

This Preliminary Official Statement and information contained herein are subject to completion or amendment without notice. These securities may not be sold nor 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.

PRELIMINARY OFFICIAL STATEMENT DATED JULY 17, 2025

NEW ISSUE – Book Entry Only

Program Rating: S&P Global Ratings “AA+”
Underlying Rating: S&P Global Ratings “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 Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the “Code”), for federal income tax purposes and is not 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. Such exclusion is conditioned on continuing compliance with the Tax Covenants (as hereinafter defined). In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana. See “TAX MATTERS” herein.

\$120,000,000*

**East Allen Multi School Building Corporation
(Allen County, Indiana)**

Ad Valorem Property Tax First Mortgage Bonds, Series 2025

Dated: Date of Delivery

Maturity: January 15 and July 15, as shown on the inside front cover

The East Allen Multi School Building Corporation, Allen County, Indiana (the “Building Corporation”), is issuing \$120,000,000* of Ad Valorem Property Tax First Mortgage Bonds, Series 2025 (the “Bonds”) for the purpose of paying a portion of the costs of the construction, renovation and improvements to school facilities, including (1) construction of a new Leo Intermediate School, (2) renovations and construction of additions, including athletics additions, at Leo Junior/Senior High School, (3) renovations and construction of additions at Paul Harding Junior High School/East Allen University, and (4) renovations and deferred maintenance improvements at school facilities owned and operated by the East Allen County Schools (the “School Corporation”) (collectively, the “Projects”), and the necessary and incidental costs of issuance of the Bonds.

Interest on the Bonds will be payable semi-annually on January 15 and July 15 of each year commencing July 15, 2026. Principal of, premium, if any, and interest on the Bonds will be payable at the designated office of U.S. Bank Trust Company, National Association, as trustee, registrar and paying agent (the “Trustee”). The Bonds are issuable only as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). Purchases of beneficial interests in the Bonds will be made in book-entry-only form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers of beneficial interests in the Bonds (the “Beneficial Owners”) will not receive physical delivery of certificates representing their interests in the Bonds. So long as DTC or its nominee is the registered owner of the Bonds, principal of, premium, if any, and interest on the Bonds will be paid directly to DTC by the Trustee, as paying agent. Disbursements of such payments to the Beneficial Owners of the Bonds will be the responsibility of DTC, the DTC Participants and the Indirect Participants, all as defined and more fully described herein. The Bonds are scheduled to mature on January 15 and July 15 in the years and amounts as shown on the inside cover.

The Bonds are subject to optional redemption prior to maturity as described herein. The Bonds may be subject to mandatory sinking fund redemption prior to maturity as described herein. See “REDEMPTION” herein.

The Bonds are issued pursuant to the Trust Indenture (defined herein). The Bonds constitute valid and legally binding obligations of the Building Corporation and are payable solely from certain sources of income of the Building Corporation which have been specifically pledged for the payment thereof including lease rental payments received from the School Corporation under the terms of the Lease (defined herein), each between the Building Corporation and the School Corporation, which rental payments are payable from ad valorem taxes to be levied and collected on all taxable property within the School Corporation; subject, however, to the tax credits authorized by Indiana Code Section 6-1.1-20.6 which provide taxpayers with tax credits attributable to different classes of property in an amount that exceeds certain percentages of the gross assessed value of that property, and which rental payments will be paid directly to the Trustee. The levy of ad valorem taxes by the School Corporation to pay the rent due and payable under the Lease is mandatory and not subject to annual appropriation. The Bonds shall not constitute an indebtedness of the School Corporation within the meaning of the provisions and limitations of the constitution of the State of Indiana. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” and “CIRCUIT BREAKER TAX CREDIT” herein.

Legal matters incident to the authorization and issuance of the Bonds are subject to the approving opinion of Ice Miller LLP, Indianapolis, Indiana, Bond Counsel, substantially in the form set forth in APPENDIX C. Certain legal matters will be passed upon by Faegre Drinker Biddle & Reath LLP, Fort Wayne, Indiana, as counsel for the School Corporation and the Building Corporation. Certain legal matters will be passed on for Stifel, Nicolaus & Company, Incorporated, as the underwriter (the “Underwriter”) by its counsel, Taft Stettinius & Hollister LLP, Indianapolis, Indiana, as its special counsel.

It is expected that the Bonds will be available for delivery through the facilities of DTC on or about _____, 2025.

STIFEL

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

* Preliminary, subject to change

\$120,000,000*
East Allen Multi School Building Corporation
(Allen County, Indiana)
Ad Valorem Property Tax First Mortgage Bonds, Series 2025
(Base CUSIP† 270456)

<u>MATURITY*</u>	<u>PRINCIPAL AMOUNT*</u>	<u>COUPON</u>	<u>PRICE</u>	<u>CUSIP</u>
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† Copyright © 2025 CUSIP Global Services. CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the America Bankers Association by FactSet Research Systems Inc. The CUSIP numbers referenced herein were 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 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 Bonds or herein. The CUSIP number for a specific maturity is subject to change after the issuance of the 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.

* Preliminary, subject to change.

NOTICE TO PROSPECTIVE PURCHASERS

This Official Statement does not constitute an offering of any security, other than the original offering of the Bonds. No dealer, broker, salesman, or other person has been authorized by the Building Corporation or the School Corporation to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized by the Building Corporation or the School Corporation. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy and there shall not be any sale of the Bonds by any person in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. The information and expressions of opinion set forth herein are subject to change without notice and neither the delivery of this Official Statement nor the sale of any of the Bonds shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to the date hereof.

Information set forth herein has been provided by the Building Corporation, the School Corporation and other sources believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. References in this Official Statement to laws, regulations, reports and documents do not purport to be comprehensive or definitive and all references herein to such laws, regulations, reports and documents are qualified in their entirety by reference to the full text thereof.

Upon issuance, the Bonds will not be registered under the Securities Act of 1933, as amended, the Securities and Exchange Act of 1934, as amended, or any state securities law and will not be listed on any stock or other securities exchange. This Official Statement includes the front cover page and inside cover page hereof, the Summary Statement herein and the Appendices attached hereto. This Official Statement has been prepared and delivered in connection with the original sale and delivery of the Bonds and may not be reproduced or used, in whole or in part, for any other purpose.

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

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Official Statement contains statements that are “forward-looking statements” as that term is defined in the Securities Act of 1933, as amended, and 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 in this Official Statement, 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.

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, the Final 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 and amended. For a description of the Master Continuing Disclosure Undertaking, as supplemented and amended, see “CONTINUING DISCLOSURE” and APPENDIX D.

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**EAST ALLEN MULTI SCHOOL BUILDING CORPORATION
BOARD OF DIRECTORS**

Neil Reynolds, *President*
Diane Gibson, *Vice President*
Jenni Runestad, *Secretary*

**EAST ALLEN COUNTY SCHOOLS
BOARD OF SCHOOL TRUSTEES**

Tim Hines, *President*
Steve Screeton, *Vice President*
Jenny Blackburn, *Secretary*
Todd Buckmaster, *Member*
Cindy Diehl, *Member*
Pamela Dukes, *Member*
Beth Wood, *Member*

SCHOOL ADMINISTRATION

Marilyn Hisson, *Superintendent*
Pat McCann, *Chief Financial Officer*

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\$120,000,000*
East Allen Multi School Building Corporation
(Allen County, Indiana)
Ad Valorem Property Tax First Mortgage Bonds, Series 2025

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** Preliminary, subject to change.*

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SUMMARY STATEMENT

\$120,000,000*
East Allen Multi School Building Corporation
(Allen County, Indiana)
Ad Valorem Property Tax First Mortgage Bonds, Series 2025

(This Summary Statement contains certain information which has been summarized for quick reference only and does not purport to represent the significant matters contained in the documents described and exhibited elsewhere herein. Prospective investors should read the complete Official Statement including the Appendices.)

Issuer	East Allen Multi School Building Corporation, Allen County, Indiana (the "Building Corporation").
Securities Offered	\$120,000,000* Ad Valorem Property Tax First Mortgage Bonds, Series 2025 (the "Bonds").
Debt Presently Outstanding	See page A-12 in APPENDIX A for a listing of outstanding debt.
Security	The Bonds will be payable as to principal and interest from: (i) a lien on and security interest in the Mortgaged Property as described in the Trust Indenture (defined herein); and (ii) lease rental payments to be paid by the East Allen County Schools (the "School Corporation"). Rental payments by the School Corporation are payable from ad valorem taxes to be levied by the School Corporation on all taxable property located within the boundaries of the School Corporation; subject, however, to the tax credits authorized by Indiana Code Section 6-1.1-20.6 which provide taxpayers with tax credits 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 annually, to levy and appropriate funds sufficient to pay debt service on the Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and "CIRCUIT BREAKER TAX CREDIT" herein.
Rating	Program Rating: "AA+", Underlying Rating: "A+". See "RATINGS" herein.

* Preliminary, subject to change.

Anticipated Closing Date	_____, 2025.
Dated Date.....	Date of Delivery.
Interest Payment Dates	Semi-annually each January 15 and July 15, commencing July 15, 2026.
Maturity Dates.....	The Bonds will mature semi-annually each January 15 and July 15, from _____, 20__, through _____, 20__, inclusive, unless issued as term bonds as set forth herein.
Optional Redemption	The Bonds maturing on and after _____, 20__, are subject to optional redemption prior to maturity at the option of the Building Corporation, in whole or in part, on any date on or after _____, 20__, at the price of par plus interest accrued to the date of redemption.
Mandatory Sinking Fund Redemption .	The Bonds maturing on _____, 20__, are subject to mandatory sinking fund redemption on the dates and in the amounts as set forth herein.
Use of Proceeds.....	Proceeds from the Bonds will be used for the purpose of paying a portion of the costs of the construction, renovation and improvements to school facilities, including (1) construction of a new Leo Intermediate School, (2) renovations and construction of additions, including athletics additions, at Leo Junior/Senior High School, (3) renovations and construction of additions at Paul Harding Junior High School/East Allen University, and (4) renovations and deferred maintenance improvements at school facilities owned and operated by the East Allen County Schools (the "School Corporation") (collectively, the "Projects"), and the necessary and incidental costs of issuance of the Bonds.
Other Terms and Conditions	The Bonds will be issued in fully registered form in \$5,000 denominations or integral multiples thereof. The Bonds, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York. Purchases of beneficial interest will be made in book-entry-only form. The trustee, registrar and paying agent for the Bonds will be U.S. Bank Trust Company, National Association.

Continuing Disclosure

Pursuant to the Master Continuing Disclosure Undertaking, as amended and supplemented, executed by the School Corporation, as the obligated person and promisor, the School Corporation has covenanted to comply with the Securities and Exchange Commission Rule 15c2-12 as in effect on the date of delivery of the Bonds. See "CONTINUING DISCLOSURE" herein.

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PRELIMINARY OFFICIAL STATEMENT

\$120,000,000*

**East Allen Multi School Building Corporation
(Allen County, Indiana)**

Ad Valorem Property Tax First Mortgage Bonds, Series 2025

INTRODUCTION

The purpose of this Official Statement, is to provide information relating to the East Allen Multi School Building Corporation (Allen County, Indiana) \$120,000,000* Ad Valorem Property Tax First Mortgage Bonds, Series 2025 (the "Bonds"). The 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 Trust Indenture dated as of June 1, 2025 (the "Trust Indenture"), between the Building Corporation and U.S. Bank Trust Company, National Association, as trustee, registrar and paying agent (the "Trustee").

The Building Corporation was organized for the purpose of providing funds to be applied to the cost of acquiring real estate and constructing, renovating and expanding school facilities and leasing such facilities to the East Allen County Schools (the "School Corporation"). Other powers of the Building Corporation include the authority to refinance previously incurred indebtedness.

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 of 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.

PURPOSE OF THE ISSUE

Proceeds from the Bonds will be used for the purpose of paying a portion of the costs of the construction, renovation and improvements to school facilities, including (1) construction of a new Leo Intermediate School, (2) renovations and construction of additions, including athletics additions, at Leo Junior/Senior High School, (3) renovations and construction of additions at Paul Harding Junior High School/East Allen University, and (4) renovations and deferred maintenance improvements at school facilities owned and operated by the School Corporation (collectively, the "Projects"), and the necessary and incidental costs of issuance of the Bonds.

** Preliminary, subject to change.*

The first round of bids were received on May 20, 2025, and construction to began in June 2025. All projects are expected to be completed by November 28, 2025.

The Building Corporation will neither make nor permit the use of, and has directed the Trustee to make no use of, any of the proceeds of the Bonds which would cause said Bonds to be regarded as “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986 and such regulations adopted from time to time under said Section 148. The Building Corporation will comply throughout the term of the Bonds with the requirements of said Section 103 and 148 and any such applicable regulations.

THE LEASED PREMISES

The Leased Premises consists of the sites of the proposed (i) construction and renovation of the current Leo Elementary School located at 14811 Wayne Street, Leo, Indiana (which will become known as Leo Intermediate School upon completion of construction and renovation), and (ii) construction and renovation at Paul Harding Junior High School located at 6501 Wayne Trace, Fort Wayne, Indiana. Pursuant to a Lease Agreement dated May 20, 2025 (the “Lease”), the term of the Lease extends for a term commencing on the date of the issuance of the Bonds. The term of the Lease is 22 years or until the payment or defeasance of the Building Corporation’s bonds (including the Bonds) or until the School Corporation exercises its option to purchase the Leased Premises, whichever is the first to occur.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds related to the issuance of the Bonds and the payment of a portion of the costs of the Project and necessary and incidental costs related to the sale and delivery of the Bonds are shown below:

Sources of Funds

Bond Proceeds	\$ 120,000,000*
Original Issue Premium	_____
Total Sources of Funds	<u>\$ _____</u>

Uses of Funds

Project Costs	\$ _____
Costs of Issuance (1)	_____
Underwriter's Discount	_____
Total Uses of Funds	<u>\$ _____</u>

(1) Includes estimated fees for local counsel, bond counsel, counsel to the Underwriter, registrar, rating, and other miscellaneous expenses.

