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**NEW ISSUE**  
**Book-Entry-Only**

**Programmatic Rating: S&P Global Ratings “ ”**  
**Underlying Rating: S&P Global Ratings “ ”**

*This Preliminary Official Statement is deemed “nearly final”  
and is dated October 3, 2016*

In the opinion of Ice Miller LLP, Indianapolis, Indiana under federal statutes, decisions, regulations and rulings, interest on the Bonds (hereinafter defined) is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended, for federal income tax purposes. Such exclusion is conditioned on continuing compliance with the Tax Covenants (hereinafter defined). In the opinion of Ice Miller LLP, Indianapolis, Indiana under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana. The Bonds are not bank qualified. See “TAX MATTERS” herein.

**\$6,000,000**  
**EVANSVILLE-VANDEBURGH SCHOOL CORPORATION**  
**Evansville, Indiana**  
**GENERAL OBLIGATION BONDS OF 2016**

Original Date: Date of Delivery (Anticipated to be November 2, 2016)

Due: January 15 and July 15, as shown below

Evansville-Vanderburgh School Corporation, Vanderburgh County, Indiana (the “School Corporation”) is issuing \$6,000,000 of General Obligation Bonds of 2016 (the “Bonds”) for the purpose of paying the costs of various projects including the renovation of and improvements to certain facilities throughout the School Corporation, including the purchase of equipment and vehicles and site, HVAC and security improvements throughout the School Corporation (collectively the “Projects”), and to pay issuance costs.

The Bonds will be issued as provided in the Bond Resolution adopted by the Board of School Trustees on August 8, 2016, as amended on September 26, 2016 (the “Bond Resolution” or “Resolution”). The Bonds are payable from ad valorem property taxes levied on all taxable property within the School Corporation as more fully described in this Official Statement. See “CIRCUIT BREAKER TAX CREDIT” herein and “PROCEDURES FOR PROPERTY ASSESSMENT, LEVY, AND COLLECTION” herein. The total indebtedness of the School Corporation subject to the constitutional debt limit, including the Bonds, amounts to less than two percent of one third of the net assessed valuation of the School Corporation, as required by the constitution of the State of Indiana.

The Bonds will be issued only as fully registered bonds, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”). Purchases of beneficial interests in the Bonds will be made in book-entry-only form in the denomination of \$5,000 or any integral multiples thereof. Purchasers of beneficial interests in the Bonds (the “Beneficial Owners”) will not receive physical delivery of certificates representing their interests in the Bonds. Interest on the Bonds will be payable semiannually on January 15 and July 15 of each year, beginning July 15, 2017. Principal and interest will be disbursed on behalf of the School Corporation by Old National Wealth Management, in Evansville, Indiana (the “Registrar” and “Paying Agent”). Interest on the Bonds will be paid by check, mailed one business day prior to the interest payment date or by wire transfer to depositories on the interest payment date. The principal of and premium, if any, on the Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent or by wire transfer to depositories who present the Bonds at least two business days prior to the payment date. Interest on, together with the principal of, the Bonds will be paid directly to DTC by the Paying Agent so long as DTC or its nominee is the registered owner of the Bonds. The final disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and the Indirect Participants. See “BOOK-ENTRY-ONLY SYSTEM”. The Bonds are not subject to optional redemption prior to maturity. The Bonds may be issued as “Term Bonds” at the Underwriter’s (hereinafter defined) discretion and subject to mandatory sinking fund redemption as more fully described herein.

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

<u>Maturity</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u>	<u>Maturity</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u>
July 15, 2018	\$970,000				January 15, 2020	\$1,005,000			
January 15, 2019	980,000				July 15, 2020	1,020,000			
July 15, 2019	995,000				January 15, 2021	1,030,000			

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

## INFORMATION FOR BIDDING

**Date and Time of Sale:** Upon 24 hours' notice. Anticipated to take place on October 12, 2016, at 11:30 A.M. (EDT)

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

**Maximum Interest Rate:** 4.0%

**Maximum Discount:** 0.50% (\$30,000)

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

**Anticipated Closing Date:** November 2, 2016

**Good Faith Deposit:** \$60,000 certified or cashier's check or wire transfer submitted by the winning bidder no later than 3:30 p.m. (EDT) on the business day following the award

**Method of Bidding:** Electronic bidding by PARITY® or traditional bidding.

**Basis of Award:** Net Interest Cost (NIC)

For a complete description of terms and conditions for bidding, please refer to the next section of this Official Statement (Appendix i) for the Notice of Intent to Sell Bonds.

The Bonds are being offered for delivery when, as and if issued and received by the Underwriter (hereinafter defined) and subject to the approval of legality by Ice Miller LLP, Indianapolis, Indiana, Bond Counsel. Certain legal matters will be passed on by Mr. Pat Shoulders, Zeimer, Stayman, Weitzel & Shoulders, LLP, as Attorney for the School Corporation. The Bonds are expected to be available for delivery to DTC, in New York, New York on or about November 2, 2016.

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

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

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

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- B Bond Resolution
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PROJECTS PERSONNEL

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

Board of School Trustees

Rev. Paul T. Gamblin, President  
Andrew Guarino, Vice President  
Rance Ossenberg, Secretary  
Michael Duckworth  
Christopher A. Kiefer  
Karen Ragland  
Jeff Worthington

Superintendent

Dr. David B. Smith

Chief Financial Officer

Carl Underwood

School Corporation Attorney

Pat Shoulders, Esq.  
Zeimer, Stayman, Weitzel &  
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Evansville, Indiana 47708

Director of Budget

Courtney Bohleber

Bond Counsel

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Indianapolis, Indiana 46282

Financial Advisor

Belvia B. Gray  
H.J. Umbaugh & Associates  
Certified Public Accountants, LLP  
8365 Keystone Crossing, Suite 300  
Indianapolis, Indiana 46240

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

## **PRELIMINARY OFFICIAL STATEMENT**

**\$6,000,000**

### **EVANSVILLE-VANDERBURGH SCHOOL CORPORATION Evansville, Indiana GENERAL OBLIGATION BONDS OF 2016**

#### **INTRODUCTION TO THE OFFICIAL STATEMENT**

The Evansville-Vanderburgh School Corporation, Vanderburgh County, Indiana (the "School Corporation") is issuing \$6,000,000 of General Obligation Bonds of 2016 (the "Bonds").

#### **SECURITY AND SOURCES OF PAYMENT**

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

#### **CIRCUIT BREAKER TAX CREDIT**

Indiana Code Title 6, Article 1.1, Chapter 20.6 provides taxpayers with a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit ("Circuit Breaker Tax Credit"). If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. The legislation requires local governments to fund their debt service obligations regardless of any property tax revenue shortfalls due to the Circuit Breaker Tax Credit. The State may intercept funds to pay debt service. (See "Intercept Program" and "Circuit Breaker Tax Credit" herein).

#### **PURPOSE**

The Bonds are being issued for the purpose of paying the costs of various projects including renovation of and improvements to certain facilities throughout the School Corporation, including the purchase of equipment and vehicles and site, HVAC and security improvements throughout the School Corporation (collectively the "Projects"), and to pay issuance costs. Funding for the Projects will be provided from proceeds of the Bonds and interest earnings during construction.

#### **REDEMPTION PROVISIONS**

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

#### **DENOMINATIONS**

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

#### **REGISTRATION AND EXCHANGE FEATURES**

Each registered Bond shall be transferable or exchangeable only on such record at the designated corporate trust office of the Registrar and Paying Agent, Old National Wealth Management, in Evansville, Indiana, at the written request of the registered owner thereof or his attorney duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. A further description of the registration and exchange features of the Bonds can be found in the Bond Resolution.

### BOOK-ENTRY-ONLY SYSTEM

The Bonds shall initially be issued and held in book-entry form on the books of the central depository system. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered in the name of Cede & Co. (DTC’s partnership nominee). One fully registered Bond certificate will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC. The School Corporation and the Registrar and Paying Agent may deem and treat the Clearing Agency (Cede & Co.) as the absolute owner and holder of such Bond for all purposes including, without limitation, the receiving of payment of the principal of, premium, if any, and interest on such Bonds, the receiving of notice and the giving of consent. Interest payable July 15, 2017, and semiannually thereafter, will be paid by check mailed one business day prior to the interest payment date to the registered owner or by wire transfer on the interest payment date to the depository shown as the registered owner (Refer to “Book-Entry-Only System” herein).

### PROVISIONS FOR PAYMENT

The principal on the Bonds shall be payable at the designated corporate trust office of the Registrar and Paying Agent, or by wire transfer to DTC or any successor depository. All payments of interest on the Bonds shall be paid by check, mailed one business day prior to the interest payment date to the registered owners as the names appear as of the fifteenth day immediately preceding the interest payment date and at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Registrar or by wire transfer to DTC or any successor depository. If payment of principal or interest is made to DTC or any successor depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). Payments on the Bonds shall be made in lawful money of the United States of America, which, on the date of such payment, shall be legal tender.

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

### NOTICES

Notice of redemption shall be mailed to the registered owners of all Bonds, not less than 30 nor more than 45 days prior to the date fixed for redemption.

### TAX MATTERS

In the opinion of Ice Miller LLP, Bond Counsel, interest on the Bonds is excludable from gross income for federal income tax purposes, is not an item of tax preference for purposes of federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purposes of computing federal alternative minimum tax imposed on certain corporations. Such exclusion is conditioned on continuing compliance with the Tax Covenants, hereinafter defined. In the opinion of Ice Miller LLP, interest on the Bonds is exempt from income taxation in the State of Indiana. See Appendix C.

The Bonds are not bank qualified.

### MISCELLANEOUS

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

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights and



obligations of the owners thereof. Additional information may be requested from the Chief Financial Officer, Carl Underwood, 951 Walnut Street, Evansville, Indiana 47713, phone (812) 435-8453.

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

## THE PROJECTS

### PROJECTS DESCRIPTION

The Bonds are being issued for the purpose of paying the costs of various projects including the renovation of and improvements to certain facilities throughout the School Corporation, including the purchase of equipment and vehicle and site, HVAC and security improvements throughout the School Corporation. Refer to the following page for a detailed cost breakdown of the Projects.

### ESTIMATED SOURCES AND USES OF FUNDS

#### Estimated Sources of Funds

General Obligation Bonds of 2016	<u>\$6,000,000.00</u>
----------------------------------	-----------------------

#### Estimated Uses of Funds

Estimated Construction Related Costs and Contingencies (1)	\$5,925,000.00
Allowance for Underwriter's Discount (0.5%)	30,000.00
Costs of Issuance and Miscellaneous (2)	<u>45,000.00</u>
Total Estimated Uses of Funds	<u>\$6,000,000.00</u>

(1) Refer to the following page for a detailed Projects cost breakdown.

(2) Includes fees for bond counsel, local counsel, financial advisor, registrar/paying agent, ratings, printing and other miscellaneous expenses.

PROJECTS COST BREAKDOWN

<u>Sites</u>	<u>SSC Vehicles</u>	<u>Musical Instruments</u>	<u>FOG</u>	<u>Security</u>	<u>HVAC Repair/ Replacement</u>	<u>Site Improvements</u>	<u>Interior Renovations</u>	<u>Roofing</u>	<u>Paving</u>	<u>Switches</u>	<u>Totals</u>
Administration	\$500,000			\$12,895						\$200,000	\$712,895
Academy for Innovative Studies Diamond Campus			\$25,000				\$460,000				485,000
Academy for Innovative Studies First Avenue Campus											0
Benjamin Bosse High School		\$60,000		66,504				\$190,000			316,504
Central High School		60,000		54,746							114,746
William Henry Harrison High School		60,000	25,000								85,000
North High School		60,000	25,000								85,000
FJ Reitz High School		60,014			\$400,000						460,014
Helfrich Park Middle School		23,571									23,571
McGary Middle School		23,571									23,571
North Junior High School		23,571									23,571
Perry Heights Middle School		23,571					125,000				148,571
Plaza Park Middle School		23,571	25,000								48,571
Thompkins Middle School		23,571									23,571
Washington Middle School		23,571									23,571
Culver Elementary School				65,855					\$500,000		565,855
Caze Elementary School		8,809			50,000			150,000	100,000		308,809
Cedar Hall Elementary School		8,809									8,809
Cynthia Heights Elementary School		8,809			150,000						158,809
Daniel Wertz Elementary School		8,809			900,000						908,809
Delaware Elementary School		8,809									8,809
Dexter Elementary School		8,809	25,000								33,809
Evans Elementary School		8,809									8,809
Fairlawn Elementary School		8,809									8,809
Glenwood Leadership Academy		8,809	25,000								33,809
Harper Elementary School		8,809	25,000								33,809
Hebron Elementary School		8,809									8,809
Highland Elementary School		8,809									8,809
Lincoln Elementary School		8,809									8,809
Lodge Community School		8,809									8,809
Oak Hill School		8,809	25,000								33,809
Scott Elementary School		8,809									8,809
Stockwell Elementary School		8,809							250,000		258,809
Stringtown Elementary School		8,809	25,000								33,809
Tekoppel Elementary School		8,809			100,000						108,809
Vogel Elementary School		8,809									8,809
West Terrace Elementary School		8,809	25,000		50,000	\$300,000			400,000		783,809
<b>Totals</b>	<b>\$500,000</b>	<b>\$650,000</b>	<b>\$250,000</b>	<b>\$200,000</b>	<b>\$1,650,000</b>	<b>\$300,000</b>	<b>\$585,000</b>	<b>\$340,000</b>	<b>\$1,250,000</b>	<b>\$200,000</b>	<b>\$5,925,000</b>

SCHEDULE OF AMORTIZATION OF \$6,000,000 PRINCIPAL AMOUNT OF  
GENERAL OBLIGATION BONDS OF 2016

<u>Payment Date</u>	<u>Principal Outstanding</u> (-----In Thousands-----)	<u>Principal</u>	<u>Interest Rates</u> (%)	<u>Interest</u>	<u>Total</u>	<u>Budget Year Total</u>
07/15/2017	\$6,000					
01/15/2018	6,000					
07/15/2018	6,000	\$970				
01/15/2019	5,030	980				
07/15/2019	4,050	995				
01/15/2020	3,055	1,005				
07/15/2020	2,050	1,020				
01/15/2021	1,030	<u>1,030</u>				
Totals		<u>\$6,000</u>				

SECURITIES BEING OFFERED

AUTHORIZATION AND APPROVAL PROCESS

The Bonds are to be issued under the authority of Indiana law, including, without limitation, Indiana Code Title 20, Article 48, Chapter 1, as in effect on the date of delivery of the Bonds and pursuant to the Bond Resolution (Appendix B) adopted by the School Corporation’s Board of School Trustees on August 8, 2016, as amended on September 26, 2016.

Pursuant to Indiana Code 6-1.1-20, with certain exceptions listed below, when property taxes are pledged to the repayment of bonds or leases to finance a project, a determination must be made as to whether the project is a “controlled project”. Projects classified as controlled projects are subject to certain public approval procedures. A controlled project is one that is financed by a bond or lease, is payable by property taxes and costs more than the lesser of (a) \$2 million or (b) the greater of 1% of gross assessed value, if that amount is at least \$1 million. The exceptions for a controlled project are (a) when property taxes are used only as a back-up to enhance credit, (b) when a project is being refinanced to generate taxpayer savings, (c) when the project is mandated by federal law, and (d) when the project is in response to a natural disaster, emergency or accident that is approved by the county council.

Controlled projects are subject to either a petition and remonstrance process or a referenda process. Controlled projects are subject to the petition and remonstrance process when the project will cost greater than the lesser of (a) \$2 million or (b) the greater of 1% of gross assessed value (if that amount is at least \$1 million), but less than the cost of a project for which the referenda process would apply (as described below). Under the petition and remonstrance process, taxpayers and voters may sign a petition in favor of the project (petitioners) or against the project (remonstrators). At the end of the signature gathering period, if the petitioners have more signatures, the project may proceed. Controlled projects are subject to the referenda process rather than the petition and remonstrance process when the project will cost the lesser of (a) \$12 million (except for a school building for academic instruction, in which case the amount is \$10 million) or (b) 1% of the total gross assessed value of the political subdivision, if the amount is at least \$1 million. Once the referenda process is initiated, the public question regarding the controlled project will go on the ballot. If the majority of voters approve of the project, the project may proceed. Projects approved by the referenda process are outside the Circuit Breaker Tax Credit calculations.

If a project is not considered a controlled project, the project and bond issuance may proceed without the aforementioned additional approval procedures. Additionally, if the petition and remonstrance process or referenda process is not initiated, the project and bond issuance may proceed without additional approval procedures. The total cost of the Projects authorized herein will not exceed the lesser: (i) \$2,000,000 per building or per category; or (ii) the greater of (a) one percent (1%) of the total gross assessed value of property within the School Corporation on the last assessment date, or (b) \$1,000,000 and, therefore, the Bonds will not be issued to fund a controlled project,

as defined in IC 6-1.1-20-1.1. Therefore, the issuance of the Bonds was able to continue without additional approval procedures.

SECURITY AND SOURCES OF PAYMENT

The Bonds are the general obligation of the School Corporation payable from ad valorem property taxes to be levied on all taxable property within the School Corporation. See “CIRCUIT BREAKER TAX CREDIT” herein.

