. Communications. Any information, datum, statement, notice, certificate or other communication required or permitted to be provided, delivered or otherwise given hereunder by any person to any other person shall be in writing and, if such other person is the Promisor, shall be provided, delivered or otherwise given to the Promisor at the following address:

Carmel Clay Schools
5201 E. Main Street
Carmel, IN 46033
Attention: Roger McMichael, Associate Superintendent of
Business Affairs

(or at such other address as the Promisor may, by notice to the MSRB, provide), or, if such other person is not the Promisor, shall be provided, delivered or otherwise given to such other person at any address that the person providing, delivering or otherwise giving such information, datum, statement, notice, certificate or other communication believes, in good faith but without any investigation, to be an address for receipt by such other person of such information, datum, statement, notice, certificate or other communication. For purposes of this Contract, any such information, datum, statement, notice, certificate or other communication shall be deemed to be provided, delivered or otherwise given on the date that such information, datum, notice, certificate or other communication is (a) delivered by hand to such other person, (b) deposited with the United States Postal Service for mailing by registered or certified mail, (c) deposited with Express Mail, Federal Express or any other courier service for delivery on the following business day, or (d) sent by facsimile transmission, telecopy or telegram.

Section 16. Knowledge. For purposes of this Contract, each Promisee and each Bondholder shall be deemed to have knowledge of the provision and content of any information, datum, statement or notice provided by the Promisor to the MSRB on the date such information, datum, statement or notice is so provided, regardless of whether such Promisee or such Bondholder was a registered or beneficial owner or holder of any Bond at the time such information, datum, statement or notice was so provided.

Section 17. Performance Due on other than Business Days. If the last day for taking any action under this Contract is a day other than a business day, such action may be taken on the next succeeding business day and, if so taken, shall have the same effect as if taken on the day required by this Contract.

Section 18. Waiver of Assent. Notice of acceptance of or other assent to this Contract is hereby waived.

Section 19. Governing Law. This Contract and the rights and obligations hereunder shall be governed by and construed and enforced in accordance with the internal laws of the State, without reference to any choice of law principles.

Section 20. Severability. If any portion of this Contract is held or deemed to be, or is, invalid, illegal, inoperable or unenforceable, the validity, legality, operability and enforceability of the remaining portions of this Contract shall not be affected, and this Contract shall be construed as if it did not contain such invalid, illegal, inoperable or unenforceable portion.

Section 21. Rule. This Contract is intended to be an agreement or contract in which the Promisor has undertaken to provide that which is required by paragraph (b)(5) of the Rule. If and to the extent this Contract is not such an agreement or contract, this Contract shall be deemed to

include such terms not otherwise included herein, and to exclude such terms not otherwise excluded herefrom, as are necessary to cause this Contract to be such an agreement or contract.

Section 22. Interpretation. The use herein of the singular shall be construed to include the plural, and vice versa, and the use herein of the neuter shall be construed to include the masculine and feminine. Unless otherwise indicated, the words “hereof,” “herein,” “hereby” and “hereunder,” or words of similar import, refer to this Contract as a whole and not to any particular section, subsection, clause or other portion of this Contract.

Section 23. Captions. The captions appearing in this Contract are included herein for convenience of reference only, and shall not be deemed to define, limit or extend the scope or intent of any rights or obligations under this Contract.

IN WITNESS WHEREOF, the Promisor has caused this Contract to be executed on the date first above written.

CARMEL CLAY SCHOOLS, HAMILTON
COUNTY, INDIANA

Michael Kerschner, President of the Board of
Trustees