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* Preliminary, subject to change.

SCHEDULE OF SEMI-ANNUAL DEBT SERVICE REQUIREMENTS AND LEASE PAYMENTS

Payment <u>Date</u>	<u>Principal</u> *	<u>Interest</u>	Total Debt <u>Service</u>	Total Lease <u>Payment</u> **
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* Preliminary, subject to change.

** Each lease payment attributable to the Bonds is due on the June 30 and December 31 prior to the corresponding payment date on the Bonds.

THE BONDS

General Description

The Bonds will be issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof, will be dated as of the date 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 Bonds shall be payable semi-annually on January 15 and July 15 in each year beginning on July 15, 2026. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months from the interest payment date next preceding the date of authentication to which interest has been paid unless the Bond is authenticated on or before the last day of the month immediately preceding the first interest payment date, in which case interest shall be paid from the original date, or unless the Bond is authenticated after the last day of the month immediately preceding an interest payment date and on or before such interest payment date, in which case interest shall be paid from such interest payment date.

The interest on the Bonds shall be payable by check to registered owners or by wire transfer of immediately available funds on the interest payment date to the depositories shown as registered owners. Payment shall be made to the person or depository in whose name each Bond is registered on the fifteenth day preceding such interest payment date. The principal of, and premium on, the Bonds shall be payable by check, at the principal corporate trust office of the Trustee, or by wire transfer of immediately available funds to depositories who present the bonds to the Trustee; provided that the payment of principal of, and premium on, the Bonds at maturity thereof or prior redemption will only be paid upon presentation thereof at the principal corporate trust office of the Trustee in St. Paul, Minnesota. Principal payments in connection with mandatory sinking fund redemption hereunder do not require presentation of the Bonds for payment.

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

Book-Entry-Only System

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee

holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the 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 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Building Corporation as issuer (the "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 the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Building Corporation or the Trustee, as registrar. 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 and the School Corporation believe to be reliable, but the Building Corporation and the School Corporation take no responsibility for the accuracy thereof.

Discontinuation of Book-Entry System

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

In such event, each Bond would be transferable or exchangeable only upon the presentation and surrender thereof at the principal 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 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 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 Bond or Bonds so presented. The Building Corporation or the Trustee, as registrar, would require the owner of any Bonds to pay a sum sufficient to cover any tax, fee or other governmental charge required to be paid in connection with the transfer or exchange of such Bonds.

Optional Redemption of Bonds

The 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 Redemption

The Bonds maturing on _____, 20__ (the "Term Bonds"), are subject to mandatory sinking fund redemption on the dates 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 _____, 20__	Term Bonds due _____, 20__	Term Bonds due _____, 20__
___/___/20__ \$	___/___/20__ \$	___/___/20__ \$
___/___/20__(1)	___/___/20__(1)	___/___/20__(1)

(1) Denotes final maturity.

The Trustee, as paying agent, shall credit against the mandatory sinking fund requirement for any Term Bonds and corresponding mandatory redemption obligation, in the order determined by the Building Corporation, any Term Bonds maturing on the same date which have been previously redeemed (other than as a result of a previous mandatory redemption requirement) or delivered to the Trustee for cancellation or purchased for cancellation by the Trustee and not theretofore applied as a credit against any redemption obligation. Each Term Bond so delivered or canceled shall be credited by the Trustee, as paying agent, at 100% of the principal amount thereof against the mandatory sinking fund obligation of such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption

obligations, and the principal amount of that Term Bond to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Trustee shall only credit such Term Bonds to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date.

Notice and Effect of Redemption

Notice of redemption shall be given by the Trustee, as paying agent, by mailing a copy of the redemption notice by first-class mail at least thirty days (30) and not more than sixty (60) days prior to the redemption date to the owners of the Bonds to be redeemed as the names and addresses of the owners appear on the registration record as of the date of mailing the notice. No failure or defect in that notice with respect to any Bonds shall affect the validity of the proceedings for the redemption of any other 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 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 Bonds will cease to accrue, and the owners of the Bonds shall have no rights in respect thereof, except to receive payment of the redemption price including unpaid interest accrued to the redemption date.

Registration of Bonds, Transfer or Exchange

The Trustee, as registrar, will keep at its principal corporate trust office a record for the registration of all Bonds issued under the Trust Indenture which shall, at all reasonable times, be open for inspection by the Building Corporation. Each registered Bond is transferable only on such record at the principal corporate trust office of the Trustee, at the written request of the registered owner thereof or the registered owner's attorney duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the registered owner's duly authorized attorney. The Building Corporation and the Trustee, as registrar and paying agent, may deem and treat the person in whose name any Bond is registered as the absolute owner of such Bond for all other purposes whatsoever.

Mutilated, Destroyed, Stolen or Lost Bonds

In the event any Bond issued under the Trust Indenture is mutilated, lost, stolen or destroyed, the Trustee, as registrar and paying agent, must certify and deliver in exchange for and in place and upon cancellation of the mutilated Bond, or in lieu of and substitution for the same if destroyed, stolen or lost, new Bond of denomination and tenor, but which, in the discretion of the Trustee, may be marked in a manner to distinguish it from the Bond for which it was issued. In case of destruction, theft or loss, the applicant for a substituted bond shall furnish to the Trustee evidence of the destruction of such Bond so destroyed, which evidence must be satisfactory to the Trustee, in its discretion, and said applicant shall also furnish indemnity satisfactory to it in its discretion. The Trustee shall have the right to require the payment of the expense of issuing such replacement prior to the delivery of a new Bond.

ADDITIONAL BONDS

The Building Corporation may issue Additional Bonds ("Additional Bonds") on parity with the Bonds. Additional Bonds may be issued to provide for the refunding of outstanding Bonds, to pay the costs of improvements and for certain other limited purposes. Any improvements or other property purchased from Additional Bonds shall be limited to amounts which can be repaid, along with the Bonds, from lease rentals paid by the School Corporation pursuant to the Lease. The lease rental pursuant to the Lease is limited as stated therein.

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. All of the Bonds together with any Additional Bonds as may be issued on parity therewith under the Trust Indenture, are all to be equally and ratably secured and entitled to the protection given under the Trust Indenture including, but not limited to, payments under the Lease (as hereinafter defined).

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

The Lease provides for rental during renovation for the Leased Premises in the amount of up to \$14,500,000 per payment payable on June 30 and December 31 beginning on June 30, 2026, until completion of construction and renovations. Thereafter, each installment of rent is payable in advance for the following six-month period on June 30 and December 31, commencing on June 30, 2029, or on the date the construction and improvements upon Leased Premises are completed and ready for occupancy, whichever is later. The annual rent to be paid is \$30,000,000 per year, payable in equal semiannual installments.

The semi-annual rentals required to be paid by the School Corporation through the final maturity of the Bonds are in such amounts as are sufficient to pay the principal of and interest on all bonds outstanding under the Trust Indenture. The semi-annual rentals are payable from ad valorem 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; subject, however, to the tax credits authorized by Indiana Code Section 6-1.1-20.6 which provide taxpayers with tax credits attributable to different classes of property in an amount that exceeds certain percentages of the gross assessed value of that property. The levy of ad valorem taxes by the School Corporation to pay the rent due and payable under the Lease is mandatory and not subject to annual appropriation.

As described in the Trust Indenture, the Bonds are additionally secured by a lien on the Leased Premises.

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

Under the Lease, if for any reason the Leased Premises are partially or totally destroyed or unfit for occupancy, the rental 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 facilities due to casualty for a period of two years. In addition, the School Corporation is required to insure the Leased Premises against physical damage, however caused, 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" in this Official Statement.

LEGISLATION AFFECTING OBLIGATIONS OF INDIANA SCHOOL CORPORATIONS

Indiana Code Title 20, Article 48, Chapter 1, Section 11, as amended (the "Intercept Act"), provides that the Department of Local Government Finance (the "DLGF") shall review levies and appropriations of school corporations for general obligation bonds and lease rental purposes. In the event a school corporation fails to levy and appropriate sufficient funds for such purpose, the DLGF shall establish levies and appropriations which are sufficient to pay such obligations.

The Intercept Act further provides that upon failure of any school corporation to make general obligation bond and lease rental payments when due and upon notice and claim, the Treasurer of the State of Indiana shall make such payments from the funds of the State to be paid to such school corporation (the "State Intercept Program"). Such payments are limited to the amounts appropriated by the General Assembly for distribution to the school corporation from State funds in the calendar year. Such general obligation bond and lease rental payments made by the State Treasurer would then be deducted from monthly state distributions being made to the school corporation. The estimated State distributions for 2025 and resulting debt service coverage levels are as follows:

2025 Estimated State Grants:	\$ 86,939,438
Estimated Combined Maximum Annual Debt Service ⁽¹⁾	26,594,550
State distributions required to provide one and one-half times coverage ⁽¹⁾	39,891,833
State distributions above one and one-half coverage amount ⁽¹⁾	47,047,605

⁽¹⁾ Based upon the estimated total debt service for 2025. Preliminary, subject to change.

PROPOSED LEGISLATION

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

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

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

As one example, Indiana Governor Michael Braun signed Senate Enrolled Act 1 ("SEA 1") into law on Monday, 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 of Indiana, 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 cannot predict the outcome of any such federal or state proposals as to passage, ultimate content or impact if passed, or timing of consideration or passage. Purchasers of the Bonds should reach their own conclusions regarding the impact of any such federal or state proposals.

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.

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), which implements the Constitutional Provision and provides taxpayers with a tax credit for all property taxes in an amount that exceeds a certain percentage of the gross assessed value of eligible property. See "CIRCUIT BREAKER TAX CREDIT" herein for further details on the levy and collection of property taxes.

Real and personal property in the State is assessed each year as of January 1. 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), and after taking into account the DLGF's estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the taxing unit will receive in the ensuing year 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 Indiana Code § 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) before the 2025 assessment date, (ii) one million dollars (\$1,000,000) for the 2025 assessment date; and (iii) 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 Indiana Code § 6-1.1-4-13, 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, as discussed below, 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 Indiana Code § 6-1.1-4-4.2(a), as amended, for the cyclical reassessment (2022-2026), the county assessor was required to submit the reassessment plan to the DLGF before May 1, 2021, and the DLGF was required to approve the reassessment plan before January 1, 2022. The reassessment of 25% of the parcels had to be complete by January 1, 2024. 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 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.

CIRCUIT BREAKER TAX CREDIT

Description of Circuit Breaker

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

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

The Constitutional Provision excludes from the application of the Circuit Breaker Tax Credit property taxes first due and payable in 2012, and thereafter, that are imposed after being approved by the voters in a referendum. The Statute codifies this exception, providing that, with respect to property taxes first due and payable in 2012 and thereafter, property taxes imposed after being approved by the voters in a referendum will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute.

The Statute requires political subdivisions to fully fund the payment of outstanding debt service or lease rental obligations payable from property taxes (“Debt Service Obligations”), regardless of any reduction in property tax collections due to the application of the Circuit Breaker Tax Credit. For school corporations, any shortfall could also be funded through the State Intercept Program (herein defined); however, application of the State Intercept Program will result in a shortfall in distributions to the school corporation's 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 Indiana Code § 6-1.1-20.6-9.9, if a school corporation has sufficient Circuit Breaker Tax Credit losses in any year from 2019 through 2023, and has such annual losses timely certified by 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 its Circuit Breaker Tax Credit loss proportionately across all school corporation property tax funds, including the debt service fund, and is exempt from the protected taxes requirement described below. The School Corporation did not qualify for this exemption in 2024, and does not expect to qualify in 2025.

For Circuit Breaker Tax Credit losses allocated after December 31, 2023, if a school corporation after July 1, 2023, issues new bonds or enters into a new lease rental agreement, for which the school corporation is imposing or will impose a debt service levy other than: (i) 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 (ii) for indebtedness that is approved in a local public question or referendum under Indiana Code § 6-1.1-20 or any other law, then the school corporation will not be eligible to allocate its Circuit Breaker Tax Credit loss proportionately.

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

If the allocation of property tax reductions to funds receiving only unprotected taxes is insufficient to offset the amount of the Circuit Breaker Tax Credit 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 of Indiana or legislation enacted, regulations or rulings promulgated or issued to implement any such regulations, statutes or the Constitutional Provision described above or of future property tax reform in general. There has been no judicial interpretation of this legislation. In addition, there can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes by the School Corporation.

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 2020 through 2025⁽¹⁾ are as follows:

BUDGET YEAR	CIRCUIT BREAKER CREDIT AMOUNT ⁽¹⁾
2020	\$ 781,517
2021	789,096
2022	987,861
2023	877,085
2024	902,194
2025 (est)	1,843,209

(1) *These estimates do not include estimated debt service on Bonds or lease rentals on Lease securing the Bonds.*

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

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 Business Corporation Act, as amended, for not-for-profit purposes including the erecting and leasing of school buildings to the School Corporation. During its existence, the Building Corporation will operate entirely without profit to the Building Corporation, its officers and directors. The officers and directors of the Building Corporation serve without compensation.