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

INTERCEPT PROGRAM

Indiana Code Title 20, Article 48, Chapter 1, Section 11 (the “Act”) provides that the Department of Local Government Finance (“DLGF”) shall review levies and appropriations of school corporations for debt service or 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 Act further provides that upon failure of any school corporation to make debt service or 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 (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 debt service or lease rental payments made by the State Treasurer would then be deducted from State distributions being made to the school corporation. The estimated State distributions for fiscal year 2017 and resulting debt service coverage levels are as follows:

Fiscal Year 2017 Basic Grant Distribution (all funds) (1)	<u>\$151,095,592</u>
Estimated Combined Maximum Annual Debt Service (2)	<u>\$24,607,999</u>
State Distributions Required to Provide Two-Times Coverage	<u>\$49,215,998</u>
State Distributions Above Two-Times Coverage Amount	<u>\$101,879,594</u>

- (1) Per the Indiana Department of Education, net of adjustments.
- (2) Based on combined outstanding debt for the year 2017 including debt service on the Bonds.
- (3) Includes the estimated lease rental payment schedule from the Proposed First Mortgage Refunding Bonds, Series 2016 to be issued in November 2016.

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

INVESTMENT OF FUNDS

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

THE BONDS

INTEREST CALCULATION

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

## REDEMPTION PROVISIONS

### Optional Redemption:

The Bonds are not subject to optional redemption prior to maturity.

### Mandatory Sinking Fund Redemption:

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

If fewer than all the Bonds are called for redemption at one time, the Bonds shall be redeemed in order of maturity determined by the School Corporation and by lot within maturity. Each \$5,000 principal amount shall be considered a separate Bond for purposes of mandatory redemption.

### Notice of Redemption:

Notice of redemption shall be mailed to the registered owners of all Bonds to be redeemed at least 30 days but not more than 45 days prior to the date fixed for such redemption, unless notice is waived by the owner of the Bond of Bonds redeemed. If any of the Bonds are so called for redemption, and payment therefore is made to the Paying Agent in accordance with the terms of the Bond Resolution, then such Bonds shall cease to bear interest from and after the date fixed for redemption in the call.

## BOOK-ENTRY-ONLY SYSTEM

The Bonds will be available only in book-entry form in the principal amount of \$5,000 or any integral multiple thereof. DTC will act as the initial securities depository for the Bonds. The ownership of one fully registered Bond for each maturity of the Bonds will be registered in the name of Cede & Co., as nominee for DTC.

SO LONG AS CEDE & CO, AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS (OR THE OWNERS) WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

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

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates.

Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a S&P Global Ratings, as hereinafter defined, rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of 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 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 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

Payments of principal, interest and redemption amounts, if any, on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the School Corporation or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC (nor its nominee), the Paying Agent, or the School Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School Corporation or the Paying Agent, disbursement of such

payments to Direct Participants will be the responsibility of DTC, and disbursements of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the School Corporation believes to be reliable, but neither the School Corporation nor the Underwriter takes any responsibility for the accuracy thereof.

In the event that the book-entry-only system is discontinued, the Paying Agent will provide for the registration of the Bonds in the name of the Beneficial Owners thereof. The School Corporation, the Registrar, the Paying Agent and any other Fiduciary would treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purposes of making and receiving payment of the principal thereof and interest thereon, and for all other purposes, and none of these parties would be bound by any notice or knowledge to the contrary.

*Revision of Book-Entry-Only System:*

In the event that either (1) the School Corporation receives notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities as a clearing agency for the Bonds or (2) the School Corporation elects to discontinue its use of DTC as a clearing agency for the Bonds, then the School Corporation and the Paying Agent will do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the Bonds, as are necessary or appropriate to discontinue use of DTC as a clearing agency for the Bonds and to transfer the ownership of each of the Bonds to such person or persons, including any other clearing agency, as the holder of such Bonds may direct in accordance with the Bond Resolution. Any expenses of such a discontinuation and transfer, including any expenses of printing new certificates to evidence the Bonds will be paid by the School Corporation.

PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION

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

Real and personal property in the State is assessed each year as of January 1. On or before August 1 of each year, the County Auditor must submit a certified statement of the assessed value of each taxing unit for the ensuing year to the 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 February 15<sup>th</sup> of the ensuing 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. 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 estimated amount, determined by the DLGF, by which the taxing unit's property taxes may be reduced by the Circuit Breaker Tax Credit; (v) the amount of excess levy appeals to be requested, if any; and (vi) the time and place at which the taxing unit will conduct a public hearing related to the information submitted to Gateway. The public hearing must be conducted at least ten days prior to the date the governing body establishes the budget, tax rate and levy, which by statute must each be established no later than November 1.

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

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.

Taxing units have until December 31 of the calendar year immediately preceding the ensuing calendar year to file a levy shortfall appeal. The DLGF must complete its review and certification of budgets, tax rates and levies on or before February 15.

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.

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. Effective January 1, 2016, state law annually exempts from property taxation new tangible business personal property with an acquisition cost of less than \$20,000. Pursuant to State law, real property is valued for assessment purposes at its "true tax value" as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2011 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4 and the 2011 Real Property Assessment Guidelines, Version A ("Guidelines"), as adopted by the DLGF. P.L. 204-2016, SEC. 3, enacted in 2016, retroactive to January 1, 2016, amends State law to provide that "true tax value" for real property does not mean the value of the property to the user and that true tax value shall be determined under the rules of the DLGF. As a result of P.L. 204-2016, the DLGF has begun the process of amending the Manual. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and IC 6-1.1-4, as amended by P.L. 180-2016. Except for agricultural land, as discussed below, the Manual permits assessing officials in each county to choose any acceptable mass appraisal method to determine true tax value, taking into consideration the ease of administration and the uniformity of the assessments produced by that method. The Guidelines were adopted to provide assessing officials with an acceptable appraisal method, although the Manual makes it clear that assessing officials are free to select from any number of appraisal methods, provided that they produce "accurate and uniform values throughout the jurisdiction and across all classes of property". The Manual specifies the standards for accuracy and validation that the DLGF uses to determine the acceptability of any alternative appraisal method. "Net Assessed Value" or "Taxable Value"



represents the “Gross Assessed Value” less certain deductions for mortgages, veterans, the aged, the blind, economic revitalization areas, resource recovery systems, rehabilitated residential property, solar energy systems, wind power devices, hydroelectric systems, geothermal devices and tax-exempt property. The “Net Assessed Value” or “Taxable Value” is the assessed value used to determine tax rates.

Changes in assessed values of real property occur periodically as a result of general reassessments scheduled by the State legislature, as well as when changes occur in the property value due to new construction or demolition of improvements. Before July 1, 2013, and before May 1 of every fourth year thereafter, the county assessor will prepare and submit to the DLGF a reassessment plan for each county. Beginning in 2016, the DLGF must complete its review and approval of the reassessment plan before January 1 of the year following the year in which the reassessment plan is submitted by the county. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under the county’s reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year, and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed. The county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year. However, a plan must cover a four (4) year period. All real property in each group of parcels shall be reassessed under the county’s reassessment plan once during each reassessment cycle. The reassessment of the first group of parcels under a county’s reassessment plan began on July 1, 2014, and was to be completed on or before January 1, 2016. Since 2007, all real property assessments are revalued annually to reflect market value based on comparable sales data (“Trending”). When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner may file a petition requesting a review of the action. This petition must be filed with the county assessor in which the property is located within 45 days after the written notification is given to the taxpayer or May 10 of that year, whichever is later. While the appeal is pending, the taxpayer may pay taxes based on the current year’s tax rate and the previous or current year’s assessed value.

### CIRCUIT BREAKER TAX CREDIT

#### *Description of Circuit Breaker:*

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

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

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

purposes of calculating the limits to property tax liability under the provisions of the Statute. In accordance with the Constitutional Provision, the General Assembly has, in the Statute, designated Lake County and St. Joseph County as “eligible counties” and has provided that property taxes imposed in these eligible counties to pay debt service and make lease rental payments for bonds or leases issued or entered into before July 1, 2008 or on bonds issued or leases entered into after June 30, 2008 to refund those bonds or leases, will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute, through and including December 31, 2019.

The Statute requires political subdivisions to fully fund the payment of outstanding debt service or lease rental obligations payable from property taxes (“Debt Service Obligations”), regardless of any reduction in property tax collections due to the application of the Circuit Breaker Tax Credit. For school corporations, any shortfall could also be funded through the State Intercept Program (herein defined); however, application of the State Intercept Program will result in a shortfall in distributions to the school corporation's general fund and school corporations are encouraged by the DLGF to fund any shortfall directly from the school corporation's general fund to avoid the application of the State Intercept Program. Upon: (i) the failure of a political subdivision to pay any of its Debt Service Obligations; and (ii) notification of that event to the treasurer of the State by a claimant; the treasurer of State is required to pay the unpaid Debt Service Obligations from money in the possession of the State that would otherwise be available to the political subdivision under any other law. A deduction must be made: (i) first, from local income tax distributions that would otherwise be distributed to the county; and (ii) second, from any other undistributed funds of the political subdivision in possession of the State.

Pursuant to IC 6-1.1-20.6-9.9, a school corporation that is expected to experience sufficient Circuit Breaker Tax Credit loss may, prior to May 1 of a year, request the DLGF, to certify the amount of Circuit Breaker Tax Credit loss, making the school corporation an eligible school corporation under IC 6-1.1-20.6-9.9 (an “Eligible School Corporation”). An Eligible School Corporation may allocate its Circuit Breaker Tax Credit loss, for 2016, 2017, and 2018 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 qualify for this exemption for 2016, and plans to use the exemption in 2016.

For 2017 and 2018, if a school corporation: (i) issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than: (A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or (B) for indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law; and (ii) the school corporation's total debt service levy in 2017 or 2018 is greater than the school corporation's debt service levy in 2016, 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 School Corporation may allocate the reduction by using a combination of unprotected taxes of the School Corporation in those taxing districts in which the Circuit Breaker Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

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

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

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

*Estimated Circuit Breaker Tax Credit for the School Corporation:*

According to the DLGF Vanderburgh County abstracts, the Circuit Breaker Tax Credit allocable to the School Corporation for budget year 2013, when the Circuit Breaker Tax Credit was fully implemented, was \$5,365,377. In budget years 2014 and 2015 the Circuit Breaker Tax Credits were \$4,358,086 and \$4,839,535, respectively. The Circuit Breaker Tax Credit for budget year 2016 is \$5,270,530. These estimates do not include the estimated debt service on the Bonds.

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

CONTINUING DISCLOSURE

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission in SEC Rule 15c2-12, as amended (the “Rule”), the School Corporation will enter into a Master Continuing Disclosure Undertaking (the “Undertaking”), to be dated the date of the closing of the Bonds. Pursuant to the terms of the Undertaking, the School Corporation will agree to provide the following information while any of the Bonds are outstanding:

- Audited Financial Statements. To the MSRB, the audited financial statements of the School Corporation 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 the June 30 immediately following each biennial period. However, the Audited Information for the biennial period ending June 30, 2015 shall be posted within 60 days of the School Corporation’s receipt. Thereafter such disclosure of Audited Information shall first occur by June 30, 2018, and shall be made by June 30 of every other year thereafter, if the Audited Information is delivered to the School Corporation by June 30 of each biennial period. If, however, the School Corporation has not received the Audited Information by such June 30 biennial date, the School Corporation agrees to (i) post 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 School Corporation’s receipt thereof; and
- Financial Information in this Official Statement. To the MSRB, no later than June 30 of each year beginning June 30, 2017, the most recent unaudited annual financial information for the School Corporation for such calendar year including (i) unaudited financial statements of the School Corporation and (ii) operating data (excluding any demographic information or forecast) of the general type provided under the following headings in this Official Statement (collectively, the “Annual Information”) (which updated information may be provided in such format as the School Corporation deems appropriate):

APPENDIX A

EVANSVILLE-VANDEBURGH SCHOOL CORPORATION  
- Enrollments

- School Corporation Receipts and Disbursements which includes Cash Balances by Fund and State of Indiana Payments
- Net Assessed Valuation
- Detail of Net Assessed Valuation
- Property Taxes Levied and Collected
- School Tax Rates
- Large Taxpayers

● Reportable Events. Within ten business days, to the MSRB, notice of the following events, if material, with respect to the Bonds (which determination of materiality shall be made by the School Corporation):

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

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

1. principal and interest payment delinquencies;
2. unscheduled draws on debt service reserves reflecting financial difficulties;
3. unscheduled draws on credit enhancements reflecting financial difficulties;
4. substitution of credit or liquidity providers, or their failure to perform;
5. defeasances;
6. rating changes;
7. adverse tax opinions or other material events affecting the tax-exempt status of the Bonds; the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material events, notices or determinations with respect to the tax status of the securities;
8. tender offers; and
9. bankruptcy, insolvency, receivership or similar event of the obligated person.

● Failure to Disclose. In a timely manner, to the MSRB, notice of the School Corporation failing to provide the annual financial information as described above.

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 Rule on the date of execution of the Undertaking, after taking into account any amendments or interpretations of the 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 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 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 Bond Resolution or any other agreement.

In order to assist the Underwriter in complying with the Underwriter's obligations pursuant to SEC Rule 15c2-12, the School Corporation represents that in the previous five years it has not fully complied with its previous undertakings including, but not limited to, the following instances: unaudited financial statements for the year ended December 31, 2013 was not linked to the CUSIP numbers for the Evansville-Vanderburgh School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2010A and was therefore posted late; operating data for the year ended 12/31/13 was filed on time but missing certain categories of information, a supplement to that operating data was posted late; operating data for the year ended December 31, 2015 was filed on time but missing certain categories of information, a supplement to that operating data was posted late; audited financial statements for the biennial period ending 6/30/11 was posted late; notice of underlying rating change was posted late; notices of bond insurer downgrades were posted late; and notice of the change in the name of the Trustee was posted late. The School Corporation makes no representation as to any potential materiality of such prior instances, as materiality is dependent upon individual facts and circumstances.

#### BOND RATING

S&P Global Ratings ("S&P Global") has assigned a programmatic bond rating of "\_\_\_" to the Bonds based upon the Indiana State Intercept Program (see page 5 for a description of Lease Rental Payments by the State of Indiana). and S&P Global has also assigned an underlying rating of "\_\_\_" to the Bonds. Such rating reflects only the view of S&P Global and any explanation of the significance of such rating may only be obtained from S&P Global.

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

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

#### UNDERWRITING

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

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

#### FINANCIAL ADVISOR

H.J. Umbaugh & Associates, Certified Public Accountants, LLP (the "Financial Advisor") ("Umbaugh") has been retained by the School Corporation to provide certain financial advisory services including, among other things, preparation of the deemed "nearly final" Preliminary Official Statement and the Final Official Statement (the "Official Statements"). The information contained in the Official Statements has been compiled from records and other materials provided by School Corporation officials and other sources deemed to be reliable. The Financial Advisor has not and will not independently verify the completeness and accuracy of the information contained in the Official Statements.

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

*Municipal Advisor Registration:*

Umbaugh is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. As such, Umbaugh is providing certain specific municipal advisory services to the School Corporation, but is neither a placement agent to the School Corporation nor a broker/dealer.

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

*Other Financial Industry Activities and Affiliations:*

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

UCAS has no other activities or arrangements that are material to its advisory business or its clients with a related person who is a broker-dealer, investment company, other investment adviser or financial planner, bank, law firm or other financial entity.

**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. As an example, the School Corporation previously issued or had issued on its behalf a series of Direct Payment Qualified School Construction Bonds (“Outstanding Direct Pay Bonds”) as taxable bonds in reliance on the provisions of the Internal Revenue Code of 1986, as amended (the “Code”) that provided for a subsidy to the School Corporation from the United States of all or a portion of the interest due on the Outstanding Direct Pay Bonds. As a result of the continuing federal budget discussions, moneys owed by the United States to the School Corporation with respect to the Outstanding Direct Pay Bonds will be reduced by 6.8% for fiscal year 2016. Future payments may be similarly reduced. Under current law, such reductions in the subsidy are scheduled to continue through and including fiscal year 2024. At this time, the School Corporation is unable to project if and when the subsidy payments on the Outstanding Direct Pay Bonds from the United States will be restored in whole or in part or what further action the United States may take with respect to future subsidy payments. To the extent, the School Corporation receives less in subsidy payments than expected, it will need to pay more from property taxes to pay the lease rental. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

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

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

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

## TAX MATTERS

In the opinion of Ice Miller LLP, Indianapolis, Indiana, Bond Counsel, under federal statutes, decisions, regulations and rulings existing on the date of issuance of the Bonds, the interest on the Bonds is excludable from gross income for purposes of federal income taxation pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (“Code”). Interest on the Bonds is not treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on certain corporations. This opinion is conditioned on continuing compliance by School Corporation with the Tax Covenants (as hereinafter defined). Failure to comply with the Tax Covenants could cause interest on the Bonds to lose the exclusion from gross income for federal income taxation retroactive to the date of issue. In the opinion of Ice Miller LLP, Indianapolis, Indiana 46282, Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana (“State”). This opinion relates only to the exemption of interest on the Bonds for State income tax purposes. See Appendix C for the form of Bond Counsel opinion.

The Code imposes certain requirements which must be met subsequent to the issuance of the Bonds as a condition to the exclusion from gross income of interest on the Bonds for federal income tax purposes. The School 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, “Tax Covenants”). The Resolution 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 Resolution if interest on the Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not in effect on the issue date of the Bonds.

