

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 26, 2026

NEW ISSUE – BOOK-ENTRY ONLY

RATINGS:

S&P Program Rating: “AA+”
S&P Underlying Rating: “A+”
See “RATINGS” herein.

In the opinion of Ice Miller LLP, Indianapolis, Indiana (“Bond Counsel”) under existing laws, regulations, judicial decisions and rulings, interest on the Series 2026A Bonds (as defined herein) is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the “Code”), for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Series 2026A Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. Such exclusion is conditioned on continuing compliance with the Tax Covenants (as hereinafter defined). In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2026A Bonds is exempt from income taxation in the State of Indiana. See “TAX MATTERS” herein.

\$22,515,000*

**LEBANON MIDDLE SCHOOL BUILDING CORPORATION
(Boone County, Indiana)**

AD VALOREM PROPERTY TAX FIRST MORTGAGE BONDS, SERIES 2026A

Dated: As of Delivery

Due: As shown on the inside cover

The Lebanon Middle School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2026A (the “Series 2026A Bonds”) will be dated as of the delivery date with interest payable on January 15 and July 15 of each year, commencing July 15, 2027. The Series 2026A 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 Series 2026A Bonds will be made in book-entry-only form in the denomination of \$5,000 or any integral multiples thereof. Purchasers of beneficial interest in the Series 2026A Bonds (the “Beneficial Owners”) will not receive physical delivery of certificates representing their interest in the Series 2026A Bonds. Principal and semi-annual interest will be disbursed on behalf of the Lebanon Middle School Building Corporation (the “Building Corporation” or “Issuer”) by The Bank of New York Mellon Trust Company, N.A., a national association with trust powers organized under the laws of the United States of America, as trustee, registrar and paying agent (the “Trustee”, “Registrar” and “Paying Agent”). The principal of and premium, if any, and interest on the Series 2026A Bonds will be paid directly to DTC by the Paying Agent so long as DTC or its nominee is the registered owner of the Series 2026A Bonds. The final disbursement of such payments to the Beneficial Owners of the Series 2026A Bonds will be the responsibility of the DTC Participants and the Indirect Participants. See “The Series 2026A Bonds - Book-Entry-Only System”. **The Series 2026A Bonds are subject to optional redemption prior to maturity, and may, at the option of the underwriter, be issued as term bonds subject to mandatory sinking fund redemption prior to maturity, as described herein.**

The Series 2026A Bonds are issued pursuant to a Trust Indenture dated as of October 1, 2024, as supplemented by a First Supplemental Indenture dated as of March 1, 2026 (the “Trust Indenture”), entered into between the Building Corporation and the Trustee. The Series 2026A Bonds constitute valid and legally binding obligations of the Building Corporation and are payable from certain sources of income of the Building Corporation which have been specifically pledged for the payment thereof including lease rental payments to be received from Lebanon Community School Corporation, Boone County, Indiana (the “School Corporation”), as lessee, under the terms of a Lease Agreement dated September 17, 2024 (the “Lease”), which rental payments under the Lease are payable from ad valorem property taxes to be levied and collected on all taxable property within the School Corporation and which rental payments will be paid directly to the Trustee. The Series 2026A Bonds are issued on parity with the Building Corporation’s Ad Valorem Property Tax First Mortgage Bonds, Series 2024B (the “Series 2024B Bonds”). The levy of ad valorem taxes by the School Corporation to pay rent due and payable under the Lease is mandatory and not subject to annual appropriation; however, the School Corporation’s obligation to pay rent due and payable under the Lease is subject to abatement in the event the Leased Premises (as defined herein) are damaged or destroyed and unavailable for use and occupancy. (See “Summary of the Lease” and “Circuit Breaker Tax Credit” herein). The Series 2026A Bonds and additional series of Bonds described under the headings “Plan of Financing the Projects” herein are expected to be issued over time to fund the Projects.

**THE SERIES 2026A BONDS WILL MATURE ON THE DATES AND IN THE AMOUNTS
AS SHOWN ON THE INSIDE COVER**

The Series 2026A Bonds are offered when, as and if issued by the Building Corporation and received by Stifel, Nicolaus & Company, Incorporated, as the Underwriter (the “Underwriter”), subject to prior sale, the withdrawal or modification of the offer without notice, and to the unqualified approval as to the legality of the Series 2026A Bonds by Ice Miller LLP, Indianapolis, Indiana, as bond counsel. Certain legal matters will be passed on by Parr Richey Frandsen Patterson Kruse LLP, Lebanon, Indiana, counsel for the Building Corporation and the School Corporation. Certain legal matters will be passed on for the Underwriter by Barnes & Thornburg LLP, Indianapolis, Indiana, as counsel to the Underwriter. It is expected that the Series 2026A Bonds will be delivered through DTC in New York, New York on or about _____, 2026.

STIFEL

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.

*Preliminary, subject to change.

This Preliminary Official Statement and information contained herein are subject to completion or amendment without notice. These securities may not be sold nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

\$22,515,000*
LEBANON MIDDLE SCHOOL BUILDING CORPORATION
(Boone County, Indiana)
AD VALOREM PROPERTY TAX FIRST MORTGAGE BONDS, SERIES 2026A
(Base CUSIP _____)†

<u>Maturity</u>	<u>Principal</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u> ⁽¹⁾	<u>CUSIP</u>
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[\$ _____ Term Bonds @ ____%, due _____ 15, 20__, Price _____ ⁽¹⁾; CUSIP ____]

[(1) Priced to the _____ 15, 20__ call date]

* Preliminary, subject to change.

† The above-referenced CUSIP numbers have been assigned by an independent company not affiliated with the Building Corporation, the School Corporation or the Underwriter, and are included solely for the convenience of the holders of the Series 2026A Bonds. None of the Building Corporation, the School Corporation or the Underwriter is responsible for the selection or uses of such CUSIP numbers, and no representation is made as to their correctness on the Series 2026A Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2026A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of such maturities. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc.

**LEBANON MIDDLE SCHOOL BUILDING CORPORATION
BOARD OF DIRECTORS**

Charles L. Woodruff, Jr., President
Dan Lamar, Vice President/Treasurer
Michele Thomas, Secretary

**LEBANON COMMUNITY SCHOOL CORPORATION
BOARD OF SCHOOL TRUSTEES**

Jordan Clouser, President
Trey Hendrix, Vice President
Brett Havlin, Secretary
Lisa Hutcheson, Member
Craig Parks, Member

SCHOOL ADMINISTRATION

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This Official Statement is being distributed in connection with the sale of the Series 2026A Bonds referred to in this Official Statement and may not be used, in whole or in part, for any other purpose. No dealer, broker, salesman or other person is authorized to make any representations concerning the Series 2026A Bonds other than those contained in this Official Statement, and if given or made, such other information or representations may not be relied upon as statements of the Lebanon Middle School Building Corporation, Boone County, Indiana (the "Building Corporation") or Lebanon Community School Corporation, Boone County, Indiana (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 Series 2026A Bonds by any person in any jurisdiction in which it is unlawful to make such an offer, solicitation or sale.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended by the Building Corporation and School Corporation, from time to time (collectively, the "Official Statement"), may be treated as a final Official Statement with respect to the Series 2026A Bonds described herein that is deemed final by the Building Corporation and School Corporation as of the date hereof (or of any such supplemental or amendment).

Unless otherwise indicated, the Building Corporation and the School Corporation are the sources of the information contained in this Official Statement. Certain information in this Official Statement has been obtained by the Building Corporation and the School Corporation or on their behalf from The Depository Trust Company and other non-Building Corporation or non-School Corporation sources that the Building Corporation and the School Corporation believe to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information. Nothing contained in this Official Statement is a promise of or representation by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"). The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and opinions expressed in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale made under this Official Statement shall, under any circumstances, create any implication that there has been no change in the financial condition or operations of the Building Corporation and the School Corporation or other information in this Official Statement, since the date of this Official Statement.

This Official Statement contains statements that are "forward-looking statements" as that term is defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. When used in this Official Statement, the words "estimate," "intend," "project" or "projection," "expect" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are subject to risks and uncertainties, some of which are discussed herein, that could cause actual results to differ materially from those contemplated in such forward-looking statements. Investors and prospective investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this Official Statement.

This Official Statement should be considered in its entirety. No one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, ordinances, reports or other documents are referred to in this Official Statement, reference should be made to those documents for more complete information regarding their subject matter.

The Series 2026A Bonds will not be registered under the Securities Act of 1933, as amended, or the securities laws of any state of the United States, and will not be listed on any stock or other securities exchange. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE SERIES 2026A BONDS OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

REFERENCES TO WEB SITE ADDRESSES PRESENTED HEREIN ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER'S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEB SITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS OFFICIAL STATEMENT FOR THE PURPOSES OF, AND AS THAT TERM IS DEFINED IN, SEC RULE 15c2-12.

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission in the Securities and Exchange Commission Rule 15c2-12, as amended, the School Corporation will enter into a supplement to its Master Continuing Disclosure Undertaking, as previously supplemented. For a description of the Master Continuing Disclosure Undertaking, as supplemented, see "CONTINUING DISCLOSURE" and APPENDIX D.

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OFFICIAL STATEMENT

\$22,515,000*

**LEBANON MIDDLE SCHOOL BUILDING CORPORATION
(Boone County, Indiana)**

AD VALOREM PROPERTY TAX FIRST MORTGAGE BONDS, SERIES 2026A

INTRODUCTION

This Official Statement, including the cover page and appendices, is provided to set forth certain information concerning the sale and delivery by the Lebanon Middle School Building Corporation (the “Building Corporation”) of its Ad Valorem Property Tax First Mortgage Bonds, Series 2026A (the “Series 2026A Bonds”) in the aggregate principal amount of \$22,515,000*. The Series 2026A Bonds will be issued under the provisions of the Indiana Code, Title 20, Article 47, Chapter 3 and in accordance with the terms of a first mortgage lien on and security interest in certain property described in the Trust Indenture dated as of October 1, 2024, as supplemented by a First Supplemental Indenture dated as of March 1, 2026 (the “Indenture”), between the Building Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee, registrar and paying agent (the “Trustee”, “Registrar” and “Paying Agent”). The Series 2026A Bonds are issued on parity with the Building Corporation’s Ad Valorem Property Tax First Mortgage Bonds, Series 2024B (the “Series 2024B Bonds”).

The Building Corporation was organized for the purpose of providing funds to be applied to the cost of acquiring real estate and constructing and equipping school facilities thereon and leasing such facilities to Lebanon Community School Corporation, Boone County, Indiana (the “School Corporation”). Other powers of the Building Corporation include the authority to refinance previously incurred indebtedness and to execute amended lease agreements with the School Corporation based on terms of a refinancing agreement. See “THE BUILDING CORPORATION” herein.

Pursuant to pertinent provisions of the Indiana Code, projects that are considered controlled projects are subject to certain additional public approval procedures. A controlled project is one that is financed by a bond or lease, is payable by property taxes, and:

- (1) Costs more than the lesser of:
 - (A) Depending on the date of adoption of the preliminary determination ordinance or resolution:
 - (i) If adopted prior to January 1, 2018, \$2 Million;
 - (ii) If adopted after December 31, 2017, but before January 1, 2019, \$5 Million;
 - (iii) If adopted after December 31, 2018, an amount equal to the assessed value growth quotient (as determined by the DLGF) multiplied by the amount determined under such provision for the preceding calendar year; and
 - (B) An amount equal to:
 - (i) At least 1% of gross assessed value, if that total gross assessed value is more than \$100 Million; or
 - (ii) \$1 Million if the gross assessed value is not more than \$100 Million; or

* Preliminary, subject to change.

(2) Regardless of threshold amounts, is financed by a school corporation whose total debt service tax rate is more than forty cents (\$0.40) per one hundred dollars (\$100) of assessed value unless a public hearing for such project was conducted under IC 20–26–7–37 before July 1, 2023.

The exceptions from the definition of a controlled project are (a) when property taxes are used only as a back-up to enhance credit, (b) when a project is being refinanced to generate taxpayer savings, (c) when the project is mandated by federal law, (d) when the project is in response to a natural disaster, emergency or accident, and (e) when the project is for engineering, land and right-of-way acquisition, construction, resurfacing, maintenance, restoration, and rehabilitation exclusively for or of: (i) local road and street systems, including bridges that are designated as being in a local road and street system; (ii) arterial road and street systems, including bridges that are designated as being in an arterial road and street system; or (iii) any combination of local and arterial road and street systems, including designated bridges.

Controlled projects are subject to either a petition and remonstrance process or a referendum process. Controlled projects are subject to the petition and remonstrance process unless the project amounts trigger the voter approval referendum process.

Once the referendum process is initiated, the public question regarding the controlled project will go on the ballot. If the majority of voters approve of the project, the project may proceed. Projects approved by the referendum process are outside the Circuit Breaker Tax Credit calculations.

The Projects (as defined herein) funded by the Series 2026A Bonds and future Bonds, as described herein, are subject to the controlled project procedures; however, neither the petition-remonstrance nor the referendum process was initiated by real property owners or registered voters. Therefore, the issuance of the Series 2026A Bonds was able to continue without additional approval procedures. Because the Projects funded by the Series 2026A Bonds were not approved through the referendum process, the ad valorem property tax to be levied on all taxable property within the School Corporation to repay the Series 2026A Bonds will be included in the Circuit Breaker Tax Credit calculation. See "PURPOSE OF ISSUE AND PLAN OF FINANCE."

For more information on the School Corporation and the community of the School Corporation, see "Appendix A – Lebanon Community School Corporation", "Appendix B – General Information About the Area" and "Appendix C – Audit Report of Lebanon Community School Corporation as of June 30, 2024" attached hereto. All financial and other information presented in this Official Statement has been provided by the Building Corporation or the School Corporation from their records, except for information expressly attributed to other sources. The presentation of information concerning the School Corporation, including financial information and tax tables, is intended to show recent historic information and is not intended to indicate or project future or continuing trends in the financial position or other affairs of the School Corporation. No representation is made or implied hereby that any past experience, as might be shown by the financial and other information, will necessarily continue in the future. References to provisions of Indiana law or the Indiana Constitution are references to current provisions which may be amended, repealed, or supplemented.

Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The summaries of and references to all documents, statutes and other instruments referred to in this Official Statement do not purport to be complete and are qualified in their entirety by reference to the full text of each such document, statute or instrument. Terms not defined in this Official Statement shall have the meaning set forth in the respective documents.

PURPOSE OF ISSUE AND PLAN OF FINANCE

The proceeds from the sale of the Series 2026A Bonds will be used to (a) pay a portion of the 2025 Improvement Project, which includes the renovation of and improvements to the Lebanon High School and Central Elementary School, construction of a possible student activity center and improvements to school facilities, including site and energy efficiency improvements and the purchase of equipment, buses, and technology (collectively, the

“Projects”), and (b) pay costs incurred on the account of the issuance and sale of the Series 2026A Bonds, including payment of underwriter’s discount.

THE LEASED PREMISES

The property which comprises the leased premises under the Lease and will support the repayment of the Series 2026A Bonds consists of a portion of the Lebanon High School building and the real estate on which the improvements are to be constructed with the proceeds of the Series 2026A Bonds (the “Leased Premises”). The rent payments due under the Lease secure the repayment of each series of the Series 2026A Bonds (see "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2026A BONDS" herein).

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds in connection with the issuance of the Series 2026A Bonds are shown below:

<u>Estimated Sources of Funds*</u>	<u>Total</u>
Principal Amount of the Series 2026A Bonds [Net] Original Issue [Premium/Discount]	\$22,515,000*
Total Estimated Sources of Funds	\$ _____
<u>Estimated Uses of Funds</u>	
Construction Account	
Underwriter’s Discount	
Costs of Issuance (excluding underwriter’s discount)	
Total Estimated Uses of Funds	\$ _____

[Remainder of page intentionally left blank]

* Preliminary, subject to change.

SCHEDULE OF SEMI-ANNUAL DEBT SERVICE REQUIREMENTS AND LEASE PAYMENTS

<u>Payment Date</u>	<u>2026 Bonds</u>			<u>Semi-annual Lease Payment ⁽¹⁾</u>
	<u>Principal*</u>	<u>Interest</u>	<u>Total Debt Service</u>	

(1) Each semi-annual lease payment attributable to the Bonds is due on June 30 and December 31 prior to the corresponding payment date on the Bonds.

* Preliminary, subject to change.

THE SERIES 2026A BONDS

General

The Series 2026A Bonds will be issued in fully registered form in the denomination of \$5,000 or any integral multiple of that amount, will be dated as of delivery, and mature on January 15 and July 15 in the years and amounts and bear interest at the rates set forth on the inside cover page of this Official Statement. Interest on the Series 2026A Bonds, payable on January 15 and July 15, commencing July 15, 2027, will be paid by check to registered owners or by wire transfer of immediately available funds on the interest payment date to depositories shown as registered owners. Principal on the Series 2026A Bonds, payable on January 15 and July 15, commencing July 15, 2027, will be paid by check at the designated corporate trust office of the Trustee or by wire transfer of immediate available funds to depositories provided that the payment at maturity shall only be paid upon presentation at the designated corporate trust office of the Trustee.

So long as DTC or its nominee is the registered owner of the Series 2026A Bonds, principal of and interest on the Series 2026A Bonds will be paid directly to DTC by the Paying Agent. Interest will be paid on the basis of a 360-day year consisting of twelve 30-day months. Payment shall be made to the depository in whose name the Series 2026A Bond is registered on the fifteenth day preceding an interest payment date. (The final disbursement of such payments to the Beneficial Owners of the Series 2026A Bonds will be the responsibility of the DTC Participants and Indirect Participants, all as defined and more fully described herein.)

Book-Entry-Only System

DTC will act as the securities depository for the Series 2026A Bonds. The Series 2026A 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 Series 2026A 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 a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2026A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026A Bonds on DTC's records. The ownership interest of each actual purchaser of each Security ("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 Series 2026A 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 Series 2026A Bonds, except in the event that use of the book-entry system for the Series 2026A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026A 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 Series 2026A 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 Series 2026A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026A 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 Series 2026A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2026A Bonds may wish to ascertain that the nominee holding the Series 2026A 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 Trustee, as registrar, and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2026A Bonds within a maturity being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2026A 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 Building Corporation as issuer 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 Series 2026A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, and interest payments on the Series 2026A 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 Building Corporation or Agent, on 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 Series 2026A Bonds 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, Agent, or the Building Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Building Corporation or 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.

A Beneficial Owner shall give notice to elect to have its Series 2026A Bonds purchased or tendered, through its Participant, to Tender/Remarketing Agent, and shall effect delivery of such Series 2026A Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2026A Bonds, on DTC's records, to Tender/Remarketing Agent. The requirement for physical delivery of Series 2026A Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2026A Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2026A Bonds to Tender/Remarketing Agent's DTC account.

DTC may discontinue providing its services as depository with respect to the Series 2026A Bonds at any time by giving reasonable notice to the Building Corporation or Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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

Discontinuation of Book-Entry-Only System

In the event that the book-entry system for the Series 2026A Bonds is discontinued, the Trustee, as registrar, would provide for the registration of the Series 2026A Bonds in the name of the Beneficial Owners thereof. The Building Corporation and the Trustee, as registrar, would, in such event, treat the person in whose name any Series 2026A Bond is registered as the absolute owner of such Series 2026A Bond for the purposes of making and receiving payment of the principal thereof and interest thereon, and for all other purposes, and neither the Building Corporation nor the Trustee, as registrar, would be bound by any notice or knowledge to the contrary.

In such event, each Series 2026A Bond would be transferable or exchangeable only upon the presentation and surrender thereof at the designated 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 Trustee, as registrar. Upon due presentation of any Series 2026A Bonds for transfer or exchange, the Trustee, as registrar, would authenticate and deliver in exchange therefor, within a reasonable time after such presentation, a new Series 2026A Bond or Bonds, 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 Series 2026A Bond or Bonds so presented. The Building Corporation or the Trustee, as registrar, would require the owner of any Series 2026A 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 Series 2026A Bonds.

Optional Redemption

The Series 2026A Bonds maturing on and after _____, 20__ may be redeemed prior to maturity, at the option of the Building Corporation, in whole or in part, in such order of maturity as determined by the Building Corporation, and by lot within maturities, on any date not earlier than _____, 20__ at face value, plus accrued interest to the date fixed for redemption.

Mandatory Sinking Fund Redemption

The Series 2026A Bonds maturing on _____ 15, 20__ (the "Term Bonds") are subject to mandatory sinking fund redemption on January 15 and July 15 of the years and in the amounts listed below by lot in such manner as the Trustee may determine at a redemption price of 100% of the principal amount thereof plus accrued interest to the date of redemption.

Term Bonds due _____			
Date	Amount	Date	Amount
		(1)	

(1) Final maturity.

Notice and Effect of Redemption

Notice of redemption shall be given by the Trustee by mailing a copy of the redemption notice, by first class mail, not more than sixty (60) days nor less than thirty (30) days prior to the redemption date to the owners of the Series 2026A Bonds to be redeemed as the names appear as of the date of mailing the notice. No failure or defect in

that notice with respect to any Series 2026A Bonds shall affect the validity of the proceedings for the redemption of any other Series 2026A Bonds for which notice has been properly given.

If notice of redemption has been given and provisions for payment of the redemption price, and accrued interest has been made, the Series 2026A Bonds to be redeemed shall be due and payable on the redemption date at the redemption price, and from and after the redemption date interest on the Series 2026A Bonds will cease to accrue, and the owners of the Series 2026A Bonds shall have no rights in respect thereof, except to receive payment of the redemption price including unpaid interest accrued to the redemption date.

With respect to any optional redemption of the Series 2026A Bonds, unless moneys sufficient to pay the principal of, and premium, if any, and interest on the Series 2026A Bonds to be redeemed has been received by the Trustee prior to the giving of such notice of redemption, such notice will state that said redemption is conditional upon the receipt of such moneys by the Trustee on or prior to the date fixed for redemption. If such moneys are not received by the redemption date, such notice will be of no force and effect, the Trustee will not redeem such Series 2026A Bonds, the redemption price will not be due and payable and the Trustee will give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Series 2026A Bonds will not be redeemed and that the failure to redeem such Series 2026A Bonds will not constitute an event of default under the Trust Indenture. Moneys need not be on deposit with the Trustee prior to the mailing of the notice of redemption of the Series 2026A Bonds pursuant to the Trust Indenture.

Registration, Transfer and Exchange

The Series 2026A Bonds will be registered at and are transferable by the registered owners at the designated corporate trust office of Registrar, upon surrender and cancellation and on presentation of a duly executed written instrument of transfer. A new bond or bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange therefore.

If any Series 2026A Bond is mutilated, lost, stolen or destroyed, the Registrar may execute, subject to the provisions of the Trust Indenture, a replacement bond or bonds of the same date, maturity and denomination. In the case of a mutilated bond, the Registrar may require that the mutilated bond be presented and surrendered as a condition to executing a replacement. In the case of loss, theft or destruction, the Registrar may require evidence of the destruction or indemnity satisfactory to the Registrar in its discretion. The Registrar may charge the owner for reasonable fees and expenses in connection with replacements.

ADDITIONAL BONDS

The Building Corporation may issue Additional Bonds ("Additional Bonds") on parity with the Series 2026A Bonds. Any series of Additional Bonds shall have maturities, interest rates, interest payment dates, denominations and other terms as provided in the supplemental indenture entered into in connection with the issuance of such Additional Bonds, provided that such terms and provisions shall not be otherwise inconsistent with the Trust Indenture. The Series 2026A Bonds, and any Additional Bonds as may be issued on a parity therewith under the Trust Indenture, are to be equally and ratably secured and entitled to the protection given under the Trust Indenture.

SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2026A BONDS

The Series 2026A Bonds, when issued, will be valid and binding obligations secured by (i) a first mortgage lien on and security interest in certain property described in the Trust Indenture, including the Leased Premises (as added over time) and (ii) semi-annual Lease rental payments to be paid by the School Corporation directly to the Trustee (for the account of the Building Corporation) ("Rent") pursuant to the terms of a Lease Agreement between the School Corporation and the Building Corporation dated September 17, 2024 (the "Lease"). The Rent payable by the School Corporation under the Lease is payable from ad valorem property taxes to be levied by the School Corporation on all of the taxable property within the School Corporation. The levy of property taxes by the School Corporation to pay Rent due and payable under the Lease is mandatory and not subject to annual appropriation; however, the School Corporation's obligation to pay rent due and payable under the Lease is subject to abatement in

the event the lease premises are damaged or destroyed. (see "SUMMARY OF THE LEASE – Lease Term and Rental" and "CIRCUIT BREAKER TAX CREDIT" herein).

Indiana law does not permit school corporations to pay full lease rental payments on a building or structure which the school corporation leases until the renovations at such building or structure are complete and ready for occupancy. The Lease provides for rental during the term of the Lease as follows:

While the pledge of other sources of payment and revenues is made, such as the first mortgage on all of the real estate relating to the Leased Premises owned by the Building Corporation, pledged funds, interest earnings and property insurance proceeds, no significant source of payment exists other than the Rent payments by the School Corporation.

Under the Lease, if for any reason the Leased Premises is partially or totally destroyed or unfit for occupancy, the Rent payments shall be proportionately abated. In accordance with the Lease, the School Corporation is required to maintain rental value insurance insuring rental payments in connection with the loss of use of the Leased Premises due to casualty for a period of two (2) years. In addition, the School Corporation is required to maintain property insurance on the Leased Premises in an amount equal to the replacement cost thereof, with such exceptions ordinarily required by insurers. The proceeds of any property or casualty insurance would be used either to repair and reconstruct the Leased Premises or to retire obligations issued to finance the Leased Premises.

During the term of the Lease, the School Corporation assumes all responsibility for the maintenance, repair, and alterations to the Leased Premises. At the end of the term of the Lease, the School Corporation will deliver the Leased Premises to the Building Corporation in as good a condition as at the beginning of the Lease, reasonable wear and tear expected.

For more detailed discussion of the provisions of the Lease, see "Summary of the Lease" herein.

INTERCEPT PROGRAM

Indiana Code Title 20, Article 48, Chapter 1, Section 11, as amended (the "Intercept Act") requires the Indiana Department of Local Government Finance (the "DLGF"), prior to the end of each calendar year, to review the proposed bond and lease rental ad valorem tax levies of each school corporation for the next calendar year and the proposed appropriations from those levies to pay principal of and interest on the school corporation's outstanding general obligation bonds and to pay the school corporation's outstanding lease rental obligations (collectively "Debt Service Obligations") to be due and payable in the next calendar year. The DLGF is to determine whether the proposed levies and appropriations are sufficient to pay the Debt Service Obligations. If it determines that the proposed levies and appropriations are not sufficient to pay the Debt Service Obligations, the DLGF is required to establish for the school corporation bond and lease rental levies and appropriations which are sufficient for that purpose. The provision of the Indiana Code could be modified or repealed at any time.

The Intercept Act further provides upon the failure of a school corporation 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 shall pay, within five (5) days of receiving such notice (excluding Saturdays, Sundays and legal holidays), the unpaid Debt Service Obligations of the school corporation that are due from the funds of the State (the "State Intercept Program") in an amount equal to the amount of the unpaid Debt Service Obligations due to the person or entity filing the claim (the "Claimant"), but only to the extent that Available Funds (as hereinafter defined) 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 shall 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 (the "State Budget Director") of the State of Indiana (the "State"), the Auditor of the State (the "State Auditor") and any department or agency of the State responsible for distributing funds (the "Distributors") appropriated by the State General Assembly (the "General Assembly") for distribution to the school corporation from State funds; (c) within three (3) days of receiving the notice, excluding Saturdays, Sundays and legal holidays, from the State Treasurer, the State Budget Director, the State Auditor and any Distributors must provide the State Treasurer with available funds in order for the State Treasurer to fulfill his/her obligations under the Intercept 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 (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”). Pursuant to the Trust Indenture, the Trustee is required to notify and demand payment immediately from the State Treasurer if the School Corporation should default on its obligation under the Lease to pay Rent to the Trustee. There can be, however, no assurance as to the levels or amounts of Available Funds. Furthermore, there may be a delay in payment of debt service due to procedural steps required for the Trustee or other claimants to draw on the State Intercept Program.