LEGAL MATTERS

Certain legal matters incident to the issuance of the Bonds and with regard to the tax status of the interest thereon will be passed upon by Ice Miller LLP, Indianapolis, Indiana, as bond counsel ("Bond Counsel"). A signed copy of the opinion for the Bonds, dated and premised on facts and laws existing as of the date of original delivery of the 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 Bonds is attached as APPENDIX C. Certain legal matters will be passed on by Faegre Drinker Biddle & Reath LLP, Fort Wayne, Indiana, counsel for the Building Corporation and the School Corporation. Certain legal matters will be passed upon for the Underwriter by its counsel Taft Stettinius & Hollister LLP, Indianapolis, 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, said firm has reviewed those portions of this Official Statement under the captions: "THE BONDS (except "Book-Entry-Only System" and "Discontinuation of Book-Entry System" therein)," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS," "TAX MATTERS," "ORIGINAL ISSUE DISCOUNT," "AMORTIZABLE BOND PREMIUM," "LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES," "APPENDIX C - FORM OF OPINION OF BOND COUNSEL," "APPENDIX D - MASTER CONTINUING DISCLOSURE UNDERTAKING WITH AMENDMENTS AND SUPPLEMENTS THERETO" "APPENDIX F - SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE," and "APPENDIX G - SUMMARY OF CERTAIN PROVISIONS OF THE LEASE." 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, the Underwriter, the prospective purchasers of the Bonds or others.

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 was 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 Bonds or the authorization of the Bonds. Certificates to such effect will be delivered at the time of the original delivery of the Bonds.

TAX MATTERS

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

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

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 Bonds.

Although Bond Counsel will render an opinion in the form attached as APPENDIX C hereto, the accrual or receipt of interest on the Bonds may otherwise affect a bondholder's federal income tax or state tax liability. The nature and extent of these other tax consequences will depend upon the bondholder's particular tax status and a bondholder's other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, individuals, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Bonds.

Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Bonds should consult their own tax advisors with regard to the other tax consequences of owning the Bonds.

ORIGINAL ISSUE DISCOUNT

The initial public offering price of the 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 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 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 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.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

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

The remedies available to the bondholders upon a default under the 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 Bonds.

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

These exceptions would encompass any exercise of federal, State or local police powers (including the police powers of the 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 as of May 9, 2017, as previously amended by a First Amendment to Master Continuing Disclosure Undertaking dated as of October 1, 2019, and as previously supplemented by a First Supplement Master Continuing Disclosure Undertaking, a Second Supplement to Master Continuing Disclosure Undertaking and a Third Supplement to Master Continuing Disclosure Undertaking (as supplemented and amended, the "Original Undertaking"). In connection with the issuance of the Bonds the School Corporation will enter into a Fourth Supplement to Master Continuing Disclosure 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 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 Bonds, as determined either by (A) nationally recognized bond counsel or (B) an approving vote of the holders of the Bonds pursuant to the terms of the 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 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 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 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 fully complied with its previous undertakings in all material respects.

UNDERWRITING

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"). The Underwriter has agreed to purchase the Bonds at a price of \$_____ (which represents the par amount of the Bonds plus original issue premium of \$_____ and less Underwriter's Discount of \$_____). The Underwriter will purchase all of the Bonds. The initial offering prices may be changed from time to time by the Underwriter.

The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the offering prices set forth on the inside cover page hereof.

The Underwriter 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. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the School Corporation and to persons and entities with relationships with the School Corporation, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, the Underwriter 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 School Corporation (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the School Corporation.

The Underwriter 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 School Corporation

RATING

S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P"), has assigned a rating of "AA+" to the Bonds based upon the Indiana State Intercept Program (see "LEGISLATION AFFECTING OBLIGATIONS OF INDIANA SCHOOL CORPORATIONS" above). Standard & Poor's has assigned an issuer credit rating of "A+". Such rating reflects only the view of S&P and any explanation of the significance of such rating may be obtained from S&P. This rating is not a recommendation to buy, sell or hold the Bonds. There is no assurance that the rating will remain in effect for any given period of time or that the rating will not be lowered or withdrawn entirely by S&P if, in their judgment, circumstances so warrant.

The Underwriter has undertaken no responsibility to bring to the attention of the owners of the Bonds any proposed revision or withdrawal of the rating of the Bonds or to oppose any such proposed revision or withdrawal. The Building Corporation or the School Corporation has agreed to provide notice of any rating change as described in the Undertaking. Any such downward revision or withdrawal of rating may have an adverse effect on the market price or marketability of the Bonds. No other ratings have been applied for by the Building Corporation or the School Corporation in connection with the 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 their 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, or (4) 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 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 recently 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.

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.

CONCLUDING STATEMENT

The foregoing summaries and statements 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 Bonds are referred to the documents, including the Trust Indenture and the Lease, for the details of all terms and conditions thereof relating to the Project and the 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 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.

The presentation of historical tax and other financial data exhibited elsewhere herein is intended to show recent trends and conditions. There is no intention to represent by such data that such trends will continue in the future, nor that any pending improvement or diminution of local conditions is indicated thereby.

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 Bonds.

EAST ALLEN MULTI SCHOOL BUILDING
CORPORATION, INDIANA

Dated: _____, 2025

By: _____
President, Board of Directors

EAST ALLEN COUNTY SCHOOLS, INDIANA

Dated: _____, 2025

By: _____
President, Board of School Trustees

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APPENDIX A

EAST ALLEN COUNTY SCHOOLS

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**APPENDIX A
EAST ALLEN COUNTY SCHOOLS**

General

East Allen County Schools, Allen County, Indiana (the "School Corporation") is a school corporation and a political subdivision under and governed by the general laws of the State. It is charged with the responsibility of providing public school education to the children within its boundaries. In 1964 the School Corporation was reorganized and includes the territory of eleven townships in Allen County, Indiana (the "County") encompassing 344 square miles. In addition to most of Adams Township, Cedar Creek, Jackson, Jefferson, Madison, Marion, Maumee, Milan, Monroe, Scipio and Springfield Townships, a small portion of Fort Wayne, the cities of New Haven, Woodburn, Monroeville, and Leo-Cedarville comprise the boundaries. The City of New Haven, where administrative offices are located, is immediately east of Fort Wayne and 130 miles northeast of Indianapolis.

School Board

<u>Name</u>	<u>Expiration of Term</u>
Mr. Timothy E. Hines President	12/31/2026
Mr. Steven M. Screeton, Vice President	12/31/2028
Ms. Jennifer L. Blackburn, Secretary	12/31/2028
Mr. Todd C. Buckmaster, Member	12/31/2028
Ms. Cynthia L. Diehl, Member	12/31/2028
Ms. Pamela G. Dukes, Member	12/31/2026

Source: The School Corporation

Administration

<u>Name</u>	<u>Title</u>	<u>Years of Service</u>
Marilyn Hisson	Superintendent	8
Teresa Knoblauch	Assistant Superintendent of Elementary Education	8
Robby Goodman	Assistant Superintendent of Secondary Education	1
Pat McCann	Chief Financial Officer	4
Angie Thompson	Director of Development and Federal Programs	3
Chris Baker	Director of Facilities	5
Dan Krleski	Director of Food Service	10
Patty Prosser	Executive Director of Human Resources	2
Cassandra Lepper	Executive Director of Special Services	3
Michelle Wenglikowski	Director of Student Services	10
Keith Madsen	Director of Technology	10
Janet Good	Director of Transportation	2

Source: The School Corporation

Personnel

As of June 10, 2025, the School Corporation employed a total staff of 1,301 personnel. These personnel are categorized as follows:

<u>Staffing Category</u>	<u>Employees</u>
Administration	55
Teachers and other Certified Staff	665
Support Staff	<u>581</u>
Totals:	1,301

Source: The School Corporation

Employment Relations

The School Corporation's employees are represented by the following labor organizations. The School Corporation considers its relationship with the employee groups to be excellent.

<u>Organization Represents</u>	<u>Represent</u>	<u>Expiration Date</u>
East Allen Educators Association	Certified Employees & Teachers	06/30/2025*
East Allen County Schools Custodian Association	Custodian Employees	12/31/2025
East Allen County Schools Maintenance Association	Maintenance Employees	12/31/2025
East Allen County Transportation Association	Transportation Employees	12/31/2025

Source: The School Corporation

** Informal teacher union contract are ongoing, but pursuant to Indiana state law, formal negotiations begin after September 15 and must be ratified by November 15, following the expiration of the prior contract*

Facilities

In addition to the office and service centers, the following school buildings currently house the educational programs for the School Corporation. Summary information about the schools presented by selected category follows:

<u>Name of School</u>	<u>Grades</u>	<u>Original Construction</u>	<u>Last Addition/ Renovation</u>
New Haven Primary	PK-2	1967	2016
Leo Elementary	4 -6	1932	2017
Cedarville Elementary	K-3	1998	2017
New Haven Intermediate	3-6	2019	----
Southwick Elementary	PK-2	1966	2017
Prince Chapman Academy	3-6	2002	----
Heritage K-12 School	K-12	1968	2012
Leo Jr.-Sr. High School	7-12	1953	2000
New Haven Jr.-Sr. High School	7-12	1977	2019
Paul Harding Junior High/East	7-12	1973	2017
Allen University			
Woodlan K-12 School	K-12	1958	2012
East Allen Career Center	7-12	1961	2020
Service Center	N/A	1985	----
(Maint/Transportation)	N/A	1960	2021
Administrative Building	N/A	1953	2017
Administration Annex Building			

Source: The School Corporation

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 three years. The projections are the internal estimates based on a consultant's demographic study in 2023 and Legislative Services Agency estimates in 2025.

<u>Academic Year</u>	<u>Actual Enrollment</u>	<u>Academic Year</u>	<u>Projected Enrollment</u>
2020-21	9,749	2025-26	10,000
2021-22	9,996	2026-27	10,000
2022-23	9,958	2027-28	10,000
2023-24	9,859		
2024-25	10,012		

Source: The School Corporation

Net Assessed Valuation

Annual net assessed valuation totals of the School Corporation are shown below. In Indiana, statutory provisions for assessment of land, improvements, and personal property specify true tax value as assessed valuation. Criteria for determination of true tax value are established by the Indiana Department of Local Government Finance. Assessed valuation is reduced by various exemptions for homesteads, mortgages, and abatements.

Tax Payment <u>Year</u>	Net Assessed <u>Valuation</u>	Tax Payment <u>Year</u>	Net Assessed <u>Valuation</u>
2016	\$2,395,545,599	2021	\$3,024,579,191
2017	2,456,076,526	2022	3,186,179,625
2018	2,509,824,574	2023	3,754,536,944
2019	2,654,158,902	2024	4,147,102,123
2020	2,856,782,243	2025	4,632,506,835

Source: Indiana Department of Local Government Finance

Gross Assessed Valuation

Annual gross assessed valuation totals of the School Corporation are shown below. In Indiana, statutory provisions for assessment of land, improvements, and personal property specify true tax value as assessed valuation. Criteria for determination of true tax value are established by the Indiana Department of Local Government Finance.

Tax Payment <u>Year</u>	Gross Assessed <u>Valuation</u>	Tax Payment <u>Year</u>	Gross Assessed <u>Valuation</u>
2016	\$4,065,511,420	2021	4,862,886,341
2017	4,049,795,847	2022	5,364,408,039
2018	4,280,127,491	2023	6,174,193,520
2019	4,521,304,770	2024	7,001,918,023
2020	4,833,293,070	2025	7,591,269,179

Source: Allen County Auditor

Largest Taxpayers

The ten largest taxpayers for the year 2024 in the School Corporation account for approximately 6.93% of the 2025 Net Assessed Valuation (\$4,632,506,835) of the School Corporation and are listed below:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>% of Net Assessed Valuation</u>
Uniroyal Goodrich/Michelin	Tire Manufacturer	\$101,025,020	2.18 %
Indiana Michigan Power/ AEP Indiana	Electric Utility	93,084,450	2.01 %
Archer-Daniels-Midland/ ADM Co	Grain Processing	20,834,530	0.45 %
SDI Lafarga LLC	Metal Fabricator	20,117,565	0.43 %
Norfolk Southern Railway Co	Railway	19,058,920	0.41 %
Superior Aluminum Alloys	Smelting	16,811,571	0.36 %
BMP Real Estate Holdings LLC	Real Estate	13,761,300	0.30 %
Kings Crossing LP	Logistics – FedEx	13,297,300	0.29 %
Jehl Apartments LLC	Housing	11,938,940	0.26 %
Cedar CDT/East/North/South/Oak/Plaza/Prod	Construction	<u>11,114,957</u>	<u>0.24 %</u>
	Total:	\$321,044,553	6.93 %

Source: Allen County Auditor

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 Allen County Auditor. 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.

School Tax Rates

The following property tax rates (per \$100 of assessed valuation), as reported for the School Corporation, are gross rates.

<u>Fund</u>	<u>Tax Rate</u>				
	2021	2022	2023	2024	2025
Debt Service	\$0.2642	\$0.2881	\$0.2551	\$0.3803	\$0.5430
Pension Debt Service*	0.0215	0.0153	0.0046	0.0000	0.0000
Operations (1)	0.5684	0.5696	0.5166	0.4907	0.4569
Total	\$0.8541	\$0.8730	\$0.7763	\$0.8710	\$0.9999

(1) Beginning in 2019, the School Corporation combined the former Transportation Fund, Bus Replacement Fund and Capital Project Fund to make the Operations Fund.

Source: Indiana Department of Local Government Finance

*Prior Pension Bonds have fully matured and are no long outstanding

Taxes Levied and Collected

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

Collection	Taxes	Circuit	Net	Taxes	Percent
<u>Year</u>	<u>Levied</u>	<u>Breaker</u>	<u>Taxes</u>	<u>Collected</u>	<u>Collected</u>
2019	23,736,143	824,526	22,911,617	23,117,877	100.90%
2020	24,236,940	781,517	23,455,423	23,948,112	102.10%
2021	25,832,931	789,096	25,043,835	24,648,960	98.42%
2022	27,815,347	987,861	26,827,486	26,741,206	99.68%
2023	29,146,470	877,085	28,269,385	28,663,108	101.39%
2024	36,121,259	902,194	35,219,065	35,127,844	99.74%
2025 est*	46,320,436	1,843,209	44,477,227	-- In Process --	--

Source: Indiana Department of Local Government Finance; School Corporation Biannual Financial Reports (Form 9)

* Preliminary, subject to change.

