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NEW ISSUE
Book-Entry-Only

Rating: S&P Global Ratings "AA-"

*This Preliminary Official Statement is deemed "nearly final"
and is dated October 18, 2018*

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

\$12,720,000*
CITY OF LAFAYETTE, INDIANA
Lafayette, Indiana
PARK DISTRICT BONDS OF 2018

Original Date: Date of Delivery (Anticipated to be November 14, 2018) Due: January 15 and July 15, as shown on inside cover page

The City of Lafayette, Indiana (the "City"), acting for and on behalf of the Lafayette Park and Recreation District (the "Park District"), is issuing \$12,720,000* of Park District Bonds of 2018 (the "Bonds") for the purpose of paying the costs of construction of certain park improvements, together with necessary appurtenances, related improvements and equipment (the "Project"), and to pay issuance costs.

The Bonds will be issued as provided in Resolution 18-06 adopted by the Board on August 27, 2018 (the "Bond Resolution"). The Bonds are not a general obligation of the City, but are a special obligation and indebtedness of the Park District, as a special taxing district, payable from a special benefits tax (ad valorem property tax) to be levied on all taxable property within the boundaries of the Park District, which is coterminous with the boundaries of the City, pursuant to Indiana Code 36-10-3-27, See "SECURITY AND SOURCES OF PAYMENT" "CIRCUIT BREAKER TAX CREDIT" herein and "PROCEDURES FOR PROPERTY ASSESSMENT, LEVY, AND COLLECTION" herein. The total indebtedness of the Park District subject to the statutory debt limit, including the Bonds, amounts to less than two percent of one third of the net assessed valuation of the Park District, as required by the statutes 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 multiple thereof. Purchasers of beneficial interests in the Bonds (the "Beneficial Owners") will not receive physical delivery of certificates representing their interests in the Bonds. Interest on the Bonds will be payable semiannually on January 15 and July 15 of each year, beginning July 15, 2019. Principal and interest will be disbursed on behalf of the City 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 in same-day funds. 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 will be subject to optional redemption prior to maturity, as more fully described herein. 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.

*Preliminary, subject to change. The City reserves the right to resize the principal maturities of the Bonds to achieve its financial objectives with respect to the Bonds

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

MATURITY SCHEDULE
(Base CUSIP** _____)

<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, 2019	\$165,000				July 15, 2029	325,000			
January 15, 2020	250,000				January 15, 2030	330,000			
July 15, 2020	255,000				July 15, 2030	335,000			
January 15, 2021	255,000				January 15, 2031	340,000			
July 15, 2021	260,000				July 15, 2031	345,000			
January 15, 2022	265,000				January 15, 2032	350,000			
July 15, 2022	265,000				July 15, 2032	360,000			
January 15, 2023	270,000				January 15, 2033	360,000			
July 15, 2023	270,000				July 15, 2033	370,000			
January 15, 2024	275,000				January 15, 2034	375,000			
July 15, 2024	280,000				July 15, 2034	385,000			
January 15, 2025	285,000				January 15, 2035	390,000			
July 15, 2025	285,000				July 15, 2035	395,000			
January 15, 2026	295,000				January 15, 2036	405,000			
July 15, 2026	295,000				July 15, 2036	410,000			
January 15, 2027	300,000				January 15, 2037	420,000			
July 15, 2027	305,000				July 15, 2037	425,000			
January 15, 2028	310,000				January 15, 2038	435,000			
July 15, 2028	315,000				July 15, 2038	445,000			
January 15, 2029	320,000								

*Preliminary, subject to change. The City reserves the right to resize the principal maturities of the Bonds to achieve its financial objectives with respect to the Bonds.

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INFORMATION FOR BIDDING

Date and Time of Sale: Upon 24 hours' notice. Anticipated to take place on October 30, 2018, at 11:00 a.m. (EST)

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

Maximum Interest Rate: 6.0%

Minimum Purchase Price:** 99% (\$12,592,800*)

Multiples: 1/8, 1/20, or 1/100 of 1%

Anticipated Closing Date: November 14, 2018

Good Faith Deposit: \$127,200* 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)

Issue Price Determination: As set forth in the Preliminary Official Statement, the bidder agrees by submission of their bid to assist the City in establishing the issue price of the Bonds under the terms outlined in Appendix E and shall execute and deliver to the City at closing an "issue price" certificate, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Purchaser, the City and bond counsel. Provided the winning bidder is purchasing the Bonds as an Underwriter (as defined in Appendix E) and is not purchasing the Bonds with the intent to hold the Bonds for its own account, then the City and the Purchaser shall agree to the process by which issue price will be established on the date of sale of the Bonds in the event that the Competitive Sale Requirements (as defined in Appendix E) are not met. The winning bidder must agree to execute the applicable schedules depending on the sale results.

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 Krieg DeVault LLP, Carmel, Indiana, Bond Counsel. Certain legal matters will be passed on by Pearlman Chosnek & Hopson, P.C, as Attorney for the City. The Bonds are expected to be available for delivery to DTC, in New York, New York on or about November 14, 2018.

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 City 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 City. 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 City 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 City since the date of delivery of the securities described herein to the initial purchaser thereof. However, upon delivery of the securities, the City 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.

*Preliminary, subject to change.

** Minimum Purchase Price shall mean the \$12,720,000* of the Bonds less total discount submitted with bid, including any underwriter discount, purchaser discount, original issue discount or any expenses submitted by the bidder which will reduce the amount of bond proceeds to be received by the City, and adding any amortizable bond premium.

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TABLE OF CONTENTS

	<u>Page(s)</u>
Introduction to the Official Statement	1
The Project	
Project Description	3
Estimated Project Costs and Funding	3
Schedule of Amortization of \$12,720,000* Principal Amount of Park District Bonds of 2018.....	4
Securities Being Offered	
Authorization and Approval Process	5
Security and Sources of Payment	5
Intercept Program	6
Investment of Funds	6
The Bonds	
Interest Calculation.....	6
Redemption Provisions.....	6
Book-Entry-Only System	7
Procedures for Property Assessment, Tax Levy and Collection.....	9
Circuit Breaker Tax Credit	11
Continuing Disclosure	12
Bond Rating.....	13
Underwriting.....	13
Municipal Advisor.....	13
Legislative Proposals	14
Tax Matters.....	14
Original Issue Discount	15
Amortizable Bond Premium.....	16
Litigation	16
Certain Legal Matters	16
Legal Opinions and Enforceability of Remedies	16
Appendices:	
i Notice of Intent to Sell Bonds	
A General Information	
B Bond Resolution	
C Legal Opinion	
D Continuing Disclosure Undertaking	
E Issue Price Determination	

*Preliminary, subject to change.

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PROJECT PERSONNEL

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

Mayor

Honorable Tony Roswarski

Park and Recreation Board

Dave Mecklenburg, President
John Ragan
Pat Corey
Maurie Denney

City Controller

Mike Jones

Superintendent of Parks

Claudine Laufman

Common Council

Lauren Ahlersmeyer
Perry E. Brown
Ronald B. Campbell
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Carmel, Indiana 46032

Municipal Advisor

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H.J. Umbaugh & Associates
Certified Public Accountants, LLP
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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

\$12,720,000*

CITY OF LAFAYETTE, INDIANA Lafayette, Indiana PARK DISTRICT BONDS OF 2018

INTRODUCTION TO THE OFFICIAL STATEMENT

The City of Lafayette, Indiana (the “City”), acting for and on behalf of the Lafayette Park and Recreation District (the “Park District”) is issuing \$12,720,000* of Park District Bonds of 2018 (the “Bonds”). The Bonds will be issued under the provisions of Indiana Code 36-10-3 and Indiana Code 6-1.1-20-1 and in accordance with the terms of Resolution No 18-06 (“Bond Resolution”) adopted by the Park Board (“Board”) of the City on August 27, 2018.

SECURITY AND SOURCES OF PAYMENT

The Bonds are not a general obligation of the City, but are a special obligation and indebtedness of the Park District, as a special taxing district, payable from a special benefits tax (ad valorem property tax) to be levied on all taxable property within the boundaries of the Park District, which is coterminous with the boundaries of the City, pursuant to Indiana Code 36-10-3-27. The City, acting through its Park and Recreation Board, covenants that it will cause a special tax for the payment of the principal of and the interest on the Bonds to be levied, collected and applied for that purpose and the proceeds of this tax are hereby pledged solely to the payment of the Bonds.

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 construction certain park improvements, together with necessary appurtenances, related improvements and equipment as further described in the Bond Resolution (the “Project”), and to pay issuance expenses. Funding for the Project will be provided from proceeds of the Bonds and interest earnings during construction.

REDEMPTION PROVISIONS

The Bonds are subject to optional redemption beginning January 15, 2029 as more fully described herein. 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 multiple thereof.

*Preliminary, subject to change.

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, 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 City 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, 2019, and semiannually thereafter, will be paid by check mailed one business day prior to the interest payment date to the registered owner or by wire transfer on the interest payment date to the depository shown as the registered owner (Refer to “Book-Entry-Only System” herein).

PROVISIONS FOR PAYMENT

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

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

NOTICES

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

TAX MATTERS

In the opinion of Krieg DeVault LLP (“Bond Counsel”), interest on the Bonds is excludable from gross income for federal income tax purposes, and is not a specific item of tax preference for purposes of the federal alternative minimum tax, although Bond Counsel observes that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for taxable years that began prior to January 1, 2018. Such exclusion is conditioned on continuing compliance with the Tax Covenants, hereinafter defined. In the opinion of Bond Counsel, 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 City 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 City Controller, City of Lafayette, City Hall, 20 North 6th Street, Lafayette, Indiana 47901, phone (765) 807-1010.

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

THE PROJECT

PROJECT DESCRIPTION

The Bonds are being issued for the purpose of paying the costs of construction of certain park improvements including: (a) renovations to Columbian Park Zoo – Phase I consisting of: (i) a Spider Monkey Exhibit (including holding building), (ii) a Penguin Exhibit (including holding building), (iii) a Cats Exhibit (including holding building), and (iv) an approximately 42 foot Carousel with shelter structure; (b) improvements and renovations to Memorial Island consisting of: (i) improved access to parking and wayfinding element, (ii) new bridges, (iii) new boardwalk, (iv) new sea wall, (v) ADA ramp to existing stage, (vi) improved seating and shade sails, (vii) creation of new multi-use spaces, (viii) new memorials, (ix) shoreline improvements and (x) improvements to Rush Pavilion, including a new pedestrian entrance; and (c) improvements to Tropicanae Cove consisting of a new water slide, together with all necessary appurtenances, related improvements and equipment, and to pay issuance expenses.

ESTIMATED PROJECT COSTS AND FUNDING

Estimated Project Costs*

Memorial Island improvements	\$4,163,000
Primates exhibits	2,000,000
Cats exhibits	1,500,000
Penguin exhibits	1,800,000
Carousel	1,500,000
Cove-Aqua loop slide	800,000
Contingencies	675,000
Allowance for Underwriter's Discount/Placement Fee (1.0%)	127,200
Allowance for Bond Issuance Costs and Contingencies	<u>154,800</u>

Total Estimated Project Costs \$12,720,000

Estimated Project Funding*

Park District Bonds of 2018 \$12,720,000

Total Estimated Project Funding \$12,720,000

*Preliminary, subject to change.

SCHEDULE OF AMORTIZATION OF \$12,720,000* PRINCIPAL AMOUNT OF
PARK DISTRICT BONDS OF 2018

<u>Payment Date</u>	<u>Principal Outstanding*</u> (-----In Thousands-----)	<u>Principal*</u>	<u>Interest Rates</u> (%)	<u>Interest</u>	<u>Total</u>	<u>Budget Year Total</u>
07/15/2019	\$12,720	\$165				
01/15/2020	12,555	250				
07/15/2020	12,305	255				
01/15/2021	12,050	255				
07/15/2021	11,795	260				
01/15/2022	11,535	265				
07/15/2022	11,270	265				
01/15/2023	11,005	270				
07/15/2023	10,735	270				
01/15/2024	10,465	275				
07/15/2024	10,190	280				
01/15/2025	9,910	285				
07/15/2025	9,625	285				
01/15/2026	9,340	295				
07/15/2026	9,045	295				
01/15/2027	8,750	300				
07/15/2027	8,450	305				
01/15/2028	8,145	310				
07/15/2028	7,835	315				
01/15/2029	7,520	320				
07/15/2029	7,200	325				
01/15/2030	6,875	330				
07/15/2030	6,545	335				
01/15/2031	6,210	340				
07/15/2031	5,870	345				
01/15/2032	5,525	350				
07/15/2032	5,175	360				
01/15/2033	4,815	360				
07/15/2033	4,455	370				
01/15/2034	4,085	375				
07/15/2034	3,710	385				
01/15/2035	3,325	390				
07/15/2035	2,935	395				
01/15/2036	2,540	405				
07/15/2036	2,135	410				
01/15/2037	1,725	420				
07/15/2037	1,305	425				
01/15/2038	880	435				
07/15/2038	445	445				
Total		<u>\$12,720</u>				

*Preliminary, subject to change.

SECURITIES BEING OFFERED

AUTHORIZATION AND APPROVAL PROCESS

The Bonds are to be issued under the authority of Indiana law, including, without limitation, Indiana Code Title 36, Article 10, Chapter 3, as in effect on the date of delivery of the Bonds and pursuant to the Bond Resolution (Appendix B) adopted by the City of Lafayette, Indiana on August 27, 2018.

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:

- (1) Depending on the date of adoption of the preliminary determination ordinance or resolution:
 - (a) If adopted prior to January 1, 2018, \$2 million;
 - (b) If adopted after December 31, 2017, but before January 1, 2019, \$5 million;
 - (c) If adopted after December 31, 2018, an amount equal to the assessed value growth quotient (as determined by the DLGF) multiplied by the amount determined under this clause for the preceding calendar year;
- (2) An amount equal to:
 - (a) At least 1% of gross assessed value, if that total gross assessed value is more than \$100 million; or
 - (b) \$1 million if the gross assessed value is not more than \$100 million.

The main exceptions for a project being classified as a controlled project when there are property taxes being pledged to the repayment of the bonds or leases, and the project meets the criteria set forth in (1)-(2) above are when (a) property taxes are used only as a back-up to enhance credit, (b) a project is being refinanced to generate taxpayer savings, (c) the project is mandated by federal law, or (d) the project is in response to a natural disaster, emergency or accident which is approved by the City of Lafayette, Indiana making it unavailable for its intended use.

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 unless the project amounts trigger the voter approval referenda process as outlined 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:

- (1) Depending on the date of the adoption of the preliminary determination ordinance or resolution:
 - (a) If adopted prior to January 1, 2018, \$12 million (except for a school building for academic instruction, in which case the amount is \$10 million);
 - (b) If adopted after December 31, 2017, \$15 million;
- (2) For schools, an amount equal to 1% of the total gross assessed value of property within the political subdivision, if that total gross assessed value is more than \$1 billion; or \$10 million if the total gross assessed value is not more than \$1 billion; or
- (3) For any other controlled projects an amount equal to 1% of the total gross assessed value of property within the political subdivision, if that total gross assessed value is more than \$100 million; or \$1 million if the total gross assessed value is not more than \$100 million;

The project funded by the Bonds was subject to the petition and remonstrance process; however, the petition and remonstrance process was not initiated by real property owners or registered voters. Therefore, the issuance of the Bonds was able to continue without additional approval procedures.

SECURITY AND SOURCES OF PAYMENT

The Bonds are not a general obligation of the City, but are a special obligation and indebtedness of the Park District, as a special taxing district, payable from a special benefits tax (ad valorem property tax) to be levied on all taxable property within the boundaries of the Park District, which is coterminous with the boundaries of the City, pursuant to Indiana Code 36-10-3-27. The City, acting through its Park and Recreation Board, covenants that it will cause a special tax for the payment of the principal of and the interest on the Bonds to be levied, collected and applied for that purpose and the proceeds of this tax are hereby pledged solely to the payment of the Bonds.

The total indebtedness of the Park District subject to the statutory debt limit, including the Bonds, amounts to less than two percent of one third of the net assessed valuation of the Park District, as required by the statutes of the State of Indiana.

INTERCEPT PROGRAM

In 2008, the Indiana General Assembly enacted legislation (Indiana Code Title 6, Article 1.1, Chapter 20.6, Section 10) to ensure that shortfalls in property tax receipts due to the Circuit Breaker Tax Credit do not affect the ability of a political subdivision to make payments on any existing debt service and lease rental obligations. The legislation requires that local governments fund their debt service and lease rental obligations regardless of property tax shortfalls due to the Circuit Breaker Tax Credit. If a political subdivision fails to make debt service or lease rental payments, the State Treasurer, upon being notified of the failure, shall pay the unpaid debt service or lease rental payments that are due from funds that are held by the State (including among others, income tax distributions and motor vehicle highway distributions) that would otherwise be available for distribution to the political subdivision to ensure that Debt Service Obligations (as hereinafter defined) are made when due.

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 City shall direct the investment of Bond proceeds.

THE BONDS

INTEREST CALCULATION

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

REDEMPTION PROVISIONS

Optional Redemption:

The Bonds maturing on or after July 15, 2029 are redeemable prior to maturity at the option of the City in whole or in part in any order of maturity as determined by the City and by lot within maturities, on any date not earlier than January 15, 2029, at face value plus accrued interest to the date fixed for redemption and without any redemption premium.

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 City, 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 City and by lot within maturity. Each \$5,000 principal amount shall be considered a separate Bond for purposes of optional and mandatory redemption. If some Bonds are to be redeemed by optional and mandatory sinking redemption on the same date, the Paying Agent shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.

Notice of Redemption:

Notice of redemption shall be mailed to the registered owners of all Bonds to be redeemed at least 30 days but not more than 45 days prior to the date fixed for such redemption, unless notice is waived by the owner of the Bond or 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 will be registered in the name of Cede & Co., as nominee for DTC.

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

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

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

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

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

which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City 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 City 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 City, 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 City 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 City 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 City 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 contained in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but neither the City 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 City, 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 City 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 City elects to discontinue its use of DTC as a clearing agency for the Bonds, then the City 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 Trust Indenture. Any expenses of such a discontinuation and transfer, including any expenses of printing new certificates to evidence the Bonds will be paid by the City.

PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION

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

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

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

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

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

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

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

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 the county's reassessment plan, as well as when changes occur in the property value due to new construction or demolition of improvements. Before July 1, 2013, and before May 1 of every fourth year thereafter, each county assessor will prepare and submit to the DLGF a reassessment plan for the county. The DLGF must complete its review and approval of the reassessment plan before January 1 of the year following the year in which the reassessment plan is submitted by the county. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under the county's reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year, and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. For real property included in a group of parcels that is reassessed, the reassessment is the basis for taxes payable in the year following the year in which the reassessment is to be completed. The county may submit a reassessment plan that provides for reassessing more than twenty-five percent (25%) of all parcels of real property in the county in a particular year. A plan may provide that all parcels are to be reassessed in one (1) year.

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

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

CIRCUIT BREAKER TAX CREDIT

Description of Circuit Breaker:

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

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. 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. Upon: (i) the failure of a political subdivision to pay any of its Debt Service Obligations; and (ii) notification of that event to the treasurer of the State by a claimant; the treasurer of State is required to pay the unpaid Debt Service Obligations from money in the possession of the State that would otherwise be available to the political subdivision under any other law. A deduction must be made: (i) first, from local income tax distributions that would otherwise be distributed to the county; and (ii) second, from any other undistributed funds of the political subdivision in possession of the State.

