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NEW ISSUE
Book-Entry-Only

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

*This Preliminary Official Statement is deemed “nearly final”
and is dated November 7, 2018*

In the opinion of Ice Miller LLP, Indianapolis, Indiana (“Bond Counsel”) under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the “Code”), for federal income tax purposes and is not a specific preference item 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 begin prior to January 1, 2018. Such exclusion is conditioned on continuing compliance with the Tax Covenants (as hereinafter defined). In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana. The Bonds have been designated qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code. See “TAX MATTERS” herein.

\$2,000,000*
PORTAGE TOWNSHIP SCHOOLS
Portage, Indiana
GENERAL OBLIGATION BONDS OF 2018

Original Date: Date of Delivery (Anticipated to be December 11, 2018)

Due: January 15 and July 15, as shown below

Portage Township Schools, Portage, Indiana (the “School Corporation”), is issuing \$2,000,000* of General Obligation Bonds of 2018 (the “Bonds”) for the purpose of procuring funds for the renovation of and improvements to Portage High School, Crisman Elementary School, Kyle Elementary School and Myers Elementary School, including HVAC work and the purchase of equipment and site improvements throughout the School Corporation including paving (the “Project”), and to pay issuance costs.

The Bonds will be issued as provided in the Bond Resolution adopted by the Board of School Trustees of the School Corporation on September 17, 2018, as supplemented on October 8, 2018 (as supplemented, the “Bond Resolution” or “Resolution”). The Bonds are payable from ad valorem property taxes levied on all taxable property within the School Corporation as more fully described in this Official Statement. See “CIRCUIT BREAKER TAX CREDIT” herein and “PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY, AND COLLECTION” herein. The total indebtedness of the School Corporation subject to the constitutional debt limit, including the Bonds, amounts to less than two percent of one third of the net assessed valuation of the School Corporation, as required by the constitution of the State of Indiana. 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 School Corporation by U.S. Bank National Association, in Indianapolis, Indiana (the “Registrar” and “Paying Agent”). Interest on the Bonds will be paid by check, mailed one business day prior to the interest payment date or by wire transfer to depositories on the interest payment date. The principal of and premium, if any, on the Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent or by wire transfer to depositories who present the Bonds at least two business days prior to the payment date. Interest on, together with the principal of, the Bonds will be paid directly to DTC by the Paying Agent so long as DTC or its nominee is the registered owner of the Bonds. The final disbursement of such payments to the Beneficial Owners of the Bonds will be the responsibility of the DTC Participants and the Indirect Participants. See “BOOK-ENTRY-ONLY SYSTEM”. The Bonds are not subject to optional redemption prior to maturity. The Bonds may be issued as “Term Bonds” at the Underwriter’s (hereinafter defined) discretion and in that case, would be subject to mandatory sinking fund redemption as more fully described herein.

MATURITY SCHEDULE
(Base CUSIP** _____)

<u>Maturity</u>	<u>Principal*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u>	<u>Maturity</u>	<u>Principal*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u>
July 15, 2019	\$495,000				January 15, 2021	\$340,000			
January 15, 2020	505,000				July 15, 2021	160,000			
July 15, 2020	335,000				January 15, 2022	165,000			

*Preliminary, subject to change. The School Corporation reserves the right to adjust the maturity schedule following the sale in order to accomplish the School Corporation’s financial objectives by reallocating debt service based upon the rates by the successful bidder.

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

INFORMATION FOR BIDDING

Date and Time of Sale: November 14, 2018, at 11:00 a.m. (EST)

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

Maximum Interest Rate: 5.0%

Minimum Purchase Price:** 99.5% (\$1,990,000*)

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

Anticipated Closing Date: December 11, 2018

Good Faith Deposit: \$20,000* (1.0%) certified or cashier's check or wire transfer submitted by the winning bidder no later than 3:30 p.m. (EST) 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 School Corporation in establishing the issue price of the Bonds under the terms outlined in Appendix E and shall execute and deliver to the School Corporation 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 School Corporation 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 School Corporation 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 Bond Sale Notice.