IC 6-5.5 imposes a franchise tax on certain taxpayers (as defined in IC 6-5.5) which, in general, include all corporations which are transacting the business of a financial institution in Indiana. The franchise tax is measured in part by interest excluded from gross income under Section 103 of the Code minus associated expenses disallowed under Section 265 of the Code. 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, that interest on the Bonds is excluded from federal gross income and exempt from State income tax, the accrual or receipt of interest on the Bonds may otherwise affect a bondholder’s federal income tax or state tax liability. The nature and extent of these other tax consequences will depend upon the bondholder’s particular tax status and a bondholder’s other items of income or deduction. Taxpayers who may be affected by such other tax consequences include, without limitation, individuals, financial institutions, certain insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or railroad retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Bonds. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the Bonds should consult their own tax advisors with regard to the other tax consequences of owning the Bonds.

The Bonds are not bank qualified.

## ORIGINAL ISSUE DISCOUNT

The initial public offering price of the Bonds maturing on \_\_\_\_\_ through and including \_\_\_\_\_ (collectively, the “Discount Bonds”) is less than the principal amount payable at maturity. As a result the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public offering price of the Discount Bonds, as set forth on the cover page of this Official Statement (assuming it is the first price at which a substantial amount of that maturity is sold) (the “Issue Price” for such maturity), and the amount payable at maturity of the Discount Bonds will be treated as “original issue discount.” A taxpayer who purchases a Discount Bond in the initial public offering at the Issue Price for such maturity 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 Issue Price for such maturity should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

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

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

#### AMORTIZABLE BOND PREMIUM

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

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



## LITIGATION

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

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

## CERTAIN LEGAL MATTERS

Legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving opinion of Ice Miller LLP, Indianapolis, Indiana, Bond Counsel, whose approving opinion will be available at the time of delivery of the Bonds. Bond Counsel has not been asked nor has it undertaken to review the accuracy or sufficiency of this Official Statement, and will express no opinion thereon. The form of opinion of Bond Counsel is included as Appendix C of this Official Statement.

## LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

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

The remedies available to the bondholders upon a default under the Bond Resolution, are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the remedies provided in the Bond Resolution may not be readily available or may be limited. Under federal and State environmental laws certain liens may be imposed on property of the School Corporation from time to time, but the School 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 payment of debt service for the Bonds.

The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by the valid exercise of the constitutional powers of the School Corporation, 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 Bond Resolution in a situation where such enforcement may adversely affect public health and welfare may be subject to these police powers.

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

This Official Statement and its execution are duly authorized.

EVANSVILLE-VANDERBURGH  
SCHOOL CORPORATION

By: *Rw. Paul Terry Handl*  
President, Board of School Trustees

Attest: *Rance Inenberg*  
Secretary, Board of School Trustees

## APPENDIX i



## **NOTICE OF INTENT TO SELL BONDS**

### **\$6,000,000 GENERAL OBLIGATION BONDS OF 2016 EVANSVILLE-VANDEBURGH SCHOOL CORPORATION**

Upon not less than twenty-four (24) hours' notice given by the undersigned Secretary prior to the ninetieth day after this notice is first published, Evansville-Vanderburgh School Corporation (the "School Corporation") will receive and consider bids for the purchase of the following described Bonds. Any person interested in submitting a bid for the Bonds must furnish in writing to the Evansville-Vanderburgh School Corporation c/o H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-2687; (317) 465-1500, (317) 465-1550 (facsimile) or by e-mail to [gray@umbaugh.com](mailto:gray@umbaugh.com), [fetters@umbaugh.com](mailto:fetters@umbaugh.com) and [cheek@umbaugh.com](mailto:cheek@umbaugh.com) on or before 2:00 p.m. (Indianapolis Time) October 7, 2016, the person's name, address, and telephone number. Interested persons may also furnish an e-mail address. The undersigned Secretary will notify (or cause to be notified) each person so registered of the date and time bids will be received not less than twenty-four (24) hours before the date and time of sale. The notification shall be made by telephone at the number furnished by such person and also by electronic e-mail, if an e-mail address has been received.

Notice is hereby given that electronic proposals will be received via PARITY<sup>®</sup>, in the manner described below, until the time and date specified in the Notice provided at least 24 hours prior to the sale, which is expected to be 11:30 a.m. (Indianapolis Time), on October 12, 2016. Bids may be submitted electronically via PARITY<sup>®</sup> pursuant to this Notice until the time specified in the Notice, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY<sup>®</sup> conflict with Notice,

the terms of this Notice shall control. For further information about PARITY<sup>®</sup>, potential bidders may contact the School Corporation's advisor, H.J. Umbaugh & Associates, Certified Public Accountants, LLP at (317) 465-1500 or PARITY<sup>®</sup> at (212) 849-5021.

At the time designated for the sale, the School Corporation will receive at the offices of H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana, and consider bids for the purchase of the following described Bonds:

General Obligation Bonds of 2016 (the "Bonds") of the School Corporation, an Indiana political subdivision, in the principal amount of \$6,000,000; Fully registered form; Denomination \$5,000 and integral multiples thereof (or in such other denomination as requested by the winning bidder); Originally dated the date of delivery of the Bonds; Bearing interest at a rate or rates to be determined by bidding, payable on July 15, 2017, and semiannually thereafter; These Bonds will be initially issued in a Book Entry System (as defined in the Bond Resolution) unless otherwise requested by the winning bidder. Interest payable by check mailed one business day prior to the interest payment date or by wire transfer to depositories on the interest payment date to the person or depository in whose name each Bond is registered with Old National Wealth Management on the fifteenth day immediately preceding such interest payment date; Maturing or subject to mandatory redemption on January 15 and July 15 beginning on July 15, 2018 through and including January 15, 2021 on the dates and amounts as provided by the School Corporation prior to the sale.

As an alternative to PARITY<sup>®</sup>, bidders may submit a sealed bid to the School Corporation's financial advisor at the address described above until the time and on the date identified in the notice given by, or on behalf of the School Corporation, twenty-four hours prior to the sale of the Bonds. Upon completion of the bidding procedures described herein, the results of the sealed, non-electronic bids received shall be compared to the electronic bids received by the School Corporation.

The Bonds are not subject to optional redemption prior to maturity.

A bid may designate that a given maturity or maturities shall constitute a term bond, and the semi-annual amounts set forth in the schedule provided prior to the sale shall constitute the

mandatory sinking fund redemption requirements for such term bond or bonds. For purposes of computing net interest cost, the mandatory redemption amounts shall be treated as maturing on the dates set forth in the schedule provided prior to the sale.

Each bid must be for all of the Bonds and must state the rate of interest which each maturity of the Bonds is to bear, stated in multiples of 1/8<sup>th</sup> or 1/100<sup>th</sup> of 1%. The maximum interest rate of the Bonds shall not exceed 4.00% per annum. All Bonds maturing on the same date shall bear the same rate, and the rate of interest bid for each maturity must be equal to or greater than the rate bid on the immediately preceding maturity. Bids shall set out the total amount of interest payable over the term of the Bonds and the net interest cost on the Bonds covered by the bid. No bid for less than 99.50% of the face value of the Bonds will be considered. The Bonds will be awarded to the highest qualified bidder who has submitted a bid in accordance herewith. The highest bidder will be the one who offers the lowest net interest cost to the School Corporation, to be determined by computing the total interest on all of the Bonds to their maturities based upon the schedule provided by the School Corporation prior to the sale and deducting therefrom the premium bid, if any, and adding thereto the discount bid, if any. The right is reserved to reject any and all bids. If an acceptable bid is not received for the Bonds on the date of sale hereinbefore fixed, the sale may be continued from day to day thereafter, during which time no bids for less than the highest bid received at the time of the advertised sale will be considered. No conditional bids will be considered.

Each bid not submitted via PARITY® must be enclosed in a sealed envelope addressed to the School Corporation and marked on the outside "Bid for General Obligation Bonds of 2016". A good faith deposit ("Deposit") in the form of cash or certified or cashier's check in the amount of \$60,000 payable to the order of the School Corporation is required to be submitted by

the successful purchaser (the "Purchaser") not later than 3:30 p.m. (EDT) on the next business day following the award. If such Deposit is not received by that time, the School Corporation may reject the bid. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Bonds. In the event the Purchaser fails to honor its accepted bid, the Deposit will be retained by the School Corporation as liquidated damages.

The successful bidder shall make payment for such Bonds and accept delivery thereof within five days after being notified that the Bonds are ready for delivery, at such place in the City of Indianapolis, Indiana, as the successful bidder may designate, or at such other location mutually agreed to by the School Corporation and the successful bidder. The Bonds will be ready for delivery within 45 days after the date of sale. If the School Corporation fails to have the Bonds ready for delivery prior to the close of banking hours on the forty-fifth day after the date of sale, the bidder may secure the release of his bid upon request in writing, filed with the School Corporation. The successful bidder is expected to apply to a securities depository registered with the SEC to make such Bonds depository-eligible. At the time of delivery of the Bonds to the successful bidder, the bidder will be required to certify to the School Corporation the initial reoffering price to the public of a substantial amount of each maturity of the Bonds.

Bidders must comply with the Rules of PARITY<sup>®</sup> in addition to requirements of this Official Notice of Intent to Sell Bonds. To the extent there is a conflict between the Rules of PARITY<sup>®</sup> and this Official Notice of Intent to Sell Bonds, this Official Notice of Intent to Sell Bonds shall control. Bidders may change and submit bids as many times as they wish during the sale, but they may not withdraw a submitted bid. The last bid submitted by a bidder prior to the deadline for the receipt of bids will be compared to all other final bids to determine the winning



bid. During the sale, no bidder will see any other bidder's bid, nor will they see the status of their bid relative to other bids (e.g., whether their bid is a leading bid).

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder therefor to accept delivery of and pay for the Bonds in accordance with the terms of its proposal. No CUSIP identification number shall be deemed to be a part of any Bond or a part of the contract evidenced thereby and no liability shall hereafter attach to the School Corporation or any of its officers or agents because of or on account of such numbers. All expenses in relation to the printing of CUSIP identification numbers on the Bonds shall be paid for by the School Corporation; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the Purchaser. The Purchaser will also be responsible for any other fees or expenses it incurs in connection with the resale of the Bonds.

The approving opinion of Ice Miller LLP, bond counsel of Indianapolis, Indiana, together with a transcript of the proceedings relating to the issuance of the Bonds and closing papers in the usual form showing no litigation questioning the validity of the Bonds, will be furnished to the successful bidder at the expense of the School Corporation.

The Bonds are being issued for the purpose to pay the cost of various projects including the renovation of and improvements to certain facilities throughout the School Corporation including the purchase of equipment and vehicles and site, HVAC and security improvements throughout the School Corporation, and will be direct obligations of the School Corporation payable out of ad valorem taxes to be collected on the taxable property within the School Corporation; however, the School Corporation's collection of the levy may be limited by

operation of I.C. 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 debt service on the Bonds in an amount sufficient to pay the debt service, regardless of any reduction in property tax collections due to the application of such tax credits. The School Corporation may not be able to levy or collect additional property taxes to make up this shortfall. Evansville-Vanderburgh School Corporation is a school corporation organized pursuant to the provisions of I.C. 20-23, and the Bonds will not be "private activity bonds" as defined in Section 141 of the Internal Revenue Code of 1986.

The Bonds constitute an indebtedness only of the School Corporation. Interest on the Bonds is exempt from all income taxation in Indiana. In the opinion of bond counsel, under the existing federal statutes, decisions, regulations and rulings, the interest on the Bonds is excludable from gross income for purposes of federal income taxation.

The School Corporation has prepared a preliminary official statement relating to the Bonds which it has deemed to be a nearly final official statement. A copy of the Preliminary Official Statement may be obtained from the School Corporation's financial advisor, H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-2678. Within seven (7) business days of the sale, the School Corporation will provide the successful bidder with up to 40 copies of the final official statement at the School Corporation's expense. Additional copies, at the purchaser's expense, must be requested within five (5) business days of the sale. Inquiries concerning matters contained in the nearly final official statement must be made and pricing and other information necessary to

complete the final Official Statement must be submitted by the successful bidder within two (2) business days following the sale to be included in the final official statement.

The School Corporation has agreed to enter into a Master Continuing Disclosure Undertaking in order to permit the successful purchaser to comply with the SEC Rule 15(c)2-12. A copy of such Agreement is available from the School Corporation or financial advisor at the addresses below.

The School Corporation has further agreed to comply with the successful purchaser's reasonable requests to provide or disclose information and make appropriate filings which may be required in order for such purchaser to comply with SEC Rule 15(c)2-12.

Further information relative to said issue and a copy of the nearly final official statement may be obtained upon application to H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-2687, financial advisor to the School Corporation; Pat Shoulders, Zeimer, Stayman, Weitzel & Shoulders, LLP, 20 N.W. First Street, 9<sup>th</sup> Floor, Evansville, Indiana 47708, attorney for the School Corporation; or Dr. David Smith, Superintendent, Evansville-Vanderburgh School Corporation, 951 Walnut Street, Evansville, Indiana 47713. If bids are submitted by mail, they should be addressed to the School Corporation, attention of H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240-2687.

Dated this 23<sup>rd</sup> day of September, 2016.

/s/ \_\_\_\_\_  
Secretary, Board of School Trustees  
Evansville-Vanderburgh School Corporation

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## APPENDIX A



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**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

**SYSTEM OVERVIEW**

The Evansville-Vanderburgh School Corporation (the “School Corporation” or “EVSC”) is located in southwestern Indiana and borders Kentucky and Illinois. It is the third largest school corporation in the state and serves all of Vanderburgh County consisting of eight townships. The School Corporation includes one pre-kindergarten, seventeen elementaries (3 PK-5, 2 PK-6, 9 K-5 and 3 K-6), four (K-8), six middle schools (6-8), one junior high school (7-8), five high schools (9-12), two non-traditional campuses and a tech institute.

The Southern Indiana Career & Technical Center (the “Center”) serves over 800 students from Vanderburgh, Warrick, Posey, North and South Gibson and the southern half of Spencer Counties and is rated among the top five career and technical schools in the nation. The Center offers 22 courses of studies in 10 different career choices including manufacturing, agricultural education, computer network technology, building trades, culinary arts, health sciences and public safety/law enforcement, among others.

Technology is an integral part of the learning experience in the School Corporation. A netbook computer is provided to each student in grades 5-12. EVSC also offers a Virtual Academy which allows students to earn credits for recovery or advancement through online learning. Recently EVSC was named the “Number 1 School District in the Nation” by the National Data Quality Campaign for its use of data to help direct student success.

**ENROLLMENT**

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

	<u>School Year</u>				
	<u>2011/ 2012</u>	<u>2012/ 2013</u>	<u>2013/ 2014</u>	<u>2014/ 2015</u>	<u>2015/ 2016</u>
Total	<u>22,546</u>	<u>22,362</u>	<u>22,372</u>	<u>22,231</u>	<u>22,183</u>

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

<u>Year</u>	<u>Projected Enrollment</u>
2016/2017	22,183
2017/2018	22,183
2018/2019	22,183
2019/2020	22,183
2020/2021	22,183

**BOARD OF SCHOOL TRUSTEES**

<u>Name</u>	<u>Initial Year Elected</u>	<u>Last Year Elected</u>
Rev. Paul T. Gamblin, President	1988	2013
Andrew Guarino, Vice President	2014	2015
Rance Ossenberg, Secretary	2015	
Michael Duckworth	2003	2015
Christopher A. Kiefer	2003	2015
Karen Ragland	2005	2013
Jeff Worthington	2013	2013

**ADMINISTRATION AND STAFF**

The School Corporation is under the direction of a seven-member elected Board of School Trustees who serve four-year terms. The Superintendent, appointed by the school board, directs a certified staff of 1,676 and a non-certified staff of 1,588 with union representation as follows:

<u>Union Name</u>	<u>Union Representation</u>	<u>Number of Members</u>	<u>Contract Expiration Date</u>
Evansville Teacher Association	Teachers	1,100	June 30, 2017

**PENSION OBLIGATIONS**

**Public Employees' Retirement Fund**

**Plan Description**

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

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

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

**Funding Policy and Annual Pension Cost**

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

Employer contributions for 2014 and 2015 were \$4,443,890 and \$4,635,496 respectively.

## Teachers' Retirement Fund

### Plan Description

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

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

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

### Funding Policy and Annual Pension Cost

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

Employer contributions for 2014 and 2015 were \$6,621,962 and \$6,855,123, respectively.

### Other Postemployment Benefits

Upon retirement, administrators are paid a lump sum cash payment for up to 25 unused vacation days at their daily pay rate. The School Corporation funds this benefit through the General Fund.

Upon retirement, certified employees have the potential to receive \$70 per unused sick day. This benefit only applies if the certified employee has over 183 sick days accumulated at retirement. There is no cap on the amount of sick days which are paid out. Such payment must be deposited into the retirees 401(A) account. The School Corporation funds this benefit through the General Fund.

The School Corporation provides eligible retirees and their spouses with medical, dental and vision insurance. However, the amount of the premiums paid by the School Corporation vary depending upon the classification of the retiree and their negotiated contract upon retirement.