If any such payment is made by the State Treasurer pursuant to the State Intercept Program, then the State will recover such amounts by: (i) deducting such amount from the future State distributions to be made to the school corporation from State funds appropriated by the General Assembly, first from all funds of the school corporation except State tuition support and second from State tuition support; and (ii) transferring any amount deducted to the State Treasurer to reimburse the fund or account from which the transfer was made.

The estimated State distributions to the School Corporation’s Education Fund (formerly known as the General Fund) for 2026 and resulting debt service coverage levels are as follows:

2026 Estimated State Grants (See page A-4):	\$30,675,918
Combined Maximum Annual Debt Service (See page A-10) ^{(1)*} :	\$21,478,875
State Distributions Required to Provide 1.5x Coverage*:	<u>\$32,218,313</u>
State distributions above 1.5x coverage amount*:	(\$1,542,395)

(1) Based upon the total debt service for 2026.

In accordance with the Indenture, the Trustee is required to immediately notify and demand payment from the State Treasurer if the School Corporation defaults on its payment of the Rent. However, there is no assurance as to the levels or amounts that may from time to time be appropriated by the Indiana General Assembly for school purposes or that the Intercept Act or such other statutes will not be repealed. Furthermore, there may be a delay in payment of debt service due to the procedural steps required for claimants to draw on the State Intercept Program.

PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION

The lease rental payments are payable from ad valorem property taxes required by law to be levied by or on behalf of the School Corporation in an amount sufficient to pay debt service as it becomes due and payable, subject to the Circuit Breaker Tax Credit described herein. 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, as amended), 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

* Preliminary, subject to change.

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. 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 the preceding year, 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), 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, and after taking into account all payments for debt service obligations that are to be made by the taxing unit during the ensuing year. Before August 1 of each year, the DLGF shall provide to each taxing unit, an estimate of the amount by which the taxing unit's distribution of property taxes will be reduced.

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 percentage change between the current and proposed tax levies of each fund; (v) the estimated amount, determined by the DLGF, by which the taxing unit's property taxes may be reduced by the Circuit Breaker Tax Credit; (vi) the amounts of excess levy appeals to be requested, if any; (vii) the time and place at which the taxing unit will conduct a public hearing related to the information submitted to Gateway; (viii) the time and place at which the taxing unit or appropriate fiscal body will meet to fix the budget, tax rate and levy of the taxing unit; and (ix) the date, time, and place of the final adoption of the budget, tax rate, and levy. The taxing unit must submit the information listed in (i) – (ix) above on Gateway at least ten days prior to the date of the public hearing. The public hearing must be completed at least ten days before the taxing unit meets to fix the budget, tax rate and tax levy which by statute must each be established no later than November 1. The taxing unit must file the adopted budget with the DLGF within five days after adoption.

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; (iii) notice is given to the county fiscal body of the DLGF's correction; (iv) the request includes the corrected budget, tax rate, or levy, as applicable, and the time and place of the public meeting; and (v) the political subdivision adopts the needed changes to its budget, tax levy, or rate in a public meeting of the governing body.

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

The DLGF must complete its review and certification of budgets, tax rates and levies by December 31 of the calendar year immediately preceding the ensuing calendar year unless a taxing unit in the county is issuing debt after December 1 in the year preceding the budget year or intends to file a levy shortfall appeal.

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 county assessors using prescribed forms. The completed personal property return must be filed with the county 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. Pursuant to IC 6-1.1-3-7.2, as amended, 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 (i) eighty thousand dollars (\$80,000) for assessment dates before 2026, and (ii) two million dollars (\$2,000,000) for the 2026 assessment date and each assessment date thereafter.

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 2021 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4 and the 2021 Real Property Assessment Guidelines ("Guidelines"), as published by the DLGF. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and IC 6-1.1-4-13, as amended, which shall mean 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. Except for agricultural land and rental residential property with rental periods longer than thirty (30) days, the Manual permits assessing officials in each county to choose one of three standard approaches to determine market value-in-use, which are the cost approach, the sales comparison approach or the income approach. The Guidelines provide each of the approaches to determine "market value-in-use and the reconciliation of these approaches shall be applied in accordance with generally recognized appraisal principals." In accordance with IC 6-1.1-4-4.2(a), as amended, the county assessor is required to submit a reassessment plan to the DLGF before May 1 every four (4) years, and the DLGF has to approve the reassessment plan before January 1 the following year. 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 a 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. All real property assessments are revalued annually to reflect market value based upon comparable sales ("Trending"). "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 general reassessments, as well as when changes occur in the property value due to new construction or demolition of improvements. 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 by June 15 of the assessment year if the written notification is provided to the taxpayer before May 1 of that year, or June 15 of the year in which the tax bill is mailed by the county treasurer if the notice is provided on or after May 1 of the assessment year, whichever is earlier. 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. For all appeals except an appeal on the assessed value of the property, the taxpayer may appeal not later than three years after the taxes were first due.

Over the past few years, the Indiana General Assembly has proposed legislation containing numerous provisions related to property taxation and local income taxation, which could adversely affect political subdivisions in the State in a variety of ways. Senate Enrolled Act No. 1 (2025) ("SEA 1") includes provisions that increase the homestead deduction for real property owners and new assessed value deductions to real property owners of non-homestead residential property, agricultural property and long-term care facilities, all of which phase in through taxes payable year 2031. Some of the changes in SEA 1 may result in a decrease in assessed valuation, which may require an increase in property tax rates. It is uncertain at this time what impact, if any, SEA 1 or any future legislation may have on the property assessment process or the amount of ad valorem property taxes and local income taxes to be received by local government entities in future years. Neither the Building Corporation, the School Corporation nor their advisors assume any responsibility for assessing the potential risk of any such legislation that may impact the Series 2026A Bonds or the operations of the School Corporation. The purchasers of the Series 2026A Bonds should consult their own advisors regarding risks associated with SEA 1 or future legislation.

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, as amended), 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 and other additional Indiana laws provide additional property tax credits, deductions, or exemptions, as applicable, for property taxes paid by homesteads or certain real property owners based on certain demographic categories or property uses.

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 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.

The Statute requires political subdivisions to fully fund the payment of 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 (*See* "INTERCEPT PROGRAM" herein); however, application of the State Intercept Program will result in a shortfall in distributions to the school corporation's education fund and school corporations are encouraged by the DLGF to fund any shortfall directly from the school corporation's other legally available funds 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 from any other undistributed funds of the political subdivision in possession of the State.

Pursuant to IC 6-1.1-20.6-9.9, as amended, if a school corporation has sufficient Circuit Breaker Tax Credit losses and meets certain requirements in any year from 2014 through 2026, and has approval from the DLGF, it will be an eligible school corporation for such year that it submitted the request for a determination (an "Eligible School

Corporation"). An Eligible School Corporation may allocate a portion of its Circuit Breaker Tax Credit loss to its non-exempt debt service fund(s), and is exempt from the protected taxes requirement described below.

After December, 31, 2023, if a school corporation issues new bonds or enters into a new lease rental agreement after July 1, 2023, 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, 2024, but only if the refinancing or renewal is for a lower interest rate; or (B) for indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law, the school corporation will not be an Eligible School Corporation.

Because the School Corporation issued new bonds or entered into a new lease rental agreement after July 1, 2023, for which it is imposing or will impose a debt service levy other than for the exceptions permitted in the preceding sentence, the School Corporation does not qualify for this exemption for 2026 and will not qualify for this exception in future years under current law.

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 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.

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 or if there is not a fund receiving only unprotected taxes from which to distribute revenue, 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 allocation of property tax reductions to funds may impact the ability of political subdivisions to provide existing levels of service, and in extreme cases, the ability to make debt service or lease rental payments.

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

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 2024, 2025, and 2026 are \$571,515, \$845,621, and \$1,836,800, respectively. These estimates do not include the estimated debt service on the Series 2026A Bonds and lease rentals on the Lease securing the Series 2026A 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.

Pursuant to SEA 1, the local income tax authorized pursuant to Indiana Code § 6-3.6-5 that is utilized for property tax relief expires beginning in 2028, which may increase circuit breaker tax credits in 2028 and thereafter.

School Corporation Fiscal Indicators

Public Law 213-2018(ss) was enacted by the Indiana General Assembly in 2018 (the "DUAB Law"). The DUAB Law required the Distressed Unit Appeal Board, an entity previously established pursuant to Indiana Code 6-1.1-20.3-4 (the "DUAB") to establish a Fiscal and Qualitative Indicators Committee (the "Committee"), and for such Committee to select from a prescribed list the fiscal and qualitative indicators with which the DUAB would evaluate the financial conditions of Indiana public school corporations.

Further, pursuant to the DUAB Law, starting in June, 2019, the DUAB has been charged with making a determination of whether a corrective action plan is necessary for any school corporations, based upon a process of initial identification by the DUAB's executive director pursuant to such fiscal and qualitative indicators, and a contact and assessment of each such school corporation by the DUAB's executive director.

The DUAB will place a school corporation on its watch list under certain circumstances, if such school corporation fails to properly submit a corrective action plan, or if such school corporation is not compliant with its corrective action plan. Upon the state budget committee review of the school corporation's placement on the watch list, such placement will become public. Until such time, all reports, correspondence and other related records are not subject to public disclosure laws under Indiana state law. *See* Indiana Code 20-19-7-18.

A graphic summary of such fiscal and qualitative indicators, searchable for any specific Indiana public school corporation, can be found at: <https://www.in.gov/duab/2386.htm>. (Some of such data may be less current than the data found in Appendix A hereto.)

THE BUILDING CORPORATION

The Building Corporation was organized pursuant to the Indiana Code, Title 23, Article 17, Chapters 1-30, for the sole purpose of acquiring land and constructing school facilities to be leased to the School Corporation. In order to provide the funds necessary to undertake projects, the Building Corporation has issued bonds secured by lease agreements and mortgages. The Building Corporation also has the power to issue bonds to refund its outstanding bonds and to execute amended lease agreements with the School Corporation based on terms of the refinancing.

During its existence, the Building Corporation will operate entirely without profit to the Building Corporation, its officers, directors and members. Its officers and directors serve without compensation.

LEGAL MATTERS

Certain legal matters incident to the issuance of the Series 2026A Bonds and with regard to the tax status of the interest thereon (see "Tax Matters") will be passed upon by Ice Miller LLP ("Bond Counsel"). A signed copy of that opinion, dated and premised on facts and laws existing as of the date of original delivery of the Series 2026A Bonds, will be delivered to the Underwriter at the time of that original delivery. A copy of the opinion proposed to be delivered by Bond Counsel for the Series 2026A Bonds is attached as Appendix E. Certain legal matters will be passed on for the School Corporation and the Building Corporation by Parr Richey Frandsen Patterson Kruse LLP, Lebanon, Indiana.

The engagement of Ice Miller LLP as Bond Counsel is limited generally to the examination of the documents contained in the transcript of proceedings, and examination of such transcript of proceedings and the law incident to rendering the approving legal opinion referred to above, and the rendering of such approving legal opinion. In its capacity as Bond Counsel, Ice Miller LLP has reviewed those portions of this Official Statement under the captions: "THE SERIES 2026A BONDS" (EXCEPT FOR "BOOK-ENTRY-ONLY SYSTEM" AND "DISCONTINUATION OF BOOK-ENTRY-ONLY SYSTEM"), "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2026A BONDS", "SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE", "SUMMARY OF THE LEASE", "TAX MATTERS", "ORIGINAL ISSUE DISCOUNT", "AMORTIZABLE BOND PREMIUM", "LEGAL

OPINIONS AND ENFORCEABILITY OF REMEDIES" AND "CONTINUING DISCLOSURE" (Except for "Post Compliance"). Bond Counsel has not been retained to pass upon any other information in this Official Statement, or in any other reports, financial information, offering or disclosure documents or other information that may be prepared or made available by the Building Corporation, the School Corporation, the Trustee, Registrar and Paying Agent, the Underwriter or others to the prospective purchasers of the Series 2026A Bonds or to others.

Barnes & Thornburg LLP has been retained by the Underwriter to serve as counsel to the Underwriter with respect to the Series 2026A Bonds. Although, as counsel to the Underwriter, Barnes & Thornburg LLP has assisted the Underwriter with certain matters, Barnes & Thornburg LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Series 2026A Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Barnes & Thornburg LLP makes no representation as to the suitability of the Series 2026A Bonds for any investor.

LITIGATION

No litigation or administrative action or proceeding is pending or, to the knowledge of the Building Corporation and the School Corporation, threatened restraining or enjoining, or seeking to restrain or enjoin, the levy and collection of taxes to pay the Rent to be paid under the Lease, or contesting or questioning the proceedings or authority under which the Lease were authorized, or the validity of the Lease. No litigation or administrative action or proceeding is pending or, to the knowledge of the Building Corporation and the School Corporation, threatened concerning the issuance, validity or delivery of the Series 2026A Bonds. Certificates to such effect will be delivered at the time of the original delivery of the Series 2026A Bonds.

PUBLIC HEALTH EMERGENCIES COULD NEGATIVELY AFFECT THE ISSUER'S OPERATIONS

Regional, national or global public health emergencies, such as the outbreak of the novel coronavirus ("COVID-19" or the "Pandemic"), could have materially adverse regional, national or global economic and social impacts causing, among other things, the promulgation of local or state orders limiting certain activities, extreme fluctuations in financial markets and contraction in available liquidity, prohibitions of gatherings and public meetings in such places as entertainment venues, extensive job losses and declines in business activity across important sectors of the economy, impacts on supply chain and availability of resources, declines in business and consumer confidence that negatively impact economic conditions or cause an economic recession. The Building Corporation and the School Corporation cannot predict the extent to which its operations or financial condition may decline nor the amount of increased costs, if any, that may be incurred by the School Corporation associated with operating during any public health emergencies, including, but not limited to, the amount of (1) costs to clean, sanitize and maintain its facilities, (2) costs to hire substitute employees, (3) costs to acquire supporting goods and services, (4) costs to provide alternative means of education to its students, or (5) costs to operate remotely and support the employees of the School Corporation. Accordingly, the Building Corporation and the School Corporation cannot predict the effect any public health emergencies will have on the finances or operations of either the Building Corporation or the School Corporation or whether any such effects will have a material adverse effect on the ability to support payment of debt service on the Series 2026A Bonds.

CYBERSECURITY

School districts, like other governmental and business entities, face significant risks relating to the use and application of computer software and hardware for educational and operational and management purposes. The School Corporation also collects, processes, and distributes an enormous amount of private, protected and personal information on students, staff, parents, visitors, and contractors. As the custodian of such information, the School Corporation may face cybersecurity threats from time to time. Given the importance of cybersecurity for school districts, federal lawmakers approved the K-12 Cybersecurity Act of 2021 to study cybersecurity risks that school districts face and develop recommended guidelines and an online training toolkit for school district officials to address such cybersecurity risks.

The School Corporation carries insurance for such matters, but no assurances can be given that the School Corporation's cybersecurity control measures will be successful in guarding against any and each cyber threat and

attack. The results of any attack on the School Corporation's computer and information technology systems could impact its operations and damage the School Corporation's digital networks and systems, and the costs of remedying any such damage could be substantial.

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

The following is a brief summary of certain provisions of the Trust Indenture, as supplemented, and does not purport to comprehensively describe that document in its entirety.

Application of Bond Proceeds

Proceeds in an amount equal to costs of issuance shall be deposited in the 2026A Bond Issuance Expense Account of the Construction Fund. The remaining proceeds of the Series 2026A Bonds shall be deposited in the 2026A Construction Account of the Construction Fund and used to pay costs of construction.

Construction Fund, Sinking Fund, Operation and Reserve Fund and Rebate Fund

There are created under the Trust Indenture the following funds: (1) the Lebanon Middle School Building Corporation Construction Fund (the "Construction Fund"), (2) the Lebanon Middle School Building Corporation Sinking Fund (the "Sinking Fund"), (3) the Lebanon Middle School Building Corporation Operation and Reserve Fund (the "Operation and Reserve Fund"), and (4) the Lebanon Middle School Building Corporation Rebate Fund (the "Rebate Fund").

The Construction Fund will be used to finance a portion of the 2025 Improvement Project which includes the renovation of and improvements to the Lebanon High School and Central Elementary School, construction of a possible student activity center and improvements to school facilities, including site and energy efficiency improvements and the purchase of equipment, buses and technology (the "Project"), and to pay costs of issuance of the Series 2026A Bonds. Any moneys remaining in the Construction Fund one year after completion of the Project will be transferred to the Operation and Reserve Fund.

The Trustee shall deposit in the Sinking Fund created pursuant to the Trust Indenture, from each rental payment received, the lesser of (1) all of such payment or (2) an amount which, when added to the amount already on deposit, equals the unpaid interest on the Series 2026A Bonds due within fifteen (15) days after the due date of such rental payment and the unpaid principal and mandatory sinking fund redemption payment of the Series 2026A Bonds due within twenty (20) days after the due date of such rental payment. Any portion of a rental payment remaining after such deposit shall be deposited by the Trustee in the Operation and Reserve Fund. The Trustee shall from time to time pay from the Sinking Fund the principal of the Series 2026A Bonds at maturity or upon mandatory sinking fund redemption and the interest as it falls due.

The Operation and Reserve Fund shall be used only (a) to pay necessary incidental expenses of the Building Corporation, including Trustee's fees, (b) if the amount in the Sinking Fund at any time is less than the required amount, to transfer funds to the Sinking Fund in an amount sufficient to raise the amount in the Sinking Fund to the required amount, (c) if the Series 2026A Bonds are called for redemption, to pay the principal, interest, and redemption premium, if any, on the Series 2026A Bonds, (d) to purchase Series 2026A Bonds in the open market, and (e) if the amount in the Rebate Fund is less than the rebate amount, to transfer funds to the Rebate Fund. The incidental expenses may be paid by the Trustee upon the presentation of an affidavit executed by any officer of the Building Corporation or the Lessor Representative together with the creditor's statement as to the amount owing.

The Rebate Fund shall be used to make any rebate to the United States of America required to prevent the Series 2026A Bonds from becoming "arbitrage bonds" under the Code. If an exception to rebate is not met, the Building Corporation shall be required to calculate or cause to be calculated at the five year anniversary the amount of such rebate (the "Rebate Amount"). In the alternative, the Building Corporation may elect to pay the penalty required by Section 148(f)(4)(C)(vii) of the Code, as amended. In that event, the Building Corporation shall compute or cause to be computed each six months, the amount of such penalty and provide the Trustee a copy of such calculation. In either event, the Trustee is to deposit the amount so calculated to the credit of the Rebate Fund from

any available funds (other than moneys in the Sinking Fund). The Trustee is further required to pay the Rebate Amount or penalties in lieu of rebate together with all investment earnings thereon to the United States of America, in the amount and at such times as shall be advised by the Building Corporation or nationally recognized bond counsel as required by the Code or applicable regulations.

Whenever the amounts contained in the Sinking Fund and the Operation and Reserve Fund are sufficient together with all other funds deposited with the Trustee by the Building Corporation (other than deposits to the Rebate Fund), to redeem, upon the next redemption date, all the Series 2026A Bonds secured by the Trust Indenture then outstanding, the Trustee shall apply the amounts in such Funds to the redemption of such Series 2026A Bonds pursuant to the Trust Indenture.

Investment of Funds

The Trustee shall invest the moneys in funds created in the Trust Indenture in (i) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"), (ii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (iii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, (iv) Federal Housing Administration debentures, (v) Federal Home Loan Mortgage Corporation participation certificates and senior debt obligations (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts), (vi) Farm Credit Bank consolidated system wide bonds and notes, (vii) Federal Home Loan Banks consolidated debt obligations, (viii) Federal National Mortgage Association senior debt obligations and mortgage backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts), (ix) unsecured certificates of deposit, time deposits and bankers' acceptances of any bank (including the Trustee and its affiliates) the short term obligations of which are rated "A 1" or better by S&P Global Ratings having an original maturity of not more than 360 days, (x) commercial paper (having original maturities of not more than 270 days) rated "A 1+" by S&P Global Ratings and "Prime 1" by Moody's at the time of purchase, (xi) evidence of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated, (xii) deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), including CDARS, (xiii) State and Municipal Obligations, which means (a) direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated in the two highest rating categories by S&P Global Ratings or Moody's at the time of purchase, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated, (b) direct general short-term obligations of any state agency or subdivision or agency thereof described in (a) above and rated "A-1+" by S&P Global Ratings or "MIG-1" by Moody's at the time of purchase, (c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (a) above and rated in the two highest rating categories by S&P Global Ratings or Moody's at the time of purchase, (xiv) money market funds, which funds may be funds of the Trustee or its affiliates, including those for which the Trustee or an affiliate performs services for a fee, whether as a custodian, transfer agent, investment advisor or otherwise, and which funds are rated "AAAm" or "AAAm-G" by S&P Global Ratings, (xv) repurchase and reverse repurchase agreements collateralized with Government Securities, including those of the Trustee of any of its affiliates, (xvi) investment deposit agreements constituting an obligation of a bank (including the Trustee and its affiliates), whose outstanding unsecured long term debt is rated at the time of such agreement in any of the two highest rating categories by S&P global Ratings or Moody's, or (xvii) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic banks whose short term certificates of deposit are rated on the date of the purchase in any of the two highest rating categories by any S&P Global Ratings or Moody's and maturing no more than 360 days after the date of the purchase. Any income or interest realized upon any such investment shall be credited and any loss shall be charged to the Fund or Account from which the moneys were invested. Securities purchased with moneys from the Sinking Fund or the Rebate Fund shall mature prior to the time the moneys invested will be needed to pay the amounts which must be paid from such funds. Moneys in the Sinking Fund and Rebate

Fund shall be invested without restriction as to yield during an applicable temporary period pending their use. Moneys in the Construction Fund after one (1) year of the date of issuance of the Series 2026A Bonds and the Operation and Reserve Fund after 30 days of the date of deposit shall be invested at a yield not exceeding the yield on the Series 2026A Bonds.

Covenants

The Building Corporation covenants, among other things that:

- (a) it has entered into a valid and binding lease of the mortgaged property to the School Corporation, and that a full, true and correct copy of the Lease is on file with the Trustee; that construction will begin promptly upon receipt by the Trustee of bond proceeds and that it will complete such construction with all expedition practicable in accordance with the plans and specifications referred to in the Lease;
- (b) it will faithfully perform all provisions contained in each Series 2026A Bond and the Trust Indenture and will punctually pay the principal of, premium, if any, and interest on the Series 2026A Bonds;
- (c) it is duly authorized under the laws of the State of Indiana to create and issue the Series 2026A Bonds, to execute and deliver the Trust Indenture, and to mortgage and pledge the real estate and rentals and other income of the mortgaged property as provided in the Trust Indenture;
- (d) it will promptly make, execute, and deliver all indentures supplemental to the Trust Indenture and to take all action deemed advisable and necessary by the Trustee for the better securing of the Series 2026A Bonds;
- (e) it now has and will preserve good title to the property;
- (f) it will maintain the priority of the lien created under the Trust Indenture, that it will not permit any waste of said property, and that it will at all times maintain the property in good working condition;
- (g) it will maintain proper books and records and: (i) furnish statements showing earnings, expenses and financial condition of the Building Corporation and such information as the Trustee may reasonably request, (ii) within 90 days of each calendar year, file with the Trustee, a certificate signed by officers of the Building Corporation stating that all insurance premiums required under the Trust Indenture have been paid by the Building Corporation and that all taxes then due have been paid, subject to permissible contests, (iii) upon the request of any bondholder, will request from the Lessee the current financial statements of the Lessee for review by the bondholder;
- (h) it will not incur any indebtedness payable from the Lease other than the Series 2026A Bonds permitted by the Trust Indenture, and Additional Bonds, as long as the Series 2026A Bonds are outstanding;
- (i) it will, upon any default in payment of lease rentals, file a claim with the Treasurer of the State of Indiana, bring suits to mandate the appropriate officers of the School Corporation to levy the necessary tax to pay rents under the Lease or to take such other appropriate action necessary to enforce and collect the rentals due;
- (j) the proceeds of the Series 2026A Bonds, any moneys received from lease rentals payable according to the Lease, amounts received from the investment of the proceeds of the Series 2026A Bonds or other amounts received shall not be invested in such manner which would

cause the Series 2026A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code; and

- (k) in order to preserve the exclusion of interest on the Series 2026A Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the Series 2026A Bonds, no proceeds thereof will be loaned to any entity or person, nor will they be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of such proceeds. Furthermore, the Building Corporation will, to the extent necessary to preserve the exclusion of interest on the Series 2026A Bonds from gross income for federal income tax purposes, rebate all required arbitrage profits on such proceeds or other moneys treated as such proceeds to the United States Government and will set aside such moneys in the Rebate Fund to be held by the Trustee in trust for such purposes. Additionally, the Building Corporation covenants that it will not take any action nor fail to take any action with respect to the Series 2026A Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Series 2026A Bonds pursuant to Section 103 of the Code.

Insurance

The Building Corporation covenants that during construction of the Project it will carry or cause the School Corporation to carry the following kinds of risks insurance: (a) builders risk insurance in the amount of 100% of the insurable value of the mortgaged property against physical loss or damage, (b) business income coverage or other similar insurance providing "rental value" coverage and naming the Lessor as an additional insured, which such "rental value" coverage shall include limits in an amount at least sufficient to meet the payments for two (2) years of the net rent, impositions and other charges provided for in the Lease, and (c) bodily injury and property damage insurance for damages for bodily injury, including accidental death, as well as claims for property damages which may arise from such construction.

The Building Corporation further covenants that all contracts for the construction of the Project will or do require the contractor to carry such insurance as will protect the contractor from liability under the Indiana Worker's Compensation and Worker's Occupational Disease Act.

The Building Corporation covenants to carry or cause the School Corporation to carry the following kinds of insurance after completion of construction: (a) physical loss or damage insurance on the mortgaged property in the amount of the full replacement cost of the property; (b) business income coverage or other similar insurance providing "rental value" coverage and naming the Lessor as an additional insured. Such "rental value" coverage shall include limits in an amount at least sufficient to meet the payments for two (2) years of the net rent, impositions and other charges provided for in the Lease, and (c) bodily injury and property damage insurance naming the Corporation as an insured against claims for damages for bodily injury, including accidental death, as well as claims for property damages with reference to the Leased Premises in an amount not less than One Million Dollars (\$1,000,000) on account of each occurrence.

The proceeds of any insurance shall be applied by the Building Corporation to the repair, replacement or reconstruction of any damaged or destroyed property, if the cost of such repair, replacement or reconstruction does not exceed the proceeds of insurance. In addition, the Trustee may repair, replace, or reconstruct the mortgaged property if the Building Corporation fails to do so. If, at any time, the mortgaged property is totally or substantially destroyed, and the amount of insurance moneys received on account thereof by the Trustee is sufficient to redeem all of the outstanding Series 2026A Bonds, the Building Corporation with the written approval of the School Corporation may direct the Trustee to use said money for the purpose of calling for redemption all of the Series 2026A Bonds issued and then outstanding under the Trust Indenture at the then current redemption price.

Events of Default and Remedies

Events of default under the Trust Indenture include: failure to pay the principal of, or the redemption premiums, if any, on any of the Series 2026A Bonds; failure to pay interest on the Series 2026A Bonds as it becomes due and payable; occurrence of certain events of bankruptcy or insolvency of the Building Corporation; default in the

performance or observance of any other of the covenants, agreements or conditions by the Building Corporation under the Trust Indenture and the continuance of such default for sixty (60) days after written notice; failure of the Building Corporation to bring suit to mandate the appropriate officials of the School Corporation to levy a tax to pay the rentals provided under the Lease; and nonpayment of the lease rental within 90 days of when due as provided under the Lease.

Upon the happening and continuance of any event of default, the Trustee may, and upon written request of the holders of twenty-five percent (25%) in principal amount of the Series 2026A Bonds then outstanding and upon being indemnified to its reasonable satisfaction shall, declare the principal amount of and interest accrued on all outstanding Series 2026A Bonds immediately due and payable; subject, however, to the rights of the holders of the majority in principal amount of all the outstanding Series 2026A Bonds to annul such declaration if all such events have been cured, all arrears of interest have been paid and all other indebtedness secured by the Trust Indenture except the principal and interest not then due has also been paid.