The Statute 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 City may allocate the reduction by using a combination of unprotected taxes of the City in those taxing districts in which the Circuit Breaker Tax Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

If the allocation of property tax reductions to funds receiving only unprotected taxes is insufficient to offset the amount of the Circuit Breaker Tax Credit, 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 City 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 City.

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 City. A lower assessed value of a City may result in higher tax rates in order for a City to receive its approved property tax levy. See "PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION" herein.

Estimated Circuit Breaker Tax Credit for the City:

According to the DLGF, the Circuit Breaker Tax Credit allocable to the City for budget years 2016, 2017, and 2018 were \$1,505,375, \$1,868,196, and \$2,165,737, respectively. These estimates do not include the estimated debt service on the Bonds.

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

CONTINUING DISCLOSURE

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission ("SEC") in SEC Rule 15c2-12, as amended (the "Rule"), the City will enter into a Continuing Disclosure Undertaking (the "Undertaking") to be dated the date of the closing of the Bonds. The form of the Undertaking is attached to the Official Statement as Appendix D. Potential purchasers of the Bonds should review Appendix D to determine the specific financial information that the City will commit to provide annually on an ongoing basis as long as the Bonds are outstanding as well as the specific timeframe by which this information will be provided.

In the previous five years, the City has failed to consistently comply with its previous undertakings. Certain rating changes and notice of defeasances were not filed on a timely basis.

The City makes no representation as to any potential materiality of such prior instances, as materiality is dependent upon individual facts and circumstances. The City has contracted with H.J. Umbaugh and Associates, Certified Public Accountants, LLP, as dissemination agent to assist with future compliance filings.

BOND RATING

S&P Global Ratings (“S&P Global”) has assigned a bond rating of “AA-” to the Bonds. Such rating reflects only the view of S&P Global and any explanation of the significance of such ratings may only be obtained from S&P Global.

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

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

MUNICIPAL ADVISOR

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

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

Municipal Advisor Registration:

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 City, but is neither a placement agent to the City nor a broker/dealer and cannot participate in the underwriting of the Bonds.

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

Other Financial Industry Activities and Affiliations:

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

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

LEGISLATIVE PROPOSALS

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

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

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

The City 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 Krieg DeVault LLP, Carmel, Indiana, Bond Counsel, under federal statutes, decisions, regulations and rulings, the interest on the Bonds is excludable for federal tax income purposes, and is not a specific item of tax preference for purposes of the federal alternative minimum tax, although Bond Counsel observes that it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for taxable years that began prior to January 1, 2018. Such exclusion is conditioned on continuing compliance by City 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 Krieg DeVault LLP, Carmel, Indiana, 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") except for the State financial institutions tax. 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 City will covenant not to take any action, within its power and control, nor fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds pursuant to Section 103 of the Code (collectively, "Tax Covenants"). The Bond Resolution and certain certificates and agreements to be delivered on the date of delivery of the Bonds establish procedures to permit compliance with the requirements of the Code. It is not an event of default under the Bond 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.

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

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 inside 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 February 1 and August 1 (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 maturing on _____ through and including _____ (collectively, the "Premium Bonds"), is greater than the principal amount payable at maturity or call date. As a result, the Premium Bonds will be considered to be issued with amortizable bond premium (the "Bond Premium"). An owner who acquires a Premium Bond in the initial offering will be required to adjust the owner's basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. Such adjusted tax basis will be used to determine taxable gain or loss upon the disposition of the Premium Bonds (including sale, redemption or payment at maturity or call). The amount of amortizable Bond Premium will be computed on the basis of the owner's yield to maturity, with compounding at the end of each accrual period. Rules for determining (i) the amount of amortizable Bond Premium and (ii) the amount amortizable in a particular year are set forth in Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed pursuant to Section 171(a)(2) of the Code, but amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. Owners of the Premium Bonds should consult their tax advisors with respect to the precise determination for federal income tax purposes of the treatment of Bond Premium upon the sale or other disposition of Premium Bonds and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

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

LITIGATION

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

CERTAIN LEGAL MATTERS

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

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The 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 City from time to time, but the City 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 City, 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 City), 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 City certifies to the best of its knowledge and belief that this Official Statement, as of its date and as it relates to the City 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.

City of Lafayette, Indiana, for and on behalf of
the Park District of the City of Lafayette,
Indiana

By: 
City Controller

By: 
Mayor

APPENDIX i

OFFICIAL NOTICE OF INTENT TO SELL BONDS

Upon not less than twenty-four (24) hours' notice given by telephone or by e-mail by the undersigned Controller, the City of Lafayette, Indiana ("City") will receive and consider bids for the purchase of the Bonds described below. Any person interested in submitting a bid for the Bonds must furnish in writing to the undersigned Controller of the City, c/o H.J. Umbaugh & Associates, Certified Public Accountants, LLP, 8365 Keystone Crossing, Suite 300, Indianapolis, Indiana 46240, (317) 465-1500 or via e-mail to bids@umbaugh.com, on or before 11:00 a.m. (Indianapolis time) on October 28, 2018, the person's name, address, and telephone number. The persons may also furnish a telex or telecopy number or an e-mail address. Bids may also be submitted electronically via PARITY® in accordance with this notice. To the extent any instructions or directions set forth in PARITY® conflict with this notice, the terms of this notice shall control. For further information about PARITY®, potential bidders may contact H.J. Umbaugh & Associates, Certified Public Accountants, LLP at the address set forth above, or PARITY® at (212) 849-5021. The undersigned Controller 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 telex or e-mail if a telex number or e-mail address has been received. The sale is expected to take place on or about October 30th.

At the time designated for the sale, the Controller will receive and consider bids for the purchase of the Bonds of the City designated as "Park District Bonds of 2018" ("Bonds") in the aggregate principal amount of \$12,720,000 (preliminary, subject to change). Bidders may bid a net discount not to exceed 1.0% of the par value of the Bonds. The Bonds will bear interest at a rate or rates not to exceed 6% per annum (the exact interest rate or rates will be determined by bidding). Interest will be payable semiannually on January 15 and July 15 of each year, beginning July 15, 2019. Interest will be calculated on a 360-day year consisting of twelve 30-day months. The Bonds will be dated as of their date of delivery, will be in the denominations of \$5,000 or integral multiples thereof and will mature semiannually on January 15 and July 15 on the dates and in the amounts provided by the City prior to sale.

The City reserves the right to adjust principal amounts within maturities to achieve the financial objectives of the City with respect to its current and future debt service levies based upon the rates bid by the successful bidder, the City's current debt service levy and the City's anticipated debt service levy during the term of the Bonds. In addition, the City reserves the right to increase or decrease the entire principal amount of the Bonds issued based on the actual interest rates bid by the successful bidder based on the principal and interest payments to be paid by the City or to provide that the aggregate amount of Bond proceeds and premium received by the City does not exceed \$13,000,000. If the maximum principal amount of the Bonds issued decreases, the City reserves the right to adjust principal amounts within maturities based on the parameters set forth in this paragraph.

The Bonds of this issue maturing on or after July 15, 2029 are redeemable at the option of the City on January 15, 2029, or any date thereafter, on thirty (30) days' notice, in whole or in part, in the order of maturity determined by the City, and by lot within a maturity, at face value, together with no premium, plus in each case accrued interest to the date fixed for redemption.

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 of January 15 and July 15, on the dates as determined by the successful bidder, but in accordance with the

maturity schedule to be provided for the Bonds, and no later than the final maturity as set forth above. 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 consistent with the schedule to be provided.

Principal is payable at the office of a registrar and paying agent to be designated by the City. Interest shall be paid by check mailed to the registered owners or by wire transfer to depositories. The Bonds will be issued in fully registered form.

Each bid, including bids submitted via PARITY®, must be for all of the Bonds and must state the rate or rates of interest in multiples of 1/8, 1/20 or 1/100 of 1%. Any bids specifying two or more interest rates shall also specify the amount and maturities of the Bonds bearing each rate, but all Bonds maturing on the same date shall bear the same single interest rate. The award will be made to the best bidder complying with the terms of sale and offering the lowest net interest cost to the City, to be determined by computing the total interest on all of the Bonds to their maturities and deducting therefrom the premium bid, if any. It is requested that each bid show the net dollar interest cost to final maturity and the net effective average interest rate on the entire issue. No conditional bid or bids for less than 99.0% of the par value of the Bonds will be considered. The right is reserved to reject any and all bids. If no satisfactory bids are received at the time of the sale, the sale will be continued from day to day thereafter, without further advertisement for a period of thirty (30) days during which time no bid which provides a higher net interest cost to the City than the best bid received at the time of the advertised sale will be considered.

Each bid not submitted via PARITY® must be on a customary bid form which shall be enclosed in a sealed envelope addressed to the undersigned Controller and marked "Bid for City of Lafayette Park District Bonds of 2018." The winning bidder will be notified and instructed to submit a good faith deposit which may consist of either a certified or cashier's check or a wire transfer in the amount of \$127,200 (preliminary, subject to change) ("Deposit"). If a check is submitted, it shall be drawn on a bank or trust company which is insured by the Federal Deposit Insurance Corporation and shall be submitted to the City (or shall wire transfer such amount as instructed by the City) not later than 3:30 p.m. (Lafayette time) on the next business day following the date of the award. In either case, the Deposit shall be payable to the "City of Lafayette," and shall be held as a guaranty of the performance of the bid. No interest on the Deposit will accrue to the successful bidder. In the event the successful bidder fails to honor its accepted bid, the Deposit will be retained by the City. The successful bidder will be required to make payment for the Bonds in Federal Reserve funds or other immediately available funds and accept delivery of the Bonds within five days after being notified that the Bonds are ready for delivery, at such bank in the City of Indianapolis, Indiana, or the City, as the purchaser shall designate, or at such other location which may be mutually agreed to by the City and such bidder. It is anticipated that the Bonds will be ready for delivery within thirty days after the date of the sale and if not ready for delivery within forty-five (45) days after the sale date, the purchaser shall be entitled to rescind the sale and obtain the return of the Deposit. The successful bidder is expected to apply to a securities depository registered with the SEC to make the Bonds depository-eligible. The opinion of Krieg DeVault LLP, bond counsel of Indianapolis, Indiana, approving the legality of the Bonds, together with a transcript of the Bond proceedings, and closing certificates in the usual form showing no litigation, will be furnished to the successful bidder at the expense of the City.

All provisions of the bid form and Preliminary Official Statement are incorporated herein. As set forth in the Preliminary Official Statement, the winning bidder agrees by submission of their bid to assist the City in establishing the issue price of the Bonds under the terms outlined therein and shall execute and deliver to the City at closing an "issue price" certificate, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel.

The Bonds may be issued, at the option of the successful bidder, by means of a book-entry-only system with no physical distribution of bond certificates made to the public. In this case, one bond certificate for each maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and immobilized in its custody. In this case, the successful bidder, as a condition of delivery of the Bonds, would be required to deposit the bond certificates with DTC, registered in the name of Cede & Co., nominee of DTC.

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 bid. 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 City 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 City; 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 successful bidder. The successful bidder will also be responsible for any other fees or expenses it incurs in connection with the resale of the Bonds.

The Bonds are being issued under the provisions of Indiana Code 36-10-3 for the purpose of providing funds to be applied on the costs of the construction of certain park improvements in the Lafayette Park and Recreation District ("District"), as more fully set forth in the resolution approving the Bonds, together with necessary appurtenances, related improvements and equipment and to pay costs of issuance. The Bonds will be payable solely out of the special benefits tax, an ad valorem tax, levied on all property of the District. In the opinion of bond counsel, under the federal statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is excludable from gross income for purposes of federal income taxation.

The Bonds have **not** been designated for purposes of Section 265(b) of the Code to qualify for the \$10,000,000 annual exception from the 100% disallowance, in the case of banks and other financial institutions, of the deduction for interest expense allocable to tax-exempt obligations.

The City has prepared an Official Statement relating to the Bonds which it deems to be nearly final. A copy of the nearly final Official Statement may be obtained from the City's Municipal Advisor, H.J. Umbaugh & Associates, Certified Public Accountants, LLP, Indianapolis, Indiana 46240. Within seven (7) business days of the sale, the City will provide the successful bidder with up to 25 copies of the final Official Statement at the City's expense and such additional copies as may be requested, within five (5) business days of the sale, by the successful bidder at the expense of the successful bidder. 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.

In the resolution approving the Bonds and pursuant to a Continuing Disclosure Undertaking to be delivered by the City upon delivery of the Bonds, the City will covenant to comply with Securities and Exchange Commission Rule 15c2-12, as in effect of the date of delivery of the Bonds ("Rule 15c2-12"), and to the extent required by Rule 15c2-12. The City will covenant to provide the most recent annual financial information as described in the Preliminary Official Statement. Further, with respect to the Bonds, the City will undertake to provide notice of those material events required by Rule 15c2-12.

Dated this 25th day of September, 2018.

/s/ Mike Jones, Controller
City of Lafayette, Indiana

[Publish on October 4, 2018 and October 11, 2018]

APPENDIX A

TABLE OF CONTENTS

	<u>Page(s)</u>
City of Lafayette, Indiana	
General Physical and Demographic Information	
Location	A-1
General Characteristics	A-1
Governmental Structure	A-1
Planning and Zoning	A-2
Education	A-2
Higher Education	A-2
Pension Obligations	A-2 – A-11
General Economic and Financial Information	
Commerce and Industry	A-11 – A-13
Large Employers	A-14
Employment	A-15
Building Permits.....	A-15
Population	A-16
Age Statistics.....	A-16
Educational Attainment.....	A-16
Miscellaneous Economic Information.....	A-17
Schedule of Indebtedness	A-18
Debt Ratios.....	A-19
Debt Limit	A-19
Schedule of Historical Net Assessed Valuation	A-20
Detail of Net Assessed Valuation.....	A-21 – A-22
Comparative Schedule of Certified Tax Rates	A-23
Property Taxes Levied and Collected.....	A-24
Large Taxpayers.....	A-25
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	A-26 – A-31

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CITY OF LAFAYETTE, INDIANA

GENERAL PHYSICAL AND DEMOGRAPHIC INFORMATION

LOCATION

The City of Lafayette (the “City”) is located in Tippecanoe County (the “County”) in northwest Indiana. The City is approximately 60 miles northwest of Indianapolis and 120 miles southeast of Chicago, Illinois.

GENERAL CHARACTERISTICS

The County and, more specifically, the Greater Lafayette area is the regional industrial and commercial center for its surrounding eight Indiana counties. The County is well-diversified with industries manufacturing a variety of products, including electric watt hour meters, plastics, semi-trailers, electronic circuits, and magnet wire. Among the County’s largest employers are the corporate names of Subaru of Indiana Automotive, Inc. (“SIA”), Wabash National Corporation, and Caterpillar.

Purdue University (the “University”) is located in West Lafayette and offers area residents academic resources, as well as cultural and recreational activities. Through the efforts of the University, the County is one of the key areas in the State of Indiana for high tech development. Higher than average state and national education levels of the County’s residents provide for an educated and skilled labor force. The Greater Lafayette area is recognized for its diversified industrial economy and excellent educational opportunities.

GOVERNMENTAL STRUCTURE

The City is governed by a nine-member City Council, with each member elected to a four-year term. The Mayor serves as the chief executive of the City and serves a four-year term. The City Clerk, also elected to a four-year term, is responsible for the financial records of the City. Additional City boards, commissions, and departments include the following:

Animal Control	Facilities	Police Department
Board of Works	Fire Department	Purchasing
Board of Zoning Appeals	Fleet Maintenance	Redevelopment Commission
City Attorney	Historic Preservation Committee	Sanitation
City Controller	Human Resources	Street Department
Civil Service Commission	Information Technology	Stormwater
Communications Department	Joint Purchasing Board	Traffic
Community Development	Lafayette Renew	Utility Billing
Economic Development	Parking Operations	Water Works
Engineering & Public Works	Parks & Recreation	

The City currently employs a total of approximately 957 full-time, part-time, and seasonal employees with union representation as follows:

<u>Union Name</u>	<u>Union Representation</u>	<u>Number of Members</u>	<u>Contract Expiration Date</u>
Lafayette Firefighters’ Union	Fire Department	138	2020
Fraternal Order of Police	Police Department	144	2020
City of Lafayette Employee Alliance (CLEA)	Fleet Maintenance, Lafayette Renew, Sanitation, Street Department, Water Works	157	2020

PLANNING AND ZONING

The City of Lafayette Engineering Department provides residents of the City with orderly growth for residential, commercial, and industrial areas within the City. The City also has a five-member Board of Zoning Appeals.

EDUCATION

Tippecanoe School Corporation and Lafayette School Corporation provide public education for school-aged children of the City. Each of the school corporations offers a comprehensive academic curriculum and a variety of extra-curricular activities. Enrollment and employment information are reported by school administrators as follows:

	<u>2017/2018 Enrollment</u>	<u>Certified Employment</u>	<u>Non-Certified Employment</u>
Tippecanoe School Corporation	13,524	777	625
Lafayette School Corporation	7,445	631	622

HIGHER EDUCATION

Purdue University (the “University”) is comprised of approximately 17,794 acres and is an integral part of the County. The University was one of the original land grant universities. It has expanded its original base of agriculture and basic engineering disciplines to include technological and highly skilled education in all of the physical sciences, veterinary medicine, agricultural improvement, and management. The University has become known as a leader in research activities for energy and agriculture, as well as many other fields of study. Purdue’s Discovery Park, a 40-acre research park, provides research in areas of bioscience, technology, industrial development, environmental research, and oncology. In February 2015, Lilly Endowment, Inc. announced the endowment of a \$40 million grant to the Colleges of Engineering and Technology and to the Purdue Libraries, which was the largest cash donation in the University’s history. The endowment supported the construction of the 31,000 sq.ft. Bechtel Innovation Design Center, the 107,800 sq.ft. Flex Lab Facility in the College of Engineering, the 164,000 sq.ft. Wilmeth Active Learning Center, and the transformation of the College of Technology into the Polytechnic Institute. The Bechtel Innovation Design Center, Flex Lab Facility, and Wilmeth Active Learning Center all opened in 2017.

Additionally, Ivy Tech Community College and Harrison College offer higher education opportunities for residents.

PENSION OBLIGATIONS

The following information has been excerpted from the City of Lafayette, Comprehensive Annual Financial Report, Fiscal Year Ending December 31, 2017, State Board of Accounts audit report B50653. For further information, including information from assumptions and other inputs, the complete audit is available at <http://www.in.gov/sboa/resources/reports/audit/>.

I. COST-SHARING MULTIPLE-EMPLOYER DEFINED PENSION PLANS

a) Indiana Public Retirement System

Plan Description

The primary government contributes to the Indiana Public Retirement System (PERF), a defined benefit pension plan administered by the Indiana Public Employee Retirement System (INPRS). PERF is a cost sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through INPRS, most requirements of the system and give the City authority to contribute to the plan.