In 2015, the School Corporation transferred \$500,000 from the General Fund to cover all their anticipated postemployment benefit costs, and based upon internal forecasts, the School Corporation anticipates transferring \$500,000 for calendar year 2016 in order to fund anticipated postemployment benefit costs.

## **GENERAL PHYSICAL AND DEMOGRAPHIC INFORMATION**

### **LOCATION**

The School Corporation is located in Vanderburgh County, Indiana (the “County”) in southwestern Indiana, along the Ohio River. The city of Evansville (the “City”) is the county seat. The County is within driving distance of St. Louis, Indianapolis, Cincinnati, Nashville and Louisville.

### **GENERAL CHARACTERISTICS**

The Evansville Metropolitan Statistical Area (“MSA”) and the County are known for a wide variety of industries including the production of nutritional products, pharmaceuticals, aluminum sheet, automobiles, auto glass, coal, oil, and plastics. County residents have a variety of cultural and recreational sporting events available. In addition, the City is home to two well-known universities, the University of Evansville and the University of Southern Indiana.

Indiana's first floating casino, Tropicana Evansville (originally named Casino Aztar), opened along the City’s riverfront in 1995. The entertainment facility consists of a 2,700 passenger riverboat casino, a 250-room hotel, a 96-room boutique hotel, a 1,660 vehicle parking garage, retail shops, restaurants and lounge area. In November 2015, the City of Evansville and Tropicana Entertainment announced a \$50 million project to move the riverboat-based casino inland. The 75,000 square-foot facility will have one level and include new restaurants, gaming and entertainment. Construction is expected to take two years to complete. The Ohio River provides residents with boating and fishing opportunities.

The Ford Center, which opened in November, 2011, is a multi-purpose, 11,000-seat arena and is the region's center for sports and entertainment. The 290,000 square foot facility is home to NCAA Division 1 University of Evansville Purple Aces Men's and Women's basketball and the Evansville IceMen minor league hockey team. The Ford Center is used for sports, concerts, and conventions.

The Old National Events Plaza (formerly the Centre) is located across the street from the Ford Center in the City’s downtown area. The Old National Events Plaza includes a 2,500 seat auditorium, a 38,000 square foot exhibit hall, a 14,000 square foot ballroom, and several meeting rooms.

In August 2015 the City announced financing for a \$60 million downtown convention hotel. The 240-room, five-story Hilton DoubleTree and a parking garage will be shared with the new Indiana University School of Medicine-Evansville campus which will also be constructed in the downtown area. Construction on the hotel is expected to take about 18 months.

In 2015, Governor Pence and the Indiana Economic Development Council selected Southwest Indiana, of which Evansville is a focal part, as one of three regions to receive \$42 million to help complete projects designed to drive and retain talent in the region. These funds were appropriated by the Indiana General Assembly. The region will use the \$42 million to assist with the completion of its comprehensive plan, containing a total of 19 projects, which total \$926.3 million in combined public and private investments. The projects include an urban-living laboratory for consumer electronics, housing and medical research facilities that the City anticipates will attract new talent and create a new path for strategic economic growth within the region.

### **PLANNING AND ZONING**

The Area Plan Commission is an appointed 13-member commission which carries out land use planning for the City, the County and the Town of Darmstadt. The County also has a seven-member Board of Zoning Appeals. The County has a very active redevelopment commission to help foster economic development opportunities.

### **HIGHER EDUCATION**

The City is home to the University of Evansville (“UE”) which is a fully-accredited, private, liberal arts and sciences based university affiliated with the United Methodist Church. Total enrollment for UE is 2,495, and the average class size is 18 students. UE has received national recognition for its dedication to international education and is ranked within the top ten comprehensive universities in the United States for study abroad programs. U.S. News &

World Report has named UE one of the Midwest's top ten regional universities and one of the region's best values in its annual best colleges rankings.

The University of Southern Indiana (“USI”) is also located in the City. USI was founded in 1965 and began as a regional campus of Indiana State University. USI has four academic colleges within its structure and has an enrollment of 10,701 students. UE, USI and Ivy Tech Community College are partnering with four regional hospitals including St. Mary’s Health System and Deaconess Health System in Evansville, Good Samaritan Hospital in Vincennes and Memorial Hospital and Health Center in Jasper, Indiana to build an Academic Health Science & Research Facility to be anchored by the IU School of Medicine. The \$61 million facility is expected to open in early 2018. The facility will house Indiana University School of Medicine-Evansville four-year medical education program and the IU School of Dentistry training and public clinic. USI will offer an accelerated bachelors of science in nursing and the occupational therapy doctorate. UE will offer its physician assistance program and more at the facility.

## **GENERAL ECONOMIC AND FINANCIAL INFORMATION**

### **COMMERCE AND INDUSTRY**

The Evansville MSA is known for the production of a wide variety of manufactured products including motor vehicles, nutritional products, pharmaceuticals, prepared foods, aluminum sheets and billots, auto glass, cold rolled steel, paints, plastic compounds and plastic products. A report from Business Review USA published in 2015 named Evansville as one of the top 10 places to do business. The new I-69 will serve as a major artery for Evansville and southwestern Indiana. It will create the capability for increased commerce and ease of access to the Indianapolis’ markets for Evansville and southwestern Indiana. Evansville’s Midwest location, cost of living, tax climate, and strong working relationships between economic development and government partners helped rank Evansville as #5. The Growth Alliance for Greater Evansville reports information from Headlight Data shows that Vanderburgh County ranked the highest out of 1,041 counties in the U.S. in food manufacturing job creation in 2014 with 1,066 jobs created.

Additionally, the City is home to many corporate headquarters. Some of these companies include Vectren Corporation, Berry Plastics, Accuride International, Shoe Carnival, Mead Johnson, Old National Bank, Koch Enterprises, T. J. Maxx, Anchor Industries, and Atlas Van Lines.

Toyota Motor Manufacturing, Indiana (“TMMI”), located in neighboring Gibson County, employs approximately 5,000 within the four million square foot facility. The Princeton plant produces the Sequoia full-size sport utility vehicle, the Sienna minivan and the Highlander mid-size sport utility vehicle. On July 12, 2016, Toyota Boshoku Indiana announced plans to expand its production operations in Princeton, Indiana with a \$10.59 million, 42,000 square-foot addition to its manufacturing facility. The expansion will result in the creation of up to 160 new jobs. Toyota Boshoku operations will grow to 524,000 square-feet across 57 acres and will bring to manufacture vehicle seats and doors for the Toyota Highlander produced at TMMI.

Mead Johnson Nutrition began operations in the City in 1916. In 2010, the company opened two new facilities in the City, representing a combined investment of \$60 million. In October 2014, Mead Johnson announced a \$35 million investment in expansion and equipment upgrades at its manufacturing facilities. The company currently employs approximately 925.

Berry Plastics Group, Inc. is a manufacturer of plastic packaging products and protection materials for the food and beverage, personal care, pet care, household chemical, foodservice, healthcare and industrial markets. The company has its corporate headquarters and a manufacturing plant in the City and a manufacturing plant in nearby Princeton, Indiana. In 2014, the company announced plans to invest approximately \$31 million in its Indiana facilities to create 280 new jobs in the City and to transfer existing equipment from its facilities outside Indiana to its downtown Evansville, Evansville Airport, Princeton and Richmond facilities to maximize production efficiencies. The partnership between the City and Berry Plastics has produced new investments exceeding \$64 million and a total of 395 production jobs over the past few years according to City officials. In August 2016, Berry Plastics acquired AEP Industries in a \$765 million deal. The company expects to save a minimum of \$50 million per year by combining the operations, selling, general and administrative expenses. Berry Plastics Groups, Inc. was recently

recognized at the INVESTIndiana Equity Conference as an “Indiana Public Company of the Year – Top Ten Performer.”

In February 2016, eLuxurySupply.com announced the relocation of their mattress pad manufacturing operations from Martin, Tennessee to the City, creating up to 87 new jobs by 2019. In April 2016, St. Mary’s Health broke ground on a nearly \$13 million, 31,000 square-foot St. Mary’s Northside Crossing. The expansion will create 50 jobs upon opening in early 2017.

## LARGE EMPLOYERS

Below is a list of the major employers in southwest Indiana as provided by the Economic Development Coalition of Southwest Indiana as of May 2016. Because of reporting time lags and other factors inherent in collecting and reporting such information, the statistics may not reflect recent employment levels.

<u>Name</u>	<u>Year Established</u>	<u>Type of Business</u>	<u>Reported Employment</u>
Deaconess Hospital	1893	Health care	5,600
Toyota Motor Manufacturing, Indiana, Inc.	1996	Automobile manufacturing	5,000
St. Mary's Health Systems	1872	Health care	3,529
Evansville-Vanderburgh School Corporation	-	Public education	3,264 (1)
University of Southern Indiana	1985	Higher education	2,813
Berry Plastics Group, Inc.	1967	Plastic container and packaging manufacturing	2,699
Industrial Contractors/Skanska	-	Construction	2,460
T.J. Maxx	1986	Retail distribution center	1,500
Koch Enterprises, Inc.	-	Industrial and auto parts manufacturing	1,409
SABIC Innovative Plastics	1960	R & D, Engineering thermoplastics mfg.	1,200

(1) Includes 1,676 certified and 1,588 non-certified employees.

## EMPLOYMENT

<u>Year</u>	<u>Unemployment Rate</u>		<u>Vanderburgh County Labor Force</u>
	<u>Vanderburgh County</u>	<u>Indiana</u>	
2011	8.0%	9.1%	92,760
2012	7.7%	8.3%	91,871
2013	7.1%	7.7%	91,040
2014	5.4%	5.9%	92,122
2015	4.2%	4.8%	92,371
2016, July	4.1%	4.4%	95,753

Source: Indiana Business Research Center. Data collected as of August 23, 2016.

## BUILDING PERMITS

Provided below is a summary of the annual number of residential building permits and estimated construction costs within the School Corporation.

<u>Year</u>	<u>Residential Total Permits</u>	<u>Estimated Construction Costs</u>
2011	220	\$27,697,730
2012	285	32,537,500
2013	288	41,988,445
2014	309	45,522,230
2015	302	45,554,739

Source: U. S. Census Bureau



## POPULATION

<u>Year</u>	<u>Vanderburgh County</u>	
	<u>Population</u>	<u>Percent of Change</u>
1970	168,772	1.80%
1980	167,515	-0.74%
1990	165,058	-1.47%
2000	171,922	4.16%
2010	179,703	4.53%
2015, Est.	181,877	1.21%

Source: U.S. Census Bureau

## AGE STATISTICS

	<u>Vanderburgh County</u>
Under 25 Years	61,085
25 to 44 Years	44,498
45 to 64 Years	48,224
65 Years and Over	25,896

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

## EDUCATIONAL ATTAINMENT

<u>Years of School Completed</u>	<u>Vanderburgh County Persons 25 and Over</u>
Less than 9th grade	2.9%
9th to 12th grade, no diploma	7.5%
High school graduate	34.3%
Some college, no degree	23.9%
Associate's degree	8.0%
Bachelor's degree	15.7%
Graduate or professional degree	7.8%

Source: U.S. Census Bureau's 2010-2014 American Community Survey 5-Year Estimates

**MISCELLANEOUS ECONOMIC INFORMATION**

	<u>Vanderburgh County</u>	<u>Indiana</u>
Per capita income, past 12 months*	\$24,426	\$24,953
Median household income, past 12 months*	\$43,067	\$48,737
Average weekly earnings in manufacturing (4th qtr. of 2015)	\$1,282	\$1,178
Land area in square miles - 2010	233.48	35,826.11
Population per land square mile - 2010	769.7	181.0
Retail sales in 2012:		
Total retail sales	\$3,141,650,000	\$85,857,962,000
Sales per capita**	\$17,482	\$13,242
Sales per establishment	\$3,971,745	\$3,974,722

\*In 2014 inflation-adjusted dollars – 5-year estimates

\*\*Based on 2010 Population.

Source: Bureau of Census Reports and the Indiana Business Research Center. Data collected as of August 12, 2016.

<u>Employment and Earnings - Vanderburgh County 2014</u>	<u>Earnings</u> (In 1,000s)	<u>Percent of Earnings</u>	<u>Distribution of Labor Force</u>
Services	\$2,677,438	40.23%	47.54%
Manufacturing	1,060,303	15.93%	10.13%
Wholesale and retail trade	735,267	11.05%	14.60%
Construction	663,933	9.98%	6.70%
Government	589,693	8.86%	8.76%
Other*	346,173	5.20%	4.77%
Finance, insurance and real estate	246,543	3.71%	5.07%
Mining	219,924	3.31%	0.85%
Information	101,189	1.52%	1.35%
Farming	14,259	0.21%	0.23%
<b>Totals</b>	<b>\$6,654,722</b>	<b>100.00%</b>	<b>100.00%</b>

\* In order to avoid disclosure of confidential information, specific earnings and employment figures are not available for the "forestry, fishing, related activities, utilities and transportation and warehousing" sectors. The data is incorporated here.

Source: Bureau of Economic Analysis and the Indiana Business Research Center. Data collected as of August 12, 2016.

<u>Adjusted Gross Income</u>	<u>Year</u>	<u>Vanderburgh County Total</u>
	2010	\$3,793,318,075
	2011	3,821,036,845
	2012	3,995,665,594
	2013	3,948,736,690
	2014	4,229,062,520

Source: Indiana Department of Revenue

**SCHEDULE OF INDEBTEDNESS**

The following schedule shows the outstanding indebtedness of the School Corporation and the taxing units within and overlapping its jurisdiction as of August 12, 2016, including issuance of the General Obligation Bonds of 2016 (the "Bonds"), as reported by the respective taxing units.

<u>Direct Debt</u>	<u>Original Par Amount</u>	<u>Final Maturity</u>	<u>Outstanding Amount</u>
Tax Supported Debt (1)			
General Obligation Bonds of 2016	\$6,000,000	01/15/21	\$6,000,000
General Obligation Bonds of 2015	5,000,000	01/15/20	5,000,000
General Obligation Bonds of 2014	4,000,000	01/15/18	2,280,000
General Obligation Bonds of 2013	4,000,000	01/15/17	320,000
General Obligation Bonds of 2011	1,950,000	07/15/17	445,000
Evansville Vanderburgh School Building Corporation			
First Mortgage Bonds, Series 2010A	2,215,000	01/15/19	1,275,000
First Mortgage Bonds, Series 2010B	59,785,000	01/15/30	59,785,000
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2010D	7,918,862	07/15/30	5,678,862
Unlimited Taxable Ad Valorem Property Tax First Mortgage Bonds, Series 2010E	28,080,000	01/15/30	28,080,000
First Mortgage Bonds, Series 2010C (QSCB)	10,000,000	01/16/25	7,705,000
First Mortgage Refunding Bonds, Series 2006	41,270,000 *	01/10/22	18,420,000 *
First Mortgage Bonds, Series 2009	41,000,000	01/15/29	35,875,000
Energy Savings Contract	10,000,000	07/15/27	7,905,609
Common School Fund Loans			<u>15,777,582</u>
Total Direct Debt			<u>\$194,547,053</u>

(1) Excludes \$8,709,322 of loans for technology which are paid from the Textbook Fund and Capital Projects Fund, and \$52,572 of loans for netbooks from the Capital Projects Fund.

\*The School Corporation anticipates issuing approximately \$18,855,000 of First Mortgage Refunding Bonds, Series 2016 to refund the First Mortgage Refunding Bonds, Series 2006 in November, 2016.

In addition to the above, the School Corporation has \$4,909,101 of tax anticipation warrants outstanding which are due December 30, 2016.

The School Corporation is always investigating potential refunding opportunities and monitoring future building project needs.

<u>Overlapping Debt</u>	<u>Total Debt</u>	<u>Percent Allocable to School Corporation (1)</u>	<u>Amount Allocable to School Corporation</u>
Tax Supported Debt			
City of Evansville	\$221,321,881	100.00%	\$221,321,881
Evansville Park District	12,510,000	100.00%	12,510,000
Evansville-Vanderburgh County Public Library	23,130,000	100.00%	23,130,000
Vanderburgh County	68,902,665	100.00%	68,902,665
Vanderburgh County Convention and Visitor's Bldg. Corp.	13,515,000	100.00%	13,515,000
German Township	17,833	100.00%	17,833
Scott Township	1,503,500	100.00%	<u>1,503,500</u>
Tax Supported Debt			<u>340,900,879</u>
Self-Supporting Revenue Debt			
City of Evansville	349,574,498	100.00%	349,574,498
Evansville-Vanderburgh County Airport Authority	187,294	100.00%	<u>187,294</u>
Self-Supporting Revenue Debt			<u>349,761,792</u>
Total Overlapping Debt			<u>\$690,662,671</u>

(1) Based upon the 2015 payable 2016 net assessed valuation of the respective taxing units.

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

**DEBT RATIOS**

The following presents the ratios relative to the tax supported indebtedness of the taxing units within and overlapping the School Corporation as of August 12, 2016, including issuance of the Bonds.