Collections are shown on an accrual basis and 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 loans. Taxes due each year are due in two installments, May and November.

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 Education. The most recent audit by the State Board of Accounts was filed March 21, 2024, for the period July 1, 2021 to June 30, 2023. The current audit period for the School Corporation will end on June 30, 2025. The School Corporation does not control the timing of audit reviews by the State Board of Accounts.

The School Corporation maintains three principal funds: the Education, the Debt Service Fund, and the Operations Fund.

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 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 for the payment of costs of transporting students and purchasing 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, 2021 to June 30, 2023, is included as Appendix B 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.

East Allen County Schools **Statement of Receipts and Expenditures**

	2020	2021	2022	2023	2024
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
EDUCATION FUND (1)					
Jan. 1 Balance	\$ 19,562,999	\$ 19,781,317	\$ 21,877,820	\$ 24,191,896	\$ 27,164,579
Receipts					
Property Taxes	-	-	-	-	-
Fin. Inst., Excise Taxes	-	-	-	-	-
Local Option Prop. Tax Replacement	-	-	-	-	-
Other Local Sources	684,431	310,193	772,306	2,407,376	3,214,942
County & Intermediate	617	554	534	530	516
State Aid	68,840,931	71,761,751	76,008,569	80,129,177	85,384,243
Adjustments & Refunds	53,436	30,234	36,893	41,474	1,852,828
Interim Loans	-	-	-	-	-
Total Receipts	69,579,415	72,102,732	76,818,303	82,578,557	90,452,529
Expenditures	69,361,098	70,006,228	74,504,227	79,605,873	88,117,036
Dec. 31 Balance	\$ 19,781,317	\$ 21,877,820	\$ 24,191,896	\$ 27,164,579	\$ 29,500,072
DEBT SERVICE FUND					
Jan. 1 Balance	\$ 2,608,284	\$ 2,383,104	\$ 2,373,845	\$ 2,370,137	\$ 2,186,862
Receipts					
Property Taxes	7,250,173	7,835,561	9,112,090	9,646,257	15,674,443
Fin. Inst., Excise Taxes	757,195	835,271	893,523	839,425	1,108,965
Local Option Prop. Tax Replacement	-	-	-	-	-
Other Local Sources	35,671	-	-	-	-
Adjustments & Refunds	-	-	-	-	-
Interim Loans	-	-	-	-	-
Total Receipts	8,043,038	8,670,832	10,005,613	10,485,682	16,783,408
Expenditures	8,268,218	8,680,091	10,009,320	10,668,957	16,930,456
Dec. 31 Balance	\$ 2,383,104	\$ 2,373,845	\$ 2,370,137	\$ 2,186,862	\$ 2,039,815
OPERATIONS FUND (1)					
Jan. 1 Balance	\$ 14,796,290	\$ 15,797,600	\$ 16,675,529	\$ 19,727,953	\$ 20,599,178
Receipts					
Property Taxes	16,031,145	16,178,014	17,145,016	18,843,200	19,453,401
Fin. Inst., Excise Taxes	1,754,112	1,797,003	1,766,576	1,699,909	1,430,894
Local Option Prop. Tax Replacement	-	-	-	-	-
Other Local Sources	293,021	368,596	171,074	673,958	1,831,748
County & Intermediate	-	-	-	-	-
State Aid	-	-	-	-	-
Transfers	7,642,597	7,890,469	8,145,300	8,817,672	9,295,229
Other Sources	-	-	364,678	-	-
Total Receipts	25,720,874	26,234,081	27,592,644	30,034,740	32,011,271
Expenditures	24,719,564	25,356,152	24,540,220	29,163,514	33,203,792
Dec. 31 Balance	\$ 15,797,600	\$ 16,675,529	\$ 19,727,953	\$ 20,599,178	\$ 19,406,657
PENSION DEBT SERVICE FUND					
Jan. 1 Balance	\$ 380,980	\$ 396,025	\$ 369,893	\$ 172,701	\$ 105,545
Receipts					
Property Taxes	666,794	635,386	484,100	173,650	-
Fin. Inst., Excise Taxes	69,829	67,972	47,452	15,137	-
Other Local Sources	-	-	-	107,760	-
Total Receipts	736,624	703,358	531,552	296,547	-
Expenditures	721,578	729,491	728,744	363,703	105,545
Dec. 31 Balance	\$ 396,025	\$ 369,893	\$ 172,701	\$ 105,545	\$ -

Source: School Corporation Biannual Financial Reports (Form 9)

Cash Balances by Funds

<u>Dec. 31</u>	<u>General / Education (1)</u>	<u>Debt Service</u>	<u>Pension Debt Service</u>	<u>Operations (1)</u>	<u>Rainy Day</u>	<u>Other (2)</u>	<u>Total</u>
2019	\$19,562,999	\$2,608,284	\$380,980	\$14,796,290	\$4,394,419	\$12,884,311	\$54,627,283
2020	19,781,317	2,383,104	396,025	15,797,599	1,325,987	16,781,715	56,465,747
2021	21,877,820	2,373,845	369,893	16,675,529	1,318,207	16,441,535	59,056,829
2022	24,191,896	2,370,137	172,701	19,727,953	1,779,444	10,008,654	58,250,785
2023	27,164,579	2,186,862	105,545	20,599,178	2,500,000	21,523,336	74,079,500
2024	29,500,072	2,039,815	0	19,406,657	6,000,000	29,992,298	86,938,841

Source: School Corporation Biannual Financial Reports (Form 9)

(1) Beginning in 2019, the School Corporation created the Education Fund to replace the General Fund and combined the Transportation Fund, Bus Replacement Fund and the Capital Projects Fund to make the Operations Fund.

(2) A portion of these funds are from bond proceeds. As of December 31, 2024 the amount of bond proceeds was \$18,549,406.

Anticipated Receipts & Disbursements Calendar Year 2025 Budget

	<u>Debt Service Fund</u>	<u>Education Fund (1)</u>	<u>Operations Fund (1)</u>
Receipts:			
Property Tax	\$25,154,512	\$0	\$20,205,924*
Bank & Excise	1,236,103	0	1,040,103
State Grants	0	86,874,438	0
Miscellaneous	<u>0</u>	<u>2,865,000</u>	<u>9,582,184</u>
Total	\$26,390,615	\$89,739,438	\$30,828,211
Disbursements/Max. Appropriation	\$26,594,550	\$103,521,350	\$37,585,572

*Includes Property Tax Cap of \$960,000

Source: The School Corporation

(1) Beginning in 2019, the School Corporation replaced the General Fund with Education Fund and combined the Transportation Fund, Bus Replacement Fund and Capital Projects Fund to make the Operations Fund.

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</u>
2019	67,296,105
2020	68,840,930
2021	73,340,050
2022	77,938,489
2023	89,095,773
2024	87,982,087
2025 Est.	86,939,438

Source: School Corporation Biannual Financial Reports (Form 9) and the School Corporation

Indebtedness

The bond and lease indebtedness of the School Corporation and the underlying and overlapping taxing units associated with the School Corporation summarized below as of July 16, 2025, assuming issuance of the Bonds.

		<u>Per Capita</u>	<u>Percent of Assessed Valuation</u>
Net Assessed Value (2025)	\$ 4,632,506,835	\$67,188	----
Direct Debt	219,035,000	3,177	4.73%
Overlapping & Underlying Debt	304,721,607	4,420	6.58%
Total Debt	<u>\$ 523,756,607</u>	<u>7,596</u>	<u>11.31%</u>
2023 Estimated Population	68,948		

The following tabulation itemizes the outstanding and expected principal amount of long-term indebtedness of the School Corporation and its overlapping and underlying taxing units.

<u>Direct Debt</u>	<u>Issued</u>	<u>Amount</u>	<u>Maturity</u>	<u>Outstanding</u>
General Obligation Bonds of 2020	9/22/2020	\$ 4,950,000	2025	\$ 555,000
General Obligation Bonds of 2021	10/21/2021	4,885,000	2026	1,885,000
General Obligation Bonds of 2023	4/13/2023	11,515,000	2027	8,800,000
General Obligation Bonds of 2023B	11/21/2023	6,020,000	2025	1,425,000
General Obligation Bonds of 2024	11/21/2024	15,740,000	2030	11,355,000
Total Direct Debt:		\$ 43,110,000		\$ 24,020,000

Lease Obligations- School Building Corporation

Series 2017	9/28/2017	\$ 76,010,000	2037	\$ 63,415,000
Series 2022 Rfdg.	12/28/2022	16,425,000	2032	11,600,000
Series 2025 (this issue)	—/—/—	120,000,000		120,000,000
Total Lease Obligations:		\$ 212,435,000		\$ 195,015,000

<u>Underlying and Overlapping Tax Supported Debt (2)</u>	<u>Applicable</u>		
	<u>Outstanding Amount</u>	<u>Percent</u>	<u>Amount</u>
City of New Haven	\$ 11,930,000	100.00%	\$ 11,930,000
Allen County	221,295,000	19.27%	42,640,664
Ft. Wayne-Allen County Airport Authority	23,690,000	19.27%	4,564,754
City of Fort Wayne	76,538,183	34.04%	26,056,157
Milan Township	495,032	100.00%	495,032
Total Overlapping Debt:	<u>\$ 333,948,215</u>		<u>\$ 85,686,607</u>

Sources: Direct Debt from School Corporation; other from Dep't. of Local Government Finance "Gateway".

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

Combined Debt Service Requirements

The tabulation below sets forth the combined annual debt service and lease requirements for all loans, leases and other long term obligations of the School Corporation.

	First Mortgage Bonds	General Obligation Bonds	General Obligation Bonds	First Mortgage Refunding Bonds	General Obligation	General Obligation	General Obligation	First Mortgage Bonds*	
<u>Year</u>	<u>Series 2017</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Series 2023B</u>	<u>2024</u>	<u>2025</u>	<u>Total</u>
2025	\$5,725,000	\$1,133,350	\$1,188,125	\$2,125,500	\$3,699,925	\$2,926,675	\$9,795,975		\$26,594,550
2026	5,723,000		1,391,000	2,123,000	5,707,675		1,878,300	\$6,000,000	22,822,975
2027	5,724,000			2,114,000			1,879,300	5,200,000	14,917,300
2028	5,728,000			2,106,500			1,881,300	5,200,000	14,915,800
2029	5,724,010			2,095,000			1,883,925	5,200,000	14,902,935
2030	5,726,000			2,089,500				5,200,000	13,015,500
2031	6,125,000			2,092,000				5,200,000	13,417,000
2032	7,972,000							5,200,000	13,172,000
2033	7,969,000							5,200,000	13,169,000
2034	7,971,000							5,200,000	13,171,000
2035	7,978,000							5,200,000	13,178,000
2036	7,973,000							5,200,000	13,173,000
2037	7,975,000							5,200,000	13,175,000
2038								8,980,000	8,980,000
2039								8,980,000	8,980,000
2040								8,980,000	8,980,000
2041								8,980,000	8,980,000
2042								8,980,000	8,980,000
2043								8,980,000	8,980,000
2044								8,980,000	8,980,000

*This Issue. Preliminary and subject to change.

Source: The School Corporation

Future Financing

The School Corporation has previously completed the formal steps for capital borrowing of approximately \$192,435,000 from fall 2024 to fall 2026 to address districtwide projects. The \$120,000,000 described in this Official Statement is derived from this aggregate authorization.

The School Corporation is also considering the issuance of approximately \$6,600,000 of General Obligation Bonds to be issued in this calendar year 2025.

Short Term Borrowing

The School Corporation has short-term indebtedness and plans to issue short-term indebtedness for district wide renovations.

Debt Payment History

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

Pension and 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/Education Fund was \$3,401,195, \$3,571,660 and \$3,679,906 in calendar years 2022, 2023 and 2024, respectively. The School Corporation's contribution for the fiscal year ended June 30, 2025 was \$3,758,793.

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, 2021, there were 334 school corporations in the State with employees in the Pre-1996 Account. 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, 2021, there were 382 school corporations in the State with employees in the 1996 Account.

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. During the Fiscal Year ending June 30, 2022, the Pre-1996 Account received a special appropriation of \$545.4 million, per the excess reserve provisions under the applicable Indiana Code sections. 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. 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 INPRS Board of Directors 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, 2019, employers were required to contribute 7.5% of their active participant payroll to the defined benefit plan. Effective July 1, 2019, this rate changed to 5.5%. Effective July 1, 2022, this rate changed to 6.0%, and such rate continued to apply through June 30, 2023. All 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 by adjusting the member's wages, and the A-14 School Corporation does so on behalf of its employees. The School Corporation's total contributions to the Fund for the years ended June 30, 2022, 2023 and 2024 were \$3,437,534, \$3,864,965 and \$4,131,240 respectively. The School Corporation's contribution for the fiscal year ended June 30, 2025 was \$4,104,583 for 2025.

According to the latest actuarial valuation, as of June 30, 2022, the actuarial accrued liability for the Pre-1996 Account was \$14.059 billion and the actuarial value of assets was \$5.273 billion, resulting in an unfunded accrued liability of \$8.785 billion and a funded ratio of 37.51%. As of June 30, 2022, the actuarial accrued liability for the 1996 Account was \$8.155 billion and the actuarial value of assets was \$7.716 billion, resulting in an unfunded accrued liability of \$439 million and an unfunded ratio of 94.62%.

Public Employees Retirement Fund

All full-time non-certified employees of the School Corporation are covered under the Public Employees Retirement Fund of Indiana ("PERF"). PERF consists of: (i) a defined benefit contribution plan, and (ii) a defined contribution plan. Based on census data as of June 30, 2021, there were approximately 1,233 total employer PERF active accounts statewide making contributions.