Upon the occurrence of one or more events of default, the Building Corporation, upon demand of the Trustee, shall forthwith surrender the possession of the property and the Trustee may take possession of all the mortgaged property and hold, operate and manage the same for the purpose of insuring payments on the Series 2026A Bonds until the event of default has been cured.

Upon the occurrence of one or more events of default, the Trustee may, and shall upon written request of the holders of at least twenty-five percent (25%) in principal amount of the Series 2026A Bonds then outstanding and upon being indemnified to its reasonable satisfaction, pursue any available remedy by suit at law or in equity, whether for specific performance of any covenant or agreement contained in the Trust Indenture or in aid of any power granted therein, or for any foreclosure of the Trust Indenture including, to the extent permitted by law, the appointment of a receiver.

Any sale made either under the Trust Indenture, to the extent permitted by law, or by judgment or decree in any judicial proceeding for foreclosure shall be conducted as required by the Trust Indenture. The proceeds of any such sale shall be applied to pay the costs and expenses of the sale or judicial proceedings pursuant to the sale, the expenses of the Trustee and the holders of the Series 2026A Bonds, with interest at the highest rate of interest on any of the Series 2026A Bonds when sold, and the payment of the installments of interest which are due and unpaid in the order of their maturity, next, if the principal of the Series 2026A Bonds is due, to the payment of the principal thereof and the accrued interest thereon pro rata. No holder of all of the Series 2026A Bonds shall have the right to institute any proceeding in law or in equity for the foreclosure of the Trust Indenture, the appointment of a receiver, or for any other remedy under the Trust Indenture without complying with the provisions of the Trust Indenture.

Supplemental Indentures

The Building Corporation and the Trustee may, without obtaining the approval of the holders of the Series 2026A Bonds, enter into supplemental indentures to cure any ambiguity or formal defect or omission in the Trust Indenture; or to grant to the Trustee for the benefit of such holders any additional rights, remedies, powers, authority or security that may be lawfully granted; or to provide for the issuance of additional parity bonds to finance (i) the payment of claims of contractors, subcontractors, materialmen or laborers or fees; (ii) the completion of construction; (iii) the payment of costs of improvements to the mortgaged property; and (iv) a partial refunding of the Series 2026A Bonds.

The holders of not less than 66-2/3% in aggregate principal amount of the Series 2026A Bonds then outstanding shall have the right, from time to time except when contrary to the Trust Indenture, to approve the execution by the Building Corporation and the Trustee of such supplemental indentures, except no supplemental indenture shall permit:

- (a) An extension of the maturity of the principal of or interest on any Series 2026A Bond;
- (b) A reduction in the principal amount of any Series 2026A Bond or the redemption premium or the rate of interest;

- (c) The creation of a lien upon the mortgaged property taking priority or on a parity with the lien created by the Trust Indenture;
- (d) A preference or priority of any Series 2026A Bond or Series 2026A Bonds over any other Series 2026A Bond or Series 2026A Bonds; or
- (e) A reduction in the aggregate principal amount of the Series 2026A Bonds required for consent to supplemental indentures.

If the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the bonds outstanding at the time of the execution of such supplemental indenture shall have consented to and approved the execution thereof as provided in the Trust Indenture, no owner of any bond shall have any right to object to the execution of such supplemental indenture 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 execution thereof, or to enjoin or restrain the Trustee or the Building Corporation from executing the same, or from taking any action pursuant to the provisions thereof.

Upon the execution of any supplemental indenture pursuant to the provisions of the Trust Indenture, the Trust Indenture shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under the Trust Indenture of the Building Corporation, the Trustee, and all owners of bonds then outstanding shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

Possession Until Default, Defeasance, Payment, Release

Subject to the rights of the Trustee and the holders of the Series 2026A Bonds in the event of the occurrence and continuance of an event of default, the Building Corporation shall have the right of full possession, enjoyment and control of all the mortgaged property. While in possession of the mortgaged property, and while not in default under the Trust Indenture, the Building Corporation shall have the right at all times to alter, change, add to, repair, or replace any of the property constituting a part of the mortgaged property so long as the value of the mortgaged property and the security of the Series 2026A Bonds shall not be substantially impaired or reduced. The Trustee may release any mortgaged property which has become unfit or unnecessary for use pursuant to the Trust Indenture. If new property is purchased or acquired in substitution for the mortgaged property so released, the new property shall become subject to the lien and the operation of the Trust Indenture. If no new property is purchased with the proceeds of any sale or mortgaged property within ninety (90) days after the receipt of the proceeds, the proceeds shall be deposited in the Operation and Reserve Fund.

The Building Corporation may pay and discharge the entire indebtedness on all Series 2026A Bonds outstanding:

- (a) by paying the whole amount of the principal and interest and the premium if any, due and payable upon all of the Series 2026A Bonds then outstanding; or
- (b) by depositing with the Trustee (i) sufficient money, (ii) direct obligations of the United States of America (the "Government Securities") or (iii) time certificates of deposit of a bank or banks secured as to both principal and interest by Government Securities in amounts sufficient to pay or redeem all Series 2026A Bonds outstanding.

If the whole amount of the principal, premium, if any, and interest so due and payable upon all of the Series 2026A Bonds then outstanding shall be paid or provision made for payment, then the right, title and interest of the Trustee shall thereupon cease, terminate and become void. Upon termination of the Trustee's title, the Trustee shall release the Trust Indenture and return to the Building Corporation any surplus in the Sinking Fund and Operation and Reserve Fund and any other funds other than moneys held for redemption or payment of Series 2026A Bonds.

SUMMARY OF THE LEASE

The following is a summary of certain provisions of the Lease and does not purport to comprehensively describe that document in its entirety.

Acquisition and Construction of the Leased Premises

The Building Corporation is to cause the Leased Premises to be completed in accordance with the contract documents and the plans and specifications which have been prepared by or at the direction of the Building Corporation and approved by the School Corporation and applicable agencies. The plans and specifications may be changed at any time prior to the completion of the Leased Premises by mutual agreement of the Building Corporation and the School Corporation, except that such changes may not alter the character of the building or reduce the value thereof.

Lease Term and Rental

The Lease is for a twenty-five (25) year term which commenced on the date the Building Corporation acquired fee simple title to the Leased Premises and expires on the date which is twenty-five (25) years later. By each rent payment date, the School Corporation is to pay the installment of rent due under the Lease. The School Corporation agrees to pay rent during renovation on each June 30 and December 31 which commenced on June 30, 2025 through completion of the renovation of the Leased Premises in the semiannual amount of up to \$4,000,000. Thereafter, full Lease rental commences on December 31, 2027, or on the date the Leased Premises are completed and ready for occupancy, whichever is later. Each installment of rent is payable in advance for the following six-month period on June 30 and December 31. The maximum annual rent to be paid is \$8,000,000 per year, payable in equal semiannual installments. The Lease has been structured to allow for the issuance of multiple series of bonds to finance the Project. Completion of the Leased Premises is to be certified to the School Corporation by a representative of the Building Corporation pursuant to the Lease. The date the building is substantially completed and ready for occupancy shall be endorsed on the end of the Lease by the parties thereto as soon as can be done after the completion of the construction. The endorsement shall be recorded as an addendum to the Lease.

Maintenance and Modification

During the term of the Lease, the School Corporation is required to keep the Leased Premises in good repair and in good operating condition, ordinary wear and tear excepted. The School Corporation may, at its own expense and as part of the Leased Premises, make modifications of, additions and improvements to and substitutions for the Leased Premises, all of which become the property of the Building Corporation and are included as part of the Leased Premises under the terms of the Lease.

The School Corporation may, at its own expense, replace worn out or obsolete property and may install on the property on which the Leased Premises are situated personal property which is not an addition or improvement to, modification of or substitution for the Leased Premises, which will be the sole property of the School Corporation and in which the Building Corporation shall have no interest. The School Corporation may discard worn out or obsolete property and need not replace it. Equipment or other personal property which becomes worn out or obsolete may be discarded or sold by Lessee. The proceeds of the sale of any personal property shall be paid to the Trustee. Lessee may trade in any obsolete or worn out personal property or replacement property which replacement property will belong to Lessee upon payment to the Trustee of an amount equal to the trade-in value of such property. Lessee need not replace worn out or obsolete personal property, but may replace such property at its own expense, and the replacement property shall belong to Lessee.

Property and Liability Insurance

The School Corporation is required to carry at its own expense, property insurance on the Leased Premises against physical loss or damage to the Leased Premises, however caused, with such exceptions only as are ordinarily required by insurers of buildings or facilities of a similar type, in an amount equal to one hundred percent (100%) of the full replacement cost of the mortgaged property. Any property insurance policy shall be so written or endorsed as

to make any losses payable to the Building Corporation or to such other person or persons as the Building Corporation under the Lease may designate.

During the full term of the Lease, the School Corporation is required to maintain rent or rental value insurance in an amount equal to the full rental value of the Leased Premises for a period of two years. The insurance will protect against physical losses or damages similar to those covered under the property insurance policy held by the School Corporation.

Damage or Destruction

If the Leased Premises are damaged or destroyed (in whole or in part) by fire, windstorm or other casualty at any time during the term of the Lease, the Building Corporation is to promptly repair, rebuild or restore the portion of the Leased Premises damaged or destroyed with such changes, alterations and modifications (including substitutions and additions) as may be designated by the School Corporation for administration and operation of the Leased Premises and as shall not impair the character and significance of the Leased Premises as furthering the purposes of the Code.

If the Leased Premises are totally or substantially destroyed and the amount of insurance money received is sufficient to redeem all of the outstanding Series 2026A Bonds and all such Series 2026A Bonds are then subject to redemption, the Building Corporation, with the written approval of the School Corporation, may direct the Trustee to use net proceeds of insurance to call for redemption all of the Series 2026A Bonds then outstanding at the then current redemption price.

Rent Abatement and Rental Value Insurance

If the Leased Premises or a portion thereof are damaged or destroyed or is taken under the exercise of the power of eminent domain, the rent payable by the School Corporation shall be abated or reduced, provided there is rental value insurance in force as required by the Lease. The rent shall be totally abated during that portion of the Lease terms that the Leased Premises is totally unfit for use or occupancy. It shall be partially abated for the period and to the extent that the Leased Premises are partially unfit for use or occupancy in the same proportion that the floor area of the Leased Premises so unfit for use or occupancy bears to the total floor area of the Leased Premises.

Taxes and Utility Charges

The School Corporation is to pay, as further rent, taxes and assessments lawfully assessed or levied against or with respect to the Leased Premises or any personal property or fixtures installed or brought in or on the Leased Premises, and all utility and other charges for or incurred in connection with the Leased Premises. The School Corporation may, at its own expense, in good faith contest any such taxes and assessments. The School Corporation shall also pay as additional rent, any amount required by the Building Corporation to rebate to the United States Government to prevent the Building Corporation's bonds from becoming arbitrage bonds.

Events of Default

The Lease provides that either of the following constitutes an "event of default" under the Lease:

- (a) Failure to pay any rentals or other sums payable to the Building Corporation under the Lease, or failure to pay any other sum therein required to be paid to the Building Corporation; or
- (b) Failure to observe any other covenant, agreement or condition under the Lease, and such default shall continue for sixty (60) days after written notice to correct the same.

Remedies

On the occurrence of an event of default under the Lease, the Trustee may proceed to protect and enforce its rights by suit or suits in equity or at law in any court of competent jurisdiction, whether for specific performance or any covenant or agreement contained therein, or for the enforcement of any other appropriate legal or equitable remedy; file a claim with the Treasurer of the State of Indiana for an amount equal to an amount in default, and may authorize or delegate the authority to file such claim; or the Building Corporation, at its option, without further notice, may terminate the estate and interest of the School Corporation thereunder, and it shall be lawful for the Building Corporation forthwith to resume possession of the Leased Premises and the School Corporation covenants to surrender the same forthwith upon demand. The exercise by the Building Corporation of the right to terminate the Lease shall not release the School Corporation from the performance of any obligation thereof maturing prior to the Building Corporation's actual entry into possession. No waiver by the Building Corporation of any right to terminate the Leases upon any default shall operate to waive such right upon the same or other default subsequently occurring.

The School Corporation may not assign the Lease or sublet the Leased Premises without the written consent of the Building Corporation. In the Lease, the School Corporation has covenanted to use and maintain the Leased Premises in accordance with the laws and ordinances of the United States of America, the State of Indiana, and all other proper governmental authorities. The School Corporation has also covenanted that it will not enter into any lease, management contract or other contractual arrangement which would allow the use of the Leased Premises by a nongovernmental person which would have the effect of making the Building Corporation's bonds private activity bonds under Section 141 of the Internal Revenue Code of 1986.

Option to Purchase

The School Corporation has the option to purchase the Leased Premises on any rental payment date at a price which is sufficient to allow the Building Corporation to liquidate by paying or providing for the payment in full of the then outstanding bonds pursuant to the redemption provisions.

Option to Renew

The School Corporation has an option to renew the Lease for a further like or lesser term upon the same terms and conditions provided in the Lease.

TAX MATTERS

In the opinion of Ice Miller LLP, Indianapolis, Indiana ("Bond Counsel") under existing laws, regulations, judicial decisions and rulings, interest on the Series 2026A Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Series 2026A Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. This opinion is conditioned on continuing compliance by the Building Corporation with the Tax Covenants (hereinafter defined). Failure to comply with the Tax Covenants could cause interest on the Series 2026A Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to the date of issue. In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2026A Bonds is exempt from income taxation in the State of Indiana (the "State"). This opinion relates only to the exemption of interest on the Series 2026A Bonds for State income tax purposes. See Appendix E for the form of opinion of Bond Counsel.

The Code imposes certain requirements which must be met subsequent to the issuance of the Series 2026A Bonds as a condition to the exclusion from gross income of interest on the Series 2026A Bonds for federal income tax purposes. The Building Corporation will covenant not to take any action, within its power and control, nor fail to take any action with respect to the Series 2026A Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Series 2026A Bonds pursuant to Section 103 of the Code (collectively, the "Tax Covenants"). The Trust Indenture and certain certificates and agreements to be delivered on the date of delivery of the Series 2026A Bonds establish procedures under which compliance with the requirements

of the Code can be met. It is not an event of default under the Trust Indenture if interest on the Series 2026A Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not in effect on the issue date of the Series 2026A Bonds.

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 Indiana. The franchise tax will be measured in part by interest excluded from gross income under Section 103 of the Code minus associated expenses disallowed under Section 265 of the Code. Taxpayers should consult their own tax advisors regarding the impact of this legislation on their ownership of the Series 2026A Bonds.

Although Bond Counsel will render an opinion in the form attached as Appendix E hereto, the accrual or receipt of interest on the Series 2026A Bonds may otherwise affect a bondholder's federal income tax or state tax liability. The nature and extent of these other tax consequences will depend upon the bondholder's particular tax status and a bondholder's other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, individuals, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Series 2026A Bonds. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Series 2026A Bonds should consult their own tax advisors with regard to the other tax consequences of owning the Series 2026A Bonds.

ORIGINAL ISSUE DISCOUNT

The initial public offering price of the Series 2026A Bonds maturing on _____ (collectively the "Discount Bonds") is less than the principal amount payable at maturity. As a result the Discount Bonds will be considered to be issued with original issue discount. A taxpayer who purchases a Discount Bond in the initial public offering at the price listed on the cover page hereof (assuming a substantial amount of such Discount Bond was sold at such price) and who holds such Discount Bond to maturity may treat the full amount of original issue discount as interest which is excludable from the gross income of the owner of that Discount Bond for federal income tax purposes and will not, under present federal income tax law, realize taxable capital gain upon payment of the Discount Bond at maturity.

The original issue discount on each of the Discount Bonds is treated as accruing daily over the term of such Bond on the basis of the yield to maturity determined on the basis of compounding at the end of each six-month period (or shorter period from the date of the original issue) ending on January 15 and July 15 (with straight line interpolation between compounding dates).

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

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

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

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

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

AMORTIZABLE BOND PREMIUM

The initial public offering price of the Series 2026A Bonds maturing on _____ (collectively, the "Premium Bonds"), is greater than the principal amount 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 of the Series 2026A Bonds will be required to adjust the owner's basis in the Premium Bond downward as a result 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 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 Premium Bonds. Owners of the Series 2026A 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 tax advisors concerning the treatment of Bond Premium.

FUTURE CHANGES IN LAW

Legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Series 2026A Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Series 2026A Bonds. Prospective purchasers of the Series 2026A Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Legislation affecting municipal bonds is considered from time to time by the United States Congress and the Executive Branch. Bond Counsel's opinion is based upon the law in existence on the date of issuance of the Series 2026A Bonds. It is possible that legislation enacted after the date of issuance of the Series 2026A Bonds or proposed for consideration will have an adverse effect on the excludability of all or a part of the interest on the Series 2026A Bonds from gross income, the manner in which such interest is subject to federal income taxation or the market price of the Series 2026A Bonds.

Legislation affecting municipal bonds is considered from time to time by the Indiana legislature and Executive Branch. It is possible that legislation enacted after the date of the Series 2026A Bonds or proposed for consideration will have an adverse effect on payment or timing of payment or other matters impacting the Series 2026A Bonds.

As one example, Indiana Governor Michael Braun signed SEA 1 into law on Tuesday, April 15, 2025. SEA 1 includes a number of provisions which may adversely impact future tax collections and budgets of political subdivisions in the State, including school corporations.

The final version of SEA 1 which was signed by Governor Braun, as well as related fiscal information provided by the State of Indiana's Legislative Services Agency, can be found here: <https://iga.in.gov/legislative/2025/bills/senate/1/details>.

The Building Corporation and the School Corporation cannot predict the outcome of any such federal or state proposals as to passage, ultimate content or impact if passed, or timing of consideration or passage. Purchasers of the Series 2026A Bonds should reach their own conclusions regarding the impact of any such federal or state proposals.

There can be no assurance that there will not be any change in, interpretation of, or addition to the applicable laws and provisions which would have a material effect, directly or indirectly, on the affairs of the Building Corporation or the School Corporation.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The various legal opinions to be delivered concurrently with the delivery of the Series 2026A Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The remedies available to the bondholders upon a default under the Trust Indenture, or to the Building Corporation under the Lease, are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the remedies provided in the Trust Indenture and the Lease may not be readily available or may be limited. Under federal and State environmental laws certain liens may be imposed on property of the Building Corporation from time to time, but the Building Corporation has no reason to believe, under existing law, that any such lien would have priority over the lien on the property taxes pledged to the owners of the Series 2026A Bonds.

The various legal opinions to be delivered concurrently with the delivery of the Series 2026A 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 of Indiana 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).

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

CONTINUING DISCLOSURE

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission ("SEC") in SEC Rule 15c2-12, as amended (the "SEC Rule"), the School Corporation has entered into a Master Continuing Disclosure Undertaking dated April 19, 2017, as amended by a First Amendment to Master Continuing Disclosure Undertaking and as supplemented by a First Supplement to Master Continuing Disclosure Undertaking, a Second Supplement to Master Continuing Disclosure Undertaking, a Third Supplement to Master Continuing Disclosure Undertaking, a Fourth Supplement to Master Continuing Disclosure Undertaking, a Fifth Supplement to Master Continuing Disclosure Undertaking, a Sixth Supplement to Master Continuing Disclosure Undertaking, a Seventh Supplement to Master Continuing Disclosure Undertaking, an Eighth Supplement to Master Continuing Disclosure Undertaking, a Ninth Supplement to Master Continuing Disclosure Undertaking, a Tenth Supplement to

Master Continuing Disclosure Undertaking and an Eleventh Supplement to Master Continuing Disclosure Undertaking (collectively, the "Original Undertaking"). In connection with the issuance of the Series 2026A Bonds, the School Corporation will enter into a Twelfth Supplement to the Original Undertaking (the "Supplement" and together with the Original Undertaking, the "Undertaking").

Pursuant to the terms of the Undertaking, the School Corporation agrees to provide the information detailed in the Undertaking, the form of which is attached hereto as Appendix D.

The School Corporation may, from time to time, amend or modify the Undertaking without the consent of or notice to the owners of the Series 2026A Bonds if either (a)(i) such amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the School Corporation, or type of business conducted; (ii) the Undertaking, as so amended or modified, would have complied with the requirements of the SEC Rule on the date of execution of the Undertaking, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances; and (iii) such amendment or modification does not materially impair the interests of the holders of the Series 2026A Bonds, as determined either by (A) nationally recognized bond counsel or (B) an approving vote of the holders of the Series 2026A Bonds pursuant to the terms of the Resolution or Trust Indenture at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds the Undertaking) is permitted by the SEC Rule, then in effect.

The School Corporation may, at its sole discretion, utilize an agent in connection with the dissemination of any annual financial information required to be provided by the School Corporation pursuant to the terms of the Undertaking.

The purpose of the Undertaking is to enable the Underwriter to purchase the Series 2026A Bonds by providing for an undertaking by the School Corporation in satisfaction of the SEC Rule. The Undertaking is solely for the benefit of the owners of the Series 2026A Bonds and creates no new contractual or other rights for the SEC, underwriters, brokers, dealers, municipal securities dealers, potential customers, other obligated persons or any other third party. The sole remedy against the School Corporation for any failure to carry out any provision of the Undertaking shall be for specific performance of the School Corporation's disclosure obligations under the Undertaking and not for money damages of any kind or in any amount or any other remedy. The School Corporation's failure to honor its covenants under the Undertaking shall not constitute a breach or default of the Series 2026A Bonds, the Resolution or any other agreement.

In order to assist the Underwriter in complying with the Underwriter's obligations pursuant to SEC Rule, the School Corporation represents that in the previous five years it has not fully complied with its previous undertakings including, but not limited to, the following instances: a notice of the incurrence of a financial obligation was not timely filed. The School Corporation makes no representation as to any potential materiality of such prior instances, as materiality is dependent upon individual facts and circumstances. The School Corporation has contracted with Ice Miller LLP as the dissemination agent to assist with future compliance filings. The School Corporation has conducted a review of compliance of its previous undertakings, and the list above represents any instances of non-compliance of which the School Corporation is aware.

UNDERWRITING

The Series 2026A Bonds are being purchased, subject to certain conditions, by Stifel, Nicolaus & Company, Incorporated (the "Underwriter" or "Stifel"). The Underwriter has agreed to purchase all, but not less than all, of the Series 2026A Bonds at an aggregate amount of \$_____, which represents the aggregate principal amount of the Series 2026A Bonds, less an Underwriter's discount of \$_____ and [plus/less] an [net] original issue [premium/discount] of \$_____.

The Underwriter may offer and sell the Series 2026A Bonds to certain dealers (including dealers depositing the Series 2026A Bonds into unit investment trusts, certain of which may be sponsored or managed by the Underwriter) at prices lower than the initial public offering prices stated on the inside cover page.

Stifel and its affiliates comprise a full-service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Stifel and its affiliates may have provided, and may in the future provide, a variety of these services to the Building Corporation and/or the School Corporation and to persons and entities with relationships with the Building Corporation and/or the School Corporation, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, Stifel and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Building Corporation and/or the School Corporation (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Building Corporation and/or the School Corporation.

Stifel and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the Building Corporation and/or the School Corporation.

RATINGS

S&P Global Ratings (“S&P”), has assigned a rating of “AA+” to the Series 2026A Bonds based upon the Indiana State Intercept Program (see “INTERCEPT PROGRAM” above) and an underlying rating of “A+.” Such ratings reflect only the view of S&P and any explanation of the significance of such ratings may be obtained from S&P.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of the ratings may have an adverse effect on the market price of the Series 2026A Bonds. No other ratings have been applied for.

Such ratings are not to be construed as a recommendation of the rating agency to buy, sell or hold the Series 2026A Bonds, and the rating assigned by any rating agency should be evaluated independently. Except as may be required by the undertaking described under the heading “CONTINUING DISCLOSURE” none of the Building Corporation, the School Corporation or the Underwriter undertakes responsibility to bring to the attention of the owners of the Series 2026A Bonds any proposed change in or withdrawal of such ratings or to oppose any such revision or withdrawal.

STATEMENT OF ISSUER

The information and descriptions of documents included in this Official Statement do not purport to be complete and are expressly made subject to the exact provisions of the complete documents. Prospective purchasers of the Series 2026A Bonds are referred to the documents, including the Trust Indenture and the Lease, for details of all terms and conditions thereof relating to the Leased Premises and the Series 2026A Bonds.

Neither this Official Statement, nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of any of the Series 2026A Bonds. Any statements in this Official Statement involving matters of opinion whether or not expressly so stated, are intended as such and not as representations of fact. The information contained herein has been carefully compiled from sources deemed reliable and, to the best knowledge and belief of the Building Corporation and the School Corporation, there are no untrue statements or omissions of material facts in the Official Statement which would make the statements and representations therein misleading.

Certain supplemental information concerning the financial condition of the Building Corporation and the School Corporation which is exhibited hereafter is considered part of this Official Statement.

During the initial offering period for the Series 2026A Bonds, copies of the forms of the Lease and Trust Indenture may be obtained from the Public Finance Department of Stifel, Nicolaus & Company, Incorporated, 201 North Illinois Street, Suite 350, Indianapolis, Indiana 46204, upon request.

The execution of this Official Statement has been duly authorized and approved by the Building Corporation and the School Corporation. The Building Corporation will provide the Underwriter with sufficient copies of the Final Official Statement in a timely manner to be distributed to the purchasers of the Series 2026A Bonds.

LEBANON MIDDLE SCHOOL BUILDING
CORPORATION

By: _____
President

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APPENDIX A

LEBANON COMMUNITY SCHOOL CORPORATION

GENERAL

The Lebanon Community School Corporation (the “School Corporation”) is located in Boone County (the “County”) in central Indiana. The School Corporation includes Perry, Worth, and Center Townships which include incorporated areas of the City of Lebanon (the “City”), the Town of Ulen, a portion of the Town of Whitestown, and a portion of the Town of Zionsville.

The School Corporation is under the direction of a five-member elected School Board of Trustees who serve four-year terms.

SCHOOL BOARD

<u>Name</u>	<u>Title</u>	<u>Current Term Began</u>	<u>Term Expiration</u>
Jordan Clouser	President	01/01/2023	12/31/2026
Trey Hendrix	Vice President	01/01/2025	12/31/2028
Brett Havlin	Secretary	01/01/2025	12/31/2028
Lisa Hutcheson	Member	01/01/2023	12/31/2026
Craig Parks	Member	01/01/2025	12/31/2028

EMPLOYMENT RELATIONS

The Superintendent directs a certified staff of 288 and a non-certified staff of 374 with union representation as follows:

<u>Organization</u>	<u>Represents</u>	<u>Number of Members</u>	<u>Expiration Date</u>
Lebanon Classroom Teachers Association	Teachers	88	06/30/2026

FACILITIES

The School Corporation presently operates the following facilities:

<u>Name of School</u>	<u>Grades</u>	<u>Year Opened</u>	<u>Last Addition/ Renovation</u>
Perry-Worth Elementary School	K - 5	1965	1969, 1996
Central Office and Preschool	PK	1951	1967, 1989, 2025
Central Elementary	PK-5	2025	--
Harney Elementary School	K - 5	1957	1962, 1988, 2001
Hattie B. Stokes Elementary School	K - 5	2003	2025
Lebanon Middle School	6 - 8	1975	1995, 2017, 2025
Lebanon High School	9 - 12	1957	1967, 1972, 1990, 2002, 2006, 2014, 2017, 2025

* Upon completion of the new Central Elementary School, it is anticipated that Central Elementary School will be repurposed by the School Corporation in the future for other educational purposes.