Benefits Provided

The INPRS 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% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member. As part of the implementation of GASB Statement No. 67, INPRS changed from an agent to a cost sharing, multiple-employer defined plan effective July 1, 2013 based on 35 IAC 21-1-1, 35 IAC 21-1-2, and amended IC 5-10.2-2-11 (b).

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
One North Capital, Suite 001
Indianapolis, IN 46204
Ph. (317) 526-1687

Contributions

PERF members are required to contribute 3 percent of their annual covered salary. The City is required to contribute at an actuarially determined rate; the current rate is 11.2 percent of annual covered payroll. The contribution requirements of the plan members and the City are established and may be amended by the Board of Trustees of INPRS. The City's contributions to the plan for the years ending December 31, 2017, 2016, and 2015 were \$1,878,322, \$1,782,752, and \$1,702,637 respectively, which were equal to the required contributions for each year.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a stand-alone financial report of INPRS that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (888) 526-1687, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2017, the City reported a liability of \$15,081,802 for its proportionate share of the net pension liability. The City's proportionate share of the net pension liability was based on the City's wages as a proportion of total wages for the PERF Plan. The proportionate share used at the June 30, 2017 measurement date was 0.0033804.

For the year ended December 31, 2017, the City recognized pension expense of \$3,271,354, which included net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions. At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to the PERF Plan from the following sources:

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

Indiana Public Retirement System
 One North Capital, Suite 001
 Indianapolis, IN 46204
 Ph. (317) 526-1687

Contributions

Plan members are required to contribute 6 percent of the first-class police officers' and firefighters' salary and the primary government is to contribute at an actuarially determined rate. The current rate is 17.5 percent of the first-class police officers' and firefighters' salary. The contribution requirements of plan members and the primary government are established by the Board of Trustees of INPRS. The City's contribution for the year ending December 31, 2017 was \$3,115,135.

1977 Police Officers' Pension and Disability Fund:

The primary government's contributions to the plan for the year ended December 31, 2017 were \$1,564,803 equal to the required contributions for each year.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At December 31, 2017, the City reported an asset of \$160,574 for its proportionate share of the net pension liability. The City's proportionate share of the net pension liability was based on the City's wages as a proportion of total wages for the Plan. The proportionate share used at the June 30, 2017 measurement date was 0.0104097.

For the year ended December 31, 2017, the City recognized pension expense of \$1,303,866 which included net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions. At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to the 1977 Police Officers' Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$646,628	\$504,569
Net difference between projected and actual earnings on pension plan investments	3,172,046	1,051,985
Changes in assumptions		2,401,747
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>30,585</u>	<u>21,711</u>
Total	<u><u>\$3,849,259</u></u>	<u><u>\$3,980,012</u></u>

1977 Firefighters' Pension and Disability Fund:

The primary government's contributions to the plan for the year ended December 31, 2017 were \$1,550,332 equal to the required contributions for each year.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At December 31, 2017, the City reported an asset of \$158,581 for its proportionate share of the net pension liability. The City's proportionate share of the net pension liability was based on the City's wages as a proportion of total wages for the Plan. The proportionate share used at the June 30, 2017 measurement date was 0.0102805. For the year ended December 31, 2017, the City recognized pension expense of \$1,285,207 which included net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions. At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to the 1977 Firefighters' Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$638,602	\$498,306
Net difference between projected and actual earnings on pension plan investments	3,132,676	1,038,928
Changes in assumptions		2,371,938
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>16,506</u>	<u>20,906</u>
Total	<u><u>\$3,787,784</u></u>	<u><u>\$3,930,078</u></u>

Deferred outflows of resources resulting from employer contributions subsequent to the June 30, 2017 measurement date are recognized as a reduction of net pension liability in the year ending December 31, 2017. Deferred inflows of resources resulting from the differences between projected and actual investment earnings on Plan investments are amortized over an 8 year period. A change in an employer's proportionate share: represents the change as of the current year measurement date versus the prior year measurement date, and is amortized over the average expected remaining service lives of the plan. The difference between an employer's contributions and the employer's proportionate share of the collective contributions is amortized over the average expected remaining service lives of the plan. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Amortization of Net Deferred Outflows/Inflows of Resources

	1977 Police Officers' Pension and Disability Fund	1977 Firefighters' Pension and Disability Fund
2018	\$276,407	\$270,801
2019	809,780	797,554
2020	59,465	56,551
2021	(497,674)	(493,672)
2022	(368,021)	(365,629)
Thereafter	(410,710)	(407,899)
Total	(\$130,753)	(\$142,294)

II. SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS

a) 1925 Police Officers' Pension Plan

Plan Description

The primary government contributes to the 1925 Police Officers' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (Indiana Code 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan. The pension plan is closed to new entrants.

Contributions

Plan members are required by state statute (IC 36-8-6-4) to contribute an amount equal to six percent (6%) of the salary of a First Class Patrolman until they have completed thirty-two years of service. Actuarial valuations are performed annually for the 1925 Police Officers' Pension Plan. The assumptions used in the valuation are selected and approved by the Indiana Public Retirement System (INPRS) Board of Trustees. Benefits to members of the plan are funded on a pay-as-you-go basis by certain revenues and appropriations of the State of Indiana to the Pension Relief Fund. The Pension Relief Fund has been created within the INPRS and is administered by INPRS and is used as a temporary holding account for collecting State revenues and appropriations before funds are distributed to employers. Amounts required to pay benefits are distributed from the fund to the City.

Plan Membership

Plan membership at December 31, 2017, consisted of the following:

	1925 Police Officers' Pension	Average Age	Average Monthly Benefit
Retired Members, beneficiaries, and disabled members receiving benefits:	49	76.6	\$2,476
Terminated employees entitled to but not yet receiving benefits:			
Active Plan Members:	_____		
Total Membership	49		

Net Pension Liability

The components of the Net Pension Liability for the 1925 Police Officers' Pension Plan as of December 31, 2017, are as follows:

Total Pension Liability	\$20,004,756
Plan Fiduciary Net Position	<u>898,508</u>
Net Pension Liability	<u><u>\$19,106,248</u></u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	4.49%

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Interest cost	\$622,433
Experience (gains) losses	618,361
Change of Assumptions	848,249
Other net changes	<u>(5,550)</u>
Total Pension Expense	<u><u>\$2,083,493</u></u>

b) 1937 Firefighters' Pension Plan

Plan Description

The primary government contributes to the 1937 Firefighters' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (Indiana Code 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan. The pension plan is closed to new entrants.

Plan Membership

Plan membership at December 31, 2017, consisted of the following:

	<u>1937 Firefighters' Pension</u>	<u>Average Age</u>	<u>Average Monthly Benefit</u>
Retired Members, beneficiaries, and disabled members receiving benefits:	78	76.9	\$2,614
Terminated employees entitled to but not yet receiving benefits:			
Active Plan Members:	<u> </u>		
Total Membership	<u><u>78</u></u>		

Contributions

Plan members are required by state statute (IC 36-8-6-4) to contribute an amount equal to six percent (6%) of the salary of a First Class Firefighter until they have completed thirty-two years of service.

Actuarial valuations are performed annually for the 1937 Firefighters’ Pension Plan. The assumptions used in the valuation are selected and approved by the Indiana Public Retirement System (INPRS) Board of Trustees. Benefits to members of the plan are funded on a pay-as-you-go basis by certain revenues and appropriations of the State of Indiana to the Pension Relief Fund. The Pension Relief Fund has been created within the INPRS and is administered by INPRS and is used as a temporary holding account for collecting State revenues and appropriations before funds are distributed to employers. Amounts required to pay benefits are distributed from the fund to the City.

Net Pension Liability

The components of the Net Pension Liability for the 1937 Firefighters’ Pension Plan as of December 31, 2017, are as follows:

Total Pension Liability	\$32,654,419
Plan Fiduciary Net Position	<u>913,032</u>
Net Pension Liability	<u><u>\$31,741,387</u></u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	2.80%

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Interest cost	\$1,017,039
Experience (gains) losses	467,395
Change of Assumptions	1,385,872
Other net changes	<u>(15,353)</u>
Total Pension Expense	<u><u>\$2,854,953</u></u>

OTHER POSTEMPLOYMENT BENEFITS

The following information has been excerpted from the City of Lafayette, Comprehensive Annual Financial Report, Fiscal Year Ending December 31, 2017, State Board of Accounts audit report B50653. For further information, including information from assumptions and other inputs, the complete audit is available at <http://www.in.gov/sboa/resources/reports/audit/>.

I. MULTIPLE EMPLOYER WELFARE ARRANGEMENT (MEWA)

Plan Description

The City of Lafayette Retiree Healthcare Plan is a Multiple Employer Welfare Arrangement (MEWA). The MEWA is governed by the State of Indiana under Indiana Code 27-1-34 and is administered by the Accelerate Indiana Municipalities (AIM) Medical Trust. The plan provides health care benefits to all eligible retirees and spouses who retire from the primary government. Indiana Code 5-10-8 assigns the authority to establish and amend benefit provisions to the City.

Funding Policy

The contribution requirements of plan members for the City of Lafayette Retiree Healthcare Plan are established and can be amended by the City’s Common Council. The required contribution is based on projected pay-as-you-go financing requirements. For the year ended December 31, 2017 the City contributed \$221,831 to the plan for current premiums. General employee members pay approximately 100 percent of the total monthly premium of \$719 for retiree only coverage and \$1,439 for retiree spouse coverage on Plan E. The costs for Plan F are \$680 and \$1,360

respectively. Bargaining unit members receiving benefits contributed approximately 91 percent of the total monthly premiums of the health plans. This contribution moves to approximately 100 percent after four years, the same as the General employee members.

Annual OPEB Cost and Net OPEB Obligation

The City’s annual other postemployment benefit (“OPEB”) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The latest actuarial study was done as of December 31, 2017. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City’s annual OPEB cost for the year, the amount contributed to the plan and changes in the City’s net OPEB obligation to the plan.

	Governmental	Business-type	Total
Annual required contribution	\$220,787	\$441,575	\$662,362
Interest to end of year	57,925	115,849	173,774
Adjustment to annual required contribution	<u>(54,865)</u>	<u>(109,731)</u>	<u>(164,596)</u>
Annual OPEB cost	223,847	447,693	671,540
Estimated annual employer contribution for pay-go cost	<u>(73,944)</u>	<u>(147,887)</u>	<u>(221,831)</u>
Increase (decrease) in OPEB costs	149,903	299,806	449,709
OPEB obligation, beginning of year	1,287,214	2,574,429	3,861,643
OPEB obligation, end of year	<u>\$1,437,117</u>	<u>\$2,874,235</u>	<u>\$4,311,352</u>

In a similar fashion the City’s annual OPEB cost, the percentage of the annual OPEB cost contributed by the City and the net OPEB obligation for 2017 is shown in the following table:

	Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
OPEB	12/31/2013	\$1,001,814	17.6%	\$1,501,144
	12/31/2014	1,194,875	16.2%	2,502,328
	12/31/2015	1,118,955	18.9%	3,410,161
	12/31/2016	654,998	31.1%	3,861,643
	12/31/2017	671,540	33%	4,311,352

Funding Status and Funding Progress

As of December 31, 2017, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability (AAL) for benefits was \$6,491,931 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of (UAAL) of \$6,491,931. The covered payroll (annual payroll of active employees covered by the plan) was \$34,436,498 and the ratio to UAAL was 18.9%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. This includes assumptions about future employment, mortality and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual

required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

II. ADDITIONAL INFORMATION

Upon termination or retirement, the City pays all vacation, personal, and paid time off (“PTO”) days. All vacation, personal, and PTO days do not accrue or rollover to the next year and are provided on a use it or lose it basis. The department that has to replace a retiree or terminated employee must wait until all of the vacation, personal, and PTO time is exhausted through the normal payroll process before replacing the position so there is not budgetary effect. Because of this, the City does not track the individual payments.

GENERAL ECONOMIC AND FINANCIAL INFORMATION

COMMERCE AND INDUSTRY

The County has diversified industries, ranging from automobiles, custom window coverings, and biotechnology to microelectronics, magnet wire, and semi-trailers. The Lafayette area has achieved recognition as one of the nation’s leading areas for rising income levels, according to The Indianapolis Star in August 2018.

The University is the area’s largest employer with approximately 15,300 workers, according to the Greater Lafayette Commerce (“GLC”). The University’s enrollment at the West Lafayette campus for the 2017/2018 school year reached 41,573 students.

Subaru of Indiana Automotive, Inc. (“SIA”) has a tremendous impact on the economic growth of the City and the County. SIA began operations in 1989 as a joint venture between Fuji Heavy Industries Ltd. (“FHI”) and Isuzu Motors Ltd (FHI became sole owner in 2004). SIA currently employs approximately 5,600 workers, according to GLC. SIA is the only Subaru auto assembly plant in the United States. The plant currently manufactures the Subaru Outback, Legacy, and Impreza line of vehicles and produces approximately 300,000 vehicles annually. In 2013, SIA announced a \$450 million, 50,000 sq.ft. expansion to grow building capacity by 100,000 vehicles. In November 2016, SIA began production of the Impreza and added 1,400 workers to meet production demands. With the addition of the Impreza, the Indiana facility will produce more than 380,000 vehicles annually. In December 2017, Inside Indiana Business reported that SIA would be investing approximately \$140 million into the Subaru Ascent, the company’s newest mid-size vehicle. The company plans to produce approximately 400,000 automobiles during 2018 and anticipates hiring approximately 200 new employees. According to SIA, the company added approximately 2,000 workers and invested approximately \$1.3 billion from 2014 through 2017.

Wabash National Corporation (“Wabash”) manufactures semi-trailers and currently employs approximately 3,200 workers, according to GLC. In August 2018, Inside Indiana Business reported that Wabash generated record net sales of \$613 million during the second quarter of 2018. The company points to its September 2017 acquisition of Supreme Industries, Inc. for its increased performance. Supreme Industries, Inc. maintained a \$364 million equity value at the time of the 2017 acquisition.

Oerlikon Fairfield Drive Systems is one of the world’s largest independent producers of custom gears, gear products, and power transmission components. In 2010, the company opened a new Research and Development Center at its U.S. 52 South facility. The 8,800 sq.ft. test center is equipped with a broad range of dynamometers and related testing equipment. In August 2016, the company announced the layoffs of 71 hourly employees due to market conditions. These cutbacks came after 35 employees were laid-off in spring 2015. In July 2018, Nasdaq reported that Dana, Inc. would be acquiring Oerlikon Drive Systems for approximately \$600 million. The acquisition is anticipated to take place by early 2019. The company currently employs approximately 765 workers, according to GLC.

In October 2018, Inside Indiana Business reported that Toyota Tsusho, an automotive parts supplier, would be opening a new 350,000 sq.ft. facility and warehouse in the City. The facility is expected to open in summer 2019 and create approximately 60 new jobs over the next ten years. Currently, the facility employs approximately 60 employees. Heartland Automotive LLC, another OEM automotive parts supplier, has also been expanding at its Lafayette facility over the last few years.

Inside Indiana Business reported in December 2017 that Lilly Endowment, Inc. donated approximately \$40 million to the Wabash Heartland Innovation Network (“Wabash Heartland”). Wabash Heartland consists of ten northwestern Indiana counties, including Tippecanoe County, who are focused on promoting the area’s technology, agriculture, and manufacturing. Wabash Heartland’s goal is to help the area become an internationally-acclaimed region for the Internet of Things and is working with Purdue University and Ivy Tech Community College to grow the area’s capabilities.

In November 2016, Lafayette’s ALCOA facility underwent a transition to ARCONIC, a new publicly traded company that focuses on supplying automobile and aerospace industries around the world. ARCONIC currently employs approximately 723 workers, according to GLC.

In 2014, General Electric (“GE”) Aviation announced plans for a new \$100 million, 225,000 sq.ft. jet engine assembly plant in the City, with the expectation of creating up to 200 new jobs. Shortly after the facility’s opening in late 2015, GE announced an additional \$15 million investment into the new facility with new equipment installation, resulting in the creation of 30 more jobs. Installation is expected to be complete in 2019 with a total County workforce of 230 employees by 2020.

In 2015, Purdue Research Park (the “Research Park”) invested \$12 million into a 60,000 sq.ft. expansion to provide space for startups and established companies. The Research Park is a 725-acre park and is the largest university affiliated business complex in the country, with 51 buildings and nearly 1.7 million sq.ft. of office and lab space. According to the GLC, Research Park companies currently employ approximately 3,085 workers. In March 2017, Rolls-Royce opened a facility at the Purdue Research Park Aerospace District, where the company will research and develop jet engine components. In addition, Inside Indiana Business reported in August 2018 that CINDAS LLC would be locating to the Research Park’s Aerospace District. According to the report, CINDAS LLC serves several organizations and notable clients, including NASA and the U.S. Department of Defense. In April 2018, Inside Indiana Business reported that the University and Browning Investments had announced a 30-year plan for the Research Park. Included in the announcement was a new 145,000 sq.ft. facility named Convergence, which aims to connect business innovation with University research. The news outlet also reported that Schweitzer Engineering Laboratories, Inc. (“SEL”) would be moving into the Research Park next to Rolls-Royce. SEL could hire as many as 300 employees to work at its Research Park location, which is expected to be approximately 100,000 sq.ft.

In June 2016, the Purdue Research Foundation and Browning Investments announced a partnership to develop approximately 450 acres on the west end of the University’s campus named the Purdue Innovation District (the “District”). The \$1.2 billion Purdue Innovation District will include 7 million sq.ft. of interior building space including a hotel, restaurants, retail, office and business spaces, parks, research facilities, and industrial space. In January 2018, Inside Indiana Business reported the construction of Aspire at Discovery Park, an approximately \$86 million apartment complex in the District. The complex will feature three four-story buildings spanning approximately 387,000 sq.ft. and will offer one, two, and four-bedroom options. The complex will offer over 800 beds and is expected to be finished by fall 2019.

Inside Indiana Business reported in February 2018 that Comcast would be investing approximately \$2.7 million into its Lafayette facility, which will include approximately 2,000 sq.ft. of new space. The report highlights Comcast’s expectation of expanding throughout the County.

A new Lafayette Family YMCA broke ground in the City in April 2017. The \$29 million project includes space for Junior Achievement, a Franciscan Health clinic, and a childcare center. The two-story, 125,000 sq.ft. facility will include two swimming pools, basketball courts, outdoor soccer fields, exercise space, a learning kitchen, a family center, and chapel space. The facility is expected to open in December 2018.

Several other non-manufacturing entities are among the area’s largest employers, including the school systems, hospitals, and city and county governmental units. The two major health care centers, Indiana University Health Arnett (“IU Arnett”) and Franciscan Health Lafayette (formerly St. Elizabeth Regional Health), employ approximately 3,883 total workers, according to GLC. IU Arnett opened in 2008 and is a for-profit hospital which currently operates 191 beds, 5 operating rooms, and an out-patient surgery center. In 2013, IU Arnett opened a 31,500 sq.ft. clinic in West Lafayette. Franciscan Health Lafayette operates two non-profit hospitals in the City. According to Inside Indiana Business in April 2018, Franciscan Health Lafayette opened a new 52-bed patient care tower. The approximately 106,000 sq.ft. facility had been under construction since 2016, when Franciscan Health Alliance announced the \$60 million investment. The Franciscan Health Alliance also announced an \$11 million

investment at the Franciscan Health Lafayette Central hospital in 2016, which includes a \$6 million relocation of the St. Elizabeth School of Nursing.