The INPRS Board sets, at its discretion, the applicable employer contribution rates upon considering their results of the actuarial valuation and other analysis as appropriate. The School Corporation currently contributes at a rate of 11.2% of earned salary or compensation. Employees are required to contribute 3% of their compensation to fund the defined contribution portion of the PERF; however, employers may "pick up" the employee contributions. The School Corporation does not make the 3% contribution on behalf of its employees.

The School Corporation's total contributions to PERF for the years ended June 30, 2022, 2023 and 2024 were \$2,149,788, \$2,285,051 and \$2,481,156 respectively. The School Corporation's contribution for the fiscal year ended June 30, 2025 was \$2,495,496

According to the latest actuarial valuation, as of June 30, 2022, the actuarial accrued liability for PERF was \$18.002 billion and the actuarial value of assets was \$15.275 billion, resulting in a net pension liability of \$2.726 billion and an unfunded ratio of 84.9%.

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

The School Corporation has entered into agreements with teachers and has policies relating to its administrators and other staff, that provide employees who retire, after meeting certain eligibility requirements, with the balances of 401(a) accounts, 403(b) accounts and VEBA accounts. These accounts are for the benefit of the employees and are funded through School Corporation contributions annually. Employees are not entitled to any post-retirement benefits from the School Corporation beyond their vested balances in the various retirement accounts. Eligible retirees and their spouses may also remain on the School Corporation's group health plan until Medicare eligibility, but are responsible for paying the full amount of premiums.

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APPENDIX B

GENERAL INFORMATION ABOUT THE COMMUNITY

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**East Allen Multi School Building Corporation
(Allen County, Indiana)**

GENERAL INFORMATION ABOUT THE COMMUNITY

Location

• The East Allen County Schools (the “School Corporation”) is a school corporation and a political subdivision under and governed by the general laws of the State. It is charged with the responsibility of providing public school education to the children within its boundaries. In 1964 the School Corporation was reorganized and includes the territory of eleven townships in Allen County, (the “County”) Indiana, encompassing 344 square miles. The School Corporation is comprised of Cedar Creek, Jackson, Jefferson, Madison, Marion, Maumee, Milan, Monroe, Scipio and Springfield Townships and most of Adams Township, and the Cities of New Haven, Woodburn, and Leo-Cedarville; a small portion of the City of Fort Wayne, and the Towns of Grabill and Monroeville are located within its boundaries. The City of New Haven, where administrative offices are located, is immediately east of Fort Wayne and 130 miles northeast of Indianapolis.

Population

• General populations for the units of local government which comprise the School Corporation are:

	<u>2000</u>	<u>2010</u>	<u>2015</u>	<u>2020</u>
School Corporation	61,385	65,612	68,035	69,282
Allen County	331,849	355,329	368,040	385,410
Percentage of County	18.5%	18.5%	18.5%	18.0%

Source: U.S. Census Bureau

Total Tax Rates

• Total tax rates, which include the school rates of the taxing units in the School Corporation, have been:

<u>Township</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Adams	\$2.0422	\$2.0108	\$2.1004	\$1.8698	\$1.9104
Adams Ptc	\$2.1037	\$2.0703	\$2.1588	\$1.9244	\$1.9626
New Haven Adams Ptc	\$2.9668	\$2.8539	\$2.8908	\$2.6539	\$2.7122
Cedar Creek	\$1.6092	\$1.7967	\$1.7428	\$1.6215	\$1.7938
Grabill Cedar Creek	\$2.5260	\$2.6777	\$2.6100	\$2.4329	\$2.5449
Jackson	\$1.6072	\$1.5757	\$1.5612	\$1.4160	\$1.4801
Jefferson	\$1.6754	\$1.6462	\$1.9149	\$1.7199	\$1.7690
New Haven Jefferson	\$2.9370	\$2.8209	\$2.8692	\$2.6544	\$2.7139
Madison	\$1.6798	\$1.6278	\$1.5954	\$1.4444	\$1.5052
Marion	\$1.6363	\$1.6028	\$1.5888	\$1.4404	\$2.0315
Maumee	\$1.6798	\$1.6490	\$1.9531	\$1.7167	\$1.7684
Woodburn	\$2.2952	\$2.2307	\$2.5516	\$2.2515	\$2.2607
Milan	\$1.6583	\$1.6170	\$1.9448	\$1.7288	\$1.7794
Monroe	\$1.6723	\$1.6446	\$1.6316	\$1.4749	\$1.5343
Monroeville	\$2.9581	\$2.8339	\$2.7495	\$2.3934	\$2.4691
Scipio	\$1.6192	\$1.5860	\$1.5638	\$1.6386	\$1.8126
Springfield	\$1.6309	\$1.8211	\$1.7437	\$1.6436	\$1.8181
FW Adams FWCS	\$3.2863	\$3.1815	\$3.0887	\$2.9080	\$2.8571

FW Adams EACS	\$3.1687	\$3.0866	\$3.0339	\$2.7968	\$2.7970
FW Wayne SW Fire Dist	\$3.0513	\$3.2648	-	-	-
FW Adams NH Park EACS	\$3.1709	\$3.0624	\$3.0240	\$2.7750	\$2.7587
FW Pleasant SW Fire Dist	\$2.9190	\$3.1458	-	-	-
Leo-Cedarville	\$1.9450	\$1.9027	\$1.8738	\$1.9395	\$2.1092

Source: Indiana Department of Local Government Finance

Employment Statistics and Patterns

Below is a list of the ten largest non-municipal employers in Fort Wayne and Allen County, Indiana, as of the first quarter of 2024.

<u>Name</u>	<u>Industry</u>	<u>Est. Employees</u>
Parkview Health Systems	Regional healthcare system	8,986
Amazon	E-commerce and logistics	4,650
General Motors	Motor vehicle assembly plant	4,320
Lutheran Health Network	Regional healthcare system	4,075
Sweetwater Sound	Online music technology and instrument retailer	2,011
Lincoln Financial Group	Insurance and financial services	1,700
BFGoodrich	Rubber tire manufacturer	1,500
Fort Wayne Metals	Medical wire R&D, manufacturing & distribution	1,419
Shambaugh & Son	Commercial engineering, construction & manufacturing	1,302
Steel Dynamics Inc.	Steel production and metal recycling	1,200

Source: Greater Fort Wayne Inc.

Jobs and Wages

Total Covered Employment for the 1st quarter of 2024 was 195,829. Employment patterns for Allen County were:

<u>Employment Category</u>	<u>Quarterly Wages</u>	<u>Number of Employees</u>	<u>% of Total Employment</u>
Agriculture, Forestry, Fishing and Hunting	\$2,476,166	217	0.1%
Mining	\$2,008,834	112	0.1%
Utilities	\$15,412,035	508	0.3%
Construction	\$216,908,171	10,574	5.4%
Manufacturing	\$573,973,899	29,553	15.1%
Wholesale Trade	\$173,843,548	8,780	4.5%
Retail Trade	\$222,157,062	21,407	10.9%
Transportation & Warehousing	\$141,024,060	10,163	5.2%
Information	\$36,031,310	1,965	1.0%
Finance and Insurance	\$219,272,350	8,201	4.2%
Real Estate and Rental and Leasing	\$31,692,343	2,327	1.2%
Professional, Scientific, and Technical Services	\$139,110,597	6,944	3.5%
Management of Companies and Enterprises	\$81,709,728	2,364	1.2%
Admin. & Support & Waste Mgt. & Rem. Services	\$106,210,785	9,564	4.9%
Educational Services	\$152,766,574	12,458	6.4%
Health Care and Social Services	\$724,657,870	39,041	19.9%
Arts, Entertainment, and Recreation	\$15,500,639	2,275	1.2%
Accommodation and Food Services	\$98,087,756	17,193	8.8%
Other Services (Except Public Administration)	\$62,902,912	6,431	3.3%
Public Administration	\$98,855,249	5,752	2.9%

Total	\$3,114,601,888	195,829
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Source: STATS Indiana with Indiana Department of Workforce Development data aggregated by Indiana Business Research Center

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

<u>Allen County</u>	<u>Annual Averages</u>				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024 (Aug.)</u>
Labor Force	185,777	184,769	188,044	189,514	189,972
Unemployed	14,623	7,489	5,501	5,937	7,830
Rate of Unemployment	7.9%	4.1%	2.9%	3.1%	4.1%
State of Indiana	7.3%	3.9%	3.1%	3.3%	4.4%
United States	8.1%	5.3%	3.6%	3.6%	4.4%

Source: Stats Indiana - U.S. Bureau of Labor Statistics

Transportation

• The area of the School Corporation is served by diversified transportation facilities. Access is to Interstate Highways 69 and 469, U.S. Highways 24, 27, 30 and 33 and State Highways 1, 3, 14, 101, 427, and 930. Principal rail service is provided by the Norfolk Southern and CSX.

Higher Education

• Within a 50 mile radius of the School Corporation are a variety of institutions which provide opportunities for technical education and fully accredited college degree programs: Indiana-Purdue University, University of Saint Francis, Indiana Institute of Technology, Taylor University, Manchester College, Huntington University, Trine University, Ivy Tech Community College.

Utilities

• The following public utilities provide service within the School Corporation:

Telephone	- Frontier Communications
	- Xfinity
	- CenturyLink
Electric	- Indiana Michigan Power
	- Paulding-Putnam Electric Cooperative
	- Northeastern REMC
Natural Gas	- NIPSCO
Water & Sewer	- Municipal

Hospitals

Dupont Hospital LLC	Parkview Regional Medical Center
Lutheran Hospital of Indiana	Lutheran Downtown Hospital
Orthopaedic Hospital at Parkview North LLC	Park Center, Inc
The Orthopaedic Hospital of Lutheran Health Network	Rehabilitation Hospital of Fort Wayne

Source: Hospital Facility Directory as of 01/26/2023, State of Indiana Department of Health

Educational Attainment

- The educational background of area residents ages 18 and over living in the School Corporation; Allen County, Indiana; and the State of Indiana are set forth in the following table.

<u>Educational Level Attained</u>	<u>School Corporation</u>	<u>Allen County</u>	<u>Indiana</u>
Less than 9th grade	5.6%	3.8%	3.4%
9th to 12th grade, no diploma	8.6%	6.7%	7.0%
High school graduate (excludes equivalency)	32.5%	29.3%	32.9%
Some college, no degree	20.6%	21.5%	20.9%
Associate's degree	9.7%	9.5%	8.6%
Bachelor's degree	16.3%	19.5%	17.8%
Graduate or professional degree	6.7%	9.7%	9.4%
Percent high school graduate or higher	85.7%	89.5%	89.6%
Percent Bachelor's degree or higher	23.0%	29.2%	27.2%

Source: U.S. Census Bureau, 2022 American Community Survey 1-Year Estimates

Household Income

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

<u>Income Level</u>	<u>School Corporation</u>	<u>Allen County</u>	<u>Indiana</u>
Less than \$10,000	1.5%	4.8%	5.6%
\$10,000 to \$14,999	1.9%	2.6%	3.8%
\$15,000 to \$24,999	6.0%	6.9%	7.1%
\$25,000 to \$34,999	6.1%	7.7%	8.2%
\$35,000 to \$49,999	14.9%	14.4%	12.6%
\$50,000 to \$74,999	21.2%	20.3%	18.0%
\$75,000 to \$99,999	18.5%	15.0%	14.1%
\$100,000 to \$149,999	14.6%	14.9%	16.6%
\$150,000 to \$199,999	9.2%	6.7%	7.3%
\$200,000 or more	6.2%	6.7%	6.8%
Median Income (dollars)	\$73,731	\$65,732	\$66,785

Source: U.S. Census Bureau, 2022 American Community Survey 1-Year Estimates

Per Capita Income

- Per Capita Income statistics are provided by Stats Indiana, a service of the Kelley School of Business at Indiana University. No statistics are available specifically for the School Corporation.

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Allen County	\$45,682	\$46,882	\$50,107	\$55,795	\$57,245
Indiana	\$46,556	\$48,270	\$51,716	\$56,931	\$58,329

Source: Stats Indiana

Housing Values

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

<u>Value of Owner-occupied Housing Units</u>	<u>School Corporation</u>	<u>Allen County</u>	<u>Indiana</u>
Less than \$50,000	6.5%	6.6%	6.2%
\$50,000 to \$99,999	8.1%	9.5%	11.3%
\$100,000 to \$149,999	18.2%	14.7%	13.4%
\$150,000 to \$199,999	20.4%	19.1%	16.7%
\$200,000 to \$299,999	19.9%	27.5%	24.7%
\$300,000 to \$499,999	19.0%	16.9%	20.2%
\$500,000 or more	7.9%	5.6%	7.6%

Source: U.S. Census Bureau, 2022 American Community Survey, 1-Year Estimates

Building Permits

- The following table sets forth the residential building permits and values for Allen County, Indiana, for the past five years.

<u>Year</u>	<u>Number of Permits</u>	<u>Value of Permits</u>	<u>Average Value</u>
2019	1,838	\$391,964,831	\$213,256
2020	1,694	\$413,550,105	\$244,126
2021	1,863	\$493,511,971	\$264,902
2022	2,243	\$513,529,084	\$228,947
2023	2,345	\$635,557,602	\$271,027
2024	1,861	\$567,057,000	\$304,705

Source: U.S. Census Bureau

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APPENDIX C

FORM OF OPINION OF BOND COUNSEL

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_____, 2025

Stifel, Nicolaus & Company, Incorporated
Indianapolis, Indiana

Re: East Allen Multi School Building Corporation
Ad Valorem Property Tax First Mortgage Bonds, Series 2025
Total Issue: \$120,000,000
Original Date: _____, 2025

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by East Allen Multi School Building Corporation (the "Issuer") of \$120,000,000 of Ad Valorem Property Tax First Mortgage Bonds, Series 2025 dated as of _____, 2025 (the "Bonds"), pursuant to Indiana Code § 20-47-3 (the "Act") and a Trust Indenture (the "Indenture") between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), dated as of June 1, 2025. We have examined the law and the certified transcript of proceedings of the Issuer and the East Allen County Schools (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 _____, 2025 or the Final Official Statement dated _____, 2025 (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 May 20, 2025, and with a term of thirty (30) 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 rentals which commence with rent during renovation of the leased premises beginning on June 30, 2026, and which full Lease rentals commence with the later of completion of renovation and improvements to the school buildings or June 30, 2029.