Source: School Corporation Records

PERSONNEL

The School Corporation employed a total staff of 528 full time and 70 part time personnel, as of February 2, 2026 allocated in categories as follows:

Administration – Certified	25
Directors – Non Certified	9
Teachers/Counselors	260
Teacher/excluded from agreement	8
Teacher Aides	75
Library Aides	4
Clerical	29
Nurses	6
Maintenance/Custodial	87
Cafeteria	35
Technology Support	7
Permanent Teacher Subs	0
Bus Drivers	48
Total	598

Source: School Corporation Records

ENROLLMENTS

Shown below are the total enrollments in grades K-12 for the past five years and a projection of such enrollments for the next five years:

Academic Year	Actual Enrollment	Academic Year	Projected Enrollment*
2021-22	3,326	2026-27	3,777
2022-23	3,451	2027-28	3,842
2023-24	3,504	2028-29	3,912
2024-25	3,596	2029-30	3,987
2025-26	3,687	2030-31	3,987

Source: School Corporation Records

LARGEST TAXPAYERS

The 10 largest taxpayers in the School Corporation for Real and Personal Property valuations, comprising 5.18% of the pay 2024 Net Assessed Valuation (2025), included:

<u>Name</u>	<u>Type/Business Product</u>	<u>Assessed Valuation 2024 - 2025</u>	<u>% of Net Assessed Value</u>
Newcold Indianapolis LLC	Logistics	\$ 36,894,070	1.23%
Ken's Foods Inc.	Food Manufacturing	27,373,310	0.92%
DS Smith Packaging - Lebanon LLC	Packaging Manufacturing	17,248,510	0.58%
Hachette Book Group	Book Manufacturing	14,895,630	0.50%
WB Frozen US LLC	Restaurant Operations	14,359,390	0.48%
Nike USA	Athletic Apparel	13,586,130	0.45%
McKinley Packaging Inc.	Packaging Manufacturing	10,852,570	0.36%
GXO Logistics	Logistics	9,418,010	0.31%
SKJODT Barrett	Food Manufacturing	6,390,080	0.21%
Monosol LLC	Packaging Manufacturing	<u>4,029,030</u>	<u>0.13%</u>
Total:		\$ 155,046,730	5.18%

Source: Boone County Auditor's Office

Reasonable efforts have been made to determine and report the largest taxpayers and to include all taxable property of those taxpayers listed based on records provided by the Boone County Auditor's office. Many of the taxpayers listed in such records, however, may own multiple parcels, and it is possible that some parcels and their valuations may not be included.

HISTORICAL NET ASSESSED VALUATION

Net Assessed Valuation of the School Corporation is shown below. Criteria for determination of true value are established by the Indiana Department of Local Government Finance. Assessed Valuation is reduced by various exemptions.

Years Taxes <u>Payable</u>	Net Assessed <u>Valuation</u>
2021	1,711,390,103
2022	1,872,668,694
2023	2,260,536,673
2024	2,580,164,519
2025	2,990,479,217
2026	3,334,469,422

Source: Indiana Department of Local Government Finance

DETAIL OF NET ASSESSED VALUATION
 Assessed 2024 for Taxes Payable in 2025
 (As Provided by the Boone County Auditor's Office)

	<u>Center Township</u>	<u>City of Lebanon</u>	<u>Town of Ulen</u>	<u>Perry Township</u>	<u>Worth Township</u>	<u>Town of Whitestown</u>	Sub-totals
Gross Value of Land	\$83,070,600	\$338,536,300	\$2,402,000	\$51,446,100	\$20,031,000	\$213,878,000	\$709,364,000
Gross Value of Improvements	274,884,200	2,185,632,500	22,434,500	256,022,900	67,233,300	1,512,917,100	4,319,124,500
Total Gross Value of Real Estate	357,954,800	2,524,168,800	24,836,500	307,469,000	87,264,300	1,726,795,100	5,028,488,500
Less: Tax Exempt Property & Other Exemptions	126,433,439	809,944,777	10,507,677	168,713,012	30,907,604	739,353,105	1,885,859,614
TIF	-	474,153,967	-	-	26,607	463,131,052	937,311,626
Net Assessed Value of Real Estate	231,521,361	1,240,070,056	14,328,823	138,755,988	56,330,089	524,310,943	2,205,317,260
Business Personal Property	22,927,710	351,346,440	436,780	9,184,540	3,771,470	116,496,600	504,163,540
Personal TIF	-	95,587,190	21,890	-	-	7,023,006	102,632,086
Net Assessed Value of Personal Property	22,927,710	255,759,250	414,890	9,184,540	3,771,470	109,473,594	401,531,454
Net Assessed Value of Utility Property	17,963,220	8,383,330	86,790	5,283,590	16,911,630	819,240	49,447,800
Total Net Assessed Value	272,412,291	1,504,212,636	14,830,503	153,224,118	77,013,189	634,603,777	2,656,296,514

DETAIL OF NET ASSESSED VALUATION
 Assessed 2024 for Taxes Payable in 2025
 (As Provided by the Boone County Auditor's Office)

	Sub-totals <u>Carried Forward</u>	Whitestown - <u>Perry</u>	Lebanon - <u>Perry</u>	Worth/Zionsville <u>Rural District</u>	Perry Whitestown <u>Ag Exempt</u>	Worth/Whitestown <u>E. Phase In</u>	Worth/Lebanon <u>Corporation</u>	Sub-totals
Gross Value of Land	\$709,364,000	\$152,278,500	\$7,226,900	\$9,330,600	\$1,985,500	-	\$503,400	\$880,688,900
Gross Value of Improvements	<u>4,319,124,500</u>	<u>792,908,300</u>	<u>22,170,600</u>	<u>43,703,600</u>	<u>6,044,900</u>	-	-	<u>5,183,951,900</u>
Total Gross Value of Real Estate	<u>5,028,488,500</u>	<u>945,186,800</u>	<u>29,397,500</u>	<u>53,034,200</u>	<u>8,030,400</u>	-	<u>503,400</u>	<u>6,064,640,800</u>
Less: Tax Exempt Property & Other Exemptions	1,885,859,614	409,982,549	4,550,594	18,113,762	2,643,720	-	-	2,321,150,239
TIF	<u>937,311,626</u>	<u>311,272,894</u>	-	-	-	-	6,138	<u>1,248,590,658</u>
Net Assessed Value of Real Estate	<u>2,205,317,260</u>	<u>223,931,357</u>	<u>24,846,906</u>	<u>34,920,438</u>	<u>5,386,680</u>	-	<u>497,262</u>	<u>2,494,899,903</u>
Business Personal Property	504,163,540	104,400,025	6,521,920	942,190	800	-	-	616,028,475
Personal TIF	<u>102,632,086</u>	-	9,510	-	-	-	-	<u>102,641,596</u>
Net Assessed Value of Personal Property	<u>401,531,454</u>	<u>104,400,025</u>	<u>6,512,410</u>	<u>942,190</u>	<u>800</u>	-	-	<u>513,386,879</u>
Net Assessed Value of Utility Property	<u>49,447,800</u>	<u>182,960</u>	<u>10,470</u>	<u>372,800</u>	-	-	-	<u>50,014,030</u>
Total Net Assessed Value	<u>2,656,296,514</u>	<u>328,514,342</u>	<u>31,369,786</u>	<u>36,235,428</u>	<u>5,387,480</u>	-	<u>497,262</u>	<u>3,058,300,812</u>

TAXES LEVIED AND COLLECTED

Total property tax levies for the School Corporation and collections against those levies for the past five completed years are:

Collection <u>Year</u>	Gross Taxes <u>Levied</u>	Less Circuit		Net Taxes <u>Levied</u>	Taxes <u>Collected</u>	Percent of Net <u>Taxes Collected</u>
		Breaker <u>Credits</u>				
2021	\$18,380,713	\$282,018		\$18,098,695	\$18,716,090	103.41%
2022	20,499,416	409,200		20,090,216	20,662,056	102.85%
2023	25,965,250	365,298		25,599,952	25,816,302	100.85%
2024	29,229,194	571,515		28,657,679	30,072,138	104.94%
2025	32,985,257	845,621		32,139,636	32,847,452	102.20%
2026 (est)	32,762,477	1,836,800		30,925,677	[In Process.....]

Collections shown include present and prior year property tax levies, along with penalties and interest on prior year delinquencies. Excluded are receipts from automobile excise taxes and financial institution (intangibles) taxes.

Indiana statutes and practices make it difficult to evade property tax liabilities. Penalty and interest charges are assessed and property may be seized and sold to satisfy liens. Taxes due each year are due in two installments, May and November.

Source: School Corporation; Indiana Department of Local Government Finance

STATE OF INDIANA PAYMENTS

The following table shows the annual amounts appropriated to the School Corporation during the five previous years and the amounts of such appropriations projected to be received during the current year.

<u>Year</u>	<u>Total Payments</u>
2021	\$24,529,153
2022	26,755,583
2023	27,918,116
2024	30,410,476
2025	32,114,041
2026 (est)	30,675,918

Source: School Corporation Form 9 Financial Statements and the 2026 1872 Budget

COMPARATIVE SCHEDULE OF CERTIFIED TAX RATES

The following tax rates (per \$100 of assessed valuation) are gross rates which do not reflect the property tax replacement credit from state collected sales taxes.

<u>Fund</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Debt Service	\$0.3587	\$0.2472	\$0.3728	\$0.4371	\$0.3991
Referendum Debt - Operating ⁽¹⁾	--	0.1500	0.1294	0.1111	0.0913
Referendum Debt - Capital	0.2855	0.2855	0.2067	0.1695	0.1374
Operations	<u>0.3535</u>	<u>0.3120</u>	<u>0.2843</u>	<u>0.2551</u>	<u>0.2379</u>
Totals	<u>\$0.9977</u>	<u>\$0.9947</u>	<u>\$0.9932</u>	<u>\$0.9728</u>	<u>\$0.8657</u>
Total District Certificate Tax Rate ⁽²⁾					
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Center Township	1.4975	1.4104	1.4554	1.4100	1.3266
Lebanon City	2.1185	2.0284	2.0676	2.0308	1.8864
Ulen Town	1.8287	1.7347	1.7898	1.7179	1.6018
Perry Township	1.4909	1.3796	1.4360	1.4205	1.3663
Worth Township	1.7496	1.6637	1.6482	1.6015	1.5031
Whitestown Town	2.7612	2.7239	2.6876	2.5956	2.4583
Whitestown - Perry	2.7185	2.6608	2.6263	2.5428	2.4026
Lebanon - Perry	2.0238	1.9613	1.9598	1.9392	1.7950
Worth - Zionsville Rural District	1.5669	1.4760	1.5306	1.4733	1.4220
Perry Whitestown Ag Exempt	1.2188	1.1877	1.1862	1.1527	1.0587
Worth/Whitestown East Phase In	2.7234	2.6655	2.6263	--	--
Worth/Lebanon Corporation	2.0238	1.9613	1.9638	1.9427	1.7982

(1) On May 3, 2022, the voters of the School Corporation approved a School Operating Referendum not to exceed a tax rate of \$0.1500 for eight years from 2023-2030.

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

Source: Indiana Department of Local Government Finance

FINANCIAL STATEMENTS

The School Corporation is audited biennially by the Indiana State Board of Accounts. The School Corporation maintains its system of accounts on a cash basis as prescribed by the Board of Accounts in the "Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations" (2010 Revised Edition). Annual Financial Reports (Form 9) are filed with the Indiana Department of Public Instruction. The most recent audit by the State Board of Accounts was filed on March 3, 2025 for the period July 1, 2022 to June 30, 2024. The current audit period runs from July 1, 2024 to June 30, 2026 and is not yet available.

The School Corporation maintains three principal funds: the Education Fund, the Debt Service Fund, and the Operations Fund (formerly the Transportation Fund, Bus Replacement Fund and Capital Projects Fund). A Rainy Day Fund and other funds are used for specific purposes, such as federal grants and donations.

The Education Fund is used for the operation and maintenance of the School Corporation and for any other lawful expenses payable from the Education Fund. The Debt Service Fund is used for the payment of all debt, including lease rental obligations and other obligations to repay funds borrowed or advanced for the purchase or construction of, or addition to, school buildings. The Operations Fund (formerly the Transportation Fund, Bus Replacement Fund and Capital Projects Fund) is used for land acquisition, site improvement, construction or purchase of school buildings and equipment, and remodeling or repairing school buildings, all for school classroom purposes. The Operations Fund is also to be used exclusively for the payment of costs of transporting students and purchase school buses.

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, 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.

A copy of the School Corporation's Audit Report for the period July 1, 2022 to June 30, 2024, is included as Appendix C to this Official Statement. Potential purchasers should read such financial statements in their entirety for more complete information concerning the School Corporation's financial position. Such financial statements have been audited by the State Board of Accounts, to the extent and for the periods indicated thereon. The School Corporation has not requested the State Board of Accounts to perform any additional examination, assessment or evaluation with respect to such financial statements since the date thereof, nor has the School Corporation requested that the State Board of Accounts consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial information in this Official Statement is not intended to demonstrate the fiscal condition of the School Corporation since the date of such financial information, in connection with the issuance of the Bonds, the School Corporation represents that there has been no material adverse change in the financial position or results of operations of the School Corporation, nor has the School Corporation incurred any material liabilities, which would make such financial information misleading.

**SCHOOL CORPORATION RECEIPTS AND DISBURSEMENTS
(YEAR ENDED DECEMBER 31)**

<u>Calendar Year 2022</u>	<u>1/1/2022 Balance</u>	<u>Receipts*</u>	<u>Expenditures*</u>	<u>12/31/2022 Balance</u>
Education Fund	\$3,163,504	\$26,115,897	\$25,681,093	\$3,598,309
Debt Service Fund	1,476,737	7,535,644	7,785,135	1,227,246
Referendum Fund - Capital	3,956,154	7,930,309	7,517,000	4,369,463
Operations Fund	3,603,494	10,933,630	9,789,351	4,747,773
Local Rainy Day Fund	3,500,000		--	3,500,000
Other Funds	7,000,646	30,058,725	12,558,542	24,500,829
Totals	22,700,536	82,574,204	63,331,120	41,943,621
<u>Calendar Year 2023</u>	<u>1/1/2023 Balance</u>	<u>Receipts*</u>	<u>Expenditures*</u>	<u>12/31/2023 Balance</u>
Education Fund	\$3,598,309	\$28,679,850	\$26,310,199	\$5,967,960
Referendum Fund - Operating	--	5,015,305	\$3,637,043	1,378,262
Debt Service Fund	1,227,246	6,007,296	6,819,818	414,723
Referendum Fund - Capital	4,369,463	9,181,248	13,013,000	537,712
Operations Fund	4,747,773	11,146,641	11,167,248	4,745,166
Local Rainy Day Fund	3,500,000		--	3,500,000
Other Funds	24,500,829	28,974,122	24,733,606	27,741,345
Totals	41,943,621	89,004,462	85,680,915	44,285,168
<u>Calendar Year 2024</u>	<u>1/1/2024 Balance</u>	<u>Receipts*</u>	<u>Expenditures*</u>	<u>12/31/2024 Balance</u>
Education Fund	\$5,967,960	\$31,671,991	\$27,634,111	\$10,005,840
Referendum Fund - Operating	1,378,262	5,081,384	\$4,480,234	1,979,413
Debt Service Fund	414,723	10,651,366	10,002,292	1,063,797
Referendum Fund - Capital	537,712	8,413,110	7,525,000	1,425,822
Operations Fund	4,745,166	11,899,584	11,739,458	4,905,291
Local Rainy Day Fund	3,500,000		--	3,500,000
Other Funds	27,741,345	14,791,267	35,004,033	7,528,579
Totals	44,285,168	82,508,702	96,385,128	30,408,742
<u>Calendar Year 2025</u>	<u>1/1/2025 Balance</u>	<u>Receipts*</u>	<u>Expenditures*</u>	<u>12/31/2025 Balance</u>
Education Fund	\$10,005,840	\$32,495,833	\$32,126,873	\$10,374,800
Referendum Fund - Operating	1,979,413	5,187,690	\$3,998,835	3,168,267
Debt Service Fund	1,063,797	14,053,719	12,955,125	2,162,391
Referendum Fund - Capital	1,425,822	7,906,383	7,525,000	1,807,205
Operations Fund	4,905,291	13,869,453	12,977,827	5,796,917
Local Rainy Day Fund	3,500,000	1,000,000	--	4,500,000
Other Funds	7,528,579	6,838,778	12,519,999	1,847,357
Totals	30,408,742	81,351,856	82,103,660	29,656,938

Source: Compiled from Biannual Financial Reports, Indiana Department of Education.

**ANTICIPATED RECEIPTS & DISBURSEMENTS
CALENDAR YEAR 2025 BUDGET**

	<u>Referendum Fund - Operating</u>	<u>Debt Service</u>	<u>Referendum Fund - Capital</u>	<u>Education</u>	<u>Operating</u>
Receipts:					
Property Taxes	\$4,864,153	\$13,071,385	\$7,421,007	-	\$7,048,712*
Bank & Excise	172,216	524,811	262,741	-	306,290
State Grants	-	-	-	\$30,802,989	-
Transfer from Ed	-	-	-	-	4,500,000
Miscellaneous	=	=	=	<u>100,000</u>	<u>550,000</u>
Total	\$5,036,369	\$13,596,196	\$7,683,748	\$30,902,989	\$12,405,002
Disbursements	\$4,981,567	\$12,955,875	\$7,525,000	\$34,592,482	\$12,606,383

*Includes a property tax impact of \$580,000

Source: School Corporation's Budget - 1782

**ANTICIPATED RECEIPTS & DISBURSEMENTS
CALENDAR YEAR 2026 BUDGET**

	<u>Referendum Fund - Operating</u>	<u>Debt Service</u>	<u>Referendum Fund - Capital</u>	<u>Education</u>	<u>Operating</u>
Receipts:					
Property Taxes	\$4,599,694	\$13,307,867	\$6,922,213	-	\$7,662,703*
Bank & Excise	122,513	474,312	184,373	-	469,290
State Grants	-	-	-	\$30,675,918	-
Transfer from Ed	-	-	-	-	4,908,000
Miscellaneous	=	=	=	=	=
Total	\$4,722,207	\$13,782,179	\$7,106,586	\$30,675,918	\$13,039,993
Disbursements	\$5,045,450	\$13,953,875	\$7,525,000	\$36,232,400	\$12,838,200

*Includes a property tax impact of \$270,000

Source: School Corporation's Budget - 1782

INDEBTEDNESS

The following tabulation, prepared as of February 2, 2026 assumes the issuance of the Bonds. The tabulation far below itemizes the direct and overlapping indebtedness of the School Corporation.

		<u>Per Capita</u>	<u>Percent of Assessed Valuation</u>
Net Assessed Value (2026)	\$3,334,469,422	\$125,036	----
Direct Debt	233,625,000	8,760	7.01%
Direct & Underlying Debt	356,423,240	13,365	10.69%
2023 Population	26,668		
<u>Direct Debt</u>	<u>Original Amount</u>	<u>Final Maturity</u>	<u>Amount Outstanding</u>
General Obligation Bonds of 2023	\$17,200,000	01/15/29	\$6,230,000
Total Direct Obligations	\$17,200,000		\$6,230,000
<u>Lease Obligations</u>			
Ad Valorem Property Tax First Mortgage Bonds, Series 2026A ⁽¹⁾	\$22,515,000	01/15/46	\$22,515,000
Ad Valorem Property Tax First Mortgage Bonds, Series 2025	38,770,000	01/15/45	38,770,000
Ad Valorem Property Tax First Mortgage Bonds, Series 2024B	31,860,000	01/15/44	26,475,000
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2024	28,600,000	07/15/44	28,325,000
Ad Valorem Property Tax First Mortgage Bonds, Series 2024	49,845,000	01/15/44	49,610,000
Ad Valorem Property Tax First Mortgage Bonds, Series 2022	70,000,000	07/15/42	61,700,000
Total Lease Obligations	\$241,590,000		\$227,395,000
Total Direct Debt			\$233,625,000

(1) This issue

		<u>Applicable</u>	
<u>Underlying and Overlapping Tax Supported Debt*</u>	<u>Outstanding Amount</u>	<u>Percent</u>	<u>Amount</u>
Boone County	\$54,530,000	34.44%	\$18,781,240
Center Township	751,000	100.00%	751,000
Lebanon Civil Town	50,611,000	100.00%	50,611,000
Zionsville Civil Town	24,265,000	100.00%	24,265,000
Whitestown Civil Town	26,535,000	100.00%	26,535,000
Lebanon Public Library	1,855,000	100.00%	1,855,000
			122,798,240

* Includes only issues that have property tax as a primary security

COMBINED DEBT SERVICE REQUIREMENTS

The tabulation below sets forth the combined annual debt service requirements (in thousands) for all loans, leases and other obligations of the School Corporation as of February 2, 2026, including proposed issuance of the Bonds payable from the debt service fund.

<u>Year</u>	<u>2022</u> <u>Referendum</u> <u>Bonds</u>	<u>2023 GO</u>	<u>2024 Bonds</u>	<u>2024</u> <u>Referendum</u> <u>Bonds</u>	<u>2024B Bonds</u>	<u>2025 Bonds</u>	<u>2026 Bonds</u> <u>(1)</u>	<u>Total</u>
2026	\$5,540,000	\$2,262,875	\$3,656,000	\$1,985,000	\$2,253,000	\$5,782,000		\$21,478,875
2027	5,539,000	2,262,875	3,656,000	1,986,000	2,255,000	2,392,000	\$2,395,000	20,485,875
2028	5,537,000	2,262,875	3,663,000	1,990,000	2,255,000	2,390,000	1,880,000	19,977,875
2029	5,539,000		4,388,000	1,988,000	2,253,000	3,148,000	1,880,000	19,196,000
2030	5,543,000		4,390,000	1,985,000	2,253,000	3,150,000	1,880,000	19,201,000
2031	5,545,000		4,388,000	1,979,000	2,250,000	3,143,000	1,880,000	19,185,000
2032	5,544,000		4,385,000	1,983,000	2,250,000	3,143,000	1,880,000	19,185,000
2033	5,540,000		4,391,000	1,984,000	2,256,000	3,148,000	1,880,000	19,199,000
2034	5,543,000		4,385,000	1,983,000	2,254,000	3,144,000	1,880,000	19,189,000
2035	5,541,000		4,388,000	1,985,000	2,254,000	3,151,000	1,880,000	19,199,000
2036	5,545,000		4,389,000	1,980,000	2,250,000	3,142,000	1,880,000	19,186,000
2037	5,539,000		4,388,000	1,988,000	2,253,000	3,149,000	1,880,000	19,197,000
2038	5,538,000		4,389,000	1,988,000	2,251,000	3,146,000	1,880,000	19,192,000
2039	5,541,000		4,387,000	1,986,000	2,255,000	3,147,000	1,880,000	19,196,000
2040	5,542,000		4,391,000	1,986,000	2,250,000	3,142,000	1,880,000	19,191,000
2041	5,541,000		4,387,000	1,983,000	2,256,000	3,146,000	1,880,000	19,193,000
2042	2,770,500		4,388,000	4,753,000	2,256,000	3,149,000	1,880,000	19,196,500
2043			4,390,000	7,525,000	2,252,000	3,150,000	1,880,000	19,197,000
2044				3,762,000		3,144,000	1,880,000	8,786,000
2045							1,880,000	1,880,000

(1) This issue; preliminary, subject to change

DEBT PAYMENT HISTORY

The School Corporation has no record of default and has met its debt repayment obligations promptly.

FUTURE FINANCING

The School continues to monitor their ongoing facility needs as well as potential refinancing opportunities. The school may issue bonds in the future to meet additional needs and opportunities.

PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS

All employees of the School Corporation are covered under the federal Social Security Act. The School Corporation's employer contribution for employees in the General Fund was \$1,195,175.88 in calendar year 2022, \$1,223,314.50 in calendar year 2023, \$1,331,173.99 in calendar year 2024, \$1,461,040.03 in calendar year 2025, and is budgeted to be \$1,677,050 in calendar year 2026.

Teachers' Retirement Fund

All present and retired certificated employees of the School Corporation are covered under the Indiana State Teachers' Retirement Fund (the "Fund"). The Fund is comprised of two accounts: (i) the Pre-1996 Account consisting of members hired prior to July 1, 1995, and (ii) the 1996 Account consisting of members hired on or after July 1, 1995 or certain employees hired before July 1, 1995 that were either hired by another covered employer or re-hired by a covered prior employer before June 30, 2005.

The Pre-1996 Account is a cost-sharing multiple-employer defined benefit plan with the State being the lone non-employer contributing entity. The State is responsible for 100% of the contributions to the Pre-1996 Account. Based on census data as of June 30, 2023, there were 5,524 active Pre-1996 accounts state-wide. The 1996 Account is a cost-sharing multiple-employer defined benefit plan with no non-employer contributing entities. The employers (i.e., the school corporations) are responsible for 100% of the contributions to the 1996 Account. Based on census data as of June 30, 2023, there were 61,188 active 1996 accounts state-wide.

The defined benefits payable from the Pre-1996 Account are funded by State appropriations (including approximately \$30 million per year from the State Lottery). Historically, the benefits have been funded on a pay-as-you-go basis. Additionally, all active members in the Pre-1996 are required by State law to contribute 3% of their salary to their Annuity Savings Account ("ASA"), a separate lump sum account benefit, to fund the defined contribution. These 3% contributions are generally "picked up" by the employers and contributed on a pre-tax basis on behalf of the employee. The School Corporation makes the 3% contribution on behalf of its employees.

The defined benefits payable from the 1996 Account are funded by contributions from the individual employers. The Indiana Public Retirement System ("INPRS") Board of Trustees establishes a contribution rate, based on several factors including the annual actuarial valuation. Each employer is then contractually required to pay that contribution rate. For the fiscal year ended June 30, 2024, employers were required to contribute 6% of their active participant payroll to the defined benefit plan with an increased rate to 6.50% effective January 1, 2025. Additionally, members of the 1996 Account are required to contribute 3% of their annual wages to fund the defined contribution portion of the 1996 Account. Employers may choose to make this contribution on behalf of its employees, and the School Corporation does so.

The School Corporation's total contributions to the Fund for the years ended December 31, 2023, 2024, and 2025 were \$1,523,993.00, \$1,670,223.27 and \$1,858,844.85 respectively.

According to the latest actuarial valuation, as of June 30, 2024, the actuarial accrued liability for the Pre-1996 Account was \$13,410 million and the actuarial value of assets was \$9,119 million, resulting in an unfunded accrued liability of \$4,291 million and a funded ratio of 68.0%. As of June 30, 2024, the actuarial accrued liability for the 1996 Account

was \$10,023 million and the actuarial value of assets was \$8,659 million, resulting in an unfunded accrued liability of \$1,364 million and a funded ratio of 86.4%.

403b Retirement Plan

Certain employees of the school corporation are eligible for matching contributions to a sanctioned 403b plan. Certified staff members are eligible for a dollar for dollar match up to 2% of their annual salary. Classified administrators are eligible for a 5:1 match of their salary up to 3%. The remainder of classified staff members are eligible for a 3:1 match of their salary up to 3%. The total cost of this benefit in calendar year 2025 was \$630,149.93 and the estimated cost for calendar year 2026 is \$650,000.

Governance

The Fund and PERF were created and operate pursuant to statutes of the State. The Indiana General Assembly could determine to amend the format and could impose or revise rates of contributions to be made by the School Corporation and revise benefits or benefit levels.

The Fund and PERF are administered and managed by the Indiana Public Retirement System ("INPRS"). INPRS is governed by a nine-member board of trustees. INPRS issues publicly available financial reports and actuarial valuation reports that include financial statements and required supplementary information. Those reports may be viewed at the INPRS's website, as follows:

<http://www.in.gov/inprs/index.htm>

Such information is prepared by the entity maintaining such website and not by any of the parties to this transaction, and no such information is incorporated herein by this reference.

Other Retirement Benefits

For administrators, the School Corporation will contribute to a VEBA account, \$100 or \$200 (based on administrative level) per year of public education service, not to exceed \$2,000 annually. The contribution will be made during the month of July upon completion of the school year. The administrator must complete eight (8) years of service with the School Corporation and must retire and be of the minimum age of fifty-five (55) to access the funds in the VEBA account.

In addition, the School Corporation provides that it will buy out up to 114 unused sick days upon retirement. The School Corporation currently pays \$50 (current proposal includes an increase up to \$67.50) per day, for a maximum buyout of \$5,700 per employee at retirement. The School Corporation expects to be able to meet this obligation each year out of its budget. The School Corporation paid \$43,833 for this benefit in 2023. The School Corporation also pays for accrued paid time off (PTO), vacation days, sick, and personal days. The School Corporation paid \$15,675 for these benefits in 2023.