In addition, the City has many redevelopment projects underway in its downtown and anticipates additional planned development, including luxury and market rate apartments and mixed used commercial development.

LARGE EMPLOYERS

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

<u>Name</u>	<u>Year Established</u>	<u>Type of Business</u>	<u>Reported Employment</u>
Purdue University	1874	Higher education	15,300
Subaru-Isuzu Automotive, Inc.	1989	Automotive manufacturer	5,600
Wabash National Corporation	1985	Mfg. of semi-trailers	3,200
Franciscan Health Lafayette (formerly Franciscan St. Elizabeth Health)		Health care facility	2,100
Caterpillar Large Engine Center	1982	Mfg. diesel engines	1,800
Indiana University Arnett Health	1992	Health care facility	1,783
Tippecanoe School Corporation		Public education	1,402 (1)
Lafayette School Corporation		Public education	1,253 (2)
Wal-Mart/Sam's Club Stores		Retail	861 (3)
Oerlikon Fairfield Drive Systems	1919	Gears, shafts, differentials, torque-hub products	765

(1) Per the School Corporation, includes 777 certified and 625 non-certified staff.

(2) Per the School Corporation, includes 631 certified and 622 non-certified staff.

(3) Per Hoosiers by the Numbers.

EMPLOYMENT

<u>Year</u>	<u>Unemployment Rate</u>		<u>Tippecanoe County Labor Force</u>
	<u>Tippecanoe County</u>	<u>Indiana</u>	
2013	6.6%	7.7%	89,630
2014	5.0%	6.0%	91,257
2015	4.2%	4.8%	93,117
2016	4.1%	4.4%	94,337
2017	3.2%	3.5%	94,220
2018, June	3.6%	3.6%	96,091

Source: Indiana Business Research Center. Data collected as of August 14, 2018.

BUILDING PERMITS

Provided below is a summary of the number of building permits and estimated construction costs for the City.

<u>Year</u>	<u>Residential</u>		<u>Commercial and Other</u>	
	<u>Total Permits</u>	<u>Estimated Costs</u>	<u>Total Permits</u>	<u>Estimated Costs</u>
2013	187	\$4,244,767	527	\$42,457,322
2014	214	9,569,796	319	183,472,318
2015	258	24,912,253	221	137,229,299
2016	396	15,139,842	310	154,891,156
2017	371	11,700,329	414	164,830,032

Source: Lafayette Department of Engineering and Public Works.

POPULATION

<u>Year</u>	<u>City of Lafayette</u>		<u>Tippecanoe County</u>	
	<u>Population</u>	<u>Percent of Change</u>	<u>Population</u>	<u>Percent of Change</u>
1970	44,955	6.20%	109,378	22.73%
1980	43,011	-4.32%	121,702	11.27%
1990	43,764	1.75%	130,598	7.31%
2000	56,397	28.87%	148,955	14.06%
2010	67,140	19.05%	172,780	15.99%
2017, Est.	72,390	7.82%	190,587	10.31%

Source: U.S. Census Bureau

AGE STATISTICS

	<u>City of Lafayette</u>	<u>Tippecanoe County</u>
Under 25 Years	24,701	78,299
25 to 44 Years	19,977	43,346
45 to 64 Years	14,869	34,756
65 Years and Over	7,593	16,379
Totals	<u>67,140</u>	<u>172,780</u>

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

EDUCATIONAL ATTAINMENT

<u>Years of School Completed</u>	<u>Persons 25 and Over</u>	
	<u>City of Lafayette</u>	<u>Tippecanoe County</u>
Less than 9th grade	4.5%	3.0%
9th to 12th grade, no diploma	8.8%	6.3%
High school graduate	29.8%	26.6%
Some college, no degree	24.1%	21.1%
Associate's degree	8.6%	7.8%
Bachelor's degree	15.4%	19.8%
Graduate or professional degree	8.7%	15.5%

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

MISCELLANEOUS ECONOMIC INFORMATION

	<u>City of Lafayette</u>	<u>Tippecanoe County</u>	<u>Indiana</u>
Per capita income, past 12 months*	\$23,080	\$24,221	\$26,117
Median household income, past 12 months*	\$42,641	\$47,406	\$50,433
Average weekly earnings in manufacturing (4th qtr. of 2017)	N/A	\$1,292	\$1,186
Land area in square miles - 2010	27.74	499.81	35,826.11
Population per land square mile - 2010	2,420.3	345.7	181.0
Retail sales in 2012:			
Total retail sales	\$1,844,860,000	\$2,225,672,000	\$85,857,962,000
Sales per capita**	\$27,478	\$12,882	\$13,242
Sales per establishment	\$4,434,760	\$4,207,319	\$3,974,722

*In 2016 inflation-adjusted dollars – 5-year estimates

**Based on 2010 Population.

Source: Bureau of Census Reports and the Indiana Business Research Center. Data collected as of August 14, 2018.

<u>Employment and Earnings - Tippecanoe County 2016</u>	<u>Earnings (In 1,000s)</u>	<u>Percent of Earnings</u>	<u>Labor Force</u>	<u>Distribution of Labor Force</u>
Services	\$1,640,241	28.66%	40,576	36.74%
Government	1,542,015	26.94%	24,642	22.31%
Manufacturing	1,318,898	23.05%	15,679	14.20%
Wholesale and retail trade	451,235	7.88%	13,203	11.95%
Finance, insurance, and real estate	278,496	4.87%	7,166	6.49%
Construction	264,971	4.63%	4,363	3.95%
Transportation and warehousing	135,314	2.36%	2,549	2.31%
Information	52,785	0.92%	1,016	0.92%
Farming	20,600	0.36%	794	0.72%
Utilities	11,294	0.20%	91	0.08%
Other*	7,163	0.13%	363	0.33%
Totals	\$5,723,012	100.00%	110,442	100.00%

*In order to avoid disclosure of confidential information, specific earnings and employment figures are not available for the Forestry, fishing, related activities, and Mining Sectors. The data is incorporated here.

Source: Bureau of Economic Analysis and the Indiana Business Research Center. Data collected as of August 14, 2018.

<u>Adjusted Gross Income</u>	<u>Year</u>	<u>Tippecanoe County Total</u>
	2011	\$3,373,528,931
	2012	3,592,062,998
	2013	3,595,755,027
	2014	3,853,253,933
	2015	4,042,799,678

Source: Indiana Department of Revenue

SCHEDULE OF INDEBTEDNESS

The following schedule shows the outstanding indebtedness of the City and the taxing units within and overlapping its jurisdiction as of August 31, 2018, including issuance of the Bonds, as reported by the respective taxing units.

<u>Direct Debt</u>	<u>Original Par Amount</u>	<u>Final Maturity</u>	<u>Outstanding Amount</u>
Tax Supported Debt			
Park District Bonds of 2018	\$12,720,000 *	07/15/38	\$12,720,000 *
Economic Development Subordinate Tax Increment Revenue Bonds, Series 2017	5,765,000	02/01/23	5,235,000
Economic Development Subordinate Tax Increment Revenue Bonds, Series 2015	4,420,000	02/01/35	4,075,000
Park District Refunding Bonds of 2012	5,880,000	01/15/19	465,000
TCF Toter Lease 2015	1,312,889	12/16/25	1,087,319
U.S. Bank Lease SCBA	750,209	12/09/21	606,203
Regions Equipment Lease Purchase 2018	942,032	06/15/21	942,032
Lafayette Redevelopment Authority			
Lease Rental Bonds of 2014	16,160,000	08/01/39	15,730,000
Lease Rental Refunding Bonds, Series 2013A	7,300,000	02/01/26	1,155,000
Lease Rental Refunding Bonds, Series 2013B	6,505,000	01/15/26	2,640,000
Lease Rental Refunding Revenue Bonds, Series 2010C	5,710,000	01/15/23	2,430,000
Redevelopment Lease Rental Refunding Revenue Bonds, Series 2010A	2,485,000	01/15/21	690,000
Redevelopment Lease Rental Refunding Revenue Bonds, Series 2010B	3,005,000	01/15/21	830,000
Redevelopment Lease Rental Refunding Revenue Bonds, Series 2010C	9,180,000	01/01/20	1,690,000
Lafayette Redevelopment District			
Redevelopment District Bonds, Series 2014	5,185,000	07/15/39	5,185,000
Refunding Revenue Bonds of 2012	3,870,000	02/01/25	1,400,000
Subtotal			<u>56,880,554</u>
Self-Supporting Revenue Debt			
Waterworks Revenue Bonds of 2018	19,705,000	07/01/28	19,705,000
Sewage Works Revenue Bonds of 2017	55,000,000	01/01/38	54,010,000
Sewage Works Refunding Revenue Bonds of 2016	18,560,000	01/01/25	17,130,000
Sewage Works Revenue Bonds of 2014	10,515,000	01/01/35	8,850,000
Sewage Works Refunding Revenue Bonds, Series 2013	58,205,000	07/01/26	36,440,000
Sewage Works Revenue Bonds of 2013	22,485,000	01/01/34	18,300,000
Sewage Works Revenue Bonds of 2009 (SRF)	1,509,000	01/01/30	996,000
Sewage Works Revenue Bonds of 2008	4,950,000	07/01/25	2,335,000
Subtotal			<u>157,766,000</u>
Total Direct Debt			<u><u>\$214,646,554</u></u>

Note: The City of Lafayette Redevelopment Commission anticipates issuing approximately \$1,200,000 of Taxable Economic Development Subordinate Tax Increment Revenue Bonds in late 2018 or early 2019. The City of Lafayette Redevelopment Authority anticipated issuing approximately \$15,000,000 of Local Income Tax Revenue Bonds in Spring of 2019.

<u>Overlapping Debt</u>	<u>Total Debt</u>	<u>Percent Allocable to City (1)</u>	<u>Amount Allocable to City</u>
Tax Supported Debt			
Tippecanoe County	\$5,708,257	42.15%	\$2,406,030
Lafayette School Corporation	97,650,000	96.67%	94,398,255
Tippecanoe School Corporation	105,684,246	24.69%	26,093,440
Tippecanoe County Public Library	1,275,000 (2)	47.30%	603,075
Tax Supported Debt			<u>123,500,800</u>
Self-Supporting Revenue Debt			
Greater Lafayette Public Transportation	1,917,509	58.02%	1,112,539
Self-Supporting Revenue Debt			<u>1,112,539</u>
Total Overlapping Debt			<u><u>\$124,613,339</u></u>

*Preliminary, subject to change.

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

(2) The Tippecanoe County Public Library anticipates issuing approximately \$4,500,000 of General Obligation Bonds in late 2018.

The schedule presented above is based on information furnished by the obligors or other sources and is deemed reliable. The City 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 City as of August 31, 2018, including issuance of the Bonds.

	<u>Direct Tax Supported Debt*</u> \$56,880,554	<u>Allocable Portion of All Other Overlapping Tax Supported Debt</u> \$123,500,800	<u>Total Direct and Overlapping Tax Supported Debt*</u> \$180,381,354
Per capita (1)	\$785.75	\$1,706.05	\$2,491.80
Percent of net assessed valuation (2)	1.79%	3.89%	5.68%
Percent of gross assessed valuation (3)	1.03%	2.24%	3.27%

*Preliminary, subject to change.

- (1) According to the U.S. Census Bureau, the estimated 2017 population of the City is 72,390.
- (2) The net assessed valuation of the City for taxes payable in 2018 is \$3,176,607,917 according to the Tippecanoe County Auditor's office.
- (3) The gross assessed valuation of the City for taxes payable in 2018 is \$5,518,887,453 according to the Tippecanoe County Auditor's office.

DEBT LIMIT

The amount of general obligation debt a political subdivision of the State of Indiana can incur is controlled by the statutory 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 Park District debt limit, based upon the adjusted value of taxable property, is shown below.

Certified net assessed valuation (Taxes payable in 2019)	\$3,224,929,218
Times: 2% general obligation debt issue limit	<u>2%</u>
Sub-total	64,498,584
Divided by 3	<u>3</u>
General obligation debt issue limit	21,499,528
Less: Outstanding general obligation debt including the Bonds	<u>(13,185,000)</u>
Estimated amount remaining for general obligation debt issuance	<u><u>\$8,314,528</u></u>

SCHEDULE OF HISTORICAL NET ASSESSED VALUATION

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

<u>Year</u> <u>Payable</u>	<u>Real Estate</u>	<u>Utilities</u>	<u>Personal</u> <u>Property</u>	<u>Total</u> <u>Taxable Value</u>
2014	\$2,111,890,662	\$52,295,680	\$845,983,911	\$3,010,170,253
2015	2,141,281,855	55,371,620	864,363,166	3,061,016,641
2016	2,166,207,251	57,230,530	910,253,649	3,133,691,430
2017	2,202,563,848	57,919,730	943,883,502	3,204,367,080
2018	2,215,858,119	60,338,210	900,411,588	3,176,607,917
2019 (1)	N/A	N/A	N/A	3,224,929,218

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

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

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

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

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

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

DETAIL OF NET ASSESSED VALUATION

Assessed 2017 for Taxes Payable in 2018

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

	Lafayette - Fairfield Twp. - <u>LSC - B</u>	Lafayette - Fairfield Twp. - <u>TSC - B</u>	Lafayette - Wea Twp. - <u>LS</u>	Lafayette - Wea Twp. - <u>TS</u>	<u>Subtotal</u>
Gross Value of Land	\$339,344,400	\$25,620,900	\$79,436,600	\$99,963,300	\$544,365,200
Gross Value of Improvements	<u>2,138,277,700</u>	<u>281,876,900</u>	<u>321,124,800</u>	<u>614,899,100</u>	<u>3,356,178,500</u>
Total Gross Value of Real Estate	2,477,622,100	307,497,800	400,561,400	714,862,400	3,900,543,700
Less: Mortgage Exemptions, Veterans, Blind Age 65 & Other Exemptions	(584,999,905)	(11,775,855)	(172,902,136)	(237,814,978)	(1,007,492,874)
Tax Exempt Property	(152,641,504)	(8,660,890)	(6,497,400)	(9,892,030)	(177,691,824)
TIF	<u>(341,058,005)</u>	<u>(105,717,858)</u>	<u>(43,024,763)</u>	<u>(101,653,498)</u>	<u>(591,454,124)</u>
Net Assessed Value of Real Estate	<u>1,398,922,686</u>	<u>181,343,197</u>	<u>178,137,101</u>	<u>365,501,894</u>	<u>2,123,904,878</u>
Business Personal Property	619,767,305	91,318,070	2,896,023	221,125,585	935,106,983
Less: Deductions	<u>(124,646,039)</u>	<u>(1,888,550)</u>	<u>(298,990)</u>	<u>(57,603,190)</u>	<u>(184,436,769)</u>
Net Assessed Value of Personal Property	<u>495,121,266</u>	<u>89,429,520</u>	<u>2,597,033</u>	<u>163,522,395</u>	<u>750,670,214</u>
Net Assessed Value of Utility Property	<u>45,841,030</u>	<u>4,774,100</u>	<u>4,574,270</u>	<u>4,813,850</u>	<u>60,003,250</u>
Total Net Assessed Value	<u><u>\$1,939,884,982</u></u>	<u><u>\$275,546,817</u></u>	<u><u>\$185,308,404</u></u>	<u><u>\$533,838,139</u></u>	<u><u>\$2,934,578,342</u></u>

(Continued on next page)

DETAIL OF NET ASSESSED VALUATION

Assessed 2017 for Taxes Payable in 2018

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

(Cont'd)

	<u>Subtotal Carried Forward</u>	<u>Lafayette - Sheffield Twp. - TSCB</u>	<u>Lafayette - Wea Twp. - TSC - B Annex</u>	<u>Lafayette - Perry Twp. - TSC</u>	<u>Total</u>
Gross Value of Land	\$544,365,200	\$13,113,700	\$6,640,300	\$7,020,600	\$571,139,800
Gross Value of Improvements	<u>3,356,178,500</u>	<u>73,346,100</u>	<u>24,066,700</u>	<u>81,341,200</u>	<u>3,534,932,500</u>
Total Gross Value of Real Estate	3,900,543,700	86,459,800	30,707,000	88,361,800	4,106,072,300
Less: Mortgage Exemptions, Veterans, Blind Age 65 & Other Exemptions	(1,007,492,874)	(13,109,328)		(650,388)	(1,021,252,590)
Tax Exempt Property	(177,691,824)		(872,600)	(40,165,940)	(218,730,364)
TIF	<u>(591,454,124)</u>	<u>(28,002,222)</u>	<u>(13,355,079)</u>	<u>(17,419,802)</u>	<u>(650,231,227)</u>
Net Assessed Value of Real Estate	<u>2,123,904,878</u>	<u>45,348,250</u>	<u>16,479,321</u>	<u>30,125,670</u>	<u>2,215,858,119</u>
Business Personal Property	935,106,983	392,229,490	2,727,210	22,413,260	1,352,476,943
Less: Deductions	<u>(184,436,769)</u>	<u>(247,101,750)</u>	<u>(43,316)</u>	<u>(20,483,520)</u>	<u>(452,065,355)</u>
Net Assessed Value of Personal Property	<u>750,670,214</u>	<u>145,127,740</u>	<u>2,683,894</u>	<u>1,929,740</u>	<u>900,411,588</u>
Net Assessed Value of Utility Property	<u>60,003,250</u>	<u>50,460</u>	<u>190,340</u>	<u>94,160</u>	<u>60,338,210</u>
Total Net Assessed Value	<u><u>\$2,934,578,342</u></u>	<u><u>\$190,526,450</u></u>	<u><u>\$19,353,555</u></u>	<u><u>\$32,149,570</u></u>	<u><u>\$3,176,607,917</u></u>

COMPARATIVE SCHEDULE OF CERTIFIED TAX RATES

Per \$100 of Net Assessed Valuation

	<u>Year Taxes Payable</u>				
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<u>Detail of Certified Tax Rate:</u>					
General	\$0.7557	\$0.7810	\$0.7822	\$0.7896	\$0.8168
MVH	0.0652	0.0707	0.0802	0.0819	0.0990
Park and Recreation	0.1106	0.1072	0.1099	0.1165	0.1235
Redevelopment	0.0143	0.0095	0.0141	0.0146	0.0120
Band	0.0008	0.0007	0.0007	0.0007	0.0007
CCD	0.0200	0.0200	0.0200	0.0200	0.0200
Park Bond	0.0245	0.0212	0.0286	0.0255	0.0274
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$0.9911</u>	<u>\$1.0103</u>	<u>\$1.0357</u>	<u>\$1.0488</u>	<u>\$1.0994</u>

Total District Certified Tax Rate (1)

Lafayette - Fairfield Twp. - LSC - B	\$2.5183	\$2.5474	\$2.4224	\$2.5415	\$2.5899
Lafayette - Fairfield Twp. - TSC - B	\$2.4686	\$2.4109	\$2.4742	\$2.4641	\$2.5255
Lafayette - Wea Twp. - LS	\$2.5215	\$2.5518	\$2.4278	\$2.5463	\$2.5941
Lafayette - Wea Twp. - TS	\$2.4718	\$2.4153	\$2.4796	\$2.4689	\$2.5297
Lafayette - Sheffield Twp. - TSCB	\$2.4633	\$2.4053	\$2.4686	\$2.4583	\$2.5200
Lafayette - Wea Twp. - TSC - B Annex	\$2.4718	\$2.4153	\$2.4796	\$2.4689	\$2.5297
Lafayette - Perry Twp. - TSC	\$2.4593	\$2.4018	\$2.4650	\$2.4543	\$2.5150

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

Source: DLGF Certified Budget Orders for the City.