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 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,

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APPENDIX D

MASTER CONTINUING DISCLOSURE UNDERTAKING WITH AMENDMENTS AND SUPPLEMENTS THERETO

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MASTER CONTINUING DISCLOSURE UNDERTAKING

This MASTER CONTINUING DISCLOSURE UNDERTAKING dated as of January 1, 2017 (the "Master Undertaking") is executed and delivered by EAST ALLEN COUNTY SCHOOLS (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 (the "SEC Rule") as amended;

WITNESSETH THAT:

Section 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.

Section 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.

Section 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.

Section 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:

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 such auditors and all notes thereto (collectively, the "Audited Information"), by June 30 immediately following each biennial period. The Audited Information for the biennial period ending June 30, 2015 shall be posted within 60 days of the Obligor's receipt thereof. Thereafter, such disclosure of Audited Information shall first begin by June 30, 2018, and shall be made by June 30 of every other year 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

- (1) 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

EAST ALLEN COUNTY SCHOOLS

- Enrollments
- Net Assessed Valuation
- Largest Taxpayers
- School Tax Rates
- Taxes Levied and Collected
- Statement of Receipts and Expenditures
- Cash Balances by Fund
- State of Indiana Payments

(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.

Section 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.

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; 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.

Section 7. Use of Agent. The Obligor may, at its sole discretion, utilize an agent (the "Dissemination Agent") in connection with the dissemination of any information required to be provided by the Obligor pursuant to the SEC Rule and the terms of this 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.

Section 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.

Section 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.

(b) 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.

(c) 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.

(d) 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.

(e) 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.

Section 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.

Section 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 (iii) 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.

Section 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.

Section 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.

Section 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.

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

EAST ALLEN COUNTY SCHOOLS, as Obligor

By: _____
President, Board of School Trustees

Secretary, Board of School Trustees

EXHIBIT A

OBLIGATIONS

<u>Name of Issue</u>	<u>Base CUSIP</u>	<u>Final Maturity</u>
East Allen Multi School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2017A		

EXHIBIT B

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

The undersigned, on behalf of the EAST ALLEN COUNTY SCHOOLS, as the Obligor under the Master Continuing Disclosure Undertaking, dated as of January 1, 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: _____.

EAST ALLEN COUNTY SCHOOLS

DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT C

CERTIFICATE RE: REPORTABLE EVENT DISCLOSURE

The undersigned, on behalf of the EAST ALLEN COUNTY SCHOOLS, as Obligor under the Master Continuing Disclosure Undertaking, dated as of January 1, 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: _____.

EAST ALLEN COUNTY SCHOOLS

DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT D

NOTICE TO MSRB OF FAILURE TO FILE INFORMATION

Notice is hereby given that the EAST ALLEN COUNTY SCHOOLS (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 January 1, 2017.

Dated: _____

EAST ALLEN COUNTY SCHOOLS

DO NOT EXECUTE – FOR FUTURE USE ONLY

**FIRST AMENDMENT TO
MASTER CONTINUING DISCLOSURE UNDERTAKING**

This FIRST AMENDMENT TO MASTER CONTINUING DISCLOSURE UNDERTAKING, dated as of _____, 2020 (the "Amendment") amends the Master Continuing Disclosure Undertaking dated as of January 1, 2017 as previously supplemented by a First Supplement to Master Continuing Disclosure Undertaking (the "Original Undertaking"). The Amendment is being entered into by the East Allen County Schools (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 East Allen County Schools 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 Obligor, 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 Obligor; 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.

EAST ALLEN COUNTY SCHOOLS, as Obligor

By: _____
Timothy Hines
President, Board of School Trustees

Terry Jo Lightfoot
Secretary, Board of School Trustees

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

EIGHTH SUPPLEMENT TO MASTER CONTINUING DISCLOSURE UNDERTAKING

This Eighth Supplement to Master Continuing Disclosure Undertaking, dated as of _____, 2025 (the "Eighth Supplement"), to the Master Continuing Disclosure Undertaking dated as of January 1, 2017, as previously amended by a First Amendment to Master Continuing Disclosure Undertaking dated as of September 22, 2020, and as previously supplemented by a First Supplement 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, and a Seventh Supplement to Master Continuing Disclosure Undertaking (as supplemented and amended, the "Original Undertaking"), of the East Allen County Schools (the "Obligor"), is entered into for the benefit of Stifel, Nicolaus & Company, Incorporated, as underwriter of the \$120,000,000 Ad Valorem Property Tax First Mortgage Bonds, Series 2025 (the "2025 Bonds"). The Original Undertaking, as supplemented by this Eighth 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 2025 Bonds. As of the date of this Eighth 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 2025 Bonds by June 30, 2026;

(ii) the Annual Information referred to in Section 4(a)(2) of the Master Undertaking shall first occur on the 2025 Bonds beginning June 30, 2026.

Section 2. There are no other obligated persons other than the Obligor with respect to the 2025 Bonds.

Section 3. Exhibit A of the Master Undertaking is supplemented to include the 2025 Bonds, as attached hereto.

[Remainder of page intentionally left blank]

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

EAST ALLEN COUNTY SCHOOLS, as Obligor

By: _____
President, Board of School Trustees

Secretary, Board of School Trustees

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

EXHIBIT A
OBLIGATIONS

Proforma after Issuance of 2025 Bonds

Full Name of Bond Issue	Base CUSIP	Final Maturity
General Obligation Bonds		
East Allen County Schools General Obligation Bonds of 2020*	270443	January 15, 2026
East Allen County Schools General Obligation Bonds of 2021*	270443	January 15, 2027
East Allen County Schools General Obligation Bonds of 2023*	270443	January 15, 2027
East Allen County Schools General Obligation Bonds of 2023B*	270443	January 15, 2026
East Allen County Schools General Obligation Bonds of 2024*	270443	January 15, 2030
Lease Obligations		
East Allen Multi School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2017	270456	January 15, 2038
East Allen Multi School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2025*		

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

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APPENDIX E

AUDIT OF THE SCHOOL CORPORATION AS OF JUNE 30, 2023

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STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

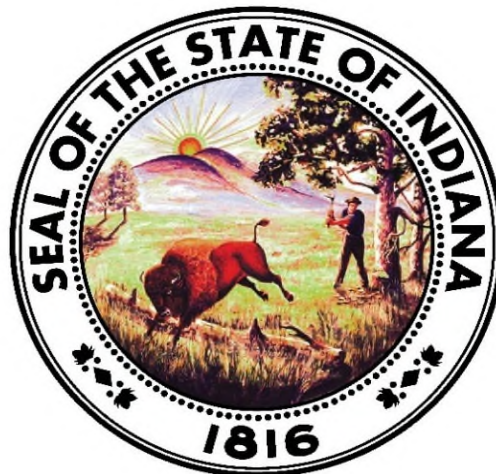
FEDERAL COMPLIANCE AUDIT REPORT

OF

EAST ALLEN COUNTY SCHOOLS

ALLEN COUNTY, INDIANA

July 1, 2021 to June 30, 2023



FILED

03/21/2024

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Miranda Wilkins	07-01-21 to 10-15-21
	(Vacant)	10-16-21 to 11-09-21
	Nancy Vandell	11-10-21 to 01-30-22
	Jeremiah Hruschak	01-31-22 to 06-30-24
Superintendent of Schools	Marilyn S. Hissong	07-01-21 to 06-30-24
President of the School Board	Todd Buckmaster	07-01-21 to 06-30-22
	Timothy Hines	07-01-22 to 06-30-24



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

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Fax: (317) 232-4711
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF THE EAST ALLEN COUNTY SCHOOLS, ALLEN COUNTY, INDIANA

We have audited, 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, the financial statement of the East Allen County Schools (School Corporation), for the period of July 1, 2021 to June 30, 2023, 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 13, 2024, wherein we noted the School Corporation followed accounting practices the Indiana State Board of Accounts prescribes rather than accounting principles generally accepted in the United States of America.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School Corporation's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or 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, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, as described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001, that we consider to be material weaknesses.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's financial statement is free of 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 determination of financial statement amounts. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001.

East Allen County Schools' Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the School Corporation's response to findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The School Corporation's response to the findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of the financial statement, and, accordingly, we express no opinion on it.

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 School Corporation'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 School Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Beth Kelley, CPA, CFE
Deputy State Examiner

March 13, 2024



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

TO: THE OFFICIALS OF THE EAST ALLEN COUNTY SCHOOLS, ALLEN COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the East Allen County Schools' (School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the period of July 1, 2021 to June 30, 2023. 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.

Qualified Opinion on COVID-19 - Emergency Connectivity Fund Program

In our opinion, except for the noncompliance described in the *Basis for Qualified and Unmodified Opinions* section of our report, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the COVID-19 - Emergency Connectivity Fund Program for the period of July 1, 2021 to June 30, 2023.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings and Questioned Costs for the period of July 1, 2021 to June 30, 2023.

Basis for Qualified and Unmodified Opinions

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.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE
(Continued)

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.

Matter Giving Rise to Qualified Opinion on COVID-19 - Emergency Connectivity Fund Program

As described in the accompanying Schedule of Findings and Questioned Costs, the School Corporation did not comply with requirements regarding 32.009 COVID-19 - Emergency Connectivity Fund Program, as described in item 2023-003 for Procurement and Suspension and Debarment. Compliance with such requirements is necessary, in our opinion, for the School Corporation to comply with the requirements applicable to that program.

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.

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.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE
(Continued)

- 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2023-004. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the School Corporation's response to the noncompliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The School Corporation's response to the noncompliance findings identified in our audit is described in the accompanying Corrective Action Plan. The School Corporation's response was not subjected to the auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on the response.

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 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. A significant deficiency in internal control over compliance is a deficiency, or 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. We consider the deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2023-002, 2023-003, and 2023-004, to be material weaknesses.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE
(Continued)

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 require the auditor to perform limited procedures on the School Corporation's response 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 response was not subjected to the other auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on the response.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statement of the School Corporation, as of and for the period of July 1, 2021 to June 30, 2023, and the related notes to the financial statement. We issued our report thereon dated March 13, 2024, which contained a dual opinion on the financial statement. An adverse opinion was issued regarding the presentation in accordance with accounting principles generally accepted in the United States of America, and an unmodified opinion was issued regarding the presentation in accordance with the regulatory basis of accounting. Our audit was performed for the purpose of forming an opinion on the financial statement as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statement. Such information 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 itself, 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.



Beth Kelley, CPA, CFE
Deputy State Examiner

March 13, 2024

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were approved by management of the School Corporation. The schedule and notes are presented as intended by the School Corporation.

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2022 and 2023

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listings Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22	Passed Through to Subrecipient 06-30-23	Total Federal Awards Expended 06-30-23
<u>Department of Agriculture</u>							
Child Nutrition Cluster							
School Breakfast Program	Indiana Department of Education	10.553	FY 21-22 FY 22-23	\$ -	\$ 957,462	\$ -	\$ -
Food Service 080				-	-	-	1,209,179
Food Service 080				-	-	-	-
Total - School Breakfast Program				-	957,462	-	1,209,179
National School Lunch Program	Indiana Department of Education	10.555	FY 21-22 FY 22-23	-	4,971,181	-	-
Food Service 080				-	-	-	5,062,978
Food Service 080				-	566,065	-	-
Commodities				-	-	-	371,083
Supply Chain Assistance				-	-	-	175,725
Total - National School Lunch Program				-	5,537,246	-	5,609,786
Fresh Fruit and Vegetable Program	Indiana Department of Education	10.582	FY 22-23	-	-	-	25,349
Total - Child Nutrition Cluster				-	6,494,708	-	6,844,314
Pandemic EBT Administrative Costs	Indiana Department of Education	10.649	FY 21-22 FY 22-23	-	5,814	-	-
Total - Pandemic EBT Administrative Costs				-	5,814	-	3,135
Total - Department of Agriculture				-	6,500,522	-	6,847,449
<u>Federal Communications Commission</u>							
COVID-19 - Emergency Connectivity Fund Program	Direct Grant	32.009	ECF2190010591	-	-	-	1,414,140
Emergency Connectivity Fund 792-1				-	-	-	1,414,140
Total - Federal Communications Commission				-	-	-	-
<u>National Endowment for the Arts</u>							
Promotion of the Arts Partnership Agreements	Indiana Arts Commission	45.025	1809842-61-18	-	3,650	-	3,913
797-1 IAC Arts Grant				-	-	-	-
Total - National Endowment for the Arts				-	3,650	-	3,913