The School Corporation also offers eligible retirees and their spouses medical, dental, vision, and life insurance; however, the School Corporation makes no contribution.

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APPENDIX B

GENERAL INFORMATION ABOUT THE AREA

Location and General Information

The School Corporation is located in central Indiana in Boone County. The City of Lebanon serves as the County Seat.

The School Corporation area is home to many entertainment and cultural activities for residents and visitors to enjoy. The City’s parks and recreation department maintains several parks and facilities. Lebanon Memorial Park is 40 acres and offers basketball and baseball complexes, a walking course, and a 50 meter pool. The 50 acre Abner Longley Park is home to a variety of sports fields and courts and is also home to the Indianapolis Symphony Orchestra’s annual Symphony at Sunset.

The City square around the Boone County courthouse was recently placed on the National Register of Historic Places. The historic courthouse was built in 1912 and is known for its limestone pillars and having the second largest stained-glass dome in the state. The Boone County Historical Society is headquartered in the City at the Cragun House which is an 1893 museum house giving visitors a glimpse into the late-nineteenth century.

In May 2018, the City broke ground on a \$7 million downtown improvement project that will provide new streetscapes with brick pavers, new lighting fixtures and sidewalks. The downtown improvement project will also connect the Big 4 Trail, the City’s multi-use trail, to the south side of the historic downtown square.

Library services are provided to residents of a portion of the City, Center Township, and the Town of Ulen through the Lebanon Public Library (the “Library”). The Library offers traditional lending services as well as a Heritage Center which occupies the original library building built in 1905 and contains genealogical and historical resources related to the County as well as an Indiana collection.

In addition, the area’s proximity to Indianapolis provides additional entertainment and cultural activities.

Population

General populations for the County and School Corporation are:

	<u>2010</u>	<u>2020</u>	<u>2023</u>
Boone County	54,796	66,875	72,827
School Corporation	21,134	24,624	26,668

Source: U.S. Census Bureau

Total Tax Rates

Total tax rates, which include the school rates, are:

	<u>2025</u>
Center Township	\$1.4100
Lebanon City	2.0308
Ulen Town	1.7179
Perry Township	2.5428
Worth Township	1.6015
Whitestown - Town	2.5956
Whitestown – Perry	2.5428
Lebanon – Perry	1.9392
Worth – Zionsville Rural District	1.4733
Perry Whitestown Ag Exempt	1.1527
Worth / Lebanon Corporation	1.9427

Source: Indiana Department of Local Government Finance

Largest Employers

Below is a list of the largest non-governmental employers in Boone County.

<u>Name</u>	<u>Type of Business</u>
Amazon Fulfillment Center	Distribution Center
Witham Health Services	Health Care
Witham Health Services Audiology	Health Care
CNH Industrial	Manufacturing of Farm Equipment
Hendrickson Trailer Suspension Systems	Manufacturing of Trailer Systems
Witham Visiting Nurse Service & Hospice	Health Care
Meijer	Retail and Groceries
Old Indiana Family Fun Park	Amusement Park
Jet Star, Inc.	Fuel Transport

Source: Hoosiers by the Numbers

Employment

The Total Covered Employment for Boone County in the 2nd Quarter of 2025 was 47,323. Covered Employment and Wages were as follows:

<u>Employment Category</u>	<u>Number of Employees</u>	<u>% of Total Employment</u>
Agriculture, Forestry, Fishing and Hunting	235	0.50%
Mining	0	0.00%
Utilities	70	0.15%
Construction	3,062	6.47%
Manufacturing	3,856	8.15%
Wholesale Trade	2,769	5.85%
Retail Trade	3,688	7.79%
Transportation & Warehousing	13879	29.33%
Information	202	0.43%
Finance and Insurance	542	1.15%
Real Estate and Rental and Leasing	499	1.05%
Professional, Scientific, and Technical Services	4,319	9.13%
Management of Companies and Enterprises	186	0.39%
Admin. & Support & Waste Mgt. & Rem. Services	1,536	3.25%
Educational Services	2393	5.06%
Health Care and Social Services	3,560	7.52%
Arts, Entertainment, and Recreation	902	1.91%
Accommodation and Food Services	3,358	7.10%
Other Services (Except Public Administration)	1,134	2.40%
Public Administration	<u>1,133</u>	<u>2.39%</u>
Total	47,323	100.00%

The following table shows the level of employment as reported by the Indiana Department of Workforce Development for Boone County in comparison to the State of Indiana and the United States:

<u>Boone County</u>	<u>2021</u>	<u>2022</u>	<u>Annual Averages 2023</u>	<u>2024</u>	<u>Nov. 2025</u>
Labor Force	37,921	39,388	40,896	41,735	42,239
Unemployed	871	855	1,068	1,372	1,133
Rate of Unemployment	2.3%	2.1%	2.6%	3.3%	2.7%
State of Indiana	3.9%	3.1%	3.4%	4.2%	3.3%
United States	5.3%	3.6%	3.6%	4.0%	4.3%

Source: Stats Indiana

Transportation

Boone County is served by diversified transportation facilities. Interstate 465 connects four major interstates: I-65, I-69, I-70 and I-74. Access is to U.S. Highways 52 and 472 and State Highways 334, 39, 32, 276, 47, 75 and 38. Rail service is provided by CSX. Local air service is provided by the Indianapolis Executive Airport. Commercial air service is provided by Indianapolis International Airport.

Hospitals

Witham Health Services has facilities located in communities in Boone County, and provides acute care medical facilities and a wide variety of inpatient and outpatient services. Riverview Health Emergency Room & Urgent Care has a facility located in Zionsville which serves the County. Ascension St. Vincent's Hospital is located in nearby Indianapolis in Marion County and provides a Level I Trauma Center.

Higher Education

Within approximately 50 miles of the School Corporation are several public and private two-year and four-year colleges and universities, including: Harrison College, Fortis College, the Art Institute of Indianapolis, Butler University, DeVry University, Marian University, University of Phoenix, Indiana University–Indianapolis, Purdue University – Indianapolis, Indiana University Bloomington, International Business College, Ivy Tech Community College, Martin University, Crossroads Bible College, University of Indianapolis, Anderson University, Wabash College, Franklin College, South College, Horizon University, DePauw University and Ball State University.

Financial Institutions

The following is a list of financial institutions that have locations in the County.

Bank of America, National Association
BMO Harris Bank National Association
Centier Bank
JPMorgan Chase Bank, National Association
KeyBank National Association
Old National Bank
PNC Bank, National Association
STAR Financial Bank
State Bank
The Huntington National Bank

Source: FDIC, BankFind Suite

Utilities

The following public utilities provide service within the County:

Telephone	-	AT&T Teleholdings, Inc.
Electric	-	Boone REMC, Duke Energy Corporation
Natural Gas	-	CenterPoint Energy, Inc.
Water	-	Citizens Energy Group
Sewer	-	Zionsville Wastewater Department

Source: School Corporation

Education Attainment

The educational background of area residents living in the School Corporation, Boone County and the State of Indiana, are set forth in the following table.

<u>Educational Level Attained for Persons Age 25 Years and Over</u>	<u>School Corporation</u>	<u>Boone County</u>	<u>Indiana</u>
Less than 9 th grade	2.5%	1.7%	3.8%
9 th to 12 grade, no diploma	5.6	3.3	5.7
High School Graduate (includes equivalency)	26.6	19.4	32.0
Some College, no degree	21.6	16.2	18.6
Associate's Degree	12.2	8.9	9.3
Bachelor's Degree	22.6	30.3	19.5
Graduate or Professional Degree	8.9	20.1	11.2
Percent High School Graduate or higher	91.9	95.0	90.6
Percent Bachelor's Degree or higher	31.5	50.5	30.7

Source: U.S. Census Bureau, 2023 5-Year Estimates

Income

The following table sets forth the distribution of household income for the School Corporation, Boone County and the State of Indiana.

<u>Income Level</u>	<u>School Corporation</u>	<u>Boone County</u>	<u>Indiana</u>
Less than \$10,000	1.6%	2.3%	4.8%
\$10,000 to \$14,999	1.2	0.7	3.3
\$15,000 to \$24,999	1.9	1.7	6.6
\$25,000 to \$34,999	4.3	2.5	7.6
\$35,000 to \$49,999	4.8	4.4	11.7
\$50,000 to \$74,999	23.4	13.3	18
\$75,000 to \$99,999	13.1	10.1	13.8
\$100,000 to \$149,999	29.2	21.9	17.3
\$150,000 to \$199,999	9.8	14.2	8.5
\$200,000 or more	10.8	29	8.5
Median Income (dollars)	\$99,622	\$126,593	\$71,959
Mean Income (dollars)	115,128	181,295	95,565

Source: U.S. Census Bureau, 2023 5-Year Estimates

Per Capita Income

Per Capita Income statistics are provided by the U.S. Bureau of Economic Analysis. No statistics are available specifically for the School Corporation.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Boone County	\$76,674	\$77,376	\$85,997	\$92,439	\$97,028
Indiana	48,678	51,691	56,435	58,329	61,243

Source: Stats Indiana

Housing Values

The following table sets forth the distribution of home values for owner-occupied units for the School Corporation, Boone County and the State of Indiana.

<u>Value of Owner-Occupied Housing Units</u>	<u>School Corporation</u>	<u>Boone County</u>	<u>Indiana</u>
Less than \$50,000	4.6%	2.4%	5.2%
\$50,000 to \$99,999	4.9	3.4	7.8
\$100,000 to \$149,000	14.8	7.6	11.0
\$150,000 to \$199,000	19.8	10.1	13.7
\$200,000 to \$299,999	27.0	19.3	26.4
\$300,000 to \$499,999	22.4	28.3	25.2
\$500,000 to \$999,999	4.9	24.6	9.4
\$1,000,000 or more	1.7	4.4	1.4
Median Home Value	\$217,900	\$341,800	\$243,500

Source: U.S. Census Bureau, 2023 5-Year Estimates

Building Permits

The following table sets forth the residential building permits and values for Boone County.

<u>Boone County</u>			
<u>Year</u>	<u>Number of Permits</u>	<u>Value of Permits</u>	<u>Average Value</u>
2024	893	\$447,248,839	\$500,839
2023	873	414,304,073	474,575
2022	714	388,812,888	544,556
2021	900	401,441,816	446,046
2020	692	254,890,207	363,338
2019	748	173,605,730	232,093

Source: U.S. Census Bureau, Building Permit Survey

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APPENDIX C

LEBANON COMMUNITY SCHOOL CORPORATION AUDIT REPORT AS OF JUNE 30, 2024

[attached]

COMPLIANCE EXAMINATION OF
LEBANON COMMUNITY SCHOOL CORPORATION
Boone County, Indiana
July 1, 2022 through June 30, 2024

LEBANON COMMUNITY SCHOOL CORPORATION

Boone County, Indiana
July 1, 2022 through June 30, 2024

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LEBANON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF OFFICIALS
July 1, 2022 through June 30, 2024

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Zach Dennis	07-01-22 to 06-30-24
Superintendent of Schools	Jon Milleman	07-01-22 to 06-30-24
President of the School Board	Elizabeth Keith Craig Parks	01-01-22 to 12-31-22 01-01-23 to 12-31-24

INDEPENDENT ACCOUNTANT'S REPORT

To the Indiana State Board of Accounts and
Management of Lebanon Community School Corporation

We have examined Lebanon Community School Corporation's ("School Corporation") compliance with the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* during the period of July 1, 2022 through June 30, 2024. Management of the School Corporation is responsible for the School Corporation's compliance with the specified requirements. Our responsibility is to express an opinion on the School Corporation's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the School Corporation complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the School Corporation complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the School Corporation's compliance with specified requirements.

Our examination disclosed material noncompliance with the *Accounting and Uniform Compliance Guidelines Manual For Indiana Public School Corporations* applicable to the School Corporation during the period of July 1, 2022 through June 30, 2024, as described in items 2024-001 and 2024-002 on the following Schedule of Examination Findings and Results.

In our opinion, except for the material noncompliance described in the preceding paragraph, the School Corporation complied, in all material respects, with the aforementioned requirements during the period of July 1, 2022 through June 30, 2024.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 3, 2025

LEBANON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXAMINATION FINDINGS AND RESULTS
July 1, 2022 through June 30, 2024

FINDING 2024-001: RECONCILEMENT OF THE PREPAID FOOD ACCOUNT

Criteria: When a student puts money into their individual meal account, it should not be considered income to the child nutrition program until that student goes through the lunch line and charges a meal to their account. Therefore, while money is in the student's individual account, the balance should not be included in Fund 800 School Lunch. A school should set up a clearing account with the fund number of 8400 Prepaid School Lunch Accounts which is included in Chapter 4 of the State Board of Accounts Uniform Compliance Guidelines for Indiana Public School Corporations. When a student brings in a deposit the receipt should be recorded to Fund 8400 using receipt account 1630 Special Functions. After the student has charged meals, you should disburse the amount charged from Fund 8400 using expenditure account 31900 Other Food Services and receipt this into Fund 800 using the Food Services receipt accounts 1611-1623 at the time established in a written school policy to ensure accurate monthly reporting. At this point the receipts are considered program income and should be included on any reports that are required to be completed. Also, on a monthly basis it is required that the balance of the 8400 fund be reconciled with the total of the individual meal accounts. (The School Bulletin and Uniform Compliance Guidelines, February 2019)

Condition: The School Corporation maintains a Prepaid Lunch fund (8400 fund). There was no reconciliation performed between the subsidiary ledger tracking prepaid student balances and the School Corporation's fund ledgers. At June 30, 2023, the subsidiary ledger had a prepaid balance of \$53,115 compared to the funds ledger balance of \$20,129. At June 30, 2024, the subsidiary ledger had a prepaid balance of \$49,821 compared to the funds ledger balance of \$6,209.

FINDING 2024-002: AVERAGE DAILY MEMBERSHIP (ADM) TESTING

Criteria: Officials shall maintain records (enrollment cards, records, rosters, reporting forms, etc.) which substantiate the number of students claim for ADM. The building level official (Principal, Assistant Principal, etc.) is responsible for reporting ADM to the School Corporation Central Office, must provide a written certification of ADM to properly document responsibility. The certification must at minimum include a statement detailing the names and location of the records used (these records must be retained for public inspection and audit) to substantiate ADM claimed (Accounting and Uniform Compliance Guidelines Manual for Indiana Public Schools, Part 9).

Condition: During ADM testing, it was noted for 1 virtual student in our sample of 27 virtual students selected for testing, was not regularly attending class during school year 2023-2024. The student had no attendance in the two weeks prior to each ADM count date sampled.

The noncompliance was isolated to the virtual students sampled; no issues were noted in the sample of 28 brick and mortar students tested for enrollment and attendance records.

Due to the attendance issues reported above, school officials need to contact the Indiana Department of Education, Division of School Finance, to review the issues identified and determine if any steps to need to be taken to correct any attendance reporting or funding issues.

LEBANON COMMUNITY SCHOOL CORPORATION
EXIT CONFERENCE
July 1, 2022 through June 30, 2024

The contents of this report were discussed on March 3, 2025 with Zach Dennis, Assistant Superintendent of Business & Operations, Jon Milleman, Superintendent, and Lisa Hutcheson, Board President.

LEBANON COMMUNITY SCHOOL CORPORATION
Boone County, Indiana

FINANCIAL STATEMENT
As of June 30, 2024, and for the
period of July 1, 2022 through June 30, 2024

LEBANON COMMUNITY SCHOOL CORPORATION
Boone County, Indiana

FINANCIAL STATEMENT
As of June 30, 2024, and for the
period of July 1, 2022 through June 30, 2024

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LEBANON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF OFFICIALS (Unaudited)
For the period of July 1, 2022 through June 30, 2024

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Zach Dennis	07-01-22 to 06-30-24
Superintendent of Schools	Jon Milleman	07-01-22 to 06-30-24
President of the School Board	Elizabeth Keith Craig Parks	01-01-22 to 12-31-22 01-01-23 to 12-31-24

INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Lebanon Community School Corporation
Boone County, Indiana

Report on the Audit of the Financial Statement***Opinions***

We have audited the accompanying statement of receipts, disbursements, other financing sources (uses) and cash and investment balances of the Lebanon Community School Corporation (the School Corporation) as of June 30, 2024 and for the period of July 1, 2022 through June 30, 2024, and the related notes to the financial statement.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement presents fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2024, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2022 through June 30, 2024 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the School Corporation as of June 30, 2024, or changes in net position for the period of July 1, 2022 through June 30, 2024.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 to the financial statement, the School Corporation prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

(Continued)

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6) as described in Note 1, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprise the School Corporation's financial statement. The accompanying Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statement.

(Continued)

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statement as a whole.

Other Information

Management is responsible for the other information included with the financial statement. The other information comprises the Schedule of Officials, Other Information Schedules, and State Reporting Information, marked as unaudited on the table of contents, but does not include the financial statement and our auditor's report thereon. Our opinion on the financial statement does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2025, on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.


Crowe LLP

Indianapolis, Indiana
March 3, 2025

LEBANON COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2024, and for the period of July 1, 2022 through June 30, 2024

Fund	Cash and Investments 07-01-2022	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2023	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2024
Education	\$ 3,417,580	\$ 27,555,400	\$ 22,711,186	\$ (3,240,000)	\$ 5,021,794	\$ 29,884,433	\$ 24,045,782	\$ (3,000,262)	\$ 7,860,183
Operating Referendum Tax Levy	-	2,710,249	1,359,368	19,170	1,370,051	5,010,108	4,642,714	-	1,737,445
Debt Service	1,782,725	6,599,025	7,224,915	(63,709)	1,093,126	8,720,809	8,380,250	-	1,433,685
Referendum - Exempt Capital	4,643,529	8,642,364	10,265,000	-	3,020,893	8,670,569	10,269,000	-	1,422,462
Operations	5,118,149	7,767,702	10,429,953	3,249,719	5,705,617	8,554,261	11,375,913	3,002,261	5,886,226
Local Rainy Day	3,500,000	-	-	-	3,500,000	-	-	-	3,500,000
2018 G O Bond	547,502	3,116	516,044	-	34,574	375	34,949	-	-
2020 G O Bond	13	-	13	-	-	-	-	-	-
2021 G O Bond	5,067,294	126,610	1,669,641	-	3,524,263	127,000	2,628,752	-	1,022,511
2022 G O Bond	-	87,044	1,295,489	3,500,000	2,291,555	28,892	2,320,447	-	-
2022 First Mortgage Bonds	-	383,393	94,499	16,000,000	16,288,894	516,260	13,885,783	-	2,919,371
2023 G O Bond	-	-	307,844	-	(307,844)	454,172	7,711,420	17,435,758	9,870,666
2024 G O Bond	-	-	-	-	-	-	343,688	-	(343,688)
School Lunch	828,167	2,433,443	1,947,032	-	1,314,578	2,418,398	2,092,036	-	1,640,940
Curricular Materials Rental	371,851	407,839	588,168	327,811	519,333	589,873	363,235	38	746,009
Joint Service/Supply-Spec Ed Cooperative	411,020	1,310,810	1,581,247	-	140,583	1,730,101	1,553,457	-	317,227
Local Law Enforcement Continuing Education	-	-	-	-	-	8	-	-	8
LEF Grants	17,889	28,808	30,225	-	16,472	27,094	26,936	-	16,630
Ed Support #1	84,585	38,654	33,841	-	89,398	51,201	32,436	-	108,163
Ed Support #2	71,138	24,606	-	-	95,744	32,275	-	-	128,019
Stokes Food Pantry	28,556	900	17,492	-	11,964	-	11,200	-	764
Stem Program Donations	-	-	-	-	-	20,000	8,439	-	11,561
United Way Programs	5,974	8,582	7,323	-	7,233	-	-	-	7,233
Grad Coach Program 2021-2022	7,262	-	1,276	(5,986)	-	-	-	-	-
Grad Coach Program 2022-2023	-	57,511	42,327	(13,184)	2,000	-	-	-	2,000
Building Trades	(129,954)	-	209,643	335,754	(3,843)	-	231,329	229,120	(6,052)
Formative Assessment	(8,768)	42,765	33,850	-	147	45,281	45,326	-	102
Early Literacy Achievement Grant Fy2023	-	-	-	-	-	20,958	20,850	-	108
State Medicaid	32,382	33,050	4,172	-	61,260	49,162	5,644	-	104,778
Secured Schools Safety Grant	5,638	13,646	43,700	-	(24,416)	112,378	105,606	-	(17,644)
Early Intervention Grant	(75)	-	(81)	-	6	-	-	(6)	-
Early Intervention Grant 22/23	-	9,820	9,820	-	-	-	6	6	-
NESP	6,143	-	6,143	-	-	-	-	-	-
NESP Grant 2022-2023	-	38,073	28,283	-	9,790	-	9,790	-	-

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2024, and for the period of July 1, 2022 through June 30, 2024

Fund	Cash and Investments 07-01-2022	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2023	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2024
Career And Technical Performance Grant	\$ -	\$ 257	\$ -	\$ -	\$ 257	\$ 137	\$ -	\$ -	\$ 394
Teacher Appreciation Grant	-	128,928	128,928	-	-	-	-	-	-
Teacher Appreciation Grant 2023	-	-	-	-	-	131,115	129,492	-	1,623
High Ability Students	23,484	36,844	47,408	-	12,920	47,374	42,181	-	18,113
State Connectivity Grant	35,707	9,377	-	-	45,084	14,654	-	-	59,738
Title I 2021-2022	(92,311)	199,100	108,216	-	(1,427)	-	(1,427)	-	-
Title I 2022-2023	-	266,190	282,076	-	(15,886)	146,990	131,179	-	(75)
Title I 2023-2024	-	-	-	-	-	248,855	300,731	-	(51,876)
Title I Part D 2021-2022	(25,483)	32,662	7,179	-	-	-	-	-	-
Title I Part D 2022-2023	-	41,778	51,627	-	(9,849)	14,979	5,130	-	-
Title I Part D 2023-2024	-	-	-	-	-	40,977	48,412	-	(7,435)
LCSC IDEA 611 FY 2021	-	-	-	-	-	-	-	-	-
LCSC IDEA 611 FY 2022	(107,891)	219,495	111,544	-	60	-	-	(60)	-
LCSC IDEA 611 FY 2023	-	770,407	887,456	-	(117,049)	134,471	17,422	-	-
LCSC IDEA 611 FY 2024	-	-	-	-	-	528,902	639,994	-	(111,092)
LCSC IDEA 619 FY 2022	(10,610)	22,939	12,329	-	-	-	-	-	-
LCSC IDEA 619 FY 2023	-	11,328	20,321	-	(8,993)	17,966	8,973	-	-
LCSC IDEA 619 FY 2024	-	-	-	-	-	13,098	15,325	-	(2,227)
IDEA 611 Flow Thru	(172,667)	807,505	674,762	-	(39,924)	132,269	78,485	(13,860)	-
IDEA 611 Flow Thru FY 2023	-	1,612,290	1,685,763	-	(73,473)	370,361	296,888	-	-
IDEA 619 Flow Thru	(214)	35,018	48,789	-	(13,985)	3,456	3,391	13,920	-
IDEA 619 Flow Thru FY 2023	-	44,851	48,731	-	(3,880)	21,992	18,112	-	-
Title IV 2019-2022	(10,453)	12,371	1,918	-	-	-	-	-	-
Title IV 2020-2022	(12,318)	22,358	10,040	-	-	-	-	-	-
Title IV 2021-2023	(12,064)	21,524	9,460	-	-	3,087	3,087	-	-
Title IV 2022-2024	-	3,960	3,979	-	(19)	10,407	15,254	-	(4,866)
Title IV 2023-2025	-	-	-	-	-	4,385	9,745	-	(5,360)
Federal Medicaid	105,939	82,244	7,748	-	180,435	100,764	16,969	-	264,230
Title II A Teacher Leadership	234	3,615	4,111	-	(262)	-	-	262	-
Title II A 2023-2025	-	-	-	-	-	360	530	-	(170)
Title II A 2021-2023	(39,195)	69,999	30,804	-	-	23,023	23,023	-	-
Title II A 2022-2024	-	7,734	7,734	-	-	74,627	74,695	-	(68)
ARP HCY II	-	-	53	-	(53)	53	-	-	-
ARP 611	(30,474)	57,324	31,801	-	(4,951)	14,367	9,416	-	-

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2024, and for the period of July 1, 2022 through June 30, 2024

Fund	Cash and Investments 07-01-2022	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2023	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-2024
ARP 619	\$ (8,026)	\$ 15,115	\$ 7,089	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ESSER III	(149,458)	856,878	760,848	-	(53,428)	923,781	887,407	-	(17,054)
ESSER II	(190,361)	396,039	198,524	(7,154)	-	-	-	-	-
Federal Stimulus - 18002 Governor's Emerg. Educ. Relief	(4,503)	4,514	11	-	-	-	-	-	-
Prepaid School Lunch Accounts	32,277	794,507	806,336	(319)	20,129	790,505	804,387	(38)	6,209
Fed Tax Wthd	-	2,032,983	2,032,983	-	-	2,296,534	2,296,534	-	-
FICA Wthd	(281)	1,857,933	1,857,652	-	-	2,043,296	2,043,296	-	-
State Tax Wthd	59	755,559	755,618	-	-	816,127	816,127	-	-
Local Taxes	27	383,972	383,999	-	-	434,492	434,492	-	-
Voluntary Retirement Contr	-	12,814	12,814	-	-	13,031	13,031	-	-
Health Insurance	12,580	697,409	708,463	-	1,526	942,029	940,535	-	3,020
Tax Sheltered Annuities	-	1,033,383	1,033,383	-	-	1,111,974	1,111,974	-	-
Garnishment	-	26,101	26,101	-	-	26,185	26,185	-	-
Dental Insurance	11,648	203,934	205,415	-	10,167	208,495	215,157	-	3,505
Life Insurance	144	863	904	-	103	792	862	-	33
LTD Insurance	1,239	21,752	20,897	-	2,094	21,457	21,269	-	2,282
Vision Insurance	1,385	39,604	39,923	-	1,066	41,264	41,495	-	835
Aflac Premiums	592	1,582	1,582	-	592	1,156	1,748	-	-
American Fidelity Premiums	258	217,374	217,374	-	258	244,576	244,564	-	270
Texas Life Insurance	-	73,368	73,368	-	-	90,284	90,284	-	-
Voluntary Life Insurance	2,619	32,667	33,257	-	2,029	35,904	34,609	-	3,324
HSA-Health Savings Account	200	425	625	-	-	210	210	-	-
United Way	-	3,951	3,951	-	-	3,122	3,122	-	-
Non-Reimbursable Medical	-	54,052	54,052	-	-	55,004	55,004	-	-
Miscellaneous	-	100,409	100,409	-	-	6,205	6,205	-	-
LEF Donations	-	8,108	8,108	-	-	9,241	9,241	-	-
Insurance Claim Losses	-	146,262	-	-	146,262	201,712	278,420	-	69,554
Construction	-	-	-	-	-	523,468	510,870	-	12,598
Totals	\$ 25,170,683	\$ 72,615,066	\$ 74,024,876	\$ 20,102,102	\$ 43,862,975	\$ 80,003,121	\$ 102,919,023	\$ 17,667,139	\$ 38,614,212

See notes to financial statement.

LEBANON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2024, and for the period of
July 1, 2022 through June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: School Corporation, as used herein, shall include, but is not limited to, the following: school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The School Corporation was established under the laws of the State of Indiana. The School Corporation operates under a Board of School Trustees form of government and provides educational services.

The accompanying financial statement presents the financial information for the School Corporation.

Basis of Accounting: The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred. The basis of accounting also requires presentation of certain information as Other Information.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP), in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred. The regulatory basis also allows for all investments to be stated at cost, while GAAP requires fair value for qualifying investments.

Cash and Investments: Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

Receipts: Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

Local sources. Amounts received from taxes, revenue from local governmental units other than school corporations, transfer tuition, transportation fees, investment income, food services, School Corporation activities, revenue from community service activities, and other revenue from local sources.

Intermediate sources. Amounts received as distributions from the County for fees collected for or on behalf of the School Corporation including, but not limited to, the following: educational license plate fees, congressional interest, riverboat distributions, and other similar fees.