PROPERTY TAXES LEVIED AND COLLECTED

<u>Collection Year</u>	<u>Certified Taxes Levied</u>	<u>Circuit Breaker Tax Credit</u> (1)	<u>Certified Taxes Levied Net of Circuit Breaker Tax Credit</u>	<u>Taxes Collected</u>	<u>Collected as Percent of Gross Levy</u>	<u>Collected as Percent of Net Levy</u>
2013	\$28,290,954	(\$1,483,207)	\$26,807,747	\$25,763,831	91.07%	96.11%
2014	29,242,542	(1,584,752)	27,657,790	28,092,711	96.07%	101.57%
2015	30,744,984	(1,664,486)	29,080,498	28,791,611	93.65%	99.01%
2016	32,066,206	(1,505,375)	30,560,832	31,057,622	96.85%	101.63%
2017	33,290,398	(1,868,196)	31,422,202	31,590,783	94.89%	100.54%
2018	34,670,087	(2,165,737)	32,504,350	(-----In Process of Collection-----)		

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

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

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

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

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

LARGE TAXPAYERS

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

<u>Name</u>	<u>Type of Business</u>	<u>2017/2018 Net Assessed Valuation</u>	<u>Percent of Total Net Assessed Valuation (1)</u>
Caterpillar Tractor Company (2)(3)	Mfg. diesel engines	\$221,477,320	6.97%
Subaru-Isuzu Automotive, Inc. (SIA) (2)	Automotive manufacturer	192,131,884	6.05%
Tate & Lyle Ingredients America Inc. (2)	Mfg. corn syrup products	164,223,580	5.17%
Wabash National Corporation (2)	Mfg. of semi-trailers	59,918,986	1.89%
Fairfield Manufacturing Company	Mfg. gears, shafts, hub products, and drivers	49,900,730	1.57%
Hawthorne Holdings LLC/Shenandoah Development/Tempest Homes	Real estate and apartments	46,974,995	1.48%
ARCONIC (2)(4)	Aluminum extrusions and tubing	43,603,770	1.37%
Edward Rose of IN/Bay Pointe Apts.	Real estate and apartments	29,927,290	0.94%
Duke Energy Indiana/PSI Energy, Inc.	Electric utility	25,873,791	0.82%
Unity Healthcare LLC	Healthcare	<u>24,552,025</u>	<u>0.77%</u>
Totals		<u><u>\$858,584,371</u></u>	<u><u>27.03%</u></u>

- (1) The total net assessed valuation of the City is \$3,176,607,917 for taxes payable in 2018, according to the Tippecanoe County Auditor's office.
- (2) Has been granted tax abatements.
- (3) In May 2018, the Indianapolis Business Journal reported that the company plans to invest approximately \$73.6 million into its Lafayette plant and employ approximately 125 new workers over the next several years.
- (4) Formerly known as the Aluminum Co. of America (ALCOA). The company split into two independent companies (ARCONIC and ALCOA) in 2016. The net assessed value of ALCOA is \$13,033,063.

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 taxpayers do not include incremental assessed value within an allocation area for tax increment financing (TIF).

Note: The following financial statements on pages A-26 - A-31 are excerpts from the City's 2015, 2016, and 2017 audit reports of the Indiana State Board of Accounts. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. A complete audit will be furnished upon request. Current reports are available at <http://www.in.gov/sboa/resources/reports/audit/>.

CITY OF LAFAYETTE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2015

	<u>General</u>	<u>Motor Vehicle</u>	<u>Thoroughfare</u>	<u>Redevelopment Authority</u>	<u>EDIT</u>	<u>TIF Alloc Central Cnsldatd</u>	<u>Other Governmental Funds</u>	<u>Totals</u>
Revenues:								
General Property Taxes	\$22,690,077	\$2,054,084				\$7,518,373	\$7,588,184	\$39,850,718
Licenses and permits	476,710							476,710
Intergovernmental	8,886,729	4,040,386			\$5,319,034		3,230,266	21,476,415
Charges for services	20,543	26,373					1,299,222	1,346,138
Fines and forfeits	190,064							190,064
Other	3,519,929	193,383		\$6,105,697	216,388	137,320	688,945	10,861,662
Total revenues	35,784,052	6,314,226	\$0	6,105,697	5,535,422	7,655,693	12,806,617	74,201,707
Expenditures:								
Current:								
General Government	2,899,456						365,555	3,265,011
Public Safety	28,806,967						523,594	29,330,561
Highways and Streets		6,387,429						6,387,429
Sanitation	1,910,382							1,910,382
Culture and Recreation							5,486,737	5,486,737
Economic Development				8,815,660	5,459,840	4,811,666	4,079,843	23,167,009
Capital outlay:								
Public Safety	32,605							32,605
Highways and Streets		370,198	7,923,881					8,294,079
Economic Development				2,583,063	1,533,327	1,705,826	7,658,605	13,480,821
Total expenditures	33,649,410	6,757,627	7,923,881	11,398,723	6,993,167	6,517,492	18,114,334	91,354,634

(Continued on next page)

CITY OF LAFAYETTE

(Cont'd)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2015

	<u>General</u>	<u>Motor Vehicle</u>	<u>Thoroughfare</u>	<u>Redevelopment Authority</u>	<u>EDIT</u>	<u>TIF Alloc Central Cnsldatd</u>	<u>Other Governmental Funds</u>	<u>Totals</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$2,134,642</u>	<u>(\$443,401)</u>	<u>(\$7,923,881)</u>	<u>(\$5,293,026)</u>	<u>(\$1,457,745)</u>	<u>\$1,138,201</u>	<u>(\$5,307,717)</u>	<u>(\$17,152,927)</u>
Other financing sources (uses):								
Capital Lease Proceeds					1,312,888			1,312,888
Bond Issue Proceeds						4,420,000		4,420,000
Transfers In	1,626		4,500,000					4,501,626
Transfers Out						(4,500,000)	(1,626)	(4,501,626)
Total other financing sources and uses	<u>1,626</u>	<u>0</u>	<u>4,500,000</u>	<u>0</u>	<u>1,312,888</u>	<u>(80,000)</u>	<u>(1,626)</u>	<u>5,732,888</u>
Net change in fund balances	2,136,268	(443,401)	(3,423,881)	(5,293,026)	(144,857)	1,058,201	(5,309,343)	(11,420,039)
Fund balances - beginning	<u>603,525</u>	<u>1,425,627</u>	<u>12,698,933</u>	<u>17,988,666</u>	<u>908,605</u>	<u>6,740,084</u>	<u>14,727,312</u>	<u>55,092,752</u>
Fund balances - ending	<u><u>\$2,739,793</u></u>	<u><u>\$982,226</u></u>	<u><u>\$9,275,052</u></u>	<u><u>\$12,695,640</u></u>	<u><u>\$763,748</u></u>	<u><u>\$7,798,285</u></u>	<u><u>\$9,417,969</u></u>	<u><u>\$43,672,713</u></u>

CITY OF LAFAYETTE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2016

	<u>General</u>	<u>Motor Vehicle Highway</u>	<u>Economic Dev Income Tax (EDIT)</u>	<u>Thoroughfare</u>	<u>Redevelopment Authority</u>	<u>TIF Creasy Central Consolidated</u>	<u>Total Nonmajor Funds</u>	<u>Totals</u>
Revenues:								
General Property Taxes	\$23,381,431	\$2,396,696				\$7,595,244	\$8,489,584	\$41,862,955
Licenses and permits	552,307						11,293	563,600
Intergovernmental	9,603,831	4,062,793	\$5,935,921	\$1,000,000		570,588	7,897,324	29,070,457
Payment in Lieu of Taxes	2,700,000							2,700,000
Charges for services	23,969	42,996					1,246,316	1,313,281
Fines and forfeits	139,804						10,064	149,868
Other	1,265,388	71,361	16,523		\$6,474,069	423,546	537,805	8,788,692
Capital contributions							352,029	352,029
Total revenues	37,666,730	6,573,846	5,952,444	1,000,000	6,474,069	8,589,378	18,544,415	84,800,882
Expenditures:								
Current:								
General Government	3,158,928						129,154	3,288,082
Public Safety	30,528,081						503,579	31,031,660
Highways and Streets		5,882,241					45,554	5,927,795
Sanitation	1,931,983							1,931,983
Culture and Recreation							4,666,881	4,666,881
Economic Development			5,585,498		606,539	3,352,782	4,011,856	13,556,675
Debt service:								
Interest					828,490	178,665	199,340	1,206,495
Principal retirement					5,195,000	4,500,000	1,493,078	11,188,078
Capital outlay:								
Public Safety	202,292						45,997	248,289
Highways and Streets		526,828		9,951,462				10,478,290
Economic Development			127,900		7,699,489	1,831,867	2,517,362	12,176,618
Total expenditures	35,821,284	6,409,069	5,713,398	9,951,462	14,329,518	9,863,314	13,612,801	95,700,846

(Continued on next page)

CITY OF LAFAYETTE

(Cont'd)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2016

	<u>General</u>	<u>Motor Vehicle Highway</u>	<u>Economic Dev Income Tax (EDIT)</u>	<u>Thoroughfare</u>	<u>Redevelopment Authority</u>	<u>TIF Creasy Central Consolidated</u>	<u>Total Nonmajor Funds</u>	<u>Totals</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$1,845,446</u>	<u>\$164,777</u>	<u>\$239,046</u>	<u>(\$8,951,462)</u>	<u>(\$7,855,449)</u>	<u>(\$1,273,936)</u>	<u>\$4,931,614</u>	<u>(\$10,899,964)</u>
Other financing sources (uses):								
Interest and investment revenue	32,137		55					32,192
Capital Lease Proceeds			750,210					750,210
Transfers In			350,000	1,000,000			200,000	1,550,000
Transfers Out	<u>(200,000)</u>					<u>(1,350,000)</u>		<u>(1,550,000)</u>
Total other financing sources and uses	<u>(167,863)</u>	<u>0</u>	<u>1,100,265</u>	<u>1,000,000</u>	<u>0</u>	<u>(1,350,000)</u>	<u>200,000</u>	<u>782,402</u>
Net change in fund balances	1,677,583	164,777	1,339,311	(7,951,462)	(7,855,449)	(2,623,936)	5,131,614	(10,117,562)
Fund balances - beginning	<u>2,739,793</u>	<u>982,227</u>	<u>763,748</u>	<u>9,275,053</u>	<u>12,695,641</u>	<u>7,798,284</u>	<u>9,417,971</u>	<u>43,672,717</u>
Fund balances - ending	<u><u>\$4,417,376</u></u>	<u><u>\$1,147,004</u></u>	<u><u>\$2,103,059</u></u>	<u><u>\$1,323,591</u></u>	<u><u>\$4,840,192</u></u>	<u><u>\$5,174,348</u></u>	<u><u>\$14,549,585</u></u>	<u><u>\$33,555,155</u></u>

CITY OF LAFAYETTE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2017

	<u>General</u>	<u>Motor Vehicle Highway</u>	<u>Economic Dev Income Tax (EDIT)</u>	<u>Thoroughfare</u>	<u>Redevelopment Authority</u>	<u>TIF Creasy Central Consolidated</u>	<u>Total Nonmajor Funds</u>	<u>Totals</u>
Revenues:								
General Property Taxes	\$23,722,982	\$2,464,162				\$8,797,866	\$9,456,305	\$44,441,315
Licenses and permits	484,018						535	484,553
Intergovernmental	10,107,723	4,660,662	\$6,255,043			182,423	2,091,426	23,297,277
Payment in Lieu of Taxes	1,930,000							1,930,000
Charges for services	16,153	29,859					1,214,141	1,260,153
Fines and forfeits	96,399						16,500	112,899
Other	669,093	95,770	17,346	\$1,589	\$5,338,297	552,250	787,013	7,461,358
Capital contributions	31,136		114				27,425	58,675
Interest and investment revenue	51,474					4,355	38,519	94,348
Total revenues	37,108,978	7,250,453	6,272,503	1,589	5,338,297	9,536,894	13,631,864	79,140,578
Expenditures:								
Current:								
General Government	3,330,974						175,593	3,506,567
Public Safety	32,008,322						316,619	32,324,941
Highways and Streets		5,357,130					762,215	6,119,345
Sanitation	1,993,828							1,993,828
Culture and Recreation							5,006,618	5,006,618
Economic Development			2,660,636		76,951	820,449	3,909,495	7,467,531
Debt Service:								
Interest			61,522		915,509	192,825	196,048	1,365,904
Principal retirement			2,780,043		4,815,000	2,875,000	1,505,000	11,975,043
Capital outlay:								
Public Safety	147,055						172,714	319,769
Highways and Streets		512,694		7,408,045			2,816,844	10,737,583
Culture and Recreation							10,581	10,581
Economic Development	5,760		2,022,271		989,600	4,123,873	1,472,820	8,614,324
Total expenditures	37,485,939	5,869,824	7,524,472	7,408,045	6,797,060	8,012,147	16,344,547	89,442,034

(Continued on next page)

CITY OF LAFAYETTE

(Cont'd)

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2017

	<u>General</u>	<u>Motor Vehicle Highway</u>	<u>Economic Dev Income Tax (EDIT)</u>	<u>Thoroughfare</u>	<u>Redevelopment Authority</u>	<u>TIF Creasy Central Consolidated</u>	<u>Total Nonmajor Funds</u>	<u>Totals</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(\$376,961)</u>	<u>\$1,380,629</u>	<u>(\$1,251,969)</u>	<u>(\$7,406,456)</u>	<u>(\$1,458,763)</u>	<u>\$1,524,747</u>	<u>(\$2,712,683)</u>	<u>(\$10,301,456)</u>
Other financing sources (uses):								
Bond Issue Proceeds						5,765,000		5,765,000
Transfers In			357,000	7,500,000	888,618	838,997	14,573	9,599,188
Transfers Out			<u>(37,250)</u>		<u>(838,997)</u>	<u>(8,436,853)</u>	<u>(286,088)</u>	<u>(9,599,188)</u>
Total other financing sources and uses	<u>0</u>	<u>0</u>	<u>319,750</u>	<u>7,500,000</u>	<u>49,621</u>	<u>(1,832,856)</u>	<u>(271,515)</u>	<u>5,765,000</u>
Net change in fund balances	(376,961)	1,380,629	(932,219)	93,544	(1,409,142)	(308,109)	(2,984,198)	(4,536,456)
Fund balances - beginning	<u>4,417,376</u>	<u>1,147,004</u>	<u>2,103,059</u>	<u>1,323,591</u>	<u>4,840,192</u>	<u>5,174,348</u>	<u>14,549,586</u>	<u>33,555,156</u>
Fund balances - ending	<u><u>\$4,040,415</u></u>	<u><u>\$2,527,633</u></u>	<u><u>\$1,170,840</u></u>	<u><u>\$1,417,135</u></u>	<u><u>\$3,431,050</u></u>	<u><u>\$4,866,239</u></u>	<u><u>\$11,565,388</u></u>	<u><u>\$29,018,700</u></u>

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

City of Lafayette, Indiana, for and on behalf of
the Park District of the City of Lafayette,
Indiana

By: 
City Controller

By: 
Mayor

APPENDIX B

RESOLUTION NO. 18-06

FINAL BOND RESOLUTION OF
THE CITY OF LAFAYETTE
PARK AND RECREATION BOARD

WHEREAS, the City of Lafayette Park and Recreation Board ("Board") and Park and Recreation District ("District") have been created and operate pursuant to IC 36-10-3, as in effect on the date of delivery of the bonds authorized herein ("Act"); and

WHEREAS, the Board has determined to provide funds to be applied on the cost of the construction of certain park improvements, together with necessary appurtenances, related improvements and equipment ("Projects"), as set forth on Exhibit A attached hereto, which Projects constitute park improvements under the Act and park purposes under IC 36-10-1-2; and

WHEREAS, on August 13, 2018, the Board of the District, the governing body of the District, adopted a Declaratory Resolution declaring that it will be of public utility and benefit to undertake the funding of the Projects; and

WHEREAS, on August 27, 2018, after notice and public hearing in accordance with the Act and IC 5-3-1, the Board adopted a Confirmatory Resolution confirming the Declaratory Resolution; and

WHEREAS, on August 27, 2018 the Board held a second public hearing on the bonds described in this resolution after notice published in accordance with IC 5-3-1; and

WHEREAS, the statutory notice required by IC 6-1.1-3.1 will be given and the application period described in IC 6-1.1-20-3.1-(b)(4) and (-5) is expected to expire on or about October 1, 2018; and

WHEREAS, the certified assessed valuation of taxable property in the District, as shown in the last final and complete assessment which was made in the year 2017 for state and county taxes collectible in the year 2018, is \$3,153,546,131 and the outstanding indebtedness counting

towards the District's two percent statutory debt limit is in the amount of \$465,000, 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; and

WHEREAS, the estimated costs of the Projects to be funded with bond proceeds is in an amount not to exceed Thirteen Million Dollars (\$13,000,000); and

WHEREAS, the Board has obtained or will obtain prior to the sale of the bonds authorized herein all necessary approvals required by law for the issuance of the bonds authorized hereby, including the approval of the Common Council;

NOW, THEREFORE, BE IT RESOLVED BY THE LAFAYETTE PARK AND RECREATION BOARD THAT:

Section 1. Authorization of Projects. The Board preliminarily determines to issue bonds to apply on the costs of the Projects described herein and shall proceed to undertake the Projects in accordance with the procedures set forth in the Act and other applicable laws.

Section 2. Authorization and Details of Bonds.

(a) For the purpose of procuring funds with which to pay the costs of the Projects and the issuance of bonds on account thereof, the City of Lafayette, Indiana ("City"), acting for and on behalf of the Board, shall borrow money in an amount not to exceed Thirteen Million Dollars (\$13,000,000).

(b) In order to procure this loan, the Controller of the City is authorized and directed to have prepared and to issue and sell bonds of the District in the name of the City, payable out of a special benefits tax to be levied on all property within the District, to be designated as "Park District Bonds of ____" (to be completed with the year in which issued), in the aggregate principal amount not to exceed Thirteen Million Dollars (\$13,000,000) ("Bonds") for the purpose

of procuring funds to apply to the cost of the Projects, and issuance costs of the Bonds.

(c) The Bonds shall be issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof, numbered consecutively from 1 up, and shall bear interest at a rate or rates not to exceed 6.0% per annum (the exact rate or rates to be determined by bidding), which interest shall be payable semiannually on January 15 and July 15 of each year, beginning with the first January 15 or the first July 15 following delivery of the Bonds as designated by the Controller with the advice of the City's financial advisor, but no sooner than July 15, 2019. The Bonds shall mature semiannually on January 15 and July 15 over a term ending no later than twenty (20) years after the date of issuance of the Bonds and in such amounts that will either: (i) produce as level annual debt service as practicable with \$5,000 denominations; or (ii) produce as level annual debt service as practicable with \$5,000 denominations, but also takes into account the annual debt service for other obligations of the City which are payable from property taxes. The Bonds shall be sold at not less than 99% of their par value and shall be dated as of the date of delivery thereof. Interest will be calculated on the basis of twelve thirty-day months for a 360 day year.