	Direct Tax Supported Debt <u>\$194,547,053</u>	Allocable Portion of All Other Overlapping Tax Supported Debt <u>\$340,900,879</u>	Total Direct and Overlapping Tax Supported Debt <u>\$535,447,932</u>
Per capita (1)	\$1,069.66	\$1,874.35	\$2,944.01
Percent of net assessed valuation (2)	2.94%	5.16%	8.10%
Percent of gross assessed valuation (3)	1.68%	2.94%	4.62%
Debt per capita to per capita personal income (4)	4.38%	7.67%	12.05%
Per pupil (5)	\$8,770.10	\$15,367.66	\$24,137.75

- (1) According to the U.S. Census Bureau, the estimated 2015 population of the School Corporation is 181,877.
- (2) The net assessed valuation of the School Corporation for taxes payable in 2016 is \$6,609,421,460 according to the Vanderburgh County Auditor's office.
- (3) The gross assessed valuation of the School Corporation for taxes payable in 2016 is \$11,598,076,290 according to the Vanderburgh County Auditor's office.
- (4) The per capita personal income of School Corporation is \$24,426.
- (5) Enrollment of the School Corporation is 22,183 as reported by school personnel.

**DEBT LIMIT**

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

Certified net assessed valuation (Taxes payable in 2016)	\$6,635,072,179
Times: 2% general obligation debt issue limit	<u>2%</u>
Sub-total	132,701,444
Divided by 3	<u>3</u>
General obligation debt issue limit	44,233,815
Less: Outstanding general obligation debt including the Bonds	<u>(14,045,000)</u>
Estimated amount remaining for general obligation debt issuance	<u><u>\$30,188,815</u></u>

## SCHEDULE OF HISTORICAL NET ASSESSED VALUATION

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

<u>Year Payable</u>	<u>Real Estate</u>	<u>Utilities</u>	<u>Personal Property</u>	<u>Total Taxable Value</u>
2012	\$5,894,457,556	\$230,159,420	\$744,133,280	\$6,868,750,256
2013 (1)	5,475,253,698	240,219,140	743,607,890	6,459,080,728
2014	5,492,151,688	254,883,030	770,756,293	6,517,791,011
2015	5,536,846,613	256,492,430	785,207,872	6,578,546,915
2016	5,564,323,951	246,972,270	798,125,239	6,609,421,460

- (1) Represents results of general reassessment. Changes in assessed values of real property occur periodically as a result of general reassessments scheduled by the State legislature, as well as when changes occur in the property value due to new construction or demolition of improvements. Before July 1, 2013 and before May 1 of every fourth year thereafter, county assessors will prepare and submit to the Department of Local Government Finance ("DLGF") a reassessment plan for each county. The DLGF must complete its review and approval of the reassessment plan before March 1, 2015 and January 1 of each subsequent year that follows a year in which the reassessment plan is submitted by the county. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels shall begin on May 1 of a year and shall be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. A county may submit a reassessment plan that provides for reassessing more than twenty-five (25%) of all parcels of real property in a particular year, and the plan may provide all parcels are to be reassessed in one (1) year provided that the plan covers a four (4) year period and all real property in each group of parcels is reassessed once during each reassessment cycle.

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

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

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

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

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

**DETAIL OF NET ASSESSED VALUATION**

Assessed 2015 for Taxes Payable in 2016

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

	<u>Total</u>
Gross Value of Land	\$2,235,621,710
Gross Value of Improvements	<u>8,016,078,600</u>
Total Gross Value of Real Estate	10,251,700,310
Less: Mortgage Exemptions, Veterans, Blind Age 65 & Other Exemptions	(3,522,516,762)
Tax Exempt Property	(607,787,025)
TIF	<u>(557,072,572)</u>
Net Assessed Value of Real Estate	<u>5,564,323,951</u>
Business Personal Property	1,099,403,710
Less: Deductions	<u>(301,278,471)</u>
Net Assessed Value of Personal Property	<u>798,125,239</u>
Net Assessed Value of Utility Property	<u>246,972,270</u>
Total Net Assessed Value	<u><u>\$6,609,421,460</u></u>

**COMPARATIVE SCHEDULE OF CERTIFIED TAX RATES**

Per \$100 of Net Assessed Valuation

	<u>Year Taxes Payable</u>				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Detail of Certified Tax Rate:					
Debt Service	\$0.0943	\$0.1457	\$0.1774	\$0.1719	\$0.1921
School Pension Debt	0.0778	0.0687			
Referendum Debt Fund-Exempt Capital	0.0367	0.1182	0.1594	0.1854	0.1881
Capital Projects	0.2435	0.3050	0.2931	0.2901	0.2896
Art Institute	0.0050	0.0050	0.0048	0.0049	0.0050
2013 State Loan		0.0067			
Transportation	0.1954	0.2157	0.2128	0.2163	0.2203
Bus Replacement	0.0071	0.0216	0.0382	0.0388	0.0396
	<u>\$0.6598</u>	<u>\$0.8866</u>	<u>\$0.8857</u>	<u>\$0.9074</u>	<u>\$0.9347</u>
Totals					
Total District Certified Tax Rate (1)					
Armstrong Twp.	\$1.7416	\$2.0911	\$2.0448	\$2.0984	\$2.1498
Darmstadt - Armstrong Twp.	\$1.8708	\$2.2362	\$2.1887	\$2.2380	\$2.2903
Center Twp.	\$1.7337	\$2.1040	\$2.0570	\$2.1126	\$2.1438
Evansville - Center Twp.	\$2.8807	\$3.3675	\$3.3047	\$3.4067	\$3.4623
Darmstadt - Center Twp.	\$1.8956	\$2.2637	\$2.2158	\$2.2657	\$2.2984
German Twp.	\$1.7520	\$2.1006	\$2.0735	\$2.1341	\$2.1853
Darmstadt - German Twp.	\$1.8785	\$2.2548	\$2.2072	\$2.2566	\$2.2897
Perry Twp.	\$1.7370	\$2.0902	\$2.0459	\$2.1005	\$2.1326
Evansville - Perry Twp.	\$2.8816	\$3.3674	\$3.3052	\$3.4087	\$3.4651
Knight Twp.	\$1.7613	\$2.1784	\$2.1365	\$2.1863	\$2.2231
Evansville - Knight Twp.	\$2.8704	\$3.3564	\$3.2938	\$3.3955	\$3.4512
Pigeon Twp.	\$1.9982	\$2.3828	\$2.3372	\$2.3782	\$2.3990
Evansville - Pigeon Twp.	\$2.9485	\$3.4482	\$3.3842	\$3.4909	\$3.5485
Scott Twp.	\$1.8242	\$2.1880	\$2.2116	\$2.2206	\$2.2755
Darmstadt - Scott Twp.	\$1.8799	\$2.2426	\$2.1954	\$2.2451	\$2.2781
Union Twp. - Real	\$1.9126	\$2.2457	\$2.1718	\$2.2158	\$2.1748
Union Twp. - Personal	\$1.9126	\$2.2457	\$2.1718	\$2.2158	\$2.1748
Evansville - Knight Twp. Phase-in Annexation	\$2.8704				
Evansville - Pigeon Twp. Phase-in Annexation	\$2.9485				
Evansville - Knight Twp. (TIF Memo Only)	\$1.1958				
Evansville - Knight Twp. Burk Org. TIF Memo Only)	\$1.1958	\$1.3304	\$1.3122	\$1.3590	\$1.3844
Evansville - Knight Twp. Burk Exp. TIF Memo Only)	\$1.1958	\$1.3304	\$1.3122	\$1.3590	\$1.3844

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

Source: DLGF Certified Budget Orders for the School Corporation.

**PROPERTY TAXES LEVIED AND COLLECTED**

Collection Year	Certified Taxes Levied	Circuit Breaker Tax Credit (1)	Certified Taxes Levied Net of Circuit Breaker Tax Credit	Taxes Collected	Collected as Percent of Gross Levy	Collected as Percent of Net Levy
2011	\$41,882,409	(\$1,740,639)	\$40,141,770	\$39,965,517	95.42%	99.56%
2012	44,508,108	(2,220,871)	42,287,237	41,373,443	92.96%	97.84%
2013	55,652,699	(5,365,377)	50,287,322	50,770,395	91.23%	100.96%
2014	57,852,008	(4,358,086)	53,493,922	52,825,850	91.31%	98.75%
2015	59,886,089	(4,839,535)	55,046,554	54,964,264	91.78%	99.85%

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

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

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

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

Effective March 25, 2014, if a school corporation has sufficient Circuit Breaker losses (at least ten percent of its transportation fund levy for that year) in either 2014, 2015, 2016, 2017 and 2018 and such losses are timely certified by the DLGF, it becomes an eligible school corporation under IC 6-1.1-20.6-9.9 (an "Eligible School Corporation"). For the applicable year or years, an Eligible School Corporation may allocate its Circuit Breaker Tax Credit loss, for each year, proportionately across all school corporation property tax supported funds, including the debt service fund, thereby being exempted from the protected taxes requirement as described below. However, in 2017 or 2018, if a school corporation: (i) issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than: (A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or (B) for indebtedness that is approved in a local public question or referendum under I.C. 6-1.1-20 or any other law; and (ii) the school corporation's debt service levy in 2017 or 2018 is greater than the school corporation's debt service levy in 2016, the school corporation will not be an Eligible School Corporation even if it would otherwise qualify. This School Corporation is expected to have sufficient losses to qualify as an Eligible School Corporation.

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



**LARGE TAXPAYERS**

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

<u>Name</u>	<u>Type of Business</u>	<u>2015/2016 Net Assessed Valuation</u>	<u>Percent of Total Net Assessed Valuation (1)</u>
Vectren (formerly SIGECO) (2)	Gas and electric utility	\$209,283,620	3.17%
Berry Plastics Group Inc. (2)	Mfg. plastic bottles & containers	121,884,869	1.84%
Mead Johnson Nutrition (2)	Nutrition/pharmaceutical mfg.	94,804,172	1.43%
Aztar Indiana Gaming Co., LLC (2)	Riverboat casino and hotel	62,067,200	0.94%
Old National Bank/ONB Insurance Group Inc./ONB One Main Landlord LLC (2)	Financial institution/insurance	58,112,640	0.88%
Eastland Mall	Shopping mall	57,555,750	0.87%
Interprop Fund	Financial institution	40,326,420	0.61%
Windstream Norlight, Inc.	Telecommunications utility	40,184,640	0.61%
Spurling Properties LLP/Warren W. Spurling/ Spurling Development LLC (2)	Real estate development	38,025,060	0.58%
General Auto Outlet of Evansville	Retail strip center	<u>33,827,610</u>	<u>0.51%</u>
Totals		<u>\$756,071,981</u>	<u>11.44%</u>

- (1) The total net assessed valuation of the School Corporation is \$6,609,421,460 for taxes payable in 2016, according to the Vanderburgh County Auditor's office.
- (2) Located in a tax increment financing area (TIF); therefore, all or a portion of the taxes are captured as TIF and not distributed to individual taxing units.

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

Note: The following financial statements on pages A-18 - A-22 are excerpts from the School Corporation's July 1, 2011 to June 30, 2013 audit report of the Indiana State Board of Accounts. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. Complete audits will be furnished upon request. Current reports are available at <http://www.in.gov/sboa/resources/reports/audit/>.

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

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

For the Years Ended June 30, 2012 and 2013.

	Cash and Investments 07-01-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13
General	\$2,896,364	\$145,273,989	\$148,198,077	\$27,724	\$0	\$149,745,153	\$148,721,361	\$385,698	\$1,409,490
Debt Service	2,323,967	6,335,427	6,208,195	(475,499)	1,975,700	8,170,271	6,947,553	(1,691,836)	1,506,582
Retirement/Severance Bond Debt Service	352,171	5,447,040	5,209,885		589,326	4,805,995	5,334,135		61,186
Capital Projects	6,500,263	23,647,413	22,821,278		7,326,398	23,387,569	21,556,755	(1,372,977)	7,784,235
School Transportation	6,721,949	17,982,389	18,667,122	(1,500,000)	4,537,216	18,937,071	17,605,709	(179,911)	5,688,667
School Bus Replacement	98,502	1,379,859	1,478,361		0	1,002,289	753,858		248,431
Rainy Day	6,617,226		3,837,636	1,500,000	4,279,590			1,533,337	5,812,927
Retirement/Severance Bond	14,044,611	17,591	2,006,231		12,055,971	13,726	1,599,078		10,470,619
Construction	0		889,515	1,950,000	1,060,485		987,394		73,091
Construction Cedar Hall	0	223,624	223,624		0				0
Construction Highland	0	8,853	8,853		0				0
Construction Stockwell	0	2,000	2,000		0				0
Construction North Campus	0	5,017	5,017		0				0
Construction Plaza	0	4,455	4,455		0				0
School Lunch	2,652,027	12,146,379	10,842,166		3,956,240	11,953,664	11,495,849		4,414,055
Textbook Rental	3,584,338	2,571,230	5,820,945	475,499	810,122	2,561,195	2,857,864	1,691,836	2,205,289
Self-Insurance	682,839	17,913	41		700,711	171,359			872,070
Levy Excess	319,303	409			319,712	377		(320,089)	0
Art Institute	205,649	354,813	373,470		186,992	328,706	346,090		169,608
Alternative Education	39,548	151,337	86,365		104,520	213,275	182,254		135,541
Rose Rudin Award	273		100		173		100		73
Miscellaneous Donations	613,998	1,069,582	429,595		1,253,985	367,566	484,238		1,137,313
No Hungry Kid	0				0	2,000	1,509		491
Exempt Debt Service	892,578	2,283,629	2,774,023		402,184	5,652,587	4,690,477		1,364,294
Comp Tech 09	0				0				0
Medicaid Reimbursement	1,998	42,900	14,366	(28,082)	2,450	60,330	14,921	(46,058)	1,801
Dollar General Literacy 10/11	88		88		0				0
Even Start 10/11	(5,184)	37,064	31,880		0				0
Non-English Speaking Programs 10/11	3,763		3,763		0				0
<b>Subtotals</b>	<b>\$48,546,271</b>	<b>\$219,002,913</b>	<b>\$229,937,051</b>	<b>\$1,949,642</b>	<b>\$39,561,775</b>	<b>\$227,373,133</b>	<b>\$223,579,145</b>	<b>\$0</b>	<b>\$43,355,763</b>

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**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

(Cont'd)

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

For the Years Ended June 30, 2012 and 2013.

	Cash and Investments 07-01-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13
Subtotals carried forward	\$48,546,271	\$219,002,913	\$229,937,051	\$1,949,642	\$39,561,775	\$227,373,133	\$223,579,145	\$0	\$43,355,763
U W Even Start	22,500		4,506		17,994		11,016		6,978
Heroes - Welborn	(13,051)	175,515	172,576		(10,112)	27,991	17,879		0
Lowes S Heroes	41,400		12,886		28,514		28,514		0
CSF Tech #2	(1)	921,469	921,468		0		0		0
Arts in Ed AIS	0	750	750		0		0		0
CACG/SICAN	160,000	216,500	124,419		252,081	5,000	186,025		71,056
Dollar General Literacy 11/12	20,000		20,051		(51)		(51)		0
Welborn 11/12	0	65,553	72,068		(6,515)	9,598	3,083		0
STAA 2012	0	468,800	468,800		0		0		0
CSF 2012	0	1,999,000	1,999,000		0		0		0
E Learning Conference	0	15,000			15,000	5,000	20,000		0
Non-English Speaking Programs 12/13	0				0	35,203	23,510		11,693
School Technology	52,051	86,389	70,091		68,349	85,624	123,591		30,382
School Technology 2012	0				0	484,388	484,388		0
CAF 2013	0				0	1,532,764	1,532,764		0
Common School	0	173,365	341,637		(168,272)	1,826,634	1,658,362		0
Afternoon Rocks	(7,262)	8,780	1,518		0		0		0
Afternoon Rocks 2011	0	39,132	36,478		2,654	3,260	281		5,633
Hoop House 11/12	(2,334)	9,731	9,742	2,334	(11)	1,996	1,985		0
High Ability 12/13	0				0	121,048	99,506		21,542
Welborn 2012-2014	0				0	75,873	82,665		(6,792)
WBF-Lodge 12/13	0				0	19,770	16,664		3,106
Hoop House 12/13	77,367		4,017		73,350		1,100	(72,250)	0
Mind in the Making	0				0	50,000	21,659		28,341
PBIS-Dexter 2012	0				0	178	233		(55)
Afternoon Rocks 2013	0				0		0	72,250	72,250
CTG Welborn 13/14	0				0	3,788	3,788		0
Innovative School Improvement Grant	0				0	43,972	43,972		0
E Learning 11/12	0	2,500	2,173		327	42,553	42,880		0
Dollar General Literacy 12/13	0	87,373	70,039	(2,334)	15,000		15,000		0
Dollar General Literacy 13/14	0				0	15,000			15,000
Title 1 11/12	0	5,212,654	5,676,482	56,785	(407,043)	2,691,733	2,284,690		0
Title 1 12/13	0				0	4,536,452	4,984,752		(448,300)
<b>Subtotals</b>	<b>\$48,896,941</b>	<b>\$228,485,424</b>	<b>\$239,945,752</b>	<b>\$2,006,427</b>	<b>\$39,443,040</b>	<b>\$238,990,958</b>	<b>\$235,267,401</b>	<b>\$0</b>	<b>\$43,166,597</b>

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**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

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

For the Years Ended June 30, 2012 and 2013.