State sources. Amounts received as distributions from the State of Indiana that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

Federal sources. Amounts received as distributions from the federal government that are to be used by the School Corporation for various purposes, including, but not limited to, the following: unrestricted grants, restricted grants, revenue in lieu of taxes, and revenue for or on behalf of the School Corporation.

Temporary loans. Amounts received from a loan obtained to pay current expenses prior to the receipt of revenue from taxes levied for that purpose. These loans, sometimes designated tax anticipation warrants, must be repaid from the next semiannual distribution of local property taxes levied for such fund.

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2024, and for the period of
July 1, 2022 through June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund loans. Amounts temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

Other receipts. Amounts received from various sources, including, but not limited to, the following: return of petty cash, return of cash change, insurance claims for losses, sale of securities, and other receipts not listed in another category above.

Disbursements: Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

Instruction. Amounts disbursed for regular programs, special programs, adult and continuing education programs, summer school programs, enrichment programs, remediation, and payments to other governmental units.

Support services. Amounts disbursed for support services related to students, instruction, general administration, school administration, outflows for central services, operation and maintenance of plant services, and student transportation.

Noninstructional services. Amounts disbursed for food service operations and community service operations.

Facilities acquisition and construction. Amounts disbursed for the acquisition, development, construction, and improvement of new and existing facilities.

Debt services. Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the School Corporation, including: all expenditures for the reduction of the principal and interest of the School Corporation's general obligation indebtedness.

Nonprogrammed charges. Amounts disbursed for donations to foundations, securities purchased, indirect costs, scholarships, and self-insurance payments.

Interfund loans. Amounts temporarily transferred from one fund to a depleted fund for use in paying current operating expenses. Such advancement shall not be made for a period extending beyond the budget year.

Other Financing Sources and Uses: Other financing sources and uses are presented in the aggregate on the face of the financial statement. The aggregate other financing sources and uses include the following:

Proceeds of long-term debt. Amounts received in relation to the issuance of bonds or other long-term debt issues.

Sale of capital assets. Amounts received when land, buildings, or equipment owned by the School Corporation are sold.

Transfers in. Amounts received by one fund as a result of transferring money from another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

Transfers out. Amounts paid by one fund to another fund. The transfers are used for cash flow purposes as provided by various statutory provisions.

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2024, and for the period of
July 1, 2022 through June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting: Separate funds are established, maintained, and reported by the School Corporation. Each fund is used to account for amounts received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the School Corporation. The amounts accounted for in a specific fund may only be available for use for certain, legally restricted purposes. Additionally, some funds are used to account for assets held by the School Corporation in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units and, therefore, the funds cannot be used for any expenditures of the School Corporation itself.

NOTE 2 - BUDGETS

The operating budget is initially prepared and approved at the local level. The fiscal officer of the School Corporation submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

NOTE 3 - PROPERTY TAXES

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the School Corporation is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

NOTE 4 - DEPOSITS AND INVESTMENTS

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

State statutes authorize the School Corporation to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

The School Corporation held cash deposits with financial institutions that maintained FDIC and PDIF coverages, as applicable.

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2024, and for the period of
July 1, 2022 through June 30, 2024

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

The School Corporation holds an investment account within the TrustIndiana Local Government Investment Pool. The purpose of TrustIndiana is to allow local units of government (e.g. counties, municipalities, school corporations, townships, and other units of local government) as well as the State of Indiana to invest in a common pool of investment assets that preserves the principal of the public's funds, remains highly liquid, and maximizes return on investment. TrustIndiana was authorized by the Indiana General Assembly's passage of Indiana Code § 5-13-9-11. At June 30, 2024, the School Corporation's investment account within the TrustIndiana Local Government Investment pool was valued at \$607,689.

The School Corporation holds an investment account with LPL Financial. The account primarily consists of government bonds earning interest at rates between 2.0 and 3.5%. At June 30, 2024, the investments were stated at their cost basis of \$3,082,092. The market value of the investments was \$2,662,981.

NOTE 5 - RISK MANAGEMENT

The School Corporation may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters. These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

The School Corporation has purchased insurance to address the risks described above.

NOTE 6 - CASH BALANCE DEFICITS

The financial statement contains some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2023, and 2024. The deficit in the Building Trades fund is the result of disbursements exceeding receipts due to under-estimating current requirements for those funds. This deficit will be repaid from future receipts.

NOTE 7 - HOLDING CORPORATIONS

The School Corporation has entered into a series of capital leases with the Lebanon Middle School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments for the period July 1, 2022 through June 30, 2023 totaled \$10,265,000. Lease payments for the period July 1, 2023 through June 30, 2024 totaled \$10,269,000.

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2024, and for the period of
July 1, 2022 through June 30, 2024

NOTE 8 - PENSION PLANS

Teachers' Retirement Fund

Plan Descriptions

The Indiana Teachers' Hybrid Plan (TRF Hybrid) consists of two components: Indiana Teachers' Pre-1996 Defined Benefit Account (Teachers' Pre-1996 DB) or Indiana Teachers' 1996 Defined Benefit Account (Teachers' 1996 DB) the monthly employer-funded defined benefit components, along with the Indiana Teachers' Defined Contribution Account (TRF DC), the defined contribution component. Generally, members hired before 1996 participate in the Teachers' Pre-1996 DB and members hired after 1995 participate in the Teachers' 1996 DB.

The Teachers' 1996 DB is a cost-sharing multiple-employer defined benefit pension plan and provides retirement, disability, and survivor benefits to plan members. All legally qualified and regularly employed licensed teachers serving in State of Indiana public schools are eligible to participate in the Teachers' 1996 DB.

The Teachers' Pre-1996 DB is a pay-as-you-go, cost-sharing multiple-employer defined benefit pension plan and provides retirement, disability, and survivor benefits to plan members. Membership in the Teachers' Pre-1996 DB is closed to new entrants.

The TRF DC is a multiple-employer defined contribution plan providing supplemental retirement benefits to Teachers' 1996 DB and Teachers' Pre-1996 DB members.

The Retirement Savings Plan for Public Teachers (My Choice) is a multiple-employer defined contribution plan. New employees hired after June 30, 2019, have a one-time election to join either the TRF Hybrid plan that is not closed to new entrants or the My Choice plan.

All these plans are administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2, IC 5-10.3, and IC 5-10.4) and administrative code (35 IAC 14), which govern most requirements of the system and give the School Corporation authority to contribute to the plan when applicable.

Financial Report

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. (844) 464-6777

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2024, and for the period of
July 1, 2022 through June 30, 2024

NOTE 8 - PENSION PLANS (Continued)

Contributions

The School Corporation contributes the employer's share to Teachers' 1996 DB 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. These contributions are determined by the INPRS Board based on actuarial valuation. 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 (Teachers' Pre-1996 DB) is an obligation of, and is paid by, the State of Indiana.

Contributions for the defined contribution component of TRF Hybrid are determined by statute and the INPRS Board at 3 percent of covered payroll. The employer may choose to make these contributions on behalf of the member. Under certain limitations, voluntary contributions up to 10 percent can be made solely by the member.

My Choice plan is funded with employer contributions and member contributions. The employer contributions must equal the contribution rate for monthly employer-funded defined benefit components of TRF Hybrid. The amount deposited into the employer contribution subaccount for the member is the normal cost of participation. The variable rate contribution can be no less than 3 percent. Member contributions are determined by statute and the Board at 3 percent of covered payroll. The employer must make these contributions on behalf of the member. Under certain limitations, voluntary contributions up to 10 percent can be made solely by the member.

Additional Pension Plan

The School Corporation also contributes to an additional pension plan unique to the School Corporation. Information regarding this plan may be obtained from the School Corporation.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS

The School Corporation provides to eligible retirees and their spouses the following benefits: medical, dental, vision, and life insurance. Retirees pay for these benefits. Information regarding these benefits can be obtained by contacting the School Corporation.

NOTE 10 - SUBSEQUENT EVENTS

In September 2024, the School Corporation entered into a capital lease with the Lebanon Middle School Building Corporation to finance a portion of the 2024 Capacity, Efficiency, and Improvement project. The lease arrangement requires semi-annual lease payments totaling approximately \$80,432,000 over the life of the lease beginning June 2025 through December 2043.

In September 2024, the School Corporation entered into a capital lease with the Lebanon Middle School Building Corporation to finance a portion of the 2022 Safety, Capacity, Efficiency, Renovation, and Construction project. The lease arrangement requires semi-annual lease payments totaling approximately \$49,785,000 over the life of the lease beginning June 2025 through June 2044.

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
NOTES TO FINANCIAL STATEMENT
As of June 30, 2024, and for the period of
July 1, 2022 through June 30, 2024

NOTE 10 - SUBSEQUENT EVENTS (Continued)

In December 2024, the School Corporation entered into a capital lease with the Lebanon Middle School Building Corporation to finance a portion of the 2025 Improvement Project. The lease arrangement requires semi-annual lease payments totaling approximately \$47,621,000 over the life of the lease beginning June 2025 through December 2043.

OTHER INFORMATION (Unaudited)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2023

	Education	Operating Referendum Tax Levy	Debt Service	Referendum - Exempt Capital	Operations	Local Rainy Day	2018 G O Bond	2020 G O Bond	2021 G O Bond	2022 G O Bond	2022 First Mortgage Bonds	2023 G O Bond
Cash and investments - beginning	\$ 3,417,580	\$ -	\$ 1,782,725	\$ 4,643,529	\$ 5,118,149	\$ 3,500,000	\$ 547,502	\$ 13	\$ 5,067,294	\$ -	\$ -	\$ -
Receipts:												
Local sources	356,454	2,710,249	6,599,025	8,642,364	7,704,274	-	3,116	-	126,610	87,044	383,393	-
Intermediate sources	-	-	-	-	258	-	-	-	-	-	-	-
State sources	27,198,946	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	63,170	-	-	-	-	-	-	-
Total receipts	27,555,400	2,710,249	6,599,025	8,642,364	7,767,702	-	3,116	-	126,610	87,044	383,393	-
Disbursements:												
Instruction	17,012,656	920,764	-	-	-	-	-	-	-	-	-	-
Support services	5,159,753	434,476	-	-	9,320,532	-	319,803	-	-	691,551	10	-
Noninstructional services	538,777	-	-	-	5,386	-	-	-	-	-	-	-
Facilities acquisition and construction	-	4,128	-	-	1,104,035	-	196,241	13	1,669,641	603,938	94,489	307,844
Debt services	-	-	7,224,915	10,265,000	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	22,711,186	1,359,368	7,224,915	10,265,000	10,429,953	-	516,044	13	1,669,641	1,295,489	94,499	307,844
Excess (deficiency) of receipts over disbursements	4,844,214	1,350,881	(625,890)	(1,622,636)	(2,662,251)	-	(512,928)	(13)	(1,543,031)	(1,208,445)	288,894	(307,844)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	3,500,000	16,000,000	-
Sale of capital assets	-	-	-	-	2,564	-	-	-	-	-	-	-
Transfers in	-	19,170	-	-	3,247,155	-	-	-	-	-	-	-
Transfers out	(3,240,000)	-	(63,709)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(3,240,000)	19,170	(63,709)	-	3,249,719	-	-	-	-	3,500,000	16,000,000	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	1,604,214	1,370,051	(689,599)	(1,622,636)	587,468	-	(512,928)	(13)	(1,543,031)	2,291,555	16,288,894	(307,844)
Cash and investments - ending	\$ 5,021,794	\$ 1,370,051	\$ 1,093,126	\$ 3,020,893	\$ 5,705,617	\$ 3,500,000	\$ 34,574	\$ -	\$ 3,524,263	\$ 2,291,555	\$ 16,288,894	\$ (307,844)

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2023

	2024 G O Bond	School Lunch	Curricular Materials Rental	Joint Service/Supply- Spec Ed Cooperative	Local Law Enforcement Continuing Education	LEF Grants	Ed Support #1	Ed Support #2	Stokes Food Pantry	Stem Program Donations	United Way Programs	Grad Coach Program 2021- 2022
Cash and investments - beginning	\$ -	\$ 828,167	\$ 371,851	\$ 411,020	\$ -	\$ 17,889	\$ 84,585	\$ 71,138	\$ 28,556	\$ -	\$ 5,974	\$ 7,262
Receipts:												
Local sources	-	881,902	291,783	1,310,810	-	28,808	38,654	24,606	900	-	8,582	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	16,082	116,056	-	-	-	-	-	-	-	-	-
Federal sources	-	1,535,459	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	2,433,443	407,839	1,310,810	-	28,808	38,654	24,606	900	-	8,582	-
Disbursements:												
Instruction	-	-	-	50	-	29,937	13,844	-	17,492	-	7,323	1,276
Support services	-	1,266	588,168	1,581,197	-	288	19,997	-	-	-	-	-
Noninstructional services	-	1,945,204	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	562	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	1,947,032	588,168	1,581,247	-	30,225	33,841	-	17,492	-	7,323	1,276
Excess (deficiency) of receipts over disbursements	-	486,411	(180,329)	(270,437)	-	(1,417)	4,813	24,606	(16,592)	-	1,259	(1,276)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	263,784	-	-	-	-	-	-	-	-	-
Transfers in	-	-	64,027	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(5,986)
Total other financing sources (uses)	-	-	327,811	-	-	-	-	-	-	-	-	(5,986)
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	486,411	147,482	(270,437)	-	(1,417)	4,813	24,606	(16,592)	-	1,259	(7,262)
Cash and investments - ending	\$ -	\$ 1,314,578	\$ 519,333	\$ 140,583	\$ -	\$ 16,472	\$ 89,398	\$ 95,744	\$ 11,964	\$ -	\$ 7,233	\$ -

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2023

	Grad Coach Program 2022- 2023	Building Trades	Formative Assessment	Early Literacy Achievement Grant Fy2023	State Medicaid	Secured Schools Safety Grant	Early Intervention Grant	Early Intervention Grant 22/23	NESP	NESP Grant 2022-2023	Career And Technical Performance Grant	Teacher Appreciation Grant	Teacher Appreciation Grant 2023
Cash and investments - beginning	\$ -	\$ (129,954)	\$ (8,768)	\$ -	\$ 32,382	\$ 5,638	\$ (75)	\$ -	\$ 6,143	\$ -	\$ -	\$ -	\$ -
Receipts:													
Local sources	57,511	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	42,765	-	33,050	13,646	-	9,820	-	38,073	257	128,928	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	57,511	-	42,765	-	33,050	13,646	-	9,820	-	38,073	257	128,928	-
Disbursements:													
Instruction	-	162,904	27,600	-	2,425	-	(81)	9,820	6,143	26,312	-	122,282	-
Support services	42,327	-	6,250	-	1,747	43,700	-	-	-	1,971	-	6,646	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	46,739	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	42,327	209,643	33,850	-	4,172	43,700	(81)	9,820	6,143	28,283	-	128,928	-
Excess (deficiency) of receipts over disbursements	15,184	(209,643)	8,915	-	28,878	(30,054)	81	-	(6,143)	9,790	257	-	-
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	335,754	-	-	-	-	-	-	-	-	-	-	-
Transfers in	5,986	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	(19,170)	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(13,184)	335,754	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,000	126,111	8,915	-	28,878	(30,054)	81	-	(6,143)	9,790	257	-	-
Cash and investments - ending	\$ 2,000	\$ (3,843)	\$ 147	\$ -	\$ 61,260	\$ (24,416)	\$ 6	\$ -	\$ -	\$ 9,790	\$ 257	\$ -	\$ -

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2023

	High Ability Students	State Connectivity Grant	Title I 2021- 2022	Title I 2022- 2023	Title I 2023- 2024	Title I Part D 2021-2022	Title I Part D 2022-2023	Title I Part D 2023-2024	LCSC IDEA 611 FY 2021	LCSC IDEA 611 FY 2022	LCSC IDEA 611 FY 2023	LCSC IDEA 611 FY 2024	LCSC IDEA 619 FY 2022
Cash and investments - beginning	\$ 23,484	\$ 35,707	\$ (92,311)	\$ -	\$ -	\$ (25,483)	\$ -	\$ -	\$ -	\$ (107,891)	\$ -	\$ -	\$ (10,610)
Receipts:													
Local sources	60	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	36,784	9,377	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	199,100	266,190	-	32,662	41,778	-	-	219,495	770,407	-	22,939
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	36,844	9,377	199,100	266,190	-	32,662	41,778	-	-	219,495	770,407	-	22,939
Disbursements:													
Instruction	47,408	-	34,768	118,116	-	14,654	51,627	-	-	111,544	887,456	-	12,329
Support services	-	-	59,607	49,205	-	(7,475)	-	-	-	-	-	-	-
Noninstructional services	-	-	13,841	114,755	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	47,408	-	108,216	282,076	-	7,179	51,627	-	-	111,544	887,456	-	12,329
Excess (deficiency) of receipts over disbursements	(10,564)	9,377	90,884	(15,886)	-	25,483	(9,849)	-	-	107,951	(117,049)	-	10,610
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(10,564)	9,377	90,884	(15,886)	-	25,483	(9,849)	-	-	107,951	(117,049)	-	10,610
Cash and investments - ending	\$ 12,920	\$ 45,084	\$ (1,427)	\$ (15,886)	\$ -	\$ -	\$ (9,849)	\$ -	\$ -	\$ 60	\$ (117,049)	\$ -	\$ -

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2023

	LCSC IDEA 619 FY 2023	LCSC IDEA 619 FY 2024	IDEA 611 Flow Thru	IDEA 611 Flow Thru FY 2023	IDEA 619 Flow Thru	IDEA 619 Flow Thru FY 2023	Title IV 2019- 2022	Title IV 2020- 2022	Title IV 2021- 2023	Title IV 2022- 2024	Title IV 2023- 2025	Federal Medicaid
Cash and investments - beginning	\$ -	\$ -	\$ (172,667)	\$ -	\$ (214)	\$ -	\$ (10,453)	\$ (12,318)	\$ (12,064)	\$ -	\$ -	\$ 105,939
Receipts:												
Local sources	-	-	-	-	-	-	2,709	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	11,328	-	807,505	1,612,290	35,018	44,851	9,662	22,358	21,524	3,960	-	82,244
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	11,328	-	807,505	1,612,290	35,018	44,851	12,371	22,358	21,524	3,960	-	82,244
Disbursements:												
Instruction	19,249	-	-	-	-	-	1,918	6,026	5,899	3,108	-	-
Support services	1,072	-	674,762	1,685,763	48,789	48,731	-	4,014	3,561	871	-	7,748
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	20,321	-	674,762	1,685,763	48,789	48,731	1,918	10,040	9,460	3,979	-	7,748
Excess (deficiency) of receipts over disbursements	(8,993)	-	132,743	(73,473)	(13,771)	(3,880)	10,453	12,318	12,064	(19)	-	74,496
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(8,993)	-	132,743	(73,473)	(13,771)	(3,880)	10,453	12,318	12,064	(19)	-	74,496
Cash and investments - ending	\$ (8,993)	\$ -	\$ (39,924)	\$ (73,473)	\$ (13,985)	\$ (3,880)	\$ -	\$ -	\$ -	\$ (19)	\$ -	\$ 180,435

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2023

	Title II A Teacher Leadership	Title II A 2023- 2025	Title II A 2021- 2023	Title II A 2022- 2024	ARP HCY II	ARP 611	ARP 619	ESSER III	ESSER II	Federal Stimulus - 18002 Governor's Emerg. Educ. Relief	Prepaid School Lunch Accounts	Fed Tax Wthd
Cash and investments - beginning	\$ 234	\$ -	\$ (39,195)	\$ -	\$ -	\$ (30,474)	\$ (8,026)	\$ (149,458)	\$ (190,361)	\$ (4,503)	\$ 32,277	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	2,206	-	-	794,507	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	3,615	-	69,999	7,734	-	57,324	15,115	854,672	396,039	4,514	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	2,032,983
Total receipts	3,615	-	69,999	7,734	-	57,324	15,115	856,878	396,039	4,514	794,507	2,032,983
Disbursements:												
Instruction	-	-	-	-	-	30,537	7,089	706,915	79,785	11	-	-
Support services	4,111	-	30,804	7,734	-	-	-	53,933	118,739	-	1,417	-
Noninstructional services	-	-	-	-	53	-	-	-	-	-	804,919	-
Facilities acquisition and construction	-	-	-	-	-	1,264	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	2,032,983
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	4,111	-	30,804	7,734	53	31,801	7,089	760,848	198,524	11	806,336	2,032,983
Excess (deficiency) of receipts over disbursements	(496)	-	39,195	-	(53)	25,523	8,026	96,030	197,515	4,503	(11,829)	-
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	(7,154)	-	(319)	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	(7,154)	-	(319)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(496)	-	39,195	-	(53)	25,523	8,026	96,030	190,361	4,503	(12,148)	-
Cash and investments - ending	\$ (262)	\$ -	\$ -	\$ -	\$ (53)	\$ (4,951)	\$ -	\$ (53,428)	\$ -	\$ -	\$ 20,129	\$ -

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2023

	FICA Wthd	State Tax Wthd	Local Taxes	Voluntary Retirement Contr	Health Insurance	Tax Sheltered Annuities	Garnishment	Dental Insurance	Life Insurance	LTD Insurance	Vision Insurance	Aflac Premiums
Cash and investments - beginning	\$ (281)	\$ 59	\$ 27	\$ -	\$ 12,580	\$ -	\$ -	\$ 11,648	\$ 144	\$ 1,239	\$ 1,385	\$ 592
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	1,857,933	755,559	383,972	12,814	697,409	1,033,383	26,101	203,934	863	21,752	39,604	1,582
Total receipts	1,857,933	755,559	383,972	12,814	697,409	1,033,383	26,101	203,934	863	21,752	39,604	1,582
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	1,857,652	755,618	383,999	12,814	708,463	1,033,383	26,101	205,415	904	20,897	39,923	1,582
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,857,652	755,618	383,999	12,814	708,463	1,033,383	26,101	205,415	904	20,897	39,923	1,582
Excess (deficiency) of receipts over disbursements	281	(59)	(27)	-	(11,054)	-	-	(1,481)	(41)	855	(319)	-
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	281	(59)	(27)	-	(11,054)	-	-	(1,481)	(41)	855	(319)	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 1,526	\$ -	\$ -	\$ 10,167	\$ 103	\$ 2,094	\$ 1,066	\$ 592

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2023

	American Fidelity Premiums	Texas Life Insurance	Voluntary Life Insurance	HSA-Health Savings Account	United Way	Non- Reimbursable Medical	Miscellaneous	LEF Donations	Insurance Claim Losses	Construction	Totals
Cash and investments - beginning	\$ 258	\$ -	\$ 2,619	\$ 200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,170,683
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	30,055,567
Intermediate sources	-	-	-	-	-	-	-	-	-	-	258
State sources	-	-	-	-	-	-	-	-	-	-	27,643,784
Federal sources	-	-	-	-	-	-	-	-	-	-	7,147,782
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	217,374	73,368	32,667	425	3,951	54,052	100,409	8,108	146,262	-	7,767,675
Total receipts	217,374	73,368	32,667	425	3,951	54,052	100,409	8,108	146,262	-	72,615,066
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	20,499,186
Support services	-	-	-	-	-	-	-	-	-	-	21,013,068
Noninstructional services	-	-	-	-	-	-	-	-	-	-	3,422,935
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	4,028,894
Debt services	-	-	-	-	-	-	-	-	-	-	17,489,915
Nonprogrammed charges	217,374	73,368	33,257	625	3,951	54,052	100,409	8,108	-	-	7,570,878
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	217,374	73,368	33,257	625	3,951	54,052	100,409	8,108	-	-	74,024,876
Excess (deficiency) of receipts over disbursements	-	-	(590)	(200)	-	-	-	-	146,262	-	(1,409,810)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	19,500,000
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	602,102
Transfers in	-	-	-	-	-	-	-	-	-	-	3,336,338
Transfers out	-	-	-	-	-	-	-	-	-	-	(3,336,338)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	20,102,102
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(590)	(200)	-	-	-	-	146,262	-	18,692,292
Cash and investments - ending	\$ 258	\$ -	\$ 2,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,262	\$ -	\$ 43,862,975

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2024

	Education	Operating Referendum Tax Levy	Debt Service	Referendum - Exempt Capital	Operations	Local Rainy Day	2018 G O Bond	2020 G O Bond	2021 G O Bond	2022 G O Bond	2022 First Mortgage Bonds	2023 G O Bond
Cash and investments - beginning	\$ 5,021,794	\$ 1,370,051	\$ 1,093,126	\$ 3,020,893	\$ 5,705,617	\$ 3,500,000	\$ 34,574	\$ -	\$ 3,524,263	\$ 2,291,555	\$ 16,288,894	\$ (307,844)
Receipts:												
Local sources	235,776	5,010,108	8,720,809	8,670,569	8,493,566	-	375	-	127,000	28,892	516,260	454,172
Intermediate sources	-	-	-	-	229	-	-	-	-	-	-	-
State sources	29,648,657	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	60,466	-	-	-	-	-	-	-
Total receipts	29,884,433	5,010,108	8,720,809	8,670,569	8,554,261	-	375	-	127,000	28,892	516,260	454,172
Disbursements:												
Instruction	17,518,653	3,340,591	-	-	-	-	-	-	26,802	59,351	-	631,329
Support services	5,879,063	1,302,123	-	-	9,642,894	-	-	-	-	-	-	331,802
Noninstructional services	648,066	-	-	-	16,767	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	1,716,252	-	34,949	-	2,576,209	2,261,096	13,885,783	6,748,289
Debt services	-	-	8,380,250	10,269,000	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	25,741	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	24,045,782	4,642,714	8,380,250	10,269,000	11,375,913	-	34,949	-	2,628,752	2,320,447	13,885,783	7,711,420
Excess (deficiency) of receipts over disbursements	5,838,651	367,394	340,559	(1,598,431)	(2,821,652)	-	(34,574)	-	(2,501,752)	(2,291,555)	(13,369,523)	(7,257,248)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	17,435,758
Sale of capital assets	-	-	-	-	2,261	-	-	-	-	-	-	-
Transfers in	-	-	-	-	3,000,000	-	-	-	-	-	-	-
Transfers out	(3,000,262)	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(3,000,262)	-	-	-	3,002,261	-	-	-	-	-	-	17,435,758
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,838,389	367,394	340,559	(1,598,431)	180,609	-	(34,574)	-	(2,501,752)	(2,291,555)	(13,369,523)	10,178,510
Cash and investments - ending	\$ 7,860,183	\$ 1,737,445	\$ 1,433,685	\$ 1,422,462	\$ 5,886,226	\$ 3,500,000	\$ -	\$ -	\$ 1,022,511	\$ -	\$ 2,919,371	\$ 9,870,666

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LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2024

	2024 G O Bond	School Lunch	Curricular Materials Rental	Joint Service/Supply- Spec Ed Cooperative	Local Law Enforcement Continuing Education	LEF Grants	Ed Support #1	Ed Support #2	Stokes Food Pantry	Stem Program Donations	United Way Programs	Grad Coach Program 2021- 2022
Cash and investments - beginning	\$ -	\$ 1,314,578	\$ 519,333	\$ 140,583	\$ -	\$ 16,472	\$ 89,398	\$ 95,744	\$ 11,964	\$ -	\$ 7,233	\$ -
Receipts:												
Local sources	-	887,274	35,489	1,730,101	-	27,094	51,201	32,275	-	20,000	-	-
Intermediate sources	-	-	-	-	8	-	-	-	-	-	-	-
State sources	-	17,890	554,384	-	-	-	-	-	-	-	-	-
Federal sources	-	1,513,234	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	2,418,398	589,873	1,730,101	8	27,094	51,201	32,275	-	20,000	-	-
Disbursements:												
Instruction	-	-	-	-	-	26,336	8,830	-	11,200	8,439	-	-
Support services	-	15,952	257,296	1,553,457	-	600	23,606	-	-	-	-	-
Noninstructional services	-	1,997,068	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	343,688	79,016	105,939	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	343,688	2,092,036	363,235	1,553,457	-	26,936	32,436	-	11,200	8,439	-	-
Excess (deficiency) of receipts over disbursements	(343,688)	326,362	226,638	176,644	8	158	18,765	32,275	(11,200)	11,561	-	-
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	38	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	38	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(343,688)	326,362	226,676	176,644	8	158	18,765	32,275	(11,200)	11,561	-	-
Cash and investments - ending	\$ (343,688)	\$ 1,640,940	\$ 746,009	\$ 317,227	\$ 8	\$ 16,630	\$ 108,163	\$ 128,019	\$ 764	\$ 11,561	\$ 7,233	\$ -