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2022 and 2023

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listings Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22	Passed Through to Subrecipient 06-30-23	Total Federal Awards Expended 06-30-23
Department of Education							
Special Education Cluster (IDEA)							
Special Education Grants to States	Indiana Department of Education	84.027					
IDEA B Fund 520			H027A190084	-	446,268	-	-
IDEA B Fund 521 20/21			H027A200084	-	2,148,769	-	345,051
IDEA Part B 522 21/22			H027A210084	-	95,793	-	2,224,457
IDEA Part B 611 523-1 23/24			H027A220084	-	-	-	98,179
Subtotal - Special Education Grants to States				-	2,690,830	-	2,667,687
COVID-19 - Special Education Grants to States	Indiana Department of Education	84.027X					
ARP IDEA 522-1			H027X210084	-	1,648	-	148,243
Total - Special Education Grants to States				-	2,692,478	-	2,815,930
Special Education Preschool Grants	Indiana Department of Education	84.173					
IDEA Preschool 543 19/20			H173A190104	-	1,314	-	-
IDEA Preschool 544 20/21			H173A200104	-	45,380	-	-
IDEA Preschool 545 21/22			H173A210104	-	38,572	-	41,379
IDEA Part B 619 Preschool 540-1 23/24			H173A220104	-	-	-	36,110
Subtotal - Special Education Grants to States				-	85,266	-	77,489
COVID-19 - Special Education Preschool Grants	Indiana Department of Education	84.173X					
IDEA Preschool 545-1 21/22			H173X210104	-	-	-	37,983
Total - Special Education Preschool Grants				-	85,266	-	115,472
Total - Special Education Cluster (IDEA)				-	2,777,744	-	2,931,402
Title I Grants to Local Educational Agencies	Indiana Department of Education	84.010					
Title I Basic 418 20/21			S010A200014	-	1,370,581	-	-
Title I Delinquent Fund 419 20/21			S010A200014	-	38,716	-	-
Title I Basic 410 21/22			S010A210014	-	944,679	-	-
Title I Delinquent 411 21/22			S010A210014	-	3,908	-	-
Title I Basic 410 21/22			S010A210014	-	-	-	2,004,966
Title I Delinquent 411 21/22			S010A210014	-	-	-	5,638
Title I Basic 412-0 22/23			S010A220014	-	-	-	1,216,809
Title I Delinquent 413-0 22/23			S010A220014	-	-	-	815
Total - Title I Grants to Local Educational Agencies				-	2,357,884	-	3,228,228

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2022 and 2023

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listings Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22	Passed Through to Subrecipient 06-30-23	Total Federal Awards Expended 06-30-23
Career and Technical Education - Basic Grants to States Perkins Grant Fund 6001 Perkins Grant 600-2 22/23	Fort Wayne Community Schools	84.048	22-0512-B014 23-0512-P014	- -	10,372 -	- -	2,123 7,873
Total - Career and Technical Education - Basic Grants to States				-	10,372	-	9,996
Education for Homeless Children and Youth McKinney Vento 511-1 20/21 McKinney Vento 511-2 21/22 McKinney Vento 511-1 21/22 McKinney Vento 511-3 22/23	Fort Wayne Community Schools	84.196	S196A210015 S196A210015 S196A220015 S196A220015	- - - -	48,984 2,525 - -	- - - -	- - 26,684 20,482
Total - Education for Homeless Children and Youth				-	51,509	-	47,166
English Language Acquisition State Grants Title III 688-1 19/21 Title III 688-3 Title III 688-4 21/23	Indiana Department of Education	84.365	S365A190014 S365A200014 S365A210014	- - -	7,244 71,991 339	- - -	- 35,397 50,497
Total - English Language Acquisition State Grants				-	79,574	-	85,894
Supporting Effective Instruction State Grants Title IIA 684 19/21 Title II A 20/21 684-1 Title IIA 684-2 22/23 Title II-A 684-3 23/24	Indiana Department of Education	84.367	S367A190013 S367A200013 S367A210013 S367A220013	- - - -	353,259 152,432 - -	- - - -	24,802 306,948 210,427 3,088
Total - Supporting Effective Instruction State Grants				-	505,691	-	545,265
COVID-19 - Education Stabilization Fund ARP HCY I 791-0 ARP HCY II 791-1 CARES GEER 794-0 Federal Stimulus COVID 794-1 ESSER II 793-1	Indiana Department of Education	84.424	S424A190015 S424A200015 S424A210015	- - -	51,548 81,069 36,394	- - -	7,840 48,116 111,369
Total - Student Support and Academic Enrichment Program				-	169,011	-	167,325
COVID-19 - Education Stabilization Fund ARP HCY I 791-0 ARP HCY II 791-1 CARES GEER 794-0 Federal Stimulus COVID 794-1 ESSER II 793-1	Indiana Department of Education	84.425 84.425W 84.425W 84.425C 84.425D 84.425D	7000S425W210015 7000S425W210015 S425C200018 S425D200013 S425D210013	- - - - -	13,386 - 228,185 1,810,443 4,290,233	- - - - -	53,656 8,430 22,528 9,855 3,412,083

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2022 and 2023

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listings Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipient 06-30-22	Total Federal Awards Expended 06-30-22	Passed Through to Subrecipient 06-30-23	Total Federal Awards Expended 06-30-23
ESSER III 792-3 3E Grant 790-8 22/23		84.425U 84.425U	S425U210013 7000S425U210013	- -	2,854,769 -	- -	4,205,630 43,440
Total - COVID-19 - Education Stabilization Fund				-	9,197,016	-	7,755,622
Total - Department of Education				-	15,148,801	-	14,770,898
<u>Department of Health and Human Services</u>							
Medicaid Cluster							
Medical Assistance Program	Indiana Family and Social Services Administration	93.778	FY 20-21 FY 22-23	- -	96,620 -	- -	- 106,601
Federal Medicaid 646				-	96,620	-	106,601
Federal Medicaid 646				-	96,620	-	106,601
Total - Medical Assistance Program				-	96,620	-	106,601
Total - Medicaid Cluster				-	96,620	-	106,601
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)							
IDOH 796-1	Allen County Health Department	93.323	NU50CK000503	-	-	-	5,000
Refugee and Entrant Assistance State/Replacement							
Designee Administered Programs							
RCSIG 442-1 19/20	Indiana Department of Education	93.566	700REFS0C5VCF20	-	33,473	-	-
RCSIG 442-1 20/21			700REFS0C5VCF21	-	52,150	-	-
RCSIG 442-2 21/22			700REFS0C5VCF22	-	-	-	31,767
Alghan Refugee School Impact 440-1 21/22			700REFS0C5VCF23	-	-	-	825
Total - Refugee and Entrant Assistance State/Replacement Designee Administered Programs				-	85,623	-	32,592
Total - Department of Health and Human Services				-	182,243	-	144,193
<u>Department of Homeland Security</u>							
Disaster Grants - Public Assistance (Presidentially Declared Disasters) FEMA 794-4	Indiana Department of Homeland Security	97.036	PA-05-IN-4515-PW-00046	-	157,466	-	-
Total - Department of Homeland Security				-	157,466	-	-
Total federal awards expended				\$ -	\$ 21,992,682	\$ -	\$ 23,180,593

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

EAST ALLEN COUNTY SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Summary of Significant Accounting Policies

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 years ended June 30, 2022, and 2023. 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, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in the 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 allowed under the Uniform Guidance.

Note 3. GEER/Fiscal Agent

The School Corporation was a participant in a joint application with other Local Educational Agencies (LEAs) to receive GEER I funding from the COVID-19 - Education Stabilization Fund through the Indiana Department of Education. The School Corporation serves as the fiscal agent for the grant. As a result, some of the activity for the GEER award that is presented as receipts and disbursements on the financial statement is not presented as federal awards expended on the SEFA for the School Corporation. This activity is reported on the SEFAs of each participating LEA as appropriate.

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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 weaknesses identified?	yes
Significant deficiencies identified?	none reported
Noncompliance material to financial statement noted?	yes

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	yes
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	yes

Identification of Major Programs and type of auditor's report issued on compliance for each:

Assistance Listings Number	Name of Federal Program or Cluster	Opinion Issued
	Child Nutrition Cluster	Unmodified
	Special Education Cluster (IDEA)	Unmodified
32.009	COVID-19 - Emergency Connectivity Fund Program	Qualified
84.010	Title I Grants to Local Educational Agencies	Unmodified
84.425	COVID-19 - Education Stabilization Fund	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$1,355,198

Auditee qualified as low-risk auditee? no

Section II - Financial Statement Findings

FINDING 2023-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Findings: Material Weakness, Noncompliance

Repeat Finding

This is a repeat finding from the prior audit report. The prior audit finding number was 2021-001.

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition and Context

The School Corporation is required to file financial reports after the close of each fiscal year. The reports are to be filed electronically as prescribed.

The School Corporation filed its reports as prescribed; however, the internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the School Corporation's Schedule of Expenditures of Federal Awards (SEFA) were not effective.

The School Corporation failed to properly review the federal grant information prepared and submitted in Gateway. Although one employee prepared and entered the federal award information into Gateway, and another employee reviewed and approved the information entered, the internal control was not effective and did not detect or correct errors prior to submission.

Due to the lack of effective internal controls, the SEFA presented for audit included the following errors:

- The Child Nutrition Cluster - School Breakfast Program expenditures were understated by \$957,462 and \$1,209,179 for fiscal years 2021-2022 and 2022-2023, respectively.
- The Child Nutrition Cluster - National School Lunch Program expenditures were overstated by \$1,326,080 and \$2,482,445 for 2021-2022 and 2022-2023, respectively. In addition, commodities were understated by \$424,023 for 2021-2022.
- The Child Nutrition Cluster - Fresh Fruit and Vegetable Program expenditures were understated by \$25,349 for 2021-2022.
- Other errors included incorrect pass-through entities and identifying numbers.

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA presented in this report.

Criteria

Indiana Code 5-11-1-4(a) states:

"The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner as set forth in the uniform compliance guidelines. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under [IC 5-14-3-8.7](#)."

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control . . ."

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

2 CFR 200.1 states in part:

". . . *Internal controls* for non-Federal entities means:

- (1) Processes designed and implemented by non-Federal entities to provide reasonable assurance regarding the achievement of objectives in the following categories:
 - (i) Effectiveness and efficiency of operations;
 - (ii) Reliability of reporting for internal and external use; . . ."

CFR 200.508 states in part:

"The auditee must: . . .

- (b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510. . . ."

2 CFR 200.510(b) states:

"Schedule of expenditures of Federal awards. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

- (1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.
- (2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
- (3) Provide total Federal awards expended for each individual Federal program and the Assistance Listings Number or other identifying number when the Assistance Listings information is not available. For a cluster of programs also provide the total for the cluster.
- (4) Include the total amount provided to subrecipients from each Federal program.
- (5) For loan or loan guarantee programs described in § 200.502(b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

- (6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414."

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."

Cause

Management of the School Corporation had not established an effective system of internal controls that would have ensured proper reporting of the SEFA.

Effect

Without a proper system of internal controls in place that operated effectively, material misstatements of the SEFA remained undetected. The SEFA contained the errors identified in the *Condition and Context*.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

Section III - Federal Award Findings and Questioned Costs

FINDING 2023-002

Subject: COVID-19 - Emergency Connectivity Fund Program - Internal Controls
Federal Agency: Federal Communications Commission
Federal Program: COVID-19 - Emergency Connectivity Fund Program
Assistance Listings Number: 32.009
Federal Award Number and Year (or Other Identifying Number): ECF2190010591
Compliance Requirements: Equipment and Real Property; Special Tests
and Provisions - Restricted Purpose
Audit Finding: Material Weakness

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Condition and Context

The School Corporation had not properly designed or implemented a system of internal controls, which would include appropriate segregation of duties, that would likely be effective in preventing, or detecting and correcting, noncompliance related to asset inventory and per-user limitations of the devices purchased with Emergency Connectivity Fund (ECF) Program support.

For each connected device provided to an individual student the asset inventory must identify:

1. The device or equipment type (i.e., laptop, tablet, mobile hotspot, modem, router);
2. The device or equipment make/model;
3. The device or equipment serial number;
4. The full name of the person whom the device was provided; and
5. The dates the device was loaned out and returned to the school or the date the school was notified that the device was missing, lost or damaged.

The School Corporation maintained an asset inventory for the purchased iPads with the identified items noted above; however, the data was input into the asset listing from the equipment invoice by the IT Department without a documented review or oversight process to prevent, or detect and correct, errors. In addition, there was not a documented review or oversight process to ensure each student only received one device.

The lack of internal controls was a systemic issue throughout the audit period.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award 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). . . ."

Cause

A proper system of internal controls was not designed by management of the School Corporation, which would include segregation of key functions. Embedded within a properly designed and implemented internal control system should be internal controls consisting of policies and procedures. Policies reflect the School Corporation's management statements of what should be done to effect internal controls, and procedures should consist of actions that would implement these policies.

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Effect

Without the proper design or implementation of the components of a system of internal controls, including policies and procedures that provide segregation of duties and additional oversight as needed, the internal control system cannot be capable of effectively preventing, or detecting and correcting, material noncompliance.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that management of the School Corporation design and implement a proper system of internal controls, including policies and procedures that would provide segregation of duties to ensure appropriate reviews, approvals, and oversight are taking place.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

FINDING 2023-003

Subject: COVID-19 - Emergency Connectivity Fund Program - Suspension and Debarment
Federal Agency: Federal Communications Commission
Federal Program: COVID-19 - Emergency Connectivity Fund Program
Assistance Listings Number: 32.009
Federal Award Number and Year (or Other Identifying Number): ECF2190010591
Compliance Requirement: Procurement and Suspension and Debarment
Audit Findings: Material Weakness, Modified Opinion

Condition and Context

Prior to entering into subawards and covered transactions with federal award funds, recipients are required to verify that such contractors and subrecipients are not suspended, debarred, or otherwise excluded. "Covered transactions" include, but are not limited to, contracts for goods and services awarded under a nonprocurement transaction (i.e., grant agreement) that are expected to equal or exceed \$25,000. The verification is to be done by checking the SAMs exclusions, collecting a certification from that person, or adding a clause or condition to the covered transaction with that person.

Upon inquiry of the School Corporation in order to review the procedures in place for verifying that a person with which it plans to enter into a covered transaction is not suspended, debarred, or otherwise excluded, the School Corporation disclosed there were not any documented internal controls. One covered transaction that equaled or exceeded \$25,000 was identified. The covered transaction, totaling \$1,414,140, was selected for testing. For the one covered transaction, the School Corporation did not verify the vendor's suspension and debarment status prior to payment.