	Cash and Investments 07-01-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13
Subtotals carried forward	\$48,896,941	\$228,485,424	\$239,945,752	\$2,006,427	\$39,443,040	\$238,990,958	\$235,267,401	\$0	\$43,166,597
Title 1 10/11	(283,581)	2,603,636	2,263,270	(56,785)	0				0
Welborn CPPW	(3,422)	34,637	31,215		0				0
1003(g) Glenwood	(15,420)	589,994	574,574		0				0
School Improvement 2010	(39,939)	512,684	472,745		0				0
1003(g) Glenwood 2012	0	1,229,742	1,335,411		(105,669)	1,041,748	936,079		0
1003(g) Evans 2012	0	1,304,087	1,359,231		(55,144)	695,127	639,983		0
School Improvement 2011	0	543,319	573,826		(30,507)	500,402	469,895		0
1003(g) Evans Yr 2	0				0	1,294,062	1,519,184		(225,122)
1003(g) Glenwood Yr 3	0				0	1,076,937	1,374,076		(297,139)
1003(g) McGary	0				0	667,283	755,775		(88,492)
Community Conservation	0	115,847	115,847		0				0
Title 4 Drug Free	(9,156)	55,403	46,247		0				0
Title VI-B '10	(298,835)	1,244,658	955,000		(9,177)	24,707	15,530		0
Part B 12/13	0				0	5,059,831	5,278,711		(218,880)
Title VI-B '09	114,580		114,580		0				0
Title VI-B 11/12	0	4,835,501	5,179,558		(344,057)	1,304,392	963,017		(2,682)
Preschool 11/12	0	262,815	271,920		(9,105)	82,598	73,815		(322)
Preschool 12/13	0				0	196,630	203,199		(6,569)
REM 09	0	20,073	20,073		0				0
Afternoon Rocks 2012	0				0	10,699	10,428		271
SMF-PEP	0	330,367	386,635		(56,268)	309,821	234,917		18,636
Adv Mfg. Intiv	0	45,765	45,765		0				0
Bio-Med	0	17,857	17,853	(4)	0				0
PLTW Bosse/NTI	0	30,000	30,000		0				0
21st Century Learning Center YIII	(1,250)	18,594	17,344		0				0
Bio-Med 10- Reitz	0	44	44		0				0
Bosse Tech Prep	(40)	2,855	2,815		0				0
PLTW New Tech	0	4,758	4,758		0				0
Title II 09/10	(72,816)	426,252	353,436		0				0
Pre-School 10/11	(18,567)	74,413	59,476		(3,630)	9,988	6,358		0
Title III 10/11	(9,066)	13,226	4,160		0				0
Tech Prep 12	0		6,930		(6,930)	21,361	14,431		0
Perkins 2010	(49,728)	277,322	227,594		0				0
High Ability 10/11	2,403		2,403		0				0
<b>Subtotals</b>	<b>\$48,212,104</b>	<b>\$243,079,273</b>	<b>\$254,418,462</b>	<b>\$1,949,638</b>	<b>\$38,822,553</b>	<b>\$251,286,544</b>	<b>\$247,762,799</b>	<b>\$0</b>	<b>\$42,346,298</b>

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**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

(Cont'd)

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

For the Years Ended June 30, 2012 and 2013.

	Cash and Investments 07-01-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13
Subtotals carried forward	\$48,212,104	\$243,079,273	\$254,418,462	\$1,949,638	\$38,822,553	\$251,286,544	\$247,762,799	\$0	\$42,346,298
ACT Asthma	(7,224)	4,332	(2,892)		0				0
I.C.J.I. 10/11	0	6,439	6,439		0				0
Y-CAP/Diamonds	(3,546)	7,500	3,954		0				0
EPA Asthma Grant	(1,790)		(1,790)		0				0
COPS	(15,000)	73,345	58,345		0				0
PBIS-Dexter 2011	(1,174)	22,343	23,961		(2,792)	2,424	(368)		0
Perkins 11/12	0	394,936	472,478		(77,542)	110,358	32,816		0
Early Childhood Learning Center	0	16,959	16,959		0				0
Medical Reimbursement/Riley	45,390				45,390				45,390
21st Century 4A 12/13	(14,820)	352,508	358,844		(21,156)	318,225	326,783		(29,714)
21st Century 4B 12/13	0		17,822		(17,822)	281,383	272,428		(8,867)
21st Century 5 12/13	0		13,566		(13,566)	434,123	438,915		(18,358)
21st Cohort 5	0				0		6,520		(6,520)
21st Cohort 6	0				0		1,131		(1,131)
Medical Reimbursement/Bass	33,006	77,998	41,807		69,197	111,534	103,527		77,204
Full Service Yr 3	0				0	315,380	350,264		(34,884)
McKinney-Vento Education for Homeless - 2012	0	87,692	93,850		(6,158)	42,308	36,150		0
Title II 11/12	0	874,518	982,321		(107,803)	579,447	471,644		0
Title III Language Instruction 2012	0	30,720	32,199		(1,479)	11,031	9,552		0
High Ability 11/12	0	118,970	100,735		18,235		18,235		0
Non English Speaking Program 11/12	0	32,062	24,956		7,106		7,106		0
Medical Reimbursement/Butler	21,378		522		20,856				20,856
Toyota Family 2001	3,092	1,300	1,786		2,606				2,606
SACC FY-2007	27,720			(27,720)	0				0
Title II 10/11	0				0	811,443	867,627		(56,184)
E Learning 12/13	0				0	20,733	20,733		0
Class Innovation	(18,655)	184,542	172,687		(6,800)	58,349	51,549		0
Title III Language Instruction 2013	0				0	45,254	45,688		(434)
McKinney Vento Education for Homeless - 2013	0				0	39,567	41,299		(1,732)
TIF/TAP	0	291,379	306,330		(14,951)	278,584	263,633		0
Perkins 12/13	0				0	448,629	523,729		(75,100)
TIF/TIP Yr 3	0				0	248,260	262,049		(13,789)
Pre-School 09/10	5,838		5,838		0				0
21st Century 4-A 11/12	(100,876)	116,710	15,834		0				0
<b>Subtotals</b>	<b>\$48,185,443</b>	<b>\$245,773,526</b>	<b>\$257,165,013</b>	<b>\$1,921,918</b>	<b>\$38,715,874</b>	<b>\$255,443,576</b>	<b>\$251,913,809</b>	<b>\$0</b>	<b>\$42,245,641</b>

(Continued on next page)

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

(Cont'd)

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

For the Years Ended June 30, 2012 and 2013.

	Cash and Investments 07-01-11	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-12	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments 06-30-13
Subtotals carried forward	\$48,185,443	\$245,773,526	\$257,165,013	\$1,921,918	\$38,715,874	\$255,443,576	\$251,913,809	\$0	\$42,245,641
21st Century 4-B 10/11	(1,554)	5,010	3,456		0				0
SMF - PEP VII	(22,995)	91,254	68,259		0				0
PEP 2009	156	35,953	36,109		0				0
McKinney-Vento Education for Homeless 2011	(3,766)	41,845	38,079		0				0
Asthma - Friend 07	13,509		6,376		7,133		385		6,748
Culver Literature Connection	4,930	5,600	4,924		5,606		5,606		0
21 Century 4B 11/12	(11,874)	273,138	264,215		(2,951)	6,862	3,911		0
MSP Blast	(2,078)	233,178	236,340		(5,240)	296,477	300,672		(9,435)
SMF-PEP YR 3	0	283,470	305,010		(21,540)	61,775	40,235		0
21st Century 5 11/12	(12,097)	452,552	442,292		(1,837)	6,198	4,361		0
Title 1 Grants to LEAs	(164,524)	1,648,556	1,484,032		0				0
Title 1 - School Improvements	(348,315)	661,249	312,934		0				0
Special Education - Part B	(184,357)	1,130,683	946,326		0				0
Education Technology	0	4,404	4,404		0				0
McKinney-Vento Education for Homeless 2010	6,515		6,515		0				0
S I 11/12	0				0	865,714	917,604		(51,890)
Education Jobs	0	65,487	65,487		0	91,860	91,860		0
Cobra - ARRA	(2,873)	2,873			0				0
EERP	0	505,769	112,280		393,489	50,576	444,065		0
Payroll Withholdings	616,094	43,153,546	42,995,970		773,670	42,575,740	42,921,789		427,621
Prepaid Food	39,680	2,965,876	2,954,241		51,315	3,036,940	3,030,048		58,207
Payroll	0	86,227,817	86,227,817		0	85,234,553	85,234,553		0
<b>Totals</b>	<b>\$48,111,894</b>	<b>\$383,561,786</b>	<b>\$393,680,079</b>	<b>\$1,921,918</b>	<b>\$39,915,519</b>	<b>\$387,670,271</b>	<b>\$384,908,898</b>	<b>\$0</b>	<b>\$42,676,892</b>

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

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**  
**SUMMARY OF RECEIPTS AND DISBURSEMENTS BY FUND**  
**(Unaudited)**

	Calendar Year			Six Months Ended 6/30/16
	<u>2013</u>	<u>2014</u>	<u>2015</u>	
<b><u>GENERAL FUND</u></b>				
Receipts:				
Transfer Tuition & Other Payments	\$382,028	\$641,767	\$813,751	\$177,649
Earnings on Investments	13,952	10,811	26,556	44,129
School Corporation Activities	2,761,441	2,600,852	2,212,377	1,276,453
Other Revenue from Local Sources	3,590,450	4,445,888	4,816,686	2,304,066
Revenue from Intermediate Sources	864	864	864	432
Revenue from State Sources	142,244,057	144,138,878	146,210,831	73,757,438
Other Items	13,737	2,410	2,266	
Interfund Transfers	357,943	28,672		
<b>Total Receipts</b>	<b>149,364,472</b>	<b>151,870,142</b>	<b>154,083,332</b>	<b>77,560,167</b>
Disbursements:				
Instruction	106,723,601	107,181,036	106,533,948	56,710,969
Support Services	39,255,107	41,506,948	44,053,350	21,899,966
Community Services	1,741,123	1,538,121	1,206,900	653,228
Facilities Acquisition and Construction	134,294			
Interfund Transfers			502,500	
<b>Total Disbursements</b>	<b>147,854,126</b>	<b>150,226,105</b>	<b>152,296,698</b>	<b>79,264,163</b>
Net Increase (Decrease)	1,510,347	1,644,037	1,786,634	(1,703,996)
Beginning Balance - January 1st	3,498,629	5,008,976	6,653,013	8,439,647
Ending Balance - December 31st	<b>\$5,008,976</b>	<b>\$6,653,013</b>	<b>\$8,439,647</b>	<b>\$6,735,651</b>

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

(Continued on next page)

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

(Cont'd)

**SUMMARY OF RECEIPTS AND DISBURSEMENTS BY FUND**  
**(Unaudited)**

	<u>Calendar Year</u>			<u>Six Months Ended 6/30/16</u>
	<u>2013</u>	<u>2014</u>	<u>2015</u>	
<b><u>DEBT SERVICE FUND</u></b>				
Receipts:				
Local Property Tax	\$8,595,812	\$10,391,169	\$10,194,966	\$6,254,781
License Excise Tax	695,721	853,262	721,532	447,000
Commercial Vehicle Excise Tax	76,611	83,608	88,808	42,913
Financial Institutions Tax	110,693	176,002	186,625	105,568
Revenue in Lieu of Taxes	6,676	7,411	6,417	3,188
Other Financing Sources		57,912	130,254	
	<hr/>	<hr/>	<hr/>	<hr/>
Total Receipts	9,485,512	11,569,364	11,328,602	6,853,450
Disbursements:				
Principal on Debt	510,863	3,048,564	2,141,511	1,051,690
Interest on Debt	66,822	53,392	59,189	
Lease Rental	3,994,100	3,992,958	3,782,725	1,891,875
Advancements and Obligations	2,657,013	3,305,993	3,955,987	2,689,838
Interfund Transfers	1,691,836	1,552,813	1,261,901	1,220,670
	<hr/>	<hr/>	<hr/>	<hr/>
Total Disbursements	8,920,633	11,953,720	11,201,313	6,854,072
Net Increase (Decrease)	564,879	(384,356)	127,289	(622)
Beginning Balance - January 1st	<hr/>	<hr/>	<hr/>	<hr/>
	1,780,455	2,345,334	1,960,978	2,088,267
Ending Balance - December 31st	<hr/>	<hr/>	<hr/>	<hr/>
	\$2,345,334	\$1,960,978	\$2,088,267	\$2,087,645

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

(Continued on next page)



**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

(Cont'd)

**SUMMARY OF RECEIPTS AND DISBURSEMENTS BY FUND**  
**(Unaudited)**

	Calendar Year			Six Months Ended 6/30/16
	<u>2013</u>	<u>2014</u>	<u>2015</u>	
<b><u>RETIREMENT/SEVERANCE BOND FUND</u></b>				
Receipts:				
Local Property Tax	\$3,874,884			
License Excise Tax	313,622			
Commercial Vehicle Excise Tax	34,535			
Financial Institutions Tax	49,899			
Revenue in Lieu of Taxes	3,009			
Interest on Investments				
<b>Total Receipts</b>	<b>4,275,949</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Disbursements:				
Principal on Debt	4,494,416			
Interest on Debt	199,096			
<b>Total Disbursements</b>	<b>4,693,512</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net Increase (Decrease)	(417,563)	0	0	0
Beginning Balance - January 1st	417,563	0	0	0
<b>Ending Balance - December 31st</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Note: These bonds were fully repaid as of 1/5/2014.

The Retirement/Severance Bond Fund accounts for debt service payments anticipated to be made on debt issued for unfunded payments for termination of employment or to pay postretirement or severance benefits.

(Continued on next page)

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

(Cont'd)

**SUMMARY OF RECEIPTS AND DISBURSEMENTS BY FUND**  
**(Unaudited)**

	Calendar Year			Six Months Ended 6/30/16
	<u>2013</u>	<u>2014</u>	<u>2015</u>	
<b><u>CAPITAL PROJECTS FUND</u></b>				
Receipts:				
Local Property Tax	\$17,202,790	\$17,168,273	\$17,205,116	\$9,429,384
License Excise Tax	1,390,561	1,409,758	1,217,664	673,874
Commercial Vehicle Excise Tax	153,322	138,137	149,873	64,694
Financial Institutions Tax	221,532	290,791	308,342	159,149
Revenue in Lieu of Taxes	13,360	12,245	10,830	4,806
Other Revenue from Local Sources	475,899	231,560	437,592	547,913
Interfund Transfers		900	684,865	892,775
Temporary Loans	4,516,753	3,093,888	3,050,656	1,485,605
<b>Total Receipts</b>	<b>23,974,216</b>	<b>22,345,551</b>	<b>23,064,938</b>	<b>13,258,200</b>
Disbursements:				
Support Services	7,225,078	7,490,336	7,891,472	4,441,975
Facilities Acquisition and Construction	6,086,058	10,704,156	8,386,674	3,641,015
Temporary Loans - Principal	4,516,753	3,093,888	3,050,656	
Interfund Transfers	845,222	900	1,191,866	892,775
<b>Total Disbursements</b>	<b>18,673,111</b>	<b>21,289,280</b>	<b>20,520,668</b>	<b>8,975,765</b>
Net Increase (Decrease)	5,301,105	1,056,272	2,544,270	4,282,434
Beginning Balance - January 1st	2,113,724	7,414,829	8,471,101	11,015,371
Ending Balance - December 31st	<b>\$7,414,829</b>	<b>\$8,471,101</b>	<b>\$11,015,371</b>	<b>\$15,297,805</b>

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

(Continued on next page)

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

(Cont'd)

**SUMMARY OF RECEIPTS AND DISBURSEMENTS BY FUND**  
**(Unaudited)**

	Calendar Year			Six Months Ended 6/30/16
	<u>2013</u>	<u>2014</u>	<u>2015</u>	
<b><u>TRANSPORTATION FUND</u></b>				
Receipts:				
Local Property Tax	\$12,166,119	\$12,464,716	\$12,828,220	\$7,172,974
License Excise Tax	984,692	1,023,530	907,896	512,619
Commercial Vehicle Excise Tax	108,431	100,292	111,746	49,213
Financial Institutions Tax	156,670	211,123	223,866	121,065
Revenue in Lieu of Taxes	9,448	8,890	8,075	3,656
Other Revenue from Local Sources	899,625	727,343	594,230	179,676
Temporary Loans	4,059,300	4,570,041	4,500,000	3,423,496
Other Items	8,429	1,890		
Interfund Transfers	639,596			
<b>Total Receipts</b>	<b>19,032,310</b>	<b>19,107,825</b>	<b>19,174,034</b>	<b>11,462,699</b>
Disbursements:				
Support Services	13,959,698	13,581,564	13,844,091	7,089,199
Temporary Loans	4,059,300	4,570,041	4,500,000	
Interfund Transfers	319,507		1,500,000	
<b>Total Disbursements</b>	<b>18,338,504</b>	<b>18,151,605</b>	<b>19,844,091</b>	<b>7,089,199</b>
Net Increase (Decrease)	693,806	956,219	(670,057)	4,373,500
Beginning Balance - January 1st	907,107	1,600,913	2,557,132	1,887,075
Ending Balance - December 31st	<b>\$1,600,913</b>	<b>\$2,557,132</b>	<b>\$1,887,075</b>	<b>\$6,260,575</b>

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

(Continued on next page)

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

(Cont'd)