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2024

	Grad Coach Program 2022- 2023	Building Trades	Formative Assessment	Early Literacy Achievement Grant Fy2023	State Medicaid	Secured Schools Safety Grant	Early Intervention Grant	Early Intervention Grant 22/23	NESP	NESP Grant 2022-2023	Career And Technical Performance Grant	Teacher Appreciation Grant	Teacher Appreciation Grant 2023
Cash and investments - beginning	\$ 2,000	\$ (3,843)	\$ 147	\$ -	\$ 61,260	\$ (24,416)	\$ 6	\$ -	\$ -	\$ 9,790	\$ 257	\$ -	\$ -
Receipts:													
Local sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	45,281	20,958	49,162	112,378	-	-	-	-	137	-	131,115
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	-	45,281	20,958	49,162	112,378	-	-	-	-	137	-	131,115
Disbursements:													
Instruction	-	231,329	37,308	20,850	890	-	-	6	-	9,682	-	-	119,224
Support services	-	-	8,018	-	4,754	105,606	-	-	-	108	-	-	10,268
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	231,329	45,326	20,850	5,644	105,606	-	6	-	9,790	-	-	129,492
Excess (deficiency) of receipts over disbursements	-	(231,329)	(45)	108	43,518	6,772	-	(6)	-	(9,790)	137	-	1,623
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	229,120	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	6	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(6)	-	-	-	-	-	-
Total other financing sources (uses)	-	229,120	-	-	-	-	(6)	6	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(2,209)	(45)	108	43,518	6,772	(6)	-	-	(9,790)	137	-	1,623
Cash and investments - ending	\$ 2,000	\$ (6,052)	\$ 102	\$ 108	\$ 104,778	\$ (17,644)	\$ -	\$ -	\$ -	\$ -	\$ 394	\$ -	\$ 1,623

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2024

	High Ability Students	State Connectivity Grant	Title I 2021- 2022	Title I 2022- 2023	Title I 2023- 2024	Title I Part D 2021-2022	Title I Part D 2022-2023	Title I Part D 2023-2024	LCSC IDEA 611 FY 2021	LCSC IDEA 611 FY 2022	LCSC IDEA 611 FY 2023	LCSC IDEA 611 FY 2024	LCSC IDEA 619 FY 2022
Cash and investments - beginning	\$ 12,920	\$ 45,084	\$ (1,427)	\$ (15,886)	\$ -	\$ -	\$ (9,849)	\$ -	\$ -	\$ 60	\$ (117,049)	\$ -	\$ -
Receipts:													
Local sources	-	-	-	-	406	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-	-
State sources	47,374	14,654	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	146,990	248,449	-	14,979	40,977	-	-	134,471	528,902	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	47,374	14,654	-	146,990	248,855	-	14,979	40,977	-	-	134,471	528,902	-
Disbursements:													
Instruction	42,181	-	(185)	31,078	140,678	-	5,130	48,412	-	-	17,422	639,994	-
Support services	-	-	(101)	67,923	57,140	-	-	-	-	-	-	-	-
Noninstructional services	-	-	(1,141)	32,178	102,913	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	42,181	-	(1,427)	131,179	300,731	-	5,130	48,412	-	-	17,422	639,994	-
Excess (deficiency) of receipts over disbursements	5,193	14,654	1,427	15,811	(51,876)	-	9,849	(7,435)	-	-	117,049	(111,092)	-
Other financing sources (uses):													
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	(60)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	(60)	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	5,193	14,654	1,427	15,811	(51,876)	-	9,849	(7,435)	-	(60)	117,049	(111,092)	-
Cash and investments - ending	\$ 18,113	\$ 59,738	\$ -	\$ (75)	\$ (51,876)	\$ -	\$ -	\$ (7,435)	\$ -	\$ -	\$ -	\$ (111,092)	\$ -

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2024

	LCSC IDEA 619 FY 2023	LCSC IDEA 619 FY 2024	IDEA 611 Flow Thru	IDEA 611 Flow Thru FY 2023	IDEA 619 Flow Thru	IDEA 619 Flow Thru FY 2023	Title IV 2019- 2022	Title IV 2020- 2022	Title IV 2021- 2023	Title IV 2022- 2024	Title IV 2023- 2025	Federal Medicaid
Cash and investments - beginning	\$ (8,993)	\$ -	\$ (39,924)	\$ (73,473)	\$ (13,985)	\$ (3,880)	\$ -	\$ -	\$ -	\$ (19)	\$ -	\$ 180,435
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	4,232
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	17,966	13,098	132,269	370,361	3,456	21,992	-	-	3,087	10,407	4,385	96,532
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	17,966	13,098	132,269	370,361	3,456	21,992	-	-	3,087	10,407	4,385	100,764
Disbursements:												
Instruction	8,973	14,460	-	-	-	-	-	-	-	14,488	5,798	-
Support services	-	865	78,485	296,888	3,391	18,112	-	-	3,087	766	3,947	16,969
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	8,973	15,325	78,485	296,888	3,391	18,112	-	-	3,087	15,254	9,745	16,969
Excess (deficiency) of receipts over disbursements	8,993	(2,227)	53,784	73,473	65	3,880	-	-	-	(4,847)	(5,360)	83,795
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	60	-	13,920	-	-	-	-	-	-	-
Transfers out	-	-	(13,920)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(13,860)	-	13,920	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	8,993	(2,227)	39,924	73,473	13,985	3,880	-	-	-	(4,847)	(5,360)	83,795
Cash and investments - ending	\$ -	\$ (2,227)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,866)	\$ (5,360)	\$ 264,230

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2024

	Title II A Teacher Leadership	Title II A 2023- 2025	Title II A 2021- 2023	Title II A 2022- 2024	ARP HCY II	ARP 611	ARP 619	ESSER III	ESSER II	Federal Stimulus - 18002 Governor's Emerg. Educ. Relief	Prepaid School Lunch Accounts	Fed Tax Wthd
Cash and investments - beginning	\$ (262)	\$ -	\$ -	\$ -	\$ (53)	\$ (4,951)	\$ -	\$ (53,428)	\$ -	\$ -	\$ 20,129	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	790,505	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	360	23,023	74,627	53	14,367	-	923,781	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	2,296,534
Total receipts	-	360	23,023	74,627	53	14,367	-	923,781	-	-	790,505	2,296,534
Disbursements:												
Instruction	-	-	-	-	-	9,416	-	842,903	-	-	-	-
Support services	-	530	23,023	74,695	-	-	-	44,504	-	-	1,070	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	803,317	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	2,296,534
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	530	23,023	74,695	-	9,416	-	887,407	-	-	804,387	2,296,534
Excess (deficiency) of receipts over disbursements	-	(170)	-	(68)	53	4,951	-	36,374	-	-	(13,882)	-
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	262	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	(38)	-
Total other financing sources (uses)	262	-	-	-	-	-	-	-	-	-	(38)	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	262	(170)	-	(68)	53	4,951	-	36,374	-	-	(13,920)	-
Cash and investments - ending	\$ -	\$ (170)	\$ -	\$ (68)	\$ -	\$ -	\$ -	\$ (17,054)	\$ -	\$ -	\$ 6,209	\$ -

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2024

	FICA Wthd	State Tax Wthd	Local Taxes	Voluntary Retirement Contr	Health Insurance	Tax Sheltered Annuities	Garnishment	Dental Insurance	Life Insurance	LTD Insurance	Vision Insurance	Aflac Premiums
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 1,526	\$ -	\$ -	\$ 10,167	\$ 103	\$ 2,094	\$ 1,066	\$ 592
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	2,043,296	816,127	434,492	13,031	942,029	1,111,974	26,185	208,495	792	21,457	41,264	1,156
Total receipts	2,043,296	816,127	434,492	13,031	942,029	1,111,974	26,185	208,495	792	21,457	41,264	1,156
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	2,043,296	816,127	434,492	13,031	940,535	1,111,974	26,185	215,157	862	21,269	41,495	1,748
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,043,296	816,127	434,492	13,031	940,535	1,111,974	26,185	215,157	862	21,269	41,495	1,748
Excess (deficiency) of receipts over disbursements	-	-	-	-	1,494	-	-	(6,662)	(70)	188	(231)	(592)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	1,494	-	-	(6,662)	(70)	188	(231)	(592)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 3,020	\$ -	\$ -	\$ 3,505	\$ 33	\$ 2,282	\$ 835	\$ -

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 For the Year Ended June 30, 2024

	American Fidelity Premiums	Texas Life Insurance	Voluntary Life Insurance	HSA-Health Savings Account	United Way	Non- Reimbursable Medical	Miscellaneous	LEF Donations	Insurance Claim Losses	Construction	Totals
Cash and investments - beginning	\$ 258	\$ -	\$ 2,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 146,262	\$ -	\$ 43,862,975
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	35,836,104
Intermediate sources	-	-	-	-	-	-	-	-	-	-	237
State sources	-	-	-	-	-	-	-	-	-	-	30,641,990
Federal sources	-	-	-	-	-	-	-	-	-	-	4,337,766
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	244,576	90,284	35,904	210	3,122	55,004	6,205	9,241	201,712	523,468	9,187,024
Total receipts	244,576	90,284	35,904	210	3,122	55,004	6,205	9,241	201,712	523,468	80,003,121
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	23,871,568
Support services	-	-	-	-	-	-	-	-	-	-	19,826,841
Noninstructional services	-	-	-	-	-	-	-	-	-	-	3,599,168
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	27,751,221
Debt services	-	-	-	-	-	-	-	-	-	-	18,649,250
Nonprogrammed charges	244,564	90,284	34,609	210	3,122	55,004	6,205	9,241	278,420	510,870	9,220,975
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	244,564	90,284	34,609	210	3,122	55,004	6,205	9,241	278,420	510,870	102,919,023
Excess (deficiency) of receipts over disbursements	12	-	1,295	-	-	-	-	-	(76,708)	12,598	(22,915,902)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	17,435,758
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	231,381
Transfers in	-	-	-	-	-	-	-	-	-	-	3,014,286
Transfers out	-	-	-	-	-	-	-	-	-	-	(3,014,286)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	17,667,139
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12	-	1,295	-	-	-	-	-	(76,708)	12,598	(5,248,763)
Cash and investments - ending	\$ 270	\$ -	\$ 3,324	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,554	\$ 12,598	\$ 38,614,212

LEBANON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2024

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 7,023,097</u>	<u>\$ 217,867</u>

LEBANON COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF LEASES AND DEBT
 June 30, 2024

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities: Lebanon Middle School Building Corporation	Building Construction/ Remodeling	\$ <u>6,532,000</u>	12/21/2022	6/30/2042
Total of annual lease payments		\$ <u>6,532,000</u>		

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities: General Obligation Bonds	Building and property improvements/ maintenance/repairs	\$ <u>12,785,000</u>	\$ <u>5,605,000</u>
Totals		\$ <u>12,785,000</u>	\$ <u>5,605,000</u>

LEBANON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2024

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 1,657,485
Infrastructure	4,384,535
Buildings	105,265,739
Improvements other than buildings	3,712,415
Machinery, equipment, and vehicles	11,671,209
Construction in progress	48,658,602
Other Non-Depreciable Assets	<u>5,000</u>
 Total governmental activities	 <u>175,354,985</u>
 Total capital assets	 <u>\$ 175,354,985</u>

LEBANON COMMUNITY SCHOOL CORPORATION
STATE REPORTING INFORMATION
July 1, 2022 - June 30, 2024

Financial Statement and Accompanying Notes:

The financial statement and accompanying notes were approved by management of the School Corporation. The financial statement and notes are presented as intended by the School Corporation.

In addition to this report, other reports may have been issued for the School Corporation. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.

Indiana Department of Education Reporting:

The School Corporation's Financial Reports can be found on the Indiana Department of Education website: <http://www.doe.in.gov/finance/school-financial-reports>. This website is maintained by the Indiana Department of Education. More current financial information is available from the School Corporation Treasurer's office. Additionally, some financial information of the School Corporation can be found on the Indiana Gateway for Government Units website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the School Corporation's Financial Reports referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information on the IDOE website and on the Indiana Gateway for Government Units presented was approved by management of the School Corporation. It is presented as intended by the School Corporation.

LEBANON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period of July 1, 2022 through June 30, 2024

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-23	Total Federal Awards Expended 06-30-24	Total Federal Awards Expended 07-01-22 to 06-30-24
<u>Department of Agriculture</u>						
Child Nutrition Cluster	Indiana Department of Education					
School Breakfast Program		10.533	FY 22-23, FY 23-24	\$ 322,790	\$ 304,671	\$ 627,461
National School Lunch Program		10.555	FY 22-23, FY 23-24	1,209,534	1,208,563	2,418,097
Commodities		10.555	FY 22-23, FY 23-24	141,660	168,652	310,312
Total - Child Nutrition Cluster				<u>1,673,984</u>	<u>1,681,886</u>	<u>3,355,870</u>
State Pandemic EBT Administrative Costs Grant PEBT	Indiana Department of Education	10.649	FY 22-23	3,135	-	3,135
Total - Department of Agriculture				<u>1,677,119</u>	<u>1,681,886</u>	<u>3,359,005</u>
<u>Department of Education</u>						
Special Education Cluster (IDEA)						
Special Education Grants to States	Indiana Department of Education					
IDEA, Part B		84.027	22611-95-PN01	219,495	-	219,495
COVID-19 - Supplemental Funding - IDEA, Part B		84.027X	22611-095-ARP	57,324	14,367	71,691
IDEA, Part B		84.027	23611-095-PN01	770,408	134,471	904,879
IDEA, Part B		84.027	24611-095-PN01	-	528,902	528,902
Total - Special Education Grants to States				<u>1,047,227</u>	<u>677,740</u>	<u>1,724,967</u>
Special Education Preschool Grants	Indiana Department of Education					
IDEA, Preschool		84.173	22619-095-PN01	22,939	-	22,939
COVID-19 - Supplemental Funding - IDEA, Preschool		84.173X	22619-095-ARP	15,115	-	15,115
IDEA, Preschool		84.173	23619-095-PN01	11,327	17,966	29,293
IDEA, Preschool		84.173	24619-095-PN01	-	13,098	13,098
Total - Special Education Preschool Grants				<u>49,381</u>	<u>31,064</u>	<u>80,445</u>
Total - Special Education Cluster (IDEA)				<u>1,096,608</u>	<u>708,804</u>	<u>1,805,412</u>
Title I Grants to Local Educational Agencies	Indiana Department of Education					
Title I, Part A		84.010A	S010A210014	199,100	-	199,100
Title I, Part A		84.010A	S010A220014	266,190	146,990	413,180
Title I, Part A		84.010A	S010A230014	-	248,449	248,449
Total - Title I Grants to Local Educational Agencies				<u>465,290</u>	<u>395,439</u>	<u>860,729</u>

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period of July 1, 2022 through June 30, 2024

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-23	Total Federal Awards Expended 06-30-24	Total Federal Awards Expended 07-01-22 to 06-30-24
Title I State Agency Program for Neglected and Delinquent Children and Youth						
Indiana Department of Education						
Title I, Part D		84.013A	S010A210014	\$ 32,662	\$ -	\$ 32,662
Title I, Part D		84.013A	S010A220014	41,778	14,979	56,757
Title I, Part D		84.013A	S010A230014	-	40,977	40,977
Total - Title I State Agency Program for Neglected and Delinquent Children and Youth				<u>74,440</u>	<u>55,956</u>	<u>130,396</u>
Supporting Effective Instruction State Grants						
Indiana Department of Education						
Title II, Part A		84.367A	S367A210013	73,614	23,023	96,637
Title II, Part A		84.367A	S367A220013	7,734	74,627	82,361
Title II, Part A		84.367A	S367A230013	-	360	360
Total - Supporting Effective Instruction State Grants				<u>81,348</u>	<u>98,010</u>	<u>179,358</u>
Student Support and Academic Enrichment Program						
Indiana Department of Education						
Title IV, Part A		84.424A	S424A190015	9,662	-	9,662
Title IV, Part A		84.424A	S424A200015	22,358	-	22,358
Title IV, Part A		84.424A	S424A210015	21,524	3,087	24,611
Title IV, Part A		84.424A	S424A220015	3,960	10,407	14,367
Title IV, Part A		84.424A	S424A230015	-	4,385	4,385
Total - Student Support and Academic Enrichment Program				<u>57,504</u>	<u>17,879</u>	<u>75,383</u>
COVID-19 - Education Stabilization Fund						
Indiana Department of Education						
Governor's Emergency Education Relief (GEER) Fund		84.425C	S425C200018	4,514	-	4,514
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	396,039	-	396,039
American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund		84.425U	S425U210013	854,672	923,781	1,778,453
American Rescue Plan - Homeless Children and Youth		84.425W	S425W210015	-	53	53
Total - COVID-19 - Education Stabilization Fund				<u>1,255,225</u>	<u>923,834</u>	<u>2,179,059</u>
Total - Department of Education				<u>3,030,415</u>	<u>2,199,922</u>	<u>5,230,337</u>
Department of Education						
Medicaid Cluster						
Family and Social Services Administration						
Medical Assistance Program - INMAC		93.778	FY 22-23, FY 23-24	82,244	96,532	178,776
Total - Medicaid Cluster				<u>82,244</u>	<u>96,532</u>	<u>178,776</u>
Total - Department of Health and Human Services				<u>82,244</u>	<u>96,532</u>	<u>178,776</u>
Total federal awards expended				<u>\$ 4,789,778</u>	<u>\$ 3,978,340</u>	<u>\$ 8,768,118</u>

See accompanying notes to the schedule of expenditure of federal awards.

LEBANON COMMUNITY SCHOOL CORPORATION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the period of July 1, 2022 through June 30, 2024

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the period of July 1, 2022 through June 30, 2024. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

The Uniform Guidance requires an annual audit of nonfederal entities expending a total amount of federal awards equal to or in excess of \$750,000 in any fiscal year unless by constitution or statute a less frequent audit is required. In accordance with Indiana Code (IC 5-11-1-25), audits of school corporations shall be conducted biennially. Such audits shall include both years within the biennial period.

B. Other Significant Accounting Policies

Expenditures reported on the SEFA are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

NOTE 2 - INDIRECT COST RATE

The School Corporation has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 - OTHER INFORMATION

The School Corporation did not have any subrecipient activity for the period of July 1, 2022 through June 30, 2024.

NOTE 4 - NON-CASH PROGRAMS (COMMODITIES)

Commodities donated to the School Corporation by the U.S. Department of Agriculture (USDA) of \$310,312 are valued based on the USDA's donated commodity price list. These are shown as part of the National School Lunch Program (10.555).

NOTE 5 - SPECIAL EDUCATION COOPERATIVE

The School Corporation is a member of the Boone-Clinton-Northwest Hendricks Joint Service Cooperative (Cooperative) and serves as its fiscal agent. As a result, some activity for the Special Education Cluster (IDEA) that is presented as receipts and disbursements in the financial statement is not presented on the SEFA. This activity is reported on the SEFAs of the member school corporations as appropriate.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Those Charged with Governance
Lebanon Community School Corporation
Boone County, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the Lebanon Community School Corporation ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2024 and for the period July 1, 2022 through June 30, 2024 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 3, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the School Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Crowe LLP

Indianapolis, Indiana
March 3, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM; REPORT ON
INTERNAL CONTROL OVER COMPLIANCE

Those Charged with Governance
Lebanon Community School Corporation
Boone County, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Lebanon Community School Corporation's (School Corporation) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the School Corporation's major federal programs for the period of July 1, 2022 through June 30, 2024. The School Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2022 through June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School Corporation's federal programs.

(Continued)

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the School Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

(Continued)

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the School Corporation's responses to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The School Corporation's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 3, 2025

LEBANON COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2022 through June 30, 2024

Section I – Summary of Auditor’s Results

Financial Statement

Type of auditor’s report issued: Adverse as to GAAP, Unmodified
as to regulatory basis

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes _____ X No

Significant deficiencies identified not considered to be material weaknesses? _____ Yes _____ X None Reported

Noncompliance material to financial statement noted? _____ Yes _____ X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ X Yes _____ No

Significant deficiencies identified not considered to be material weaknesses? _____ Yes _____ X None Reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)? _____ X Yes _____ No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555	Child Nutrition Cluster
84.010A	Title I Grants to Local Educational Agencies
84.027, 84.027X, 84.173, 84.173X	Special Education Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? _____ Yes _____ X No

Section II – Financial Statement Findings

None noted.

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 through June 30, 2024

Section III – Federal Award Findings and Questioned Costs

FINDING 2024-001

Information on the federal program:

Subject: Child Nutrition Cluster - Internal Controls
Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program
Assistance Listing Number: 10.553, 10.555
Federal Award Numbers and Years (or Other Identifying Numbers): FY 22-23, FY 23-24
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
Audit Finding: Material Weakness

Criteria: 2 CFR section 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in 'Standards for Internal Control in the Federal Government' issued by the Comptroller General of the United States or the 'Internal Control Integrated Framework', issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). . . ."

Condition: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the eligibility compliance requirement.

Cause: The School Corporation's management had not developed a system of internal controls to ensure compliance with eligibility requirements.

Effect: The failure to establish an effective internal control system placed the School Corporation at risk of noncompliance with the grant agreement and the compliance requirements. A lack of segregation of duties within an internal control system could have also allowed noncompliance with the compliance requirements and allowed the misuse and mismanagement of federal funds and assets by not having proper oversight, reviews, and approvals over the activities of the programs.

Questioned Costs: There were no questioned costs identified.

Context: During testing over controls for eligibility, for 3 of the 60 students selected for testing, we noted the School Corporation manually applied Directly Certified – Free status to the student despite the student never appearing on the state's Direct Certification listing. On the application, the family noted they participated in the SNAP or TANF assistance programs and provided a case number. The School Corporation followed IDOE guidance and approved the application on the basis that the case number appeared valid.

However, IDOE guidance also states the School Corporation has an obligation to verify all questionable applications. The School Corporation attempted to verify the case number, however the lookup failed or was otherwise indeterminate. No further follow up was performed to verify the case number on the applications in question to confirm the students' status.

(Continued)

LEBANON COMMUNITY SCHOOL CORPORATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2022 through June 30, 2024

Section III – Federal Award Findings and Questioned Costs (Continued)

FINDING 2024-001 (Continued)

Identification as a repeat finding, if applicable: No.

Recommendation: We recommended that the School Corporation's management establish a system of internal controls related to the grant agreement and eligibility compliance requirements. Additionally, we recommended that the School Corporation perform verification on all questionable applications.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and has prepared a corrective action plan.



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Corrective Action Plan

Finding Number: 2024-001

Federal Program: School Breakfast Program (SBP), National School Lunch Program (NSLP)

Assistance Listing Numbers: 10.553, 10.555

Pass-Through Entity: Indiana Department of Education **Compliance Requirement:** Eligibility

Responsible Party: Chad Martin, Director of Operations and Resources

Views of Responsible Official: We concur with the finding.

Responsible Party Phone Number: 765-482-0380 ext 31812

Implementation Date: Immediately for all new applications for Step A.

1. Corrective Action Step

A. Strengthening Internal Controls Over Determination of Applications Demonstrating Questionable Eligibility

The School Corporation will develop and implement a segregation of duties, ensuring that current individuals approve applications, perform Direct Certification checks, and conduct follow-up verifications of questionable applications in a more directed manner.

If an applicant provides a case number that does not appear on the Direct Certification list the School Corporation will:

1. Review the application based on standard income eligibility requirements, while confirming the application will remain subject to verification
2. If \$0 income is provided or the application is otherwise 'questionable' then the reviewing individual will add the following to the application comments field:
 - o reviewing individual name
 - o Reason for review request
 - o To whom the application will be escalated

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3. Apply benefit to siblings, if appropriate.
4. Not complete the final step of marking the application as processed, rather leave it 'pending' and notify Director of School Nutrition of the need for this application to be reviewed.
5. Director of School Nutrition or designee will review and either confirm the DC status by downloading the certification or conduct follow-up verification. In either case, approved or verification for cause, the Director of School Nutrition or Designee will mark the application as processed.
6. If the verification for cause is not responded to in a timely manner, the status will revert to 'Paid' status as per 'verification for cause' guidelines.

2. Corrective Follow-Up and Reporting

- The School Corporation will review all applications from current year (FY 24-25) to identify any applications not subject to verification process.
- Management will report progress on implementing these corrective actions to the School Board and maintain records for review by auditors and state officials.

3. Anticipated Completion Date

- The review of current year (FY 24-25) applications will be completed March 21, 2025.
- The school board report will be completed April 11, 2025.

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2022-001

Information on the federal program:

Subject: Medicaid – Eligibility, Other Matters
Federal Agency: US Department of Health and Human Services
Federal Program: Medicaid
Assistance Listing Number: 93.778
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Eligibility
Audit Findings: Material Weakness, Noncompliance

Condition and Context: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the eligibility compliance requirements that are performed by the Special Education Cooperative on behalf of the School Corporation.

The School Corporation participates in a Special Education Co-op. In 2015, the Co-op provided an avenue, through a third-party company, for the member school districts to obtain reimbursement for Medicaid services. It was discovered in 2021 that the annual parental disclosure statements had not been completed for Medicaid eligibility compliance. Due to this oversight, each member school had to void transactions through the third-party company and pay back the amount of these transactions for the period August 9, 2015 through April 23, 2021.

The School Corporation's amount owed was \$466,099 for the period identified during 2015-2021. The School Corporation completed a Voluntary Self-Disclosure of Provider of Overpayments Packet through the Indiana Family & Social Services Administration's Office of Medicaid Policy and Planning Office to reimburse the amounts owed. The amount related to this period July 1, 2020 through June 30, 2022 was indeterminable. The full amount was paid back prior to June 30, 2021.

Status: Resolved.

FINDING 2022-002

Subject: Child Nutrition Cluster – Internal Controls
Federal Agency: Department of Agriculture
Federal Program: School Breakfast Program, National School Lunch Program, Summer Food Service Program for Children, Child Nutrition Discretionary Grants Limited Availability
Assistance Listing Number: 10.533, 10.555, 10.559, 10.579
Pass-Through Entity: Indiana Department of Education
Compliance Requirement: Procurement and Suspension and Debarment
Audit Finding: Material Weakness

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Condition and Context: An effective internal control system was not in place at the School Corporation to ensure compliance with requirements related to the Child Nutrition Program and Procurement and Suspension and Debarment compliance requirements.

The School Corporation contracts with a food service management company for the majority of food costs, labor costs, and operational costs, however in some cases the School Corporation will handle their own additional minor procurements outside of the food service management company. During the audit period, the School Corporation made one purchase between \$10,000 and \$150,000 which fell under the small purchase method for federal and state procurement regulations and was charged to Fund 0800 – School Lunch Fund. For that purchase, documentation was not presented to verify methods or rationale used to satisfy the procurement requirements, which require three quotes to be obtained prior to entering into a transaction. The transaction was incurred in July 2021 in the amount of \$21,668.

Status: Resolved.

FINDING 2022-003

Subject: Special Education Cluster – Activities Allowed or Unallowed, Allowable Costs/Cost Principles
Federal Agency: Department of Education
Federal Programs: Special Education Grants to States, Special Education_Preschool Grants
Assistance Listing Number: 84.027, 84.173
Federal Award Numbers and Years (or Other Identifying Numbers): FY21, FY22
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Activities Allowed or Unallowed, Allowable Costs/Cost Principles
Audit Findings: Material Weakness

Condition and Context: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

The School Corporation is a member of a joint service cooperative (Cooperative). The Cooperative operated the special education programs on behalf of the School Corporation and managed the special education grant funds. Because the grant agreements were between the Indiana Department of Education and the School Corporation, the School Corporation was ultimately responsible for compliance with the grant agreement and the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

During fiscal year 2021, the School Corporation paid membership fees to the Cooperative out of federal Special Education funds. These membership fees made up approximately 48% of the total federal expenditures reimbursed during fiscal year 2021. The Cooperative accounted for state, local, and federal funds in a single fund. The fund did not separately account for each of the funding sources. This made it difficult to identify which expenditures were from federal funds, or to identify expenditures by federal program, award number, or years. Therefore, we could not test compliance for approximately 48% of the expenditures.