The lack of internal controls and noncompliance were systemic issues throughout the audit period.

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award 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). . . ."

2 CFR 180.300 states:

"When you enter into a covered transaction with another person as the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

47 CFR 54.8(d) states in part: "Effect of suspension and debarment. Unless otherwise ordered, any persons suspended or debarred shall be excluded from activities associated with or related to the schools and libraries support mechanism, . . ."

Cause

A proper system of internal controls was not designed by management of the School Corporation. Embedded within a properly designed and implemented internal control system should be internal controls consisting of policies and procedures. Policies reflect the School Corporation's managements statements of what should be done to effect internal controls, and procedures should consist of actions that would implement these policies.

Effect

Without the proper implementation of an effectively designed system of internal controls, the internal control system cannot be capable of effectively preventing, or detecting and correcting, material noncompliance. As a result, vendors to whom payments equal to or in excess of \$25,000 were not verified to be not suspended, debarred, or otherwise excluded.

Noncompliance with the provisions of federal statutes, regulations, and terms and conditions of the federal award could result in the reduction of future federal funding to the School Corporation.

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management design and implement a system of internal controls related to suspension and debarment procedures to ensure entities are neither suspended nor debarred, or otherwise excluded or disqualified prior to entering into any covered transactions.

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

FINDING 2023-004

Subject: Special Education Cluster (IDEA) - Suspension and Debarment

Federal Agency: Department of Education

Federal Program: Special Education Grants to States

Assistance Listings Number: 84.027

Federal Award Numbers and Years (or Other Identifying Numbers): H027A190084, H027A200084,
H027A210084

Pass-Through Entity: Indiana Department of Education

Compliance Requirement: Procurement and Suspension and Debarment

Audit Findings: Material Weakness; Other Matters

Condition and Context

Prior to entering into subawards and covered transactions with federal award funds, recipients are required to verify that such contractors and subrecipients are not suspended, debarred, or otherwise excluded. "Covered transactions" include, but are not limited to, contracts for goods and services awarded under a nonprocurement transaction (i.e., grant agreement) that are expected to equal or exceed \$25,000. The verification is to be done by checking the SAMs exclusions, collecting a certification from that person, or adding a clause or condition to the covered transaction with that person.

Upon inquiry of the School Corporation in order to review the procedures in place for verifying that a person with which it plans to enter into a covered transaction is not suspended, debarred, or otherwise excluded, the School Corporation disclosed there were not any documented internal controls. One covered transaction that equaled or exceeded \$25,000 was identified. The covered transaction, totaling \$163,464, was selected for testing. For the one covered transaction, the School Corporation did not verify the vendor's suspension and debarment status prior to payment.

The lack of internal controls and noncompliance were systemic issues throughout the audit period.

Criteria

2 CFR 200.303 states in part:

"The non-Federal entity must:

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

(a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award 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). . . ."

2 CFR 180.300 states:

"When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking SAM Exclusions; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person."

Cause

A proper system of internal controls was not designed by management of the School Corporation. Embedded within a properly designed and implemented internal control system should be internal controls consisting of policies and procedures. Policies reflect the School Corporation's managements statements of what should be done to effect internal controls, and procedures should consist of actions that would implement these policies.

Effect

Without the proper implementation of an effectively designed system of internal controls, the internal control system cannot be capable of effectively preventing, or detecting and correcting, material noncompliance. As a result, vendors to whom payments equal to or in excess of \$25,000 were not verified to be not suspended, debarred, or otherwise excluded.

Noncompliance with the provisions of federal statutes, regulations, and terms and conditions of the federal award could result in the reduction of future federal funding to the School Corporation.

Questioned Costs

There were no questioned costs identified.

Recommendation

We recommended that the School Corporation's management design and implement a system of internal controls related to suspension and debarment procedures to ensure entities are neither suspended nor debarred, or otherwise excluded or disqualified prior to entering into any covered transactions.

EAST ALLEN COUNTY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)

Views of Responsible Officials

For the views of responsible officials, refer to the Corrective Action Plan that is part of this report.

AUDITEE-PREPARED DOCUMENTS

The subsequent documents were provided by management of the School Corporation. The documents are presented as intended by the School Corporation.



EAST ALLEN COUNTY SCHOOLS

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FINDING 2021-001

Fiscal year in which the finding initially occurred: FY 19-20, FY 20-21
Current Audit Period: FY 21-22, FY 22-23

Finding Subject: Preparation of the Schedule of Expenditures of Federal Awards

Summary of Finding:

Several grants had individually immaterial errors that resulted in misstatements of expenditures of \$1,057,933.00 in total. Other errors included program names, pass-through entity or direct grant and identifying numbers.

Status of Audit Finding:

Not corrected

Response Comments:

Child Nutrition was misstated on the SEFA as all revenues were reported, but only federal awards need to be reported. The District Treasurer will prepare the SEFA information and will review the federal awards and expenditures for the Child Nutrition Program with the food service coordinator prior to submitting. The District Treasurer will have the CFO and Deputy Treasure review the SEFA prior to submitting. Although the SEFA misstatement was not fully corrected, there was great improvement and the issue will be corrected with June 20. 2024 Gateway filing.

FINDING 2021-002

Fiscal year in which the finding initially occurred: FY 19-20, FY 20-21
Current Audit Period: FY 21-22, FY 22-23

Finding Subject: Federal Award Findings and Questioned Costs

Summary of Finding:

The School Corporation paid for food waste collection from the food service program without adequate documentation to support the amount paid was an allowable cost. The amount of questioned cost was \$69,541.00 which the entire amount was paid for by the food service program.

Status of Audit Finding:

Fully corrected and the original corrective action was implemented. The school corporation worked with the waste management company, Republic, to split out the cost for food service waste and non-food service waste on their billing. The billing now shows costs specific for food service and costs for non-food service.

Response Comments:

N/A



EAST ALLEN COUNTY SCHOOLS

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Phone: (260) 446-0100

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CORRECTIVE ACTION PLAN

FINDING 2023-001

Finding Subject: Preparation of the Schedule of Expenditures of Federal Awards

Summary of Finding:

The information in the SEFA related to the Child Nutrition Cluster, pass-through entities and identifying numbers were not correct.

Contact Person Responsible for Corrective Action: Jeremiah Hruschak

Contact Phone Number and Email Address: (260) 446-0100 ext.1006 / jhruschak@eacs.k12.in.us

Views of Responsible Officials:

East Allen County School District concurs with the finding.

Description of Corrective Action Plan:

EACS Assistant Director of Finance will run an expenditure report within AS 4000 for the reporting period. The CFO shall review the report and if the appropriate dates were run within the dates within the system then review the entry of the SEFA to verify reported figures match the financial system.

Anticipated Completion Date:

Audit cycle 2023-2024 and 2024-2025

FINDING 2023-002

Finding Subject: COVID-19 – Emergency Connectivity Fund Program – Internal Controls

Summary of Finding:

An inventory sign-off was not present upon completion of entering an iPad purchase to ensure documentation was correct.

Contact Person Responsible for Corrective Action: Jeremiah Hruschak

Contact Phone Number and Email Address: (260) 446-0100 ext.1006 / jhruschak@eacs.k12.in.us

Views of Responsible Officials:

East Allen County Schools concurs with finding.

Description of Corrective Action Plan:

Upon entry of all devices with the appropriate inventory detail, a sign off will take place by two officials to confirm all data are present and that only one device is assigned to each student.

Anticipated Completion Date:

Implementation will take place during next technology purchase and will be corrected by the 2023-2024 / 2024-2025 audit cycle.

FINDING 2023-003

Finding Subject: COVID-19 – Emergency Connectivity Fund Program – Suspension and Debarment

Summary of Finding:

Prior to entering in subawards and covered transactions with federal award funds, receipts are required to verify that contractors are not suspended, debarred or otherwise excluded.

Contact Person Responsible for Corrective Action: Jeremiah Hruschak

Contact Phone Number and Email Address: (260) 446-0100 ext.1006 / jhruschak@eacs.k12.in.us

Views of Responsible Officials:

East Allen County Schools concurs with finding.

Description of Corrective Action Plan:

Covered transaction(s) that are equal or exceed \$25,000.00, East Allen County Schools will collect a certification from the contractor and/ or review SAM exclusion and document the SAM review.

Anticipated Completion Date:

Implementation will take place immediately and will be corrected by the 2023-2024 / 2024-2025 audit cycle.

FINDING 2023-004

Finding Subject: Special Education Cluster (IDEA) – Suspension and Debarment

Summary of Finding:

Prior to entering in subawards and covered transactions with federal award funds, receipts are required to verify that contractors are not suspended, debarred or otherwise excluded.

Contact Person Responsible for Corrective Action: Jeremiah Hruschak

Contact Phone Number and Email Address: (260) 446-0100 ext.1006 / jhruschak@eacs.k12.in.us

Views of Responsible Officials:

East Allen County Schools concurs with finding.

Description of Corrective Action Plan:

Covered transaction(s) that are equal or exceed \$25,000.00, East Allen County Schools will collect a certification from the contractor and/ or review SAM exclusion and document the SAM review.

Anticipated Completion Date:

Implementation will take place immediately and will be corrected by the 2023-2024 / 2024-2025 audit cycle.

Per Uniform Guidance:

2 CFR § 200.511(a) – “The auditee is responsible for follow-up and corrective action on all audit findings. . .The auditee must also prepare a corrective action plan for current year audit findings. . . The corrective action plan and summary schedule of prior audit findings must include findings relating to the financial statements which are required to be reported in accordance with GAGAS.”

2 CFR § 200.511(c) – “At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in § 200.516, a corrective action plan to address each audit finding included in the current year auditor's reports. The corrective action plan must provide the name(s) of the contact person(s) responsible for corrective action, the corrective action planned, and the anticipated completion date. If the auditee does not agree with the audit findings or believes corrective action is not required, then the corrective action plan must include an explanation and specific reasons.”

OTHER REPORTS

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/>.

APPENDIX F

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

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SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

The following is a brief summary of certain provisions of the Trust Indenture 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 Bond Issuance Expense Account of the Construction Fund. The remaining proceeds of the Bonds shall be deposited in the 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 East Allen Multi School Building Corporation Construction Fund (the "Construction Fund"), (2) the East Allen Multi School Building Corporation Sinking Fund (the "Sinking Fund"), (3) the East Allen Multi School Building Corporation Operation and Reserve Fund (the "Operation and Reserve Fund"), and (4) the East Allen Multi School Building Corporation Rebate Fund (the "Rebate Fund").

The Construction Fund will be used to finance the construction, renovation and improvements to school facilities, including (1) construction of a new Leo Intermediate School, (2) renovations and construction of additions, including athletics additions, at Leo Junior/Senior High School, (3) renovations and construction of additions at Paul Harding Junior High School/East Allen University, and (4) renovations and deferred maintenance improvements at school facilities owned and operated by the School Corporation (collectively, the "Project"), to pay costs of issuance of the Bonds, and to pay interest on the Bonds during construction if necessary. 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 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 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 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 Bonds are called for redemption, to pay the principal, interest, and redemption premium, if any, on the Bonds, (d) to purchase 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 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 Bonds secured by the Trust Indenture then outstanding, the Trustee shall apply the amounts in such Funds to the redemption of such 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 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 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 Bond and the Trust Indenture and will punctually pay the principal of, premium, if any, and interest on the Bonds;
- (c) it is duly authorized under the laws of the State of Indiana to create and issue the 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 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 Bonds permitted by the Trust Indenture, and Additional Bonds, as long as the 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 Bonds, any moneys received from lease rentals payable according to the Lease, amounts received from the investment of the proceeds of the Bonds or other amounts received shall not be invested in such manner which would cause the 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 Bonds from gross income for federal income tax purposes and as an inducement to purchasers of the 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 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 Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code.

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, and (b) 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 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 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 Bonds; failure to pay interest on the 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 Bonds then outstanding and upon being indemnified to its reasonable satisfaction shall, declare the principal amount of and interest accrued on all outstanding Bonds immediately due and payable; subject, however, to the rights of the holders of the majority in principal amount of all the outstanding 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 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 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 Bonds, with interest at the highest rate of interest on any of the 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 Bonds is due, to the payment of the principal thereof and the accrued interest thereon pro rata. No holder of all of the 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 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 Bonds.

The holders of not less than 66-2/3% in aggregate principal amount of the 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 Bond;
- (b) A reduction in the principal amount of any 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 Bond or Bonds over any other Bond or Bonds; or
- (e) A reduction in the aggregate principal amount of the 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 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 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 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 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 Bonds outstanding.

If the whole amount of the principal, premium, if any, and interest so due and payable upon all of the 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 Bonds.

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APPENDIX G

SUMMARY OF CERTAIN PROVISIONS OF THE LEASE

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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 thirty (30) year term which commences on the date the Building Corporation acquires fee simple title to the Leased Premises and expires on the date which is thirty (30) years later. By each rent payment date, the School Corporation is to pay the installment of rent due under the Lease. The Lease provides for rental during renovation of the Leased Premises in the amount of up to \$14,500,000 per payment payable on June 30 and December 31 beginning on June 30, 2026, until completion of construction and renovation upon the Leased Premises. Thereafter, each installment of rent is payable in advance for the following six-month period on June 30 and December 31, commencing on June 30, 2029, or on the date the Leased Premises are completed and ready for occupancy, whichever is later. The annual rent to be paid is \$30,000,000 per year, payable in equal semiannual installments. 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. The lease rental shall be reduced following the sale of the Building Corporation's Bonds to an amount not less than the multiple of \$1,000 next higher than the highest sum of principal and interest due on such bonds in each bond year ending on a bond maturity date plus \$5,000, payable in equal semiannual installments. Such amount of reduced annual rental shall be endorsed at the end of the Lease by the parties thereto as soon as can be done after the sale of the bonds. 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 Bonds and all such 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 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.

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