**SUMMARY OF RECEIPTS AND DISBURSEMENTS BY FUND**  
**(Unaudited)**

	Calendar Year			Six Months
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Ended 6/30/16</u>
<b><u>TRANSPORTATION SCHOOL BUS</u></b>				
<b><u>REPLACEMENT FUND</u></b>				
Receipts:				
Local Property Tax	\$1,218,304	\$2,237,557	\$2,301,132	\$1,289,377
License Excise Tax	98,606	183,735	162,859	92,146
Commercial Vehicle Excise Tax	10,858	18,003	20,045	8,846
Financial Institutions Tax	15,689	37,899	40,187	21,762
Revenue in Lieu of Taxes	946	1,596	1,449	657
Other Revenue from Local Sources			66,000	
Other Items	45,217		768	
	<u>1,389,620</u>	<u>2,478,790</u>	<u>2,592,439</u>	<u>1,412,788</u>
Disbursements:				
Support Services	599,110	633,423	1,859,145	2,730,951
Interfund Transfers	725,584			
	<u>1,324,694</u>	<u>633,423</u>	<u>1,859,145</u>	<u>2,730,951</u>
Net Increase (Decrease)	64,927	1,845,367	733,294	(1,318,163)
Beginning Balance - January 1st	<u>71,171</u>	<u>136,098</u>	<u>1,981,465</u>	<u>2,714,759</u>
Ending Balance - December 31st	<u>\$136,098</u>	<u>\$1,981,465</u>	<u>\$2,714,759</u>	<u>\$1,396,596</u>

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

(Continued on next page)

EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

(Cont'd)

SUMMARY OF RECEIPTS AND DISBURSEMENTS BY FUND

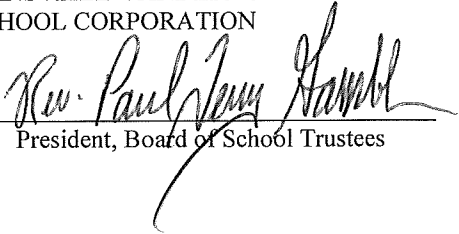
(Unaudited)

	Calendar Year			Six Months Ended 6/30/16
	<u>2013</u>	<u>2014</u>	<u>2015</u>	
<u>OTHER FUNDS</u>				
Receipts:				
Revenues from Local Sources	\$15,118,312	\$21,361,161	\$19,781,053	\$10,877,408
Earnings on Investments	17,722	13,853	18,291	18,647
Revenues from State Sources	5,353,172	6,649,836	7,020,895	3,292,186
Revenues from Federal Sources	30,526,746	28,058,615	26,126,671	13,458,043
Other Financing Sources	4,075,931	4,320,970	5,000,000	
Other Items			30,473,022	14,992,771
Interfund Transfers	6,604,559	6,487,975	4,876,007	1,640,670
Total Receipts	<u>\$61,696,442</u>	<u>66,892,410</u>	<u>93,295,939</u>	<u>44,279,726</u>
Disbursements:				
Support Services	24,010,464	27,096,722	49,654,175	23,013,953
Community Services	11,799,672	12,388,116	12,696,572	6,543,940
Facilities Acquisition and Construction	285,106	2,828,669	3,202,717	1,239,462
Instruction	8,291,737	7,023,766	5,510,934	3,058,700
Nonprogrammed Charges	1,443,858	1,345,582	1,903,399	937,686
Debt Service	7,884,149	10,413,000	12,241,000	6,245,500
Interfund Transfers	4,019,949	4,963,833	1,104,606	420,000
Total Disbursements	<u>57,734,937</u>	<u>66,059,689</u>	<u>86,313,402</u>	<u>41,459,241</u>
Net Increase (Decrease)	3,961,505	832,721	6,982,536	2,820,486
Beginning Balance - January 1st	<u>22,398,747</u>	<u>26,360,252</u>	<u>27,192,973</u>	<u>34,175,509</u>
Ending Balance - December 31st	<u>\$26,360,252</u>	<u>\$27,192,973</u>	<u>\$34,175,509</u>	<u>\$36,995,995</u>
 <u>GRAND TOTALS</u>				
Total Receipts	<u>\$269,218,521</u>	<u>\$274,264,083</u>	<u>\$303,539,283</u>	<u>\$154,827,030</u>
Total Disbursements	<u>257,539,517</u>	<u>268,313,822</u>	<u>292,035,317</u>	<u>146,373,391</u>
Net Increase (Decrease)	11,679,004	5,950,261	11,503,966	8,453,639
Beginning Balance - January 1st	<u>31,187,395</u>	<u>42,866,399</u>	<u>48,816,660</u>	<u>60,320,626</u>
Ending Balance - December 31st	<u>\$42,866,399</u>	<u>\$48,816,660</u>	<u>\$60,320,626</u>	<u>\$68,774,265</u>

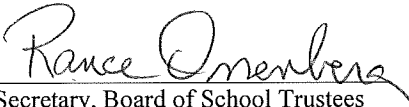
The School Corporation certifies to the best of its knowledge and belief that this Official Statement, as of its date and as it relates to the School Corporation and its economic and financial condition, (i) is complete and accurate; (ii) does not contain any untrue statement of a material fact; and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

This Official Statement and its execution are duly authorized.

EVANSVILLE-VANDERBURGH  
SCHOOL CORPORATION

By:   
President, Board of School Trustees

Attest:

  
Secretary, Board of School Trustees

## APPENDIX B





## FINAL BOND RESOLUTION

WHEREAS, Evansville-Vanderburgh School Corporation (the "Issuer" or "School Corporation") is a school corporation organized and existing under the provisions of I.C. 20-23; and

WHEREAS, the Board of School Trustees (the "Board") finds that the present facilities of the School Corporation are not adequate to provide the proper education of the pupils now attending or who will attend its schools; and

WHEREAS, the Board determines that it makes fiscal sense to borrow funds to pay the total cost of various projects including the renovation of and improvements to certain facilities throughout the School Corporation including the purchase of equipment and vehicles and site, HVAC and security improvements throughout the School Corporation as further described on Schedule I attached hereto (the "Projects"), and that the School Corporation should issue bonds in one or more series in the total amount of Six Million Dollars (\$6,000,000) for the purpose of providing funds to be applied on the cost of the Projects, and that bonds in such total amount should now be authorized; and

WHEREAS, these Projects consist of various improvements in different buildings throughout the School Corporation; and

WHEREAS, no school building is receiving more than \$2,000,000 in total costs of improvements and purchases; and

WHEREAS, certain categories of work may be bid together for efficiency reasons but no individual category as shown on Schedule I exceeds \$2,000,000; and

WHEREAS, the Board finds that each Project is separate and distinct; and

WHEREAS, the School Corporation has been advised that the total cost of the Projects authorized herein will not exceed the lesser of: (i) \$2,000,000 per building or per category; or (ii) the greater of (a) one percent (1%) of the total gross assessed value of property within the School Corporation on the last assessment date, or (b) \$1,000,000 and, therefore, the bonds will not be issued to fund a controlled project, as defined in IC 6-1.1-20-1.1; and

WHEREAS, the Board finds that the aforementioned Projects will not total more than \$2,000,000 of total costs per building; and

WHEREAS, the net assessed valuation of taxable property in the School Corporation, as shown in the last final and complete assessment which was made in the year 2015 for state and county taxes collectible in the year 2016 is \$6,635,072,179 and there is \$8,045,000 of outstanding indebtedness of the School Corporation for constitutional debt purposes (excluding the bonds authorized herein); such assessment and outstanding indebtedness amounts shall be verified at the time of the payment for and delivery of the bonds; now, therefore,

BE IT RESOLVED by the Board of School Trustees of the Issuer that, for the purpose of obtaining funds to be applied on the cost of the Projects, there shall be issued and sold the negotiable, general obligations of the School Corporation to be designated as "General Obligation Bonds of 2016" (with such different series designation as determined by the School Corporation). The bonds shall be in a principal amount not to exceed Six Million Dollars (\$6,000,000), bearing interest at a rate or rates not exceeding four percent (4.00%) per annum (the exact rate or rates to be determined by bidding), which interest shall be payable on July 15, 2017, and semi-annually thereafter on January 15 and July 15 in each year. Interest on the Bonds shall be calculated according to a 360-day year containing twelve 30-day months. The bonds shall be fully registered in the denomination of Five Thousand Dollars (\$5,000) or integral multiples thereof (or such other denominations as requested by the winning bidder), and shall mature or be subject to mandatory redemption on January 15 and July 15 beginning on July 15, 2018 through not later than January 15, 2021.

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

The original date shall be the date of delivery in which said bonds are sold. The authentication certificate shall be dated when executed by the Registrar and Paying Agent.

Interest shall be paid from the interest payment date to which interest has been paid next preceding the date of authentication unless the bond is authenticated on or before the fifteenth day 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 fifteenth day 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.

Interest shall be payable by check mailed one business day prior to the interest payment date to the person in whose name the bonds are registered on the bond register maintained at the corporate trust office of Old National Wealth Management (the "Registrar and Paying Agent") or successor registrar and paying agent, as of the fifteenth day immediately preceding such interest payment date or by wire transfer of immediately available funds on the interest payment date to the depositories shown as registered owners. Principal of the bonds shall be payable upon presentation of the bonds at the principal corporate trust office of the Registrar and Paying Agent in lawful money of the United States of America or by wire transfer of immediately available funds to depositories who present the bonds to the Registrar and Paying Agent at least two business days prior to the payment date. The bonds are transferable by the registered owner at the principal corporate trust office of the Registrar and Paying Agent upon surrender and cancellation of a bond and on presentation of a duly executed written instrument of transfer, and thereupon a new bond or bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange therefor. The bonds may be exchanged upon surrender at the corporate trust office of the Registrar and

Paying Agent, duly endorsed by the registered owner for the same aggregate principal amount of bonds of the same maturity in authorized denominations as the owner may request.

The Issuer agrees that on or before the fifth business day immediately preceding any payment date, it will deposit with the Registrar and Paying Agent funds in an amount equal to the principal of, premium, if any, and interest on the Bonds which shall become due on the next payment date.

Notwithstanding any other provision of this Resolution, the Issuer will enter into an agreement with the Registrar and Paying Agent in which the Registrar agrees that upon any default or insufficiency in the payment of principal and interest as provided herein, the Registrar will immediately, without any direction, security or indemnity file a claim with the Treasurer of the State of Indiana for an amount equal to such principal and interest in default and consents to the filing of any such claim by a bondholder in the name of the Registrar for deposit with the Registrar. Filing of the claim with the Treasurer of the State of Indiana, as described above, shall occur on or before the fifth business day prior to the payment date.

The Issuer has preliminarily determined that the Bonds shall be held by a central depository system pursuant to an agreement between the Issuer and The Depository Trust Company, and have transfers of the Bonds effected by book-entry on the books of the central depository system (unless otherwise requested by the winning bidder). The Bonds are expected to be initially issued in the form of a separate single authenticated fully registered Bond for the aggregate principal amount of each separate maturity of the Bonds. Upon initial issuance, the ownership of such Bonds is expected to be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of The Depository Trust Company. However, upon the successful bidder's request, the Bonds may be delivered and held by physical delivery as an alternative to The Depository Trust Company.

With respect to the Bonds registered in the register kept by the Paying Agent in the name of CEDE & CO., as nominee of The Depository Trust Company, the Issuer and the Paying Agent shall have no responsibility or obligation to any other holders or owners (including any beneficial owner ("Beneficial Owner") of the Bonds with respect to (i) the accuracy of the records of The Depository Trust Company, CEDE & CO., or any Beneficial Owner with respect to ownership questions, (ii) the delivery to any Bondholder (including any Beneficial Owner) or any other person, other than The Depository Trust Company, of any notice with respect to the Bonds including any notice of redemption, or (iii) the payment to any Bondholder (including any Beneficial Owner) or any other person, other than The Depository Trust Company, of any amount with respect to the principal of, or premium, if any, or interest on the Bonds except as otherwise provided herein.

No person other than The Depository Trust Company shall receive an authenticated Bond evidencing an obligation of the Issuer to make payments of the principal of and premium, if any, and interest on the Bonds pursuant to this Resolution. The Issuer and the Registrar and Paying Agent may treat as and deem The Depository Trust Company or CEDE & CO. to be the absolute Bondholder of each of the Bonds for the purpose of (i) payment of the principal of and premium, if any, and interest on such Bonds; (ii) giving notices of redemption and other notices permitted to be given to Bondholders with respect to such Bonds; (iii) registering transfers with respect to

such Bonds; (iv) obtaining any consent or other action required or permitted to be taken of or by Bondholders; (v) voting; and (vi) for all other purposes whatsoever. The Paying Agent shall pay all principal of and premium, if any, and interest on the Bonds only to or upon the order of The Depository Trust Company, and all such payments shall be valid and effective fully to satisfy and discharge the Issuer's and the Paying Agent's obligations with respect to principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by The Depository Trust Company to the Issuer of written notice to the effect that The Depository Trust Company has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this Resolution shall refer to such new nominee of The Depository Trust Company. Notwithstanding any other provision hereof to the contrary, so long as any Bond is registered in the name of CEDE & CO. as nominee of The Depository Trust Company, all payments with respect to the principal of and premium, if any, and interest on such Bonds and all notices with respect to such Bonds shall be made and given, respectively, to The Depository Trust Company as provided in a representation letter from the Issuer to The Depository Trust Company.

Upon receipt by the Issuer of written notice from The Depository Trust Company to the effect that The Depository Trust Company is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of The Depository Trust Company hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Bonds shall no longer be restricted to being registered in the register of the Issuer kept by the Registrar in the name of CEDE & CO., as nominee of The Depository Trust Company, but may be registered in whatever name or names the Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

If the Issuer determines that it is in the best interest of the Bondholders that they be able to obtain certificates for the fully registered Bonds, the Issuer may notify The Depository Trust Company and the Registrar, whereupon The Depository Trust Company will notify the Beneficial Owners of the availability through The Depository Trust Company of certificates for the Bonds. In such event, the Registrar shall prepare, authenticate, transfer and exchange certificates for the Bonds as requested by The Depository Trust Company and any Beneficial Owners in appropriate amounts, and whenever The Depository Trust Company requests the Issuer and the Registrar to do so, the Registrar and the Issuer will cooperate with The Depository Trust Company by taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the fully registered Bonds of any Beneficial Owner's Depository Trust Company account or (ii) to arrange for another securities depository to maintain custody of certificates for and evidencing the Bonds.

If the Bonds shall no longer be restricted to being registered in the name of a depository trust company, the Registrar shall cause the Bonds to be printed in blank in such number as the Registrar shall determine to be necessary or customary; provided, however, that the Registrar shall not be required to have such Bonds printed until it shall have received from the Issuer indemnification for all costs and expenses associated with such printing.

In connection with any notice or other communication to be provided to Bondholders by the Issuer or the Registrar with respect to any consent or other action to be taken by

Bondholders, the Issuer or the Registrar, as the case may be, shall establish a record date for such consent or other action and give The Depository Trust Company notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible.

So long as the Bonds are registered in the name of The Depository Trust Company or CEDE & CO. or any substitute nominee, the Issuer and the Registrar and Paying Agent shall be entitled to request and to rely upon a certificate or other written representation from the Beneficial Owners of the Bonds or from The Depository Trust Company on behalf of such Beneficial Owners stating the amount of their respective beneficial ownership interests in the Bonds and setting forth the consent, advice, direction, demand or vote of the Beneficial Owners as of a record date selected by the Registrar and The Depository Trust Company, to the same extent as if such consent, advice, direction, demand or vote were made by the Bondholders for purposes of this Resolution and the Issuer and the Registrar and Paying Agent shall for such purposes treat the Beneficial Owners as the Bondholders. Along with any such certificate or representation, the Registrar may request The Depository Trust Company to deliver, or cause to be delivered, to the Registrar a list of all Beneficial Owners of the Bonds, together with the dollar amount of each Beneficial Owner's interest in the Bonds and the current addresses of such Beneficial Owners.

The full faith and credit of the School Corporation are hereby irrevocably pledged to the punctual payment of the principal of and the interest on the Bonds according to their terms. In order to provide for the payment of the principal of and interest on the Bonds, there shall be levied in each year upon all taxable property in the School Corporation, real and personal, and collected a tax in an amount and in such manner sufficient to meet and pay the principal of and interest on the Bonds as they become due, and the proceeds of this tax are hereby pledged solely to the payment of the Bonds. Such tax shall be deposited into the School Corporation's Debt Service Fund and used to pay the principal of and interest on the Bonds, when due, together with any fiscal agency charges. If the funds deposited into the Debt Service Fund are then insufficient to meet and pay the principal of and interest on the Bonds as they become due, then the School Corporation covenants to transfer other available funds of the School Corporation to meet and pay the principal and interest then due on the Bonds.

The School Corporation represents and covenants that the Bonds herein authorized, when combined with other outstanding indebtedness of the School Corporation at the time of issuance of the Bonds, will not exceed any applicable constitutional or statutory limitation on the School Corporation's indebtedness.

The bonds are not subject to optional redemption prior to maturity.

If any Bond is issued as a term bond, the Paying Agent shall credit against the mandatory sinking fund requirement for the Bonds maturing as term bonds, and corresponding mandatory redemption obligation, in the order determined by the School Corporation, any Bonds maturing as term bonds which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Registrar for cancellation or purchased for cancellation by the Paying Agent and not theretofore applied as a credit against any redemption obligation. Each Bond maturing as a term bond so delivered or canceled shall be credited by the Paying Agent at 100% of the principal amount thereof against the mandatory

sinking fund obligation on such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of the Bonds to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Paying Agent shall credit only such Bonds maturing as term bonds to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date as stated above.