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The lack of internal controls and noncompliance were systemic issues, which occurred specifically during fiscal year 2021. No reportable findings were noted for fiscal year 2022. During fiscal year 2022, the School Corporation started paying membership fees to the Cooperative out of the General Education fund instead of the Special Education funds. All sampled expenditures paid from Special Education funds and requested for reimbursement were determined to be allowable under the Activities Allowed or Unallowed and Allowable Costs/Cost Principles compliance requirements.

Status: Resolved.

FINDING 2022-004

Subject: Special Education Cluster – Equipment Management
Federal Agency: Department of Education
Federal Programs: Special Education_Grants to States, Special Education_Preschool Grants
AL Numbers: 84.027, 84.173
Federal Award Numbers and Years (or Other Identifying Numbers): FY21, FY22
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Equipment and Real Property Management
Audit Findings: Material Weakness

Condition and Context: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the equipment requirements of the Equipment and Real Property Management compliance requirement.

The School Corporation is a member of a joint service cooperative (Cooperative). The Cooperative operated the special education programs on behalf of the School Corporation and managed the special education grant funds. Because the grant agreements were between the Indiana Department of Education and the School Corporation, the School Corporation was ultimately responsible for compliance with the grant agreement and the Equipment and Real Property Management compliance requirement.

During fiscal year 2021, the School Corporation paid membership fees to the Cooperative out of federal Special Education funds. These membership fees made up approximately 48% of the total federal expenditures reimbursed during fiscal year 2021. The Cooperative accounted for state, local, and federal funds in a single fund. The fund did not separately account for each of the funding sources. This made it indeterminable whether equipment purchases were made by the Cooperative with federal funds, or to identify equipment expenditures by federal program, award number, or years. Therefore, we could not test compliance for approximately 48% of the expenditures.

The Cooperative did not have adequate procedures in place to ensure that equipment purchased with grant funds was properly recorded and maintained in the School Corporation's equipment records. The Cooperative also did not maintain records for the disposition of equipment purchased with federal grant funds. The lack of internal controls and noncompliance were systemic issues, which occurred specifically during fiscal year 2021. No reportable findings were noted for fiscal year 2022.

Status: Resolved

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FINDING 2022-005

Subject: Special Education Cluster – Period of Performance
Federal Agency: Department of Education
Federal Programs: Special Education_Grants to States, Special Education_Preschool Grants
AL Numbers: 84.027, 84.173
Federal Award Numbers and Years (or Other Identifying Numbers): FY21, FY22
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Period of Performance
Audit Findings: Material Weakness

Condition and Context: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the equipment requirements of the Period of Performance compliance requirement.

The School Corporation was a member of a joint service cooperative (Cooperative). The Cooperative operated the special education programs on behalf of the School Corporation and managed the special education grant funds. Because the grant agreements were between the Indiana Department of Education and the School Corporation, the School Corporation was ultimately responsible for compliance with the grant agreement and the Period of Performance compliance requirement.

During fiscal year 2021, the School Corporation paid membership fees to the Cooperative out of federal Special Education funds. These membership fees made up approximately 48% of the total federal expenditures reimbursed during fiscal year 2021. The Cooperative accounted for state, local, and federal funds in a single fund. The fund did not separately account for each of the funding sources. This made it difficult to identify which expenditures were from federal funds, or to identify expenditures by federal program, award number, or years. Therefore, we could not test compliance with the period of performance requirements for approximately 48% of the expenditures.

The School Corporation did not have adequate procedures in place to ensure that the Cooperative complied with the period of performance requirements. The Cooperative did not have adequate procedures in place to ensure that costs were charged to the programs only during the period of performance, or that all obligations were liquidated within 90 days of the end of the period of performance.

The lack of internal controls and noncompliance were systemic issues, which occurred specifically during fiscal year 2021. No reportable findings were noted for fiscal year 2022.

Status: Resolved

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FINDING 2022-006

Subject: Special Education Cluster – Procurement and Suspension and Debarment
Federal Agency: Department of Education
Federal Programs: Special Education Grants to States, Special Education Preschool Grants
AL Numbers: 84.027, 84.173
Federal Award Numbers and Years (or Other Identifying Numbers): FY21, FY22
Pass-Through Entity: Indiana Department of Education
Compliance Requirements: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Noncompliance

Condition and Context: An effective internal control system was not in place at the School Corporation in order to ensure compliance with requirements related to the grant agreement and the equipment requirements of the Procurement and Suspension and Debarment compliance requirement.

The School Corporation was a member of a joint service cooperative (Cooperative). The Cooperative operated the special education programs on behalf of the School Corporation and managed the special education grant funds. Because the grant agreements were between the Indiana Department of Education and the School Corporation, the School Corporation was ultimately responsible for compliance with the grant agreement and the Procurement and Suspension and Debarment compliance requirement.

During fiscal year 2021, the School Corporation paid membership fees to the Cooperative out of federal Special Education funds. These membership fees made up approximately 48% of the total federal expenditures reimbursed during fiscal year 2021. The Cooperative accounted for state, local, and federal funds in a single fund. The fund did not separately account for each of the funding sources. This made it difficult to identify whether purchases were made by the Cooperative with federal funds, or to identify expenditures by federal program, award number, or years. Therefore, we could not test compliance with the period of performance requirements for approximately 48% of the expenditures.

The lack of internal controls and noncompliance were systemic issues, which occurred specifically during fiscal year 2021. No reportable findings were noted for fiscal year 2022.

Status: Resolved

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APPENDIX D

MASTER CONTINUING DISCLOSURE UNDERTAKING WITH FIRST AMENDMENT AND TWELFTH SUPPLEMENT

This MASTER CONTINUING DISCLOSURE UNDERTAKING dated as of April 19, 2017 (the “Master Undertaking”) is executed and delivered by LEBANON COMMUNITY SCHOOL CORPORATION (the “Obligor”) for the purpose of permitting various Underwriters (as hereinafter defined) of the Obligations (as hereinafter defined) issued by or on behalf of the Obligor from time to time to purchase such Obligations in compliance with the Securities and Exchange Commission (“SEC”) Rule 15c2-12, as amended (the “SEC Rule”);

WITNESSETH THAT:

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

- (1) “Holder” or any similar term, when used with reference to any Obligation or Obligations, means any person who shall be the registered owner of any outstanding Obligation, or the owner of a beneficial interest in such Obligation.
- (2) “EMMA” is Electronic Municipal Market Access System established by the MSRB.
- (3) “Final Official Statement” means, with respect to any Obligations, the final Official Statement relating to such Obligations, including any document or set of documents included by specific reference to such document or documents available to the public on EMMA.
- (4) “MSRB” means the Municipal Securities Rulemaking Board.
- (5) “Obligated Person” means any person, including the Obligor, 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 a part of the obligations on the Obligations (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). All Obligated Persons with respect to Obligations currently are identified in Section 3 below.
- (6) “Obligations” means the various obligations issued by or on behalf of the Obligor, as listed on Exhibit A, as the same shall be amended or supplemented from time to time.
- (7) “Underwriter” or “Underwriters” means, with respect to any Obligations, the underwriter or underwriters of such Obligations pursuant to the applicable purchase agreement for such Obligations.

2. Obligations; Term. (a) This Master Undertaking applies to the Obligations.

(b) The term of this Master Undertaking extends from the date of delivery of the Master Undertaking by the Obligor to the earlier of: (i) the date of the last payment of principal or redemption price, if any, of, and interest to accrue on, all Obligations; or (ii) the date all Obligations are defeased under the respective trust indentures or respective resolutions.

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

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

- (1) To the MSRB, the audited financial statements of the Obligor as prepared and examined by the Indiana State Board of Accounts on a biennial basis for each period of two fiscal years, together with the opinion of the reviewers thereof and all notes thereto (collectively, the “Audited Information”), by the June 30 immediately following each biennial period. Such disclosure of Audited Information shall first occur by June 30, 2018, and shall be made by June 30 every two years thereafter, if the Audited Information is delivered to the Obligor by June 30 of each biennial period. If, however, the Obligor has not received the Audited Information by such June 30 biennial date, the Obligor agrees to (i) post a voluntary notice to the MSRB by June 30 of such biennial period that the Audited Information has not been received, and (ii) post the Audited Information within 60 days of the Obligor’s receipt thereof; and
- (2) To the MSRB, no later than June 30 of each year beginning June 30, 2017, the most recent unaudited annual financial information for the Obligor including (i) unaudited financial statements of the Obligor, and (ii) operating data (excluding any demographic information or forecast) of the general type provided under the general categories of headings as described below (collectively, the “Annual Information”), which Annual Information may be provided in such format and under such headings as the School Corporation deems appropriate:

APPENDIX A

LEBANON COMMUNITY SCHOOL CORPORATION - Enrollments

GENERAL ECONOMIC AND FINANCIAL INFORMATION

- Schedule of Historical Net Assessed Valuation
- Detail of Net Assessed Valuation
- Comparative Schedule of Tax Rates
- Property Taxes Levied and Collected
- Large Taxpayers
- Summary of Revenues and Expenditures by Fund

- (b) If any Annual Information or Audited Information relating to the Obligor referred to in paragraph (a) of this Section 4 no longer can be provided because the operations to which they relate have been materially changed or discontinued, a statement to that effect, provided by the Obligor to the MSRB, along with any other Annual Information or Audited Information required to be provided under this Master Undertaking, shall satisfy the undertaking to provide such Annual Information or Audited Information. To the extent available, the Obligor shall cause to be filed along with the other Annual Information or Audited Information operating data similar to that which can no longer be provided.
- (c) The disclosure may be accompanied by a certificate of an authorized representative of the Obligor in the form of Exhibit B attached hereto.
- (d) The Obligor agrees to make a good faith effort to obtain Annual Information and Audited Information. However, failure to provide any component of Annual Information and Audited Information, because it is not available to the Obligor on the date by which Annual Information is required to be provided hereunder, shall not be deemed to be a breach of this Master Undertaking. The Obligor further agrees to supplement the Annual Information or Audited Information filing when such data is available.
- (e) Annual Information or Audited Information required to be provided pursuant to this Section 4 may be provided by a specific reference to such Annual Information or Audited Information already

prepared and previously provided to the MSRB. Any information included by reference shall also be (i) available to the public on EMMA at www.emma.msrb.org or (ii) filed with the SEC.

- (f) All continuing disclosure filings under this Master Undertaking shall be made in accordance with the terms and requirements of the MSRB at the time of such filing. As of the date of this Master Undertaking, the SEC has approved the submission of continuing disclosure filings on EMMA, and the MSRB has requested that such filings be made by transmitting such filings electronically to EMMA currently found at www.emma.msrb.org.

5. Accounting Principles. The Annual Information will be prepared on a cash basis as prescribed by the State Board of Accounts, as in effect from time to time, as described in the auditors' report and notes accompanying the audited financial statements of the Obligor or those mandated by state law from time to time. The Audited Information of the Obligor, as described in Section 4(a)(1) hereof, will be prepared in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

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

- (1) non-payment related defaults;
- (2) modifications to rights of Holders;
- (3) bond calls;
- (4) release, substitution or sale of property securing repayment of the Obligations;
- (5) the consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the obligated person, or entry into or termination of a definitive agreement relating to the foregoing; and
- (6) appointment of a successor or additional trustee or the change of name of a trustee.

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

- (1) principal and interest payment delinquencies;
- (2) unscheduled draws on debt service reserves reflecting financial difficulties;
- (3) unscheduled draws on credit enhancements reflecting financial difficulties;
- (4) substitution of credit or liquidity providers, or their failure to perform;
- (5) defeasances;
- (6) rating changes;

- (7) adverse tax opinions or events affecting the status of the Obligations, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material events, notices or determinations with respect to the tax status of the Obligations;
- (8) tender offers; and
- (9) bankruptcy, insolvency, receivership or similar event of the obligated person.

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

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

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

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

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

- (a) Subject to paragraph (e) of this Section 9, in the event the Obligor fails to provide any information required of it by the terms of this Master Undertaking, any holder of Obligations may pursue the remedy set forth in the preceding paragraph in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such person is a holder of Obligations supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue this remedy.
- (b) Subject to paragraph (e) of this Section 9, any challenge to the adequacy of the information provided by the Obligor by the terms of this Master Undertaking may be pursued only by holders of not less than 25% in principal amount of Obligations then outstanding in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such persons are holders of Obligations supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue the remedy set forth in the preceding paragraph.
- (c) If specific performance is granted by any such court, the party seeking such remedy shall be entitled to payment of costs by the Obligor and to reimbursement by the Obligor of reasonable fees and expenses of attorneys incurred in the pursuit of such claim. If specific performance is not granted by any such court, the Obligor shall be entitled to payment of costs by the party seeking such remedy and to reimbursement by such party of reasonable fees and expenses of attorneys incurred in the pursuit of such claim.

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

10. Additional Information. Nothing in this Master Undertaking shall be deemed to prevent the Obligor from disseminating any other information, using the means of dissemination set forth in this Master Undertaking or any other means of communication, or including any other information in any Annual Information or notice of occurrence of a reportable event, in addition to that which is required by this Master Undertaking.

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

12. Interpretation Under Indiana Law. It is the intention of the parties hereto that this Master Undertaking and the rights and obligations of the parties hereunder shall be governed by, and construed and enforced in accordance with, the law of the State of Indiana.

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

14. Successors and Assigns. All covenants and agreements in this Master Undertaking made by the Obligor shall bind its successors, whether so expressed or not.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Obligor has caused this Master Undertaking to be executed as of the day and year first hereinabove written.

LEBANON COMMUNITY SCHOOL
CORPORATION, as Obligor

By: _____
Elizabeth P. Keith, President
Board of School Trustees

Thomas S. Merritt, Secretary
Board of School Trustees

[Signature Page to Master Continuing Disclosure Undertaking]

EXHIBIT A
OBLIGATIONS

<u>Full Name of Bond Issue</u>	<u>Base CUSIP</u>	<u>Final Maturity</u>
Lebanon Middle School Building Corporation Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2017	522521	1/10/21

EXHIBIT B

CERTIFICATE RE: [ANNUAL INFORMATION][AUDITED INFORMATION] DISCLOSURE

The undersigned, on behalf of the LEBANON COMMUNITY SCHOOL CORPORATION, as the Obligor under the Master Continuing Disclosure Undertaking, dated as of April 19, 2017 (the “Master Undertaking”), hereby certifies that the information enclosed herewith constitutes the [Annual Information][Audited Information] (as defined in the Master Agreement) which is required to be provided pursuant to Section 4(a) of the Master Agreement.

Dated: _____

LEBANON COMMUNITY SCHOOL
CORPORATION

DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT C

CERTIFICATE RE: REPORTABLE EVENT DISCLOSURE

The undersigned, on behalf of the LEBANON COMMUNITY SCHOOL CORPORATION, as Obligor under the Master Continuing Disclosure Undertaking, dated as of April 19, 2017 (the “Master Agreement”), hereby certifies that the information enclosed herewith constitutes notice of the occurrence of a reportable event which is required to be provided pursuant to Section 6 of the Master Agreement.

Dated: _____

LEBANON COMMUNITY SCHOOL
CORPORATION

DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT D

NOTICE TO MSRB OF FAILURE TO FILE INFORMATION

Notice is hereby given that the LEBANON COMMUNITY SCHOOL CORPORATION (the “Obligor”) did not timely file its [Annual Information][Audited Information] as required by Section 4(a) of the Master Continuing Disclosure Undertaking, dated as of April 19, 2017.

Dated: _____

LEBANON COMMUNITY SCHOOL
CORPORATION

DO NOT EXECUTE – FOR FUTURE USE ONLY

**FIRST AMENDMENT TO
MASTER CONTINUING DISCLOSURE AGREEMENT**

This FIRST AMENDMENT TO MASTER CONTINUING DISCLOSURE UNDERTAKING, dated as of May 14, 2020 (the "Amendment") amends the Master Continuing Disclosure Undertaking dated as of April 19, 2017, as previously supplemented by a First Supplement to Master Continuing Disclosure Undertaking, Second Supplement to Master Continuing Disclosure Undertaking, a Third Supplement to Master Continuing Disclosure Undertaking and a Fourth Supplement to Master Continuing Disclosure Undertaking (the "Original Undertaking"). The Amendment is being entered into by the Lebanon Community School Corporation (the "Obligor") for the purpose of incorporating changes to the Securities and Exchange Commission ("SEC") Rule 15c2-12 (the "SEC Rule") as described in the 2018 Amendments (as hereinafter defined). The Original Undertaking as amended by the Amendment is referred to herein as the "Master Undertaking".

WITNESSETH THAT:

WHEREAS, the Original Undertaking is being amended to modify Section 6 thereof pursuant to SEC Release No. 34-83885, dated August 20, 2018 (the "2018 Amendments"), and does not require the consent of existing Holders of Obligations because (i) this Amendment is entered into due to a change in circumstances that arises from a change in legal requirements or change in law, (ii) the Original Undertaking would have complied with the requirements of the SEC Rule on the date thereof, after taking into account any amendments or interpretations of the SEC Rule, as well as any change in circumstances, and (iii) such amendments or modifications herein do not materially impair the interests of the Holders of the Obligations issued before the date of this Amendment, as determined by nationally recognized bond counsel; and

WHEREAS, the Obligor finds that this Amendment is being entered into in connection with a change in circumstances that arises from a change in legal requirements and a change in law; and

WHEREAS, the Obligor further finds that the Original Undertaking would have complied with the requirements of the SEC Rule on the date thereof; and

WHEREAS, upon a determination by nationally recognized bond counsel, the Obligor further finds that this Amendment does not materially impair the interests of the Holders of the Obligations issued before the date of this Amendment; and

WHEREAS, the Obligor is an Obligated Person (as defined in the SEC Rule) because the only sources of funds pledged to pay the principal and interest due on the Obligations are (i) lease rental payments (in addition to bond proceeds held under one or more trust indentures) due under one or more lease agreements pursuant to which the Obligor is a party, and/or (ii) the tax levy of the Obligor;

NOW, THEREFORE, in consideration of the payment for and acceptance of the Lebanon Community School Corporation General Obligation Bonds of 2020 (the "2020 Bonds") and any Obligations issued after the date of this Amendment, the Original Undertaking is hereby amended as follows:

Section 1. Definitions. In this Amendment, words and terms not defined shall have the meaning prescribed in the Original Undertaking unless the context otherwise dictates.

"Financial Obligation" means a debt obligation; derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or a guarantee of either a debt obligation or a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, but does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the SEC Rule."

Section 2. Solely as to the 2020 Bonds and any Obligations issued after the date of this Amendment, Section 6 of the Original Undertaking is hereby replaced and shall read as follows:

"Section 6. Reportable Events. The Obligor undertakes to disclose the following events within 10 business days of the occurrence of any of the following events, if material (which determination of materiality

shall be made by the Obligor in accordance with the standards established by federal securities laws), to the MSRB, in each case (i) in an electronic format as prescribed by the MSRB and (ii) accompanied by identifying information as prescribed by the MSRB:

- (1) non-payment related defaults;
- (2) modifications to rights of Holders;
- (3) bond calls;
- (4) release, substitution or sale of property securing repayment of the Obligations;
- (5) the consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the obligated person, or entry into or termination of a definitive agreement relating to the foregoing;
- (6) appointment of a successor or additional trustee or the change of name of a trustee; and
- (7) solely as to the 2020 Bonds and any Obligations issued after the date of this Amendment, incurrence of a Financial Obligation (as defined in the SEC Rule) of the Obligor or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligor, any of which affect security holders.

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

- (1) principal and interest payment delinquencies;
- (2) unscheduled draws on debt service reserves reflecting financial difficulties;
- (3) unscheduled draws on credit enhancements reflecting financial difficulties;
- (4) substitution of credit or liquidity providers, or their failure to perform;
- (5) defeasances;
- (6) rating changes;
- (7) adverse tax opinions or events affecting the status of the Obligations, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material events, notices or determinations with respect to the tax status of the Obligations;
- (8) tender offers;
- (9) bankruptcy, insolvency, receivership or similar event of the obligated person; and
- (10) solely as to the 2020 Bonds and any Obligations issued after the date of this Amendment, default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligor, any of which reflect financial difficulties."

Section 3. Obligations. This Amendment only applies to the 2020 Bonds and Obligations issued after the date of this Amendment.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Obligor has caused this First Amendment to Master Continuing Disclosure Undertaking to be executed as of the day and year first hereinabove written.

LEBANON COMMUNITY SCHOOL CORPORATION, as
Obligor

By: _____
Michael Burtron, President
Board of School Trustees

Lisa Hutcheson, Secretary
Board of School Trustees

[Signature Page to First Amendment to Master Continuing Disclosure Undertaking]

**TWELFTH SUPPLEMENT TO
MASTER CONTINUING DISCLOSURE UNDERTAKING**

This Twelfth Supplement to Master Continuing Disclosure Undertaking, dated as of _____, 2026 (the "Twelfth Supplement"), to the Master Continuing Disclosure Undertaking dated as of April 19, 2017, as amended by a First Amendment to Master Continuing Disclosure Undertaking dated as of May 14, 2020, and as previously supplemented by a First Supplement to Master Continuing Disclosure Undertaking, a Second Supplement to Master Continuing Disclosure Undertaking, a Third Supplement to Master Continuing Disclosure Undertaking, a Fourth Supplement to Master Continuing Disclosure Undertaking, a Fifth Supplement to Master Continuing Disclosure Undertaking, a Sixth Supplement to Master Continuing Disclosure Undertaking, a Seventh Supplement to Master Continuing Disclosure Undertaking, an Eighth Supplement to Master Continuing Disclosure Undertaking, a Ninth Supplement to Master Continuing Disclosure Undertaking, a Tenth Supplement to Master Continuing Disclosure Undertaking and an Eleventh Supplement to Master Continuing Disclosure Undertaking (as supplemented and amended, the "Original Undertaking") of the Lebanon Community School Corporation (the "Obligor"), is entered into for the benefit of Stifel, Nicolaus & Company, Incorporated, as underwriter of the \$22,515,000* Lebanon Middle School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2026A (the "2026A Bonds"). The Original Undertaking as supplemented by this Twelfth Supplement will be referred to herein as the "Master Undertaking."

Section 1. The terms of the Master Undertaking are hereby made applicable in all respects to the 2026A Bonds. As of the date of this Twelfth Supplement, for clarification purposes only:

- (i) the Audited Information referred to in Section 4(a)(1) of the Master Undertaking shall first occur on the 2026A Bonds by June 30, 2027; and
- (ii) the Annual Information referred to in Section 4(a)(2) of the Master Undertaking shall first occur on the 2026A Bonds beginning June 30, 2027.

Section 2. There are no other obligated persons other than the Obligor with respect to the 2026A Bonds.

Section 3. Exhibit A of the Master Undertaking is supplemented to include the 2026A Bonds, as attached hereto.

[Remainder of page intentionally left blank]

* Preliminary, subject to change.

IN WITNESS WHEREOF, the Obligor has caused this Twelfth Supplement to Master Continuing Disclosure Undertaking to be executed as of the day and year first hereinabove written.

LEBANON COMMUNITY SCHOOL
CORPORATION, as Obligor

By: _____
President, Board of School Trustees

Secretary, Board of School Trustees

[Signature Page to Twelfth Supplement to Master Continuing Disclosure Undertaking]

EXHIBIT A

OBLIGATIONS

Proforma after Issuance of 2026A Bonds

Full Name of Bond Issue	Base CUSIP	Final Maturity
General Obligation Bonds		
Lebanon Community School Corporation General Obligation Bonds of 2018 ¹	522508	January 15, 2023
Lebanon Community School Corporation General Obligation Bonds of 2020 ¹	522508	January 15, 2023
Lebanon Community School Corporation General Obligation Bonds of 2021 ¹	522508	January 15, 2024
Lebanon Community School Corporation General Obligation Bonds of 2023*	522508	January 15, 2029
Lease Obligations		
Lebanon Middle School Building Corporation Unlimited Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2017B ¹	522521	January 10, 2024
Lebanon Middle School Building Corporation Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2022*	522521	July 15, 2042
Lebanon Middle School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2024*	522521	January 15, 2044
Lebanon Middle School Building Corporation Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2024*	522521	July 15, 2044
Lebanon Middle School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2024B*	522521	January 15, 2044
Lebanon Middle School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2025*	522521	January 15, 2045
Lebanon Middle School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2026A*	522521	January 15, 2046

*Issued after February 27, 2019 and subject to the 2018 Amendments as defined in the Master Undertaking.

¹Note that these Bonds have been defeased and are no longer subject to the Master Continuing Disclosure Undertaking.

APPENDIX E

FORM OF OPINION OF BOND COUNSEL

_____, 2026

Stifel, Nicolaus & Company, Incorporated
Indianapolis, Indiana

Re: Lebanon Middle School Building Corporation
Ad Valorem Property Tax First Mortgage Bonds, Series 2026A
Total Issue: \$ _____
Original Date: _____, 2026

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Lebanon Middle School Building Corporation (the "Issuer") of \$ _____ of Ad Valorem Property Tax First Mortgage Bonds, Series 2026A dated as of _____, 2026 (the "Bonds"), pursuant to Indiana Code § 20-47-3 (the "Act") and a Trust Indenture between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), dated as of October 1, 2024, as supplemented by a First Supplemental Trust Indenture, dated as of March 1, 2026 (as supplemented, the "Lease"). We have examined the law and the certified transcript of proceedings of the Issuer and the Lebanon Community School Corporation (the "School Corporation") relative to the authorization, issuance and sale of the Bonds and such other papers as we deem necessary to render these opinions. We have relied upon the certified transcript of proceedings and certificates of public officials, including the Issuer's and the School Corporation's tax covenants and representations ("Tax Representations"), and we have not undertaken to verify any facts by independent investigation.

We have also relied upon a commitment for title insurance as to title to the real estate described in the Indenture.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Preliminary Official Statement dated _____, 2026 or the Final Official Statement dated _____, 2026 (collectively, the "Official Statement") or any other offering material relating to the Bonds, and we express no opinion relating thereto.

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

1. The Lease Agreement (the "Lease") between the Issuer, as lessor, and the School Corporation, as lessee, executed as of September 17, 2024, and with a term of twenty-five (25) years, has been duly entered into in accordance with the provisions of the Act, and is a valid and binding Lease. All taxable property in the School Corporation is subject to ad valorem taxation to pay the Lease rentals; however, the School Corporation's collection of the levy may be limited by operation of Indiana Code § 6-1.1-20.6, which provides taxpayers with tax credits for property taxes attributable to different classes of property in an amount that exceeds certain percentages of the gross assessed value of that property. The School Corporation is required by law to fully fund the payment of its Lease rentals in an amount sufficient to pay the Lease rentals, regardless of any reduction in property tax collections due to the application of such tax credits. Pursuant to the Lease, the School Corporation is required by law annually to pay the lease rental payments which commenced with rent during renovation beginning June 30, 2025 and which increased lease rental payments commence June 30, 2027, through completion of the renovations, and which full Lease rental

payments commence with the later of completion of the renovation and improvements to the leased premises or December 31, 2027.

2. The Issuer has duly authorized, sold, executed and delivered the Bonds and has duly authorized and executed the Indenture securing the same, and the Indenture has been duly recorded. The Bonds are the valid and binding obligations of the Issuer secured on a parity basis with the Issuer's Ad Valorem Property Tax First Mortgage Bonds, Series 2024B by a mortgage on the property described in the Indenture. Any foreclosure of the mortgage would, if the School Corporation is not in default in the payment of rentals as provided in the Lease, be subject to the rights of the School Corporation under the Lease.

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

4. Under federal statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is excludable from gross income of the owners for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code") and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. This opinion is conditioned upon compliance by the Issuer and the School Corporation subsequent to the date hereof with the Tax Representations. Failure to comply with the Tax Representations could cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to their date of issuance.

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

Very truly yours,