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 consistent with the principal payment schedule established in accordance with the preceding paragraph. The term bonds shall be subject to mandatory sinking fund redemption and final payment(s) at maturity at 100% of the principal amount thereof, plus accrued interest to the redemption date, on principal payment dates which are established in accordance with the above paragraph.

(d) The Controller is hereby authorized to request proposals from banking institutions to serve as Registrar and Paying Agent ("Registrar" or "Paying Agent") and to select a qualified

banking institution to serve as registrar and paying agent for the Bonds and all such actions are hereby ratified and approved. The Controller is hereby authorized to enter into such agreements or understandings with such institution as will enable the institution to perform the services required of a Registrar and Paying Agent. The Controller is further authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent, and such fees may be paid from the Bond Fund created to pay the principal of and interest on the Bonds. Upon agreement between the City and the successful bidder for the Bonds, the Controller may be designated as the Registrar and Paying Agent, and, in that case, shall be charged with all responsibilities of a Registrar and Paying Agent.

(e) The principal of the Bonds shall be payable at the principal office of the Paying Agent. Interest on the Bonds shall be paid by check mailed one business day prior to the payment date to the registered owner thereof at the address as it appears on the registration books kept by the Registrar as of the first day of the month containing an interest payment date or at such other address as is provided to the Paying Agent in writing by such registered owner. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City Time) so that such payments are received at the depository by 2:30p.m. (New York City Time). All 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 for the payment of public and private debts. Each Bond shall be transferable or exchangeable only upon the books of the City kept for that purpose at the principal office of the Registrar, by the registered owner or by its

attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The City and the Registrar and Paying Agent may treat and consider the person in whose name such Bonds are registered as the absolute owner thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon. The Bonds may be transferred or exchanged without cost to the owners of the Bonds except for any tax or governmental charge required to be paid with respect to the transfer or exchange, which taxes or governmental charges are payable by the person requesting such transfer or exchange. The Registrar and Paying Agent will not be required to (i) register, transfer or exchange any Bond during the period of 15 days next preceding mailing of a notice of redemption of any Bonds, or (ii) to register, transfer or exchange any Bonds selected, called or being called for redemption in whole or in part after mailing notice of such call.

The Bonds shall bear an original date which shall be their issue date, and each Bond shall also bear the date of its authentication. Bonds authenticated on or before the first day of the month containing the first interest payment date, shall be paid interest from the original date. Bonds authenticated thereafter shall be paid interest from the interest payment date to which interest has been paid next preceding the date of authentication of such Bonds unless the Bonds are authenticated on or after the first day of the month containing an interest payment date, in which case interest thereon shall be paid from such interest payment date.

The Bonds shall be signed in the name of the City by the manual or facsimile signature of

the Mayor, countersigned by the manual or facsimile signature of the Controller, and attested by the manual or facsimile signature of the Clerk, and the seal of the City shall be affixed, imprinted, engraved or otherwise reproduced thereon. The Bonds shall be authenticated with the manual signature of the Registrar, and no Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon shall have been so executed. The Bonds shall, subject to the provisions hereof for registration, in the hands of bona fide holders, be negotiable under the laws of the State of Indiana.

The City has determined that it may be beneficial to the City to have the Bonds held by a central depository system pursuant to an agreement between the City and The Depository Trust Company, New York, New York ("Depository Trust Company") and have transfers of the Bonds effected by book-entry on the books of the central depository system ("Book Entry System"). The Bonds may be initially issued in the form of a separate single authenticated fully registered Bond for the aggregate principal amount of each separate maturity of the Bonds. In such case, upon initial issuance, the ownership of such Bonds shall be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company.

With respect to the Bonds registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, the City 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 City to make payments of the principal of and premium, if any, and interest on the Bonds pursuant to this resolution. The City 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 City'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 City 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 City to the Depository Trust Company.

Upon receipt by the City 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 City kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, but may be registered in whatever name or names the bondholders transferring or exchanging the Bonds shall designate, in accordance with the provisions of this resolution.

If the City determines that it is in the best interest of the bondholders that they be able to obtain certificates for the fully registered Bonds, the City 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 City and the Registrar to do so, the Registrar and the City will cooperate with the Depository Trust Company by taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the fully registered Bonds of any Beneficial Owner's Depository Trust Company account or (ii) to arrange for another securities depository to maintain custody of certificates for and evidencing the Bonds.

If the Bonds shall no longer be restricted to being registered in the name of the Depository Trust Company, the Registrar shall cause the Bonds to be printed in blank in such number as the Registrar shall determine to be necessary or customary; provided, however, that the Registrar shall not be required to have such Bonds printed until it shall have received from the City 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 City or the Registrar with respect to any consent or other action to be taken by bondholders, the City 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 City 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 City 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.

Section 3. Redemption of Bond. The Bonds are redeemable at the option of the City, on any date beginning no sooner than five (5) years after the date of delivery of the Bonds, on thirty days' notice, in whole or in part, in the order of maturity as determined by the City and by lot within a maturity, at face value, plus accrued interest to the date fixed for redemption, without any premium. The exact redemption dates shall be determined by the Controller, with the advice of the City's financial advisor, prior to the sale of the Bonds.

If any Bond is issued as a term bond, the Registrar 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 City, any term bonds maturing on the same date which have previously been redeemed (otherwise than as a result of a previous mandatory redemption requirement) or delivered to the Registrar for cancellation or purchased for cancellation by the City and not theretofore applied as a credit against any redemption obligation. Each term bond so delivered or canceled shall be credited by the Registrar at 100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory redemption date for that term bond. 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.

If less than an entire maturity of the Bonds is called for redemption at one time, the Bonds to be called shall be selected by lot by the Registrar. Each Five Thousand Dollars (\$5,000) principal amount shall be considered a separate Bond for purposes of mandatory redemption. If some Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Bonds for optional

redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.

Notice of 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, but 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 City. Interest on the Bonds so called for redemption shall cease and the Bonds will no longer be deemed outstanding under this resolution 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 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 City 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 and thereafter the registered owner shall look only to the funds so deposited in trust with the Paying Agent for payment, and the City shall have no further obligation or liability in respect thereto.

Section 4. Covenant to Levy Tax. The Bonds are not a corporate obligation or indebtedness of the City, but are the obligation and indebtedness of the District, as a special taxing district, and the Bonds, together with interest thereon, shall be payable solely out of the special benefits tax levied on all property of the District. The City, acting through its Park and Recreation Board, covenants that it will cause a special tax for the payment of the principal of and the interest on the Bonds to be levied, collected and applied for that purpose and the

proceeds of this tax are hereby pledged solely to the payment of the Bonds.

Section 5. Form of Bond. The form of the Bonds shall be substantially as follows:

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City of Lafayette, Indiana, or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.)

NO. ____

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF TIPPECANOE

CITY OF LAFAYETTE
PARK DISTRICT BOND OF 20__

[INTEREST	[MATURITY	ORIGINAL	AUTHENTICATION	
<u>RATE]</u>	<u>DATE]</u>	<u>DATE</u>	<u>DATE</u>	<u>CUSIP</u>

The City of Lafayette in Tippecanoe County, Indiana ("City"), for and on behalf of the Lafayette Park and Recreation District ("District"), acknowledges itself indebted, and for value received hereby promises to pay, but only from the source and in the manner herein provided, to the Registered Owner named above or registered assigns, the Principal Sum set forth above on [the Maturity Date set forth above] **OR** [on January 15 and July 15 on the dates and in the amounts as set forth on Exhibit A attached hereto] (unless this Bond be subject to and be called for redemption prior to maturity as hereinafter provided), and to pay interest hereon until the City's obligation with respect to the payment of the Principal Sum shall be discharged at the interest rate[s] per annum [specified above] **OR** [set forth on Exhibit A attached hereto] from the interest payment date immediately preceding the date of authentication of this Bond unless this Bond is authenticated on or before ____, 20__, in which case interest shall be paid from the Original Date, or unless this Bond is authenticated after the first day of the month containing an interest payment date, in which case interest shall be paid from such interest payment date. Interest shall be payable on the 15th day of January and the 15th day of July of each year, commencing 20__.

The principal of and premium, if any, on this Bond are payable at the office of or any successor registrar and paying agent ("Paying Agent" or "Registrar"). Interest on this Bond shall be paid by check mailed one business day prior to such payment date to the registered owner hereof at the address as it appears on the registration books kept by the Registrar as of the first day of the month containing an interest payment date or at such other address as is provided to the Paying Agent in writing by the registered owner. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall wire transfer payments by 1 :00 p.m. (New York City Time) so such payments are received at the depository by 2:30p.m. (New York City Time). All payments on this Bond shall be made in lawful money of the United States of America, which on the dates of such payment shall be legal tender for the payment of public and private debts.

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

This Bond is not a corporate obligation or indebtedness of the City, but is the obligation and indebtedness of the District, as a special taxing district, and this Bond, together with interest hereon, shall be payable solely out of the special benefits tax levied on all property of the District. The City, acting through its Park and Recreation Board ("Board"), covenants that it will cause a special tax for the payment of the principal of and the interest on this Bond to be levied, collected and applied for that purpose. The Bonds are subject to IC 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 is negotiable pursuant to the laws of the State of Indiana.

This Bond is [the only] one of an authorized issue of Bonds of the Park and Recreation District of the City[, of like tenor and effect, except as to numbering, interest rate and dates of maturity,] designated "Park District Bonds of _____," aggregating _____ Dollars (\$ _____) ("Bonds"), issued for the purpose of procuring funds to be applied on the cost of certain park improvements, together with necessary appurtenances, related improvements and equipment, and the incidental expenses in connection therewith and with the issuance of the Bonds, all as more particularly described in a Declaratory Resolution adopted on August 13, 2018, as confirmed by a resolution adopted August 27, 2018 ("Projects"), which Bonds are issued pursuant to a Final Bond Resolution adopted by the Board, on the day of _____, 2018 ("Resolution"), authorizing the issuance and sale of the Bonds of the City for the purpose of procuring funds for the Projects and in accordance with IC 36-10-3, as in effect on the date of delivery of the Bonds.

The Bonds have **not** been designated as qualified tax-exempt obligations to qualify the Bonds for the \$10,000,000 exception from the provisions of Section 265(b) of the Internal Revenue Code of 1986 relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations.

The Bonds of this issue maturing on _____, 20__ and thereafter, are redeemable at the option of the City on _____ 20__, or any date thereafter, on thirty (30) days' notice, in whole or in part, in order of maturity and by lot within a maturity, at face value, without any premium, plus in each case accrued interest to the date fixed for redemption.

[The Bonds maturing on 20__ are subject to mandatory sinking fund redemption prior to maturity, at a redemption price equal to the principal amount thereof plus accrued interest, on the dates and in the amounts set forth below:

<u>Term Bond</u>	
<u>Date</u>	<u>Amount</u>
*	

*Final Maturity]

Each Five Thousand Dollars (\$5,000) principal amount shall be considered a separate bond for purposes of optional [and mandatory] redemption. If less than an entire maturity is called for redemption at one time, the Bonds to be redeemed shall be selected by lot by the Registrar. [If some Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.]

In either case, notice of redemption shall be mailed to the address of the registered owner as shown on the registration record 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 said notice is waived by the registered owner of this Bond. Any 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 City. Interest on the Bonds so called for redemption shall cease on the redemption date fixed in such notice, if sufficient funds are available at the place of redemption to pay the redemption price, including interest accrued 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 this Bond shall not be presented for payment or redemption on the date fixed therefor, the City 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 that bank for payment, and the City shall have no further obligation or liability in respect thereto.

The Bonds are subject to defeasance prior to redemption or payment as provided in the Resolution. THE OWNER OF THIS BOND, BY THE ACCEPTANCE HEREOF, HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE RESOLUTION. The Resolution may be amended without the consent of the owners of the Bonds as provided in

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

This Bond is transferable or exchangeable only upon the books of the City kept for that purpose at the office of the Registrar, by the registered owner hereof or by its attorney duly authorized in writing, upon surrender of this Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or to the registered owner, as the case may be, in exchange therefor. The City and the Registrar and Paying Agent may treat and consider the person in whose name this bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon. The Bonds may be transferred or exchanged without cost to the owners of the Bonds except for any tax or governmental charge required to be paid with respect to the transfer or exchange, which taxes or governmental charges are payable by the person requesting such transfer or exchange. The Registrar and Paying Agent will not be required to (i) register, transfer or exchange any Bond during the period of 15 days next preceding mailing of a notice of redemption of any Bonds, or (ii) to register, transfer or exchange any Bonds selected, called or being called for redemption in whole or in part after mailing notice of such call.

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

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been duly executed by the Registrar.

It is hereby certified, recited and declared that all acts, conditions and things required to be done precedent to and in the execution, issuance and delivery of this Bond have been done and performed in regular and due form as provided by law, and this Bond and the total issue of the Bonds is within every limit of indebtedness as prescribed by the constitution and laws of the State of Indiana.

IN WITNESS WHEREOF, the Lafayette Park and Recreation Board, has caused this Bond to be executed in the name of the City of Lafayette, Indiana, for and on behalf of the Lafayette Park and Recreation District, by the manual or facsimile signature of the Mayor, countersigned by the manual or facsimile signature of the Controller, the seal of the City or a facsimile thereof to be affixed, imprinted, engraved or otherwise reproduced hereon and attested by the manual or facsimile signature of the Clerk.

CITY OF LAFAYETTE, INDIANA

By: _____
Mayor

COUNTERSIGNED:

By: _____
Controller

(Seal)

Attest:

Clerk

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Resolution.

_____,
As Registrar

By: _____
Authorized Representative

ASSIGNMENT

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

(Insert name and address)

[Please insert Social Security or Tax Identification Number _____]

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints attorney to transfer the within bond on the books kept for the registration thereof with full power of substitution in the premises

Dated: _____

Signature Guaranteed:

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

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

(end of form of bond)

Section 6. Defeasance. If, when the Bonds or any portion thereof, shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds or any portion thereof for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds or any portion thereof 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 the interest on which when due will provide sufficient moneys, or (iii) any combination of (i) and (ii) above which when due will provide sufficient moneys, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Bonds or any designated portion thereof shall no longer be deemed outstanding or entitled to the pledge of special taxes to be levied upon all property in the District and the bondholders shall be entitled to look only to the trust for payment of the Bonds.

Section 7. Legal Opinion. Prior to the delivery of the Bonds, the Controller shall obtain a legal opinion as to the validity of the Bonds from Krieg DeVault LLP, bond counsel of Indianapolis, Indiana, and shall furnish such opinion to the purchaser of the Bonds. The cost of the services provided by bond counsel, the City's attorney and the financial advisor shall be considered as part of the costs incidental to these proceedings and shall be paid out of proceeds of the Bonds.

Section 8. Preparation and Execution of Bonds. The Controller is hereby authorized and directed to have Bonds prepared, and the Mayor, the Controller and the Clerk are hereby authorized and directed to execute and attest the Bonds in the form and manner herein provided.

Section 9. Application of Bond Proceeds; Tax into Bond Fund. The Controller is hereby authorized and directed to deposit the proceeds of the Bonds in a separate fund ("Bond Proceeds Fund") to pay for: (1) the cost of the Projects, (2) all costs and expenses incurred in connection with the Projects and (3) costs of issuance of the Bonds. The Bond Proceeds Fund may not be used for any other purpose.

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 District, real and personal, and collected a tax in an amount and in such manner sufficient to pay the principal of and interest on the Bonds. Such taxes shall be deposited first, before any other deposits of tax revenues, into a separate bond fund ("Bond 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 Bond Fund are then insufficient to meet and pay the principal of and interest on the Bonds as they become due, then the City covenants to transfer other available funds of the City to meet and pay the principal and interest then due on the Bonds.

Notwithstanding any other provision of this resolution, the City may 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 of and interest on the Bonds as provided in this resolution, 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 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.

If the Controller is designated as the Registrar and Paying Agent or if no agreement is executed as described in the preceding paragraph, the City covenants, under IC 6-1.1-20.6-10, to determine if the Bond Fund has sufficient funds to pay the principal of and interest on the Bonds at least five (5) days before such payments are due. If the Bond Fund is not sufficient because of the operation of the tax credits granted under the provisions of IC 6-1.1-20.6, the City agrees to the following:

(i) The Controller shall determine or cause to be determined the amount of the deficiency in the Bond Fund ("Deficiency"); and

(ii) The Deficiency shall be immediately reported and a claim filed by the City with the Treasurer of the State of Indiana for an amount equal to such Deficiency.

The Bond Proceeds Fund and the Bond Fund shall be deposited, at interest, with the depository or depositories of other public funds of the City, and all interest collected on it belongs to the fund to which it is attributable. Any surplus remaining from the proceeds of the Bonds after all costs and expenses are fully paid, at the direction of the Board, shall be paid into and become a part of the Bond Fund or used to reduce the rate or amount of ad valorem property taxes imposed by the City in accordance with IC 5-1-13-2.

Section 10. Sale of Bonds; Official Statement; Continuing Disclosure.

(a) Prior to the sale of the Bonds at public sale, the Controller shall cause to be published either (i) a notice of such sale in the *Lafayette Journal and Courier* and *The Lafayette Leader* two times, at least one week apart, the first publication made at least fifteen (15) days before the date of the sale and the second publication being made at least three (3) days before the date of the sale, or (ii) a notice of intent to sell in *Lafayette Journal and Courier* and *The Lafayette Leader* and the *Court & Commercial Record*, once each week for two weeks all in accordance with IC 5-1-11 and IC 5-3-1. A notice or summary notice of sale may also be published in *The Bond Buyer* or the *Court & Commercial Record*. The notice shall state the character and amount of the Bonds, the maximum rates of interest thereon, the terms and conditions upon which bids will be received and the sale made, and such other information as the Controller and the attorneys employed by the City shall deem advisable, and any summary notice may contain any information deemed so advisable. The notice may provide, among other things, that electronic bidding will be permitted and that the successful bidder shall be required to submit a good faith deposit in the form of a certified or cashier's check or a wire transfer in the

amount equal to one percent (1%) of the principal amount of the Bonds by 3:30 p.m. (Lafayette Time) on the next business day following the award. If the successful bidder shall fail or refuse to accept delivery of the Bonds and pay for the same in immediately available funds as soon as the Bonds are ready for delivery, or at the time fixed in the notice of sale, then the check and the proceeds thereof or the wire transfer shall be the property of the City and shall be considered as its liquidated damages on account of such default; that bidders for the Bonds will be required to name the rate or rates of interest which the Bonds are to bear, not exceeding the maximum rate fixed above, that such interest rate or rates shall be in multiples of one-eighth (1/8), one-twentieth (1/20) or one-hundredth (1/100) of one percent (1.0%). No conditional bid or bids for less than 99.0% of the face value of the Bonds will be considered.