Each Five Thousand Dollars (\$5,000) (or other denominations as requested by the successful bidder, as permitted by law) principal amount shall be considered a separate Bond for purposes of redemption. If less than an entire maturity is called for redemption, the Bonds to be called shall be selected by lot by the Registrar.

Notice of redemption shall be mailed to the address of the registered owner as shown on the registration records of the Registrar, as of the date which is forty-five (45) days prior to the date fixed for redemption, not less than thirty (30) days prior to such redemption date, unless notice is waived by the owner of the Bond or Bonds redeemed. The notice shall specify the date and place of redemption and sufficient identification of the Bonds called for redemption. The place of redemption may be determined by the School Corporation. Interest on the Bonds so called for redemption shall cease and the Bonds will no longer be deemed outstanding under this ordinance on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price, including accrued interest and redemption premium, if any, to the redemption date, on the date so named. Failure to give such notice by mailing, or any defect in such notice, with respect to any Bond shall not affect the validity of any proceedings for redemption of other Bonds.

If the Bonds are not presented for payment or redemption on the date fixed therefor, the School Corporation may deposit in trust with the Paying Agent, an amount sufficient to pay such Bond or the redemption price, as the case may be, including accrued interest to the date of such payment or redemption, and thereafter the registered owner shall look only to the funds so deposited in trust with the Paying Agent for payment, and the School Corporation shall have no further obligation or liability in respect thereto.

If, when the bonds authorized hereby shall have become due and payable in accordance with their terms, the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the bonds then outstanding shall be paid or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America the principal of and interest on which when due will provide sufficient moneys, or (iii) time certificates of deposit fully secured as to both principal and interest by obligations of the kind described in (ii) above of a bank or banks the principal of and interest on which when due will provide sufficient moneys, shall be held by the Registrar and Paying Agent for such purpose under the provisions of this Resolution, and provision shall also be made for paying all Registrar and Paying Agent's fees and expenses and other sums payable hereunder by the Issuer, then all moneys, obligations and time certificates of deposit held by the Registrar and Paying Agent pursuant to this paragraph shall be held in trust and said moneys and the principal and interest of said obligations and time certificates of deposit when received, applied to the payment, when due, of the principal and the interest, and registered owners of bonds shall not be entitled to payment of any principal and/or interest from Issuer.

The Registrar and Paying Agent shall within thirty (30) days after such obligations or time certificates of deposits shall have been deposited with it, cause a notice signed by the Registrar and Paying Agent to be mailed to the registered owners of all outstanding bonds and published once in a newspaper or financial journal published in Indianapolis, Indiana, setting forth (a) a description of the obligations so held by it, and (b) that the registered owners shall be entitled to be paid principal and/or interest from such funds and income of such securities held by Registrar and Paying Agent and not from Issuer.

Said bonds shall be executed in the name of Issuer by the manual or facsimile signature of the President of its Board of School Trustees, and attested by the manual or facsimile signature of the Secretary of said Board, who shall cause the seal of the school corporation to be imprinted or impressed on each of said bonds. In case any official whose signature or facsimile of whose signature shall appear on the bonds shall cease to be such officer before the issuance, authentication or delivery of such bonds, such signature or such facsimile shall, nevertheless, be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

No bond shall be valid or obligatory for any purpose, unless and until authenticated by the Registrar and Paying Agent. Such authentication may be executed by an authorized representative of the Registrar and Paying Agent, but it shall not be necessary that the same person authenticate all of the bonds issued. Issuer and the Registrar and Paying Agent may deem and treat the person in whose name a bond is registered on the bond register as the absolute owner thereof for all purposes, notwithstanding any notice to the contrary.

In order to preserve the exclusion of interest on the bonds from gross income for federal income tax purposes and as an inducement to purchasers of the bonds, the Issuer represents, covenants and agrees that:

(a) No person or entity, other than the Issuer or another governmental unit, will use proceeds of the bonds or property financed by the bond proceeds other than as a member of the general public. No person or entity, other than the Issuer or another governmental unit, will own property financed by bond proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use by the public at large.

(b) No bond proceeds will be loaned to any entity or person. No bond proceeds will be transferred, directly or indirectly, or deemed transferred to a nongovernmental person in any manner that would in substance constitute a loan of the bond proceeds.

(c) The Issuer 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 bond proceeds or other moneys treated as bond proceeds to the federal government as provided in Section 148 of the Internal Revenue Code of 1986, and will set aside such moneys in a Rebate Account to be held by the Treasurer in trust for such purpose.

(d) The Issuer will file an information report form 8038-G with the Internal Revenue Service as required by Section 149 of the Internal Revenue Code of 1986.

(e) The Issuer will not take any action nor fail to take any action with respect to the bonds that would result in the loss of exclusion from gross income for federal income tax purposes of interest on the bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as existing on the date of issuance of the bonds, nor will the Issuer act in any other manner which would adversely affect such exclusion.

The bonds shall be issued in substantially the following form, all blanks to be filled in properly prior to delivery:

Registered  
No. R- \_\_\_\_\_ Registered  
\$6,000,000

UNITED STATES OF AMERICA  
State of Indiana County of Vanderburgh

EVANSVILLE-VANDERBURGH SCHOOL CORPORATION  
GENERAL OBLIGATION BOND OF 2016

Interest            Maturity            Original            Authentication  
Rate                Date                Date                Date                CUSIP

Registered Owner: CEDE & CO.

Principal Sum:

Evansville-Vanderburgh School Corporation (the "Issuer"), a school corporation organized and existing under the laws of the State of Indiana, in Vanderburgh County, Indiana, for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner (named above) or to registered assigns, the Principal Sum set forth above on the Maturity Date set forth above and to pay interest thereon at the Interest Rate per annum set forth above from the interest payment date to which interest has been paid next preceding the date of authentication hereof unless this bond is authenticated on or before June 30, 2017 in which case interest shall be paid from the Original Date, or unless this bond is authenticated after the fifteenth day 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, which interest is payable on July 15, 2017 and each January 15 and July 15 thereafter until the principal has been paid. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Interest shall be payable by check mailed one business day prior to the interest payment date to registered owners or by wire transfer of immediately



available funds on the interest payment date to depositories shown as registered owners. Payment shall be made to the person or depository in whose name this bond is registered as of the fifteenth day immediately preceding such interest payment date. Principal of this bond shall be payable upon presentation of this bond at the corporate trust office of Old National Wealth Management, Evansville, Indiana (the "Registrar and Paying Agent") or by wire transfer of immediately available funds to depositories who present the bonds to the Registrar and Paying Agent at least two business days prior to the payment date in lawful money of the United States of America. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Registrar and Paying Agent shall wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time).

This bond is one of an issue of bonds aggregating Six Million Dollars (\$6,000,000), of like tenor and effect, except as to numbering, authentication date, denomination, interest rate, and date of maturity, issued by Issuer pursuant to a resolution adopted by the Board of School Trustees of said School Corporation on August 8, 2016, as amended on September 26, 2016 (as amended, the "Resolution"), and in strict accordance with the governing statutes of the State of Indiana, particularly Indiana Code 20-48-1, for the purpose of providing funds to be applied on various projects throughout the School Corporation including the purchase of equipment, vehicles and site, HVAC and security improvements throughout the school district.

This bond is not subject to optional redemption prior to maturity.

The Bonds are subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest to the date of redemption on January 15 and July 15 in accordance with the following schedules:

<u>Bonds Maturing</u>		<u>Bonds Maturing</u>	
<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
	*		*

\*denotes final maturity

Notice of redemption identifying the bonds to be redeemed will be mailed to the registered owners of bonds to be redeemed.

If this bond is called for redemption, and payment is made to the Registrar and Paying Agent in accordance with the terms of the Resolution, this bond shall cease to bear interest from and after the date fixed for the redemption in the call.

This bond shall be initially issued in a Book Entry System (as defined in the Resolution). The provisions of this bond and of the Resolution are subject in

all respects to the provisions of the Letter of Representations between the Issuer and the Depository Trust Company, or any substitute agreement, effecting such Book Entry System.

This bond is transferable in accordance with the Book Entry System or, if no such system is in effect, by the Registered Owner hereof at the corporate trust office of the Registrar and Paying Agent, upon surrender and cancellation of this bond and on presentation of a duly executed written instrument of transfer and thereupon a new bond or bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange therefor. This bond may be exchanged upon surrender hereof at the corporate trust office of the Registrar and Paying Agent, duly endorsed by the Registered Owner for the same aggregate principal amount of bonds of the same maturity in authorized denominations as the owner may request.

The Issuer and the Registrar and Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof.

The full faith and credit of the School Corporation are hereby irrevocably pledged to the punctual payment of the principal of and the interest on this bond according to its terms. The School Corporation covenants that it will cause a property tax for the payment of the principal of and interest on this bond to be levied, collected, appropriated and applied for that purpose as set forth in I.C. 20-48-1-11. The bonds are subject to I.C. 6-1.1-20.6 regarding certain tax credits and the State of Indiana intercept of funds to pay debt service on the bonds.

This bond shall not be valid or become obligatory for any purpose until authenticated by the Registrar and Paying Agent.

IN WITNESS WHEREOF, Issuer has caused this bond to be executed in its name by the manual or facsimile signature of the President of its Board of School Trustees attested by the manual or facsimile signature of the Secretary of said Board.

EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

By: \_\_\_\_\_  
President, Board of School Trustees

Attest:

\_\_\_\_\_  
Secretary, Board of School Trustees

AUTHENTICATION CERTIFICATE

This bond is one of the bonds referred to in the within mentioned Resolution.

OLD NATIONAL WEALTH MANAGEMENT,  
Registrar and Paying Agent

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

[END OF BOND FORM]

BE IT FURTHER RESOLVED that prior to the sale of said bonds at public sale, notice of such sale shall be published once each week for two (2) weeks in The Evansville Courier & Press, the first of said publications to be at least fifteen (15) days prior to the date fixed for the sale of said bonds and the last at least three (3) days prior, and in the Court and Commercial Record, a newspaper published in the City of Indianapolis, Indiana. At the time fixed for the opening of bids, the Board or its designated committee shall meet, all bids shall be opened in the presence of the Board or such committee, and the award shall be made by the Board or the Committee.

The bond sale notice, when published, shall provide that each bid shall be in a sealed envelope marked "Bid for General Obligation Bonds of 2016," and the successful bidder shall provide a certified or cashier's check in the amount of Sixty Thousand Dollars (\$60,000), payable to Issuer, to insure the good faith of the bidder. In the event the successful bidder shall fail or refuse to accept delivery of the bonds when ready for delivery, said check and the proceeds thereof shall be retained by the School Corporation as its liquidated damages. Said notice shall also provide that bidders for said bonds shall name the purchase price for the bonds, not less than 99.50% of par and the rate or rates of interest which the bonds are to bear, not exceeding four percent (4.00%) per annum; that said interest rate or rates shall be in multiples of 1/8<sup>th</sup> or 1/100<sup>th</sup> of one percent (1%); that the interest rate named for any maturity shall be equal to or greater than the immediately preceding maturity; and that the highest bidder shall be the one who offers the lowest net interest cost to the Issuer, to be determined by computing the total interest on all of the bonds to their maturities and deducting therefrom the premium bid, if any, or adding the discount bid, if any. The bond sale notice shall state that the opinion of Ice Miller LLP, bond counsel of Indianapolis, Indiana, approving the legality of said bonds, will be furnished to the purchaser at the expense of the School Corporation, so that the School Corporation will receive due credit therefor in the bidding. Said notice may contain such other terms and conditions as the attorney for the Issuer shall deem advisable.

The Chief Financial Officer, Director of Finance and Financial Advisor are appointed as a bid committee and are authorized to award the bonds to the buyer consistent with this resolution.

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

All resolutions, or parts thereof, in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed or amended.

This resolution may, from time to time hereafter, be amended without the consent of the owners of the Bonds, if in the sole discretion of the Board of School Trustees of the School Corporation, such amendment shall not adversely affect the rights of the owners of any of the Bonds.

This resolution shall be in full force and effect immediately upon its passage and signing by the Board of School Trustees.

BE IT FURTHER RESOLVED, that the form of the Master Continuing Disclosure Undertaking is hereby approved and the officers are authorized and directed to execute such Undertaking and any and all documents necessary to issue and deliver the Bonds.

*Passed and Adopted this 26<sup>th</sup> day of September, 2016.*

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President, Board of School Trustees

ATTEST:

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Secretary, Board of School Trustees

## APPENDIX C



November \_\_\_\_, 2016

Re: Evansville-Vanderburgh School Corporation  
General Obligation Bonds of 2016  
Total Issue: \$6,000,000  
Original Date: November \_\_\_\_, 2016

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Evansville-Vanderburgh School Corporation, Evansville, Indiana (the "School Corporation"), of \$6,000,000 of its General Obligation Bonds of 2016, originally dated November \_\_\_\_, 2016 (the "Bonds"). We have examined the law and the certified transcript of proceedings of the Issuer relative to the authorization, issuance and sale of the Bonds and such other papers as we deem necessary to render this opinion. We have relied upon the certified transcript of proceedings and certificates of public officials, including the Issuer's tax covenants and representations ("Tax Representations"), and we have not undertaken to verify any facts by independent investigation.

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

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

1. The Bonds are valid and binding general obligations of the School Corporation.
2. All taxable property in the School Corporation is subject to ad valorem taxation to pay the debt service; however, the School Corporation's collection of the levy may be limited by operation of I.C. 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 debt service on the Bonds in an amount sufficient to pay the debt service, regardless of any reduction in property tax collections due to the application of such tax credits.
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.

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November \_\_\_\_, 2016

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 (the "Code"), is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on certain corporations. This opinion is conditioned upon compliance by the School Corporation subsequent to the date hereof with its 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 issue.

It is to be understood that the rights of the registered owners of the Bonds and the enforceability thereof 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,



## APPENDIX D



## MASTER CONTINUING DISCLOSURE UNDERTAKING

This MASTER CONTINUING DISCLOSURE UNDERTAKING dated as of October \_\_\_, 2016 (the "Master Undertaking") is executed and delivered by EVANSVILLE-VANDERBURGH SCHOOL CORPORATION (the "Obligor") for the purpose of permitting various Underwriters (as hereinafter defined) of the Obligations (as hereinafter defined) issued by or on behalf of the Obligor from time to time to purchase such Obligations in compliance with the Securities and Exchange Commission ("SEC") Rule 15c2-12 (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 EVANSVILLE-VANDERBURGH SCHOOL CORPORATION, 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:

- (1) To the MSRB, the audited financial statements of the Obligor as prepared and examined by the Indiana State Board of Accounts on a biennial basis for each period of two fiscal years, together with the opinion of such auditors and all notes thereto (collectively, the "Audited Information"), by June 30 immediately following each biennial period. However, 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
- (2) To the MSRB, no later than June 30 of each year beginning June 30, 2017, the most recent unaudited annual financial information for the Obligor including (i) unaudited financial statements of the Obligor, and (ii) operating data (excluding any demographic information or forecast) of the general type provided under the general categories of headings as described below (collectively, the "Annual Information"), which Annual Information may be provided in such format and under such headings as the School Corporation deems appropriate:

## APPENDIX A

### EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

- Enrollments
- School Corporation Receipts and Disbursements which includes Cash Balances by Fund and State of Indiana Payments
- Net Assessed Valuation
- Detail of Net Assessed Valuation
- Property Taxes Levied and Collected
- School Tax Rates
- Large Taxpayers

(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](http://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](http://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.

EVANSVILLE-VANDEBURGH SCHOOL CORPORATION, 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>
Evansville-Vanderburgh School Corporation General Obligation Bonds of 2016		

**EXHIBIT B**

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

The undersigned, on behalf of the EVANSVILLE-VANDERBURGH SCHOOL CORPORATION, as the Obligor under the Master Continuing Disclosure Undertaking, dated as of October \_\_, 2016 (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: \_\_\_\_\_.

EVANSVILLE-VANDERBURGH SCHOOL  
CORPORATION

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DO NOT EXECUTE – FOR FUTURE USE ONLY

**EXHIBIT C**

**CERTIFICATE RE: REPORTABLE EVENT DISCLOSURE**

The undersigned, on behalf of the EVANSVILLE-VANDERBURGH SCHOOL CORPORATION, as Obligor under the Master Continuing Disclosure Undertaking, dated as of October \_\_, 2016 (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: \_\_\_\_\_.

EVANSVILLE-VANDERBURGH SCHOOL  
CORPORATION

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DO NOT EXECUTE – FOR FUTURE USE ONLY

**EXHIBIT D**

**NOTICE TO MSRB OF FAILURE TO FILE INFORMATION**

Notice is hereby given that the EVANSVILLE-VANDERBURGH SCHOOL CORPORATION (the "Obligor") did not timely file its [Annual Information][Audited Information] as required by Section 4(a) of the Master Continuing Disclosure Undertaking, dated as of October \_\_\_\_, 2016.

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

EVANSVILLE-VANDERBURGH SCHOOL  
CORPORATION

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DO NOT EXECUTE – FOR FUTURE USE ONLY