The Bonds shall be awarded by the Controller to the best bidder who has submitted its bid in accordance with the terms of this resolution, IC 5-1-11 and the notice of sale or notice of intent to sell, as the case may be. The best bidder will be the one who offers the lowest net interest cost to the City to be determined by computing the total interest on all of the Bonds to their maturities, adding thereto the discount bid, if any, and deducting therefrom the premium bid, if any. The right to reject any and all bids is hereby reserved. If an acceptable bid is not received on the date of sale, the sale may be continued from day to day thereafter without further advertisement for a period of thirty (30) days, during which time no bid which provides a higher net interest cost to the City than the best bid received at the time of the advertised sale will be considered.

(b) Alternatively, pursuant to Indiana Code 36-10-3-24(c)(4), as amended, the Bonds may be sold by negotiated sale to the purchaser selected by the Controller ("Purchaser") at a price of not less than 99% of the face value of the Bonds. The Board hereby approves the

execution of a "Bond Purchase Agreement" or "Bond Placement Agreement" (collectively, "Purchase Agreement") with terms consistent with this Resolution, by which the Bonds will be sold to the Purchaser. The President or Vice-President of the Board is hereby authorized and directed to execute, and the Secretary of the Board is hereby directed to attest to the Purchase Agreement, with such changes and revisions thereto, as they deem necessary or appropriate to consummate the transactions contemplated thereby. Such execution and attestation shall be conclusive evidence of their approval of such changes and revisions. The Purchase Agreement in the form executed shall constitute the valid and binding obligation of the Board, acting in the name of the City, the full performance and satisfaction of which by the Board is hereby authorized and directed.

(c) Distribution of an Official Statement (preliminary and final) for the Bonds, prepared by Umbaugh & Associates, Certified Public Accountants, LLP, on behalf of the City, is hereby authorized and approved and the Mayor and the Controller are authorized and directed to execute the Official Statement on behalf of the City in a form consistent with the resolution. The Mayor or Controller is hereby authorized to designate the preliminary Official Statement as "nearly final" for purposes of Rule 15c2-12 as promulgated by the Securities and Exchange Commission ("Rule").

(d) If the Bonds are subject to the Rule, a continuing disclosure undertaking ("Disclosure Undertaking") for the Bonds is hereby authorized and approved by the Common Council, and the Mayor and Controller are hereby authorized and directed to complete, execute and attest the same on behalf of the City. Notwithstanding any other provisions of this resolution, failure of the City to comply with the Disclosure Undertaking shall not be considered an event of default under the Bonds or this resolution.

Section 11. Tax Covenants. In order to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as in effect on the date of delivery of the Bonds ("Code") and as an inducement to purchasers of the Bonds, the Board represents, covenants and agrees that:

(a) The Projects will be available for use by members of the general public. Use by a member of the general public means use by natural persons not engaged in a trade or business. No person or entity other than the City, the District or another state or local governmental unit will use more than 10% of the 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 City, the District or another state or local governmental unit will own property financed by Bond proceeds or will have any actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract; arrangements such as take-or-pay or output contracts or any other type of arrangement that conveys other special legal entitlements and differentiates that person's or entity's use of such property from use by the general public, unless such uses in the aggregate relate to no more than 10% of the proceeds of the Bonds. If the City enters into a management contract for any of the Projects, the terms of the contract will comply with IRS Revenue Procedure 2017-13, as it may be amended, supplemented or superseded for time to time, so that the contract will not give rise to private business use under the Code and the Regulations, unless such use in aggregate relates to no more than 10% of the proceeds of the Bonds.

(b) No more than 10% of the principal of or interest on the Bonds is (under the terms of the Bonds, this resolution or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for any private business use or payments in respect of any private business use or payments in respect of such property or to be derived from payments

(whether or not to the City or the District) in respect of such property or borrowed money used or to be used for a private business use.

(c) No more than 5% of the Bond proceeds will be loaned to any person or entity other than another state or local governmental unit. No more than 5% of the 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.

(d) The Board reasonably expects, as of the date hereof, that the Bonds will not meet either the private business use test described in paragraph (a) and (b) above or the private loan test described in paragraph (c) above during the entire term of the Bonds.

(e) No more than 5% of the proceeds of the Bonds will be attributable to private business use as described in (a) and private security or payments described in (b) attributable to unrelated or disproportionate private business use. For this purpose, the private business use test is applied by taking into account only use that is not related to any government use of proceeds of the issue (Unrelated Use) and use that is related but disproportionate to any governmental use of those proceeds (Disproportionate Use).

(f) The Board will not take any action nor fail to take any action with respect to the Bonds that would result in the loss of the exclusion from gross income for federal tax purposes on the Bonds pursuant to Section 103 of the Code, nor will the Board act in any other manner which would adversely affect such exclusion. The Board covenants and agrees not to enter into any contracts or arrangements which would cause the Bonds to be treated as private activity bonds under Section 141 of the Code.

(g) It shall not be an event of default under this resolution if the 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 currently in effect and in existence on the date of issuance of the Bonds.

(h) All officers, members, employees and agents of the Board and the City are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Board as of the date the Bonds are issued and to enter into covenants on behalf of the Board evidencing the Board's commitments made herein. In particular, all or any members or officers of the Board or officers of the City are authorized to certify and enter into covenants for the District regarding the facts and circumstances and reasonable expectations of the Board on the date the Bonds are issued and the commitments made by the Board herein regarding the amount and use of the proceeds of the Bonds.

(i) The Board represents that it will rebate all arbitrage profits to the United States of America in accordance with the Code.

(j) These covenants are based solely on current law in effect and in existence on the date of delivery of such Bonds.

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

Section 12. Amendments with Consent of Bondholders. Subject to the terms and provisions contained in this section, and not otherwise, the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds issued pursuant to this resolution and then outstanding shall have the right from time to time, anything contained in this

resolution to the contrary notwithstanding, to consent to and approve the adoption by the Board of such resolution or resolutions supplemental hereto or amendatory hereof, as shall be deemed necessary or desirable by the Board for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this resolution, or in any supplemental resolution; provided, however, that nothing herein contained shall permit or be construed as permitting:

(a) An extension of the maturity of the principal of or interest on, or any mandatory sinking fund redemption date for, any Bond issued pursuant to this resolution; or

(b) A reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon; or

(c) The creation of a lien upon or a pledge of the special benefits tax ranking prior to the pledge thereof created by this resolution; or

(d) A preference or priority of any Bond or Bonds issued pursuant to this resolution over any other Bond or Bonds issued pursuant to the provisions of this resolution; or

(e) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental resolution. If the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds outstanding at the time of adoption of such supplemental resolution shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the Board, no owner of any Bond issued pursuant to this resolution shall have any right to object to the adoption of such supplemental resolution or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Board from adopting the same, or from taking any action pursuant to the provisions

thereof. Upon the adoption of any supplemental resolution pursuant to the provisions of this section, this resolution shall be, and shall be deemed, modified and amended in accordance therewith, and the respective rights, duties and obligations under this resolution of the Board and all owners of Bonds then outstanding, shall thereafter be determined, exercised and enforced in accordance with this resolution, subject in all respects to such modifications and amendments. Notwithstanding anything contained in the foregoing provisions of this resolution, the rights and obligations of the Board and of the owners of the Bonds authorized by this resolution, and the terms and provisions of the Bonds and this resolution, or any supplemental or amendatory resolution, may be modified or altered in any respect with the consent of the Board and the consent of the owners of all the Bonds then outstanding.

Excluding the changes set out in this Section 12(a)-(e), the Board may amend this resolution without bondholder consent if the Board determines, in its sole discretion, that the amendment shall not adversely affect the rights of any of the owners of the Bonds.

Section 13. Debt Limit Not Exceeded. The Board represents and covenants that the Bonds herein authorized, when combined with other outstanding indebtedness of the District at the time of issuance of the Bonds, will not exceed any applicable constitutional or statutory limitation on either the City's or the District's indebtedness.

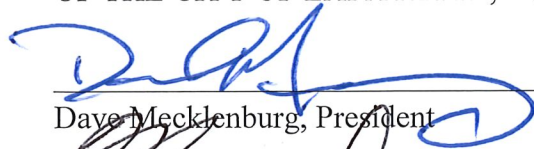
Section 14. Repeal of Conflicting Provisions. All resolutions, or parts thereof, in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed or amended, and this resolution shall be in immediate effect from and after its adoption.

Section 15. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

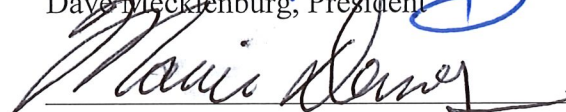
Section 16. Effective Date. This resolution shall be in full force and effect immediately upon its passage and signing.

Adopted by the Lafayette Park and Recreation Board, Lafayette, Indiana, on this 27th day of August, 2018.

PARK AND RECREATION BOARD,
OF THE CITY OF LAFAYETTE, INDIANA



Dave Mecklenburg, President



Maurie Denney, Vice President



John Ragan, Member

ATTEST:



Patricia Corey, Secretary

EXHIBIT A

Description of Projects

The Projects consist of the construction of certain park improvements including: (a) renovations to Columbian Park Zoo – Phase I consisting of: (i) a Spider Monkey Exhibit (including holding building), (ii) a Penguin Exhibit (including holding building), (iii) a Cats Exhibit (including holding building), and (iv) an approximately 42 foot Carousel with shelter structure; (b) improvements and renovations to Memorial Island consisting of: (i) improved access to parking and wayfinding element, (ii) new bridges, (iii) new boardwalk, (iv) new sea wall, (v) ADA ramp to existing stage, (vi) improved seating and shade sails, (vii) creation of new multi-use spaces, (viii) new memorials, (ix) shoreline improvements and (x) improvements to Rush Pavilion, including a new pedestrian entrance; and (c) improvements to Tropicanae Cove consisting of a new water slide, together with all necessary appurtenances, related improvements and equipment.

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APPENDIX C

FORM OF BOND COUNSEL OPINION

Upon delivery of the Bonds in definitive form, Krieg DeVault LLP, Bond Counsel, proposes to render the following opinion with respect to the Bonds substantially in the form set forth below.

_____, 2018

Re: City of Lafayette, Indiana Park District Bonds of 2018

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the City of Lafayette, Indiana, for and on behalf of its Park and Recreation District ("Issuer"), of \$[XXXX] of its Park District Bonds of 2018, dated _____, 2018 ("Bonds"). We have examined the law and the certified transcript of proceedings of the Issuer had relative to the authorization, issuance and sale of the Bonds and such other papers as we deem necessary to render this opinion. We have relied upon the certified transcript of proceedings and certificates of public officials of the Issuer, including the Issuer's tax covenants and representations ("Tax Covenants"), and we have not undertaken to verify any facts by independent investigation. Based upon our examination, we are of the opinion, as of the date hereof, as follows:

1. The Bonds are the valid and binding obligations of the Park and Recreation District of the Issuer, as a special taxing district, payable out of the special benefits taxes to be levied and collected on all of the taxable property in the special taxing district. However, the Issuer's collection of the levy may be limited by operation of IC 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 Issuer may not levy and collect additional property taxes or borrow funds to make up any shortfall due to the application of this tax credit.

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

3. Under federal statutes, decisions, regulations and rulings existing on this date, 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 in effect on the date hereof and it is not a specific item of tax preference for purposes of the federal alternative minimum tax, although bond counsel observes it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for taxable years that began prior to January 1, 2018. This opinion is conditioned on continuing compliance by the Issuer with its Tax

Covenants. Failure to comply with the Tax Covenants could cause interest on the Bonds to lose the exclusion from gross income for purposes of federal income taxation retroactive to the date of issuance of the Bonds.

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

It is to be understood that the rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity. It is to be understood that the rights of the owners of the Bonds and the enforceability thereof may be subject to the valid exercise of the constitutional powers of the Issuer, the State and the United States of America.

Very truly yours,

APPENDIX D

\$ _____
CITY OF LAFAYETTE (INDIANA)
PARK DISTRICT BONDS OF 2018

CONTINUING DISCLOSURE UNDERTAKING AGREEMENT

This CONTINUING DISCLOSURE UNDERTAKING AGREEMENT (the "Agreement") dated as of _____, 2018, by the City of Lafayette, Indiana ("Obligor"), for the purpose of permitting _____ ("_____") to purchase the Obligor's \$ _____ Park District Bonds of 2018 (the "Bonds") in compliance with Securities and Exchange Commission ("SEC") SEC Rule 15c2-12 ("SEC Rule), as published in the Federal Register on November 17, 1994, as amended to the date hereof.

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

- (a) "Bond" shall mean any of the Bonds.
- (b) "Bondholder" or "holder" shall mean any registered or beneficial owner or holder of any Bond.
- (c) "Final Official Statement" shall mean the Final Official Statement dated _____, 2018, relating to the Bonds, including any document included therein by specific reference which has been previously provided through EMMA.
- (d) "Fiscal Year" of any person shall mean any period from time to time adopted by such person as its fiscal year for accounting purposes.
- (e) "MSRB" shall mean the Municipal Securities SEC Rulemaking Board.
- (f) "Obligated Person" shall mean any person, including an issuer of municipal securities, who is either generally or through an enterprise, fund or account of such person committed by contract or other arrangement to support payment of all or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), for whom financial information or operating data is presented in the Final Official Statement.
- (g) "State" shall mean the State of Indiana.

Section 2. Term. The term of this Agreement shall commence on the date of delivery of the Bonds by the Obligor to the Underwriter and shall expire on the earlier of (a) the date of payment in full of principal of and premium, if any, and interest on the Bonds, whether upon

scheduled maturity, redemption, acceleration or otherwise, (b) the date of defeasance of the Bonds in accordance with the terms of the Resolution.

Section 3. Obligated Person. The Obligor hereby represents and warrants that, as of the date hereof:

(a) The only Obligated Person with respect to the Bonds is the Obligor; and

(b) Except as disclosed in the Final Official Statement, in the five (5) years prior to the date of the Final Official Statement, the Obligated Persons have complied with any previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of the SEC Rule.

Section 4. Undertaking to Provide Information. (a) The Obligor hereby undertakes to provide to the MSRB through the Electronic Municipal Market Access system ("EMMA"), either directly or indirectly through a registrar or a designated agent, the following information:

(i) within one hundred eighty (180) days after the close of each Fiscal Year of the City, beginning with the Fiscal Year ending on or after December 31, 2018, the following: (A) unaudited financial information of the City, if audited financial statements are not available and (B) operating data (excluding any demographic information or forecast) of the type provided under the following headings in Appendix A in the Final Official Statement:

APPENDIX A

GENERAL ECONOMIC AND FINANCIAL INFORMATION

- (A) Schedule of Historical Net Assessed Valuation;
- (B) Detail of Net Assessed Valuation;
- (C) Comparative Schedule of Certified Tax Rates;
- (D) Property Taxes Levied and Collected;
- (E) Large Taxpayers;
- (F) Statement of Receipts, Disbursements, and Cash and Investment Balances – Regulatory Basis

For unaudited financial statements, please refer to the Indiana Gateway for Government Units at <https://gateway.ifionline.org/>;

(ii) If not submitted as part of the Annual Financial Information, then when and if available, to the MSRB through EMMA, audited financial statements for the City or the Examination Report of the City as prepared and examined by the Indiana State Board of Accounts for each Fiscal Year ending December 31, beginning with the Fiscal Year ending on December 31, 2018, together with the opinion of such accountants and all notes thereto within sixty (60) days of receipt from the Indiana State Board of Accounts. For audited or examined financial statements which have been released by the Indiana State Board of Accounts, please refer to <http://www.in.gov/sboa/resources/reports/audit/>; and

(iii) In a timely manner, not in excess of ten (10) business days of after the occurrence thereof, to the MSRB through EMMA, notice 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), with respect to the Bonds:

(A) Non-payment related defaults;

(B) Modifications to rights of owners of the Bonds;

(C) Bond calls (other than mandatory, scheduled redemptions, not otherwise contingent upon the occurrence of an event, the terms of which redemptions are set forth in detail in the Final Official Statement) and tender offers;

(D) Release, substitution or sale of property securing repayment of the Bonds;

(E) The consummation of a merger, consolidation, or acquisition involving the Obligor or the sale of all or substantially all of the assets of the Obligor, or the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and

(F) Appointment of a successor or additional trustee or the change of a name of trustee.

(iv) In a timely manner, not in excess of ten (10) business days of after the occurrence thereof, to the MSRB through EMMA, notice of any of the following events regardless of materiality, with respect to the Bonds:

(A) Principal and interest payment delinquencies;

(B) Unscheduled draws on debt service reserves reflecting financial difficulties

(C) Unscheduled draws on credit enhancements reflecting financial difficulties;

(D) Substitution of credit or liquidity providers, or their failure to perform;

(E) Defeasances;

(F) Rating changes;

(G) Adverse tax opinions, issued by the Internal Revenue Service of proposed or final determinations of taxability, Notices of

Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(H) Tender offers; and

(I) Bankruptcy, insolvency, receivership or similar events of the Obligated Person.

(b) Any financial statements of any Obligated Person provided pursuant to subsection (a)(i) of this Section 4 shall be prepared in accordance with any accounting principles mandated by the laws of the State, as in effect from time to time, or any other consistent accounting principles that enable market participants to evaluate results and perform year to year comparisons, but need not be audited.

(c) Any Annual Financial Information or audited financial statements may be set forth in a document or set of documents, or may be included by specific reference to documents previously provided to the MSRB through EMMA. If the document is a final official statement (as defined in the SEC Rule), it must be available from the MSRB through EMMA.

(d) If any Annual Financial Information otherwise required by subsection (a)(i) of this Section 4 no longer can be generated because the operations to which it relates have been materially changed or discontinued, a statement to that effect filed with the MSRB through EMMA, shall be deemed to satisfy the requirements of such subsection.

(e) If, for any reason, the Obligor fails to provide the audited financial statements of the City or the Examination Report of the City as required by subsection (a)(ii) of this Section 4 or Annual Financial Information as required by subsection (a)(i) of this Section 4, the Obligor shall provide notice of such failure in a timely manner to the MSRB through EMMA.

(f) All documents provided to the MSRB under this Agreement shall be accompanied by identifying information as prescribed by the MSRB.

Section 5. Termination of Obligation. The obligation to provide Annual Financial Information, audited financial statements and notices of events under Sections 4(a) hereof shall terminate with respect to any Obligated Person, if and when such Obligated Person no longer remains an obligated person (as defined in the SEC Rule) with respect to the Bonds.

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

Section 7. Limitation of Rights. Nothing expressed or implied in this Agreement is intended to give, or shall give, to the Underwriters, the SEC or any Obligated Person, or any

underwriters, brokers or dealers, or any other person, other than the Obligor and each Bondholder, any legal or equitable right, remedy or claim under or with respect to this Agreement or any rights or obligations hereunder. This Agreement and the rights and obligations hereunder are intended to be, and shall be, for the sole and exclusive benefit of the Obligor and each Bondholder.

Section 8. Remedies.

(a) The sole and exclusive remedy for any breach or violation by the Obligor of any obligation of the Obligor under this Agreement shall be the remedy of specific performance by the Obligor of such obligation and not for monetary damages of any kind or in any amount or for any other remedy for any breach or violation by the Obligor of any obligation of the Obligor under this Agreement, except the remedy of specific performance by the Obligor of such obligation.

(b) No breach or violation by the Obligor of any obligation of the Obligor under this Agreement shall constitute a breach or violation of or default under the Bonds or any other agreement to which the Obligor is a party.

(c) Any action, suit or other proceeding for any breach or violation by the Obligor of any obligation of the Obligor under this Agreement shall be instituted, prosecuted and maintained only in a court of competent jurisdiction in Hamilton County in the State.

(d) No action, suit or other proceeding for any breach or violation by the Obligor of any obligation of the Obligor under this Agreement shall be instituted, prosecuted or maintained by any Bondholder unless, prior to instituting such action, suit or other proceeding: (i) such Bondholder has given the Obligor notice of such breach or violation and demand for performance; and (ii) the Obligor has failed to cure such breach or violation within sixty (60) days after such notice.

Section 9. Amendment of Obligations. The Obligor may, from time to time, amend any obligation of the Obligor under this Agreement, without notice to or consent from any Bondholder, if: (a)(i) such amendment or modification is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the Obligor, or type of business conducted, (ii) this Agreement, as so amended and 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 does not materially impair the interests of any Bondholders, as determined either by (A) nationally recognized bond counsel or (B) an approving vote of the Bondholders pursuant to the terms of the Resolution at the time of such amendment or modification; or (b) such amendment or modification (including an amendment or modification which rescinds this Agreement) is permitted by the SEC Rule, as then in effect.

Section 10. Dissemination Agent. The Obligor may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor

Dissemination Agent. The Obligor shall notify the MSRB through EMMA of the appointment or discharge of a Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Obligor shall be the Dissemination Agent.

Section 11. Communications. Any information, datum, statement, notice, certificate or other communication required or permitted to be provided, delivered or otherwise given hereunder by any person to any other person shall be in writing and, if such other person is the Obligor, shall be provided, delivered or otherwise given to the Obligor at the following address:

City of Lafayette
Attention: Controller

Lafayette, Indiana _____

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

Section 12. Knowledge. For purposes of this Agreement, each Bondholder shall be deemed to have knowledge of the provision and content of any information, datum, statement or notice provided by the Obligor to the MSRB through EMMA on the date such information, datum, statement or notice is so provided, regardless of whether such Bondholder was a registered or beneficial owner or holder of any Bond at the time such information, datum, statement or notice was so provided.

Section 13. Performance Due on other than Business Days. If the last day for taking any action under this Agreement is a day other than a business day, such action may be taken on the next succeeding business day and, if so taken, shall have the same effect as if taken on the day required by this Agreement.

Section 14. Obligations of Dissemination Agent; Indemnity. The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement and any dissemination agreement entered into by the Obligor and the Dissemination Agent, and the Obligor agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise of performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorney's fees) of defending against any claim of liability, but

excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Obligor under this Section shall survive removal of the Dissemination Agent and payment of the Bonds.

Section 15. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Obligor, the Dissemination Agent and registered or beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 16. Waiver of Assent. Notice of acceptance of or other assent to this Agreement is hereby waived.

Section 17. Governing Law. This Agreement and the rights and obligations hereunder shall be governed by and construed and enforced in accordance with the internal laws of the State, without reference to any choice of law principles.

Section 18. Severability. If any portion of this Agreement is held or deemed to be, or is, invalid, illegal, inoperable or unenforceable, the validity, legality, operability and enforceability of the remaining portions of this Agreement shall not be affected, and this Agreement shall be construed as if it did not contain such invalid, illegal, inoperable or unenforceable portion.

Section 19. Successors and Assigns. All covenants and agreements in this Agreement made by the Obligor shall bind its successors, whether so expressed or not. No Bondholder may, without the prior written consent of the Obligor, assign any of its rights under this Agreement to any other person. The Obligor may not assign any of its rights or delegate any of its obligations under this Agreement to any other person (other than to any Dissemination Agent appointed hereunder to assist the Obligor), except that the Obligor may assign any of its rights or delegate any of such obligations to any entity (a) into which the Obligor merges, with which the Obligor consolidates or to which the Obligor transfers all or substantially all of its assets or (b) which is an "issuer of municipal securities" with respect to the Bonds or an Obligated Person with respect to the Bonds for whom financial or operating data is presented in the Final Official Statement, as those terms are defined in the SEC Rule.

Section 20. Waiver. Any failure by any Bondholder to institute any suit, action or other proceeding for any breach or violation by the Obligor of any obligation of the Obligor under this Agreement, within three hundred sixty (360) days after the date of such Bondholder first has knowledge of such breach or violation, shall constitute a waiver by such Bondholder of such breach or violation and, after such waiver, no remedy shall be available to such Bondholder for such breach or violation.

Section 21. Immunity of Officers, Directors, Members, Employees and Agents. No recourse shall be had for any claim based upon any obligation in this Agreement against any past, present or future officer, director, member, employee or agent of the Obligor, either directly or through the Obligor, under the SEC Rule or any rule of law or equity, statute or constitution.

Section 22. SEC Rule. This Agreement is intended to be an agreement or contract in which the Obligor has undertaken to provide that which is required by paragraph (b)(5) of the SEC Rule. If and to the extent this Agreement is not otherwise such an agreement or contract,

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

Section 23. Interpretation. The use herein of the singular shall be construed to include the plural, and vice versa, and the use herein of the neuter shall be construed to include the masculine and feminine. Unless otherwise indicated, the words "hereof," "herein," "hereby" and "hereunder," or words of similar import, refer to this Agreement as a whole and not to any particular section, subsection, clause or other portion of this Agreement.

Section 24. Captions. The captions appearing in this Agreement are included herein for convenience of reference only, and shall not be deemed to define, limit or extend the scope or intent of any rights or obligations under this Agreement.

(Signature page follows)

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

CITY OF LAFAYETTE, INDIANA, as Obligor

By: _____

ATTEST:

Controller

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APPENDIX E

This Appendix E assumes that (a) the winning bidder (the “Purchaser”) is purchasing the Bonds as an Underwriter (as hereinafter defined) and is not purchasing the Bonds with the intent to hold the Bonds for its own account, and (b) the City of Lafayette, Indiana (the “Issuer”) and the Purchaser shall agree to the process by which issue price will be established on the date of sale of the Bonds in the event that the Competitive Sale Requirements (as hereinafter defined) are not met. The Purchaser must agree to execute the applicable schedules depending on the sale results.

(a) By submitting a bid, the Purchaser agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at the Closing (as hereinafter defined) for the Bonds written evidence identifying the “Issue Price” as defined in the provisions of Treasury Regulation Section 1.148-1 (“Issue Price Rules”) for the Bonds or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Purchaser, the Issuer and Bond Counsel. All actions to be taken by the Issuer to establish the Issue Price of the Bonds may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified in the Official Statement (H.J. Umbaugh & Associates, Certified Public Accountants, LLP) and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.

(b) For purposes of this Appendix E, the Competitive Sale Requirements will be satisfied in accordance with the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (the “Competitive Sale Requirements”) for purposes of establishing the Issue Price of the Bonds and will apply to the initial sale of the Bonds if the Issuer receive bids for the Bonds from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds because:

- (1) the Issuer shall disseminate the [Intent to Sell Bonds] [Notice of Sale](the "Notice") to potential Underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid; and
- (3) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost) as set forth in the Notice (the requirements set forth in this paragraph (b), collectively, the “Competitive Sale Requirements”).

Any bid submitted pursuant to the Notice shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. If all of the Competitive Sale Requirements are satisfied, the Purchaser shall execute Schedule I if the Purchaser is purchasing the Bonds as an Underwriter.

(c) In the event that the Competitive Sale Requirements are not satisfied, the Issuer shall so advise the Purchaser and the Issuer and the Purchaser (the “Parties”) agree to execute an agreement which will establish which method to determine Issue Price will be employed, a form of which is attached as Schedule II. The methods are as follows:

(1) General Rule

Issue Price will be established by the first price at which 10% of a maturity of the Bonds is sold to the Public (as hereinafter defined) (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity)(the “10% test”).

Until the 10% test has been satisfied as to each maturity of the Bonds, the Purchaser agrees to promptly report to the Issuer the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the Closing Date (as hereinafter defined) has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold;

- OR -

(2) Hold the Price

Issue Price shall be established by applying the Hold the Price Rule (as defined below), which will allow the Issuer to treat the Initial Offering Price (as defined below) to the Public of each such maturity as of the Sale Date as the Issue Price of that maturity, provided the Purchaser agrees that it will neither offer nor sell these maturities to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the Sale Date; or

(2) the date on which the Purchaser has sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public.

(the “Hold the Price Rule”). The Purchaser shall promptly advise the Issuer when it has sold 10% of a maturity to the Public at a price that is no higher than the Initial Offering Price to the Public, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.

(d) The Purchaser will be required to execute a certificate in the form of Schedule III if the Competitive Sale Requirements are not satisfied indicating that all of the requirements set forth in such certificate have been satisfied such as a certification to that the Purchaser has offered or will offer the Bonds to the Public on or before the date of the award at the Initial Offering Price set forth in the bid submitted by the Purchaser. The Purchaser will also be required to provide a copy of the pricing wire or equivalent communication.

(e) By submitting a bid, each bidder acting as an Underwriter confirms that: (i) any agreement among Underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (1) to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Purchaser that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Purchaser, and (2) to promptly notify the Purchaser of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the Public, and (3) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the Purchaser shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the Public, (ii) any agreement among Underwriters or other selling group agreement relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Purchaser or such Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Purchaser or such Underwriter.

(f) Sales of any Bonds to any person that is a related party to an Underwriter participating in the initial sale of the Bonds to the Public shall not constitute sales to the Public for purposes of this Appendix E. Further, for purposes of this Appendix:

- (1) “Public” means any person other than an Underwriter or a related party,
- (2) “Underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public),
- (3) a purchaser of any of the Bonds is a “related party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships

(including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other),

- (4) “Sale Date” means the date that the Bonds are awarded by the Issuer to the winning bidder,
- (5) “Closing” and “Closing Date” mean the day the Bonds are delivered to the Purchaser and payment is made thereon to the Issuer, and
- (6) “Initial Offering Prices” means the respective initial offering prices of the Bonds offered by the Purchaser to the Public on or before the Sale Date as set forth in the pricing wire or equivalent communication for the Bonds provided to the Issuer by the Purchaser.

Schedule I
\$12,720,000
Park District Bonds of 2018
ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligation (the “Bonds”).

1. ***Reasonably Expected Initial Offering Price.***

- (a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.
- (b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.
- (c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

2. ***Defined Terms.***

- (a) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.
- (b) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).
- (c) *Sale Date* means the first day on which there is a binding contract in writing for the sale or exchange the Bonds. The Sale Date of the Bonds is October 30, 2018.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]'s interpretation of any laws, including specifically Section 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the [Tax Certificate] and with respect to compliance with the federal income tax rules affecting the Bonds, and by Krieg DeVault LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER], as [Underwriter]

By: _____

Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

Schedule II

AGREEMENT TO ESTABLISH ISSUE PRICE

The City of Lafayette, Indiana (the “Issuer”) offered its Park District Bonds of 2018 (the Bonds”) through a competitive offering in compliance with state law. For federal tax law purposes, Issue Price as defined in Treasury Regulations Section 1.148-1(f) (the “Issue Price Regulations”) must be established by one of the methods set forth in Issue Price Regulations. One of the methods to establish Issue Price is to offer the Bonds to achieve a Competitive Sale as defined by the Issue Price Regulations by meeting specific requirements under the Issue Price Regulation. Although the Issuer achieved a competitive sale to comply with state law, one or more of the requirements for a Competitive Sale, for federal tax law purposes, was not achieved. The Issue Price Regulations provide if more than one rule for determining the Issue Price of the Bonds is available, the Issuer may select the rule it will use to determine the Issue Price of the Bonds.

On the date hereof, the Purchaser represents that the first price at which at least 10% of each maturity of the Bonds listed on Exhibit I was sold to the Public (as defined in Schedule A) is the respective price listed on Exhibit I. For the remaining maturities of the Bonds (the “Unsold Maturities”) the Issuer has determined and the Purchaser agrees that Issue Price will be established as set forth in Schedule A as attached.

[PURCHASER]

By: _____
Authorized Representative

The City of Lafayette, Indiana

By: _____

SCHEDULE A

This Schedule A sets forth as of the date hereof, the agreement between the City of Lafayette, Indiana (the “Issuer”) and _____ (the “Purchaser”) on the method by which Issue Price, as defined in Treasury Regulations Section 1.148-1(f) (the “Issue Price Regulations”) for the Unsold Bonds (as defined in Schedule II) must be established (the “Agreement”).

Based on the Agreement, the Issuer and the Purchaser have determined that Issue Price for the Unsold Bonds will be established by:

Check one, as applicable:

- _____ (1) General Rule (the “10% test”) set forth below in (1); or
_____ (2) “Hold the Price Rule” set forth below in (2).

SELECTION OF METHOD OF ISSUE PRICE ESTABLISHMENT

The methods are as follows:

(1) General Rule

Issue Price will be established by the first price at which 10% of a maturity of the Bonds is sold to the Public (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity).

Until the 10% test has been satisfied as to each maturity of the Bonds, the Purchaser agrees to promptly report to the Issuer the prices at which the unsold Bonds of that maturity have been sold to the Public provided that, the winning bidder’s reporting obligation after the Closing Date may be at reasonable, periodic intervals or otherwise upon request of the Issuer of bond counsel. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

- OR -

(2) Hold the Price

Issue Price shall be established by applying the Hold the Price Rule (as defined below), which will allow the Issuer to treat the Initial Offering Price to the Public of each such maturity of the Bonds as of the Sale Date as the issue price of that maturity, provided the Purchaser agrees that it will neither offer nor sell these maturities to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or

(2) the date on which the Purchaser has sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public.

(the “Hold the Price Rule”). The Purchaser will advise the Issuer promptly after the close of the fifth (5th) business day after the Sale Date whether it has sold 10% of a maturity to the Public at a price that is no higher than the Initial Offering Price to the Public.

DEFINITIONS OF GENERAL APPLICABILITY

“Public” shall mean any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter (as defined below) or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly

"Underwriter" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third party distribution agreement participating in the initial sale of the Bonds to the Public).

A purchaser of any of the Bonds is a “related party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

“Sale Date” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is October 30, 2018.

“Closing” and “Closing Date” mean the day the Bonds are delivered to the Purchaser and payment is made thereon to the Issuer.

**[FORM TO USE WHEN GENERAL RULE OR SPECIAL RULE OF COMBINATION OF BOTH
RULES APPLIES]**

Schedule III

\$12,720,000

Park District Bonds of 2018

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] (["[SHORT NAME OF UNDERWRITER]"] [the "Representative"]), on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the "Underwriting Group"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

Select appropriate provisions below:

1. [Alternative 1¹ – All Maturities Use General Rule: *Sale of the Bonds*. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.][Alternative 2² – Select Maturities Use General Rule: *Sale of the General Rule Maturities*. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.][Alternative 3³-Issue Price not required on Closing Date and Select Maturities Use General Rule]: As of the date of this certificate, the General Rule Maturities and their respective issue prices (the first price at which 10% of such Maturity was sold to the Public) are listed in Schedule A. [SHORT NAME OF UNDERWRITER] certifies that it agreed in its [bid form][bond purchase agreement] to report to the Issuer the prices at which the Unsold Bonds have been sold to the Public within 5 business days of such sale until [SHORT NAME OF UNDERWRITER] can establish the first price at which at least 10% test of each Maturity of the Unsold Bonds has been sold to the Public.]

2. *Initial Offering Price of the [Bonds][Hold-the-Offering-Price Maturities]*.

(a) [Alternative 1⁴ – All Maturities Use Hold-the-Offering-Price Rule: [SHORT NAME OF UNDERWRITER][The Underwriting Group] offered the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.][Alternative 2⁵ – Select Maturities Use Hold-the-Offering-Price Rule: [SHORT NAME OF

¹ If Alternative 1 is used, delete the remainder of paragraph 1 and all of paragraph 2 and renumber paragraphs accordingly.

² If Alternative 2 is used, delete Alternative 1 of paragraph 1 and use each Alternative 2 in paragraphs 2(a) and (b).

³ If Alternative 3 is used, delete the remainder of paragraph 1 and all of paragraph 2 and renumber paragraphs accordingly.

⁴ If Alternative 1 is used, delete all of paragraph 1 and renumber paragraphs accordingly.

⁵ Alternative 2(a) of paragraph 2 should be used in conjunction with Alternative 2 in paragraphs 1 and 2(b).

UNDERWRITER][The Underwriting Group] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.]

(b) [Alternative 1 – All Maturities use Hold-the-Offering-Price Rule: As set forth in the [Notice of Intent to Sell Bonds][bond sale notice], [SHORT NAME OF UNDERWRITER][the members of the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Bonds, [it][they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period. [Alternative 2 - Select Maturities Use Hold-the-Offering-Price Rule: As set forth in the [Bond Purchase Agreement][Notice of Sale and bid award], [SHORT NAME OF UNDERWRITER][the members of the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, [it][they] would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

(c) [To be used when the Bonds were subject to a failed competitive bidding process and the Issuer elected to apply the hold the price rule and the bidder confirmed its bid and agreed to comply with hold the price]. The Bonds were originally subject to a competitive bidding process. Attached as Schedule C hereto is the notification received by [SHORT NAME OF UNDERWRITER] that the Issuer elected to invoke the hold-the-offering-price rule and the [SHORT NAME OF UNDERWRITER]’s confirmation of its bid and its agreement to comply with the hold the offering price rule.

3. *Defined Terms.*

[(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”]

[(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”]

[(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (October 30, 2018), or (ii) the date on which the [SHORT NAME OF UNDERWRITER][the Underwriters] [has][have] sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

(d) *Issuer* means the City of Lafayette, Indiana.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is October 30, 2018.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [NAME OF UNDEWRITING FIRM][the Representative’s] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer[and the Borrower] with respect to certain of the representations set forth in the [Tax Certificate] and with respect to compliance with the federal income tax rules affecting the Bonds, and by Krieg DeVault LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038[-G][-GC][-TC], and other federal income tax advice it may give to the Issuer [and the Borrower] from time to time relating to the Bonds.

[UNDERWRITER][REPRESENTATIVE]

By: _____
Name: _____

Dated: [ISSUE DATE]

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES
(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

SCHEDULE C
CERTIFICATE OF INVOCATION OF HOLD THE PRICE RULE AND CONFIRMATION OF
BID

[Defined terms should correspond to those in the Bid Form]

The Issuer hereby notifies _____, as the winning bidder (the "Purchaser") for the [Insert Caption of Bonds] (the "Bonds") that the Issuer has determined to apply the hold the price rule (as described in the Bid Form dated _____, 20__) to the Bonds maturing _____, _____ and _____.(the "Hold the Price Maturities"). The Purchaser's bid will be cancelled and deemed withdrawn unless the Purchaser affirmatively confirms its bid and agrees to comply with the hold the price rule by executing and **[faxing/e-mailing]** the confirmation below by ____:00 **[a.m./p.m.]**.

The City of Lafayette, Indiana

By: _____

The Purchaser hereby acknowledges the Issuer's intention to apply the hold the price rule to the "Hold the Price Maturities". The Purchaser confirms its bid with respect to the Bonds and agrees to comply with the hold the price rule with respect to the Hold the Price Maturities.

[PURCHASER]

By: _____