The Bonds are being offered for delivery when, as and if issued and received by the Underwriter (hereinafter defined) and subject to the approval of legality by Ice Miller LLP, Indianapolis, Indiana, Bond Counsel. Certain legal matters will be passed on by Rhame & Elwood Attorneys at Law, Portage, Indiana, as Attorney for the School Corporation. The Bonds are expected to be available for delivery to DTC, in New York, New York on or about December 11, 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 School Corporation to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the School Corporation. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities described herein by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the School Corporation and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness. The information and expressions of opinions herein are subject to change without notice and neither the delivery of this Official Statement nor any sale of the securities described herein shall, under any circumstances, create any implication that there has been no change in the affairs of the School Corporation since the date of delivery of the securities described herein to the initial purchaser thereof. However, upon delivery of the securities, the School Corporation will provide a certificate stating there have been no material changes in the information contained in the Final Official Statement, since its delivery.

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

*Preliminary, subject to change. The School Corporation reserves the right to adjust the maturity schedule following the sale in order to accomplish the School Corporation's financial objectives by reallocating debt service based upon the rates by the successful bidder.

** Minimum Purchase Price shall mean the \$2,000,000* 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 School Corporation, and adding any amortizable bond premium.

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*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:

Board of School Trustees

Andy Maletta, President
Cheryl Oprisko, Vice President
Jessica Bailey, Secretary
Rhonda Nelson, Member
Wilma Vazquez, Member

Superintendent

Amanda Alaniz

Director of Finance

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Mishawaka, Indiana 46544

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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

\$2,000,000*

PORTAGE TOWNSHIP SCHOOLS Portage, Indiana GENERAL OBLIGATION BONDS OF 2018

INTRODUCTION TO THE OFFICIAL STATEMENT

Portage Township Schools, Portage, Indiana (the “School Corporation”), is issuing \$2,000,000* of General Obligation Bonds of 2018 (the “Bonds”).

SECURITY AND SOURCES OF PAYMENT

The Bonds are a general obligation of the School Corporation payable from ad valorem property taxes to be levied on all taxable property within the School Corporation. (See “Circuit Breaker Tax Credit” herein).

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 procuring funds for the renovation of and improvements to Portage High School, Crisman Elementary School, Kyle Elementary School and Myers Elementary School, including HVAC work and the purchase of equipment and site improvements throughout the School Corporation including paving (the “Project”), and to pay issuance costs. Funding for the Project will be provided from proceeds of the Bonds.

REDEMPTION PROVISIONS

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

DENOMINATIONS

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

REGISTRATION AND EXCHANGE FEATURES

Each registered Bond shall be transferable or exchangeable only on such record at the designated corporate trust office of the Registrar and Paying Agent, U.S. Bank National Association, at the written request of the registered owner thereof or his/her attorney duly authorized in writing upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his/her duly authorized attorney.

*Preliminary, subject to change.

A further description of the registration and exchange features of the Bonds can be found in the Bond Resolution.

BOOK-ENTRY-ONLY SYSTEM

The Bonds shall initially be issued and held in book-entry form on the books of the central depository system. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered in the name of Cede & Co. (DTC’s partnership nominee). One fully registered Bond certificate will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC. The School Corporation and the Registrar and Paying Agent may deem and treat the Clearing Agency (Cede & Co.) as the absolute owner and holder of such Bond for all purposes including, without limitation, the receiving of payment of the principal of, premium, if any, and interest on such Bonds, the receiving of notice and the giving of consent. Interest payable July 15, 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 immediately preceding the interest payment date and at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Registrar or by wire transfer to DTC or any successor depository. If payment of principal or interest is made to DTC or any successor depository, payment shall be made by wire transfer on the payment date in same-day funds. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Paying Agent shall be instructed to wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time). Payments on the Bonds shall be made in lawful money of the United States of America, which, on the date of such payment, shall be legal tender.

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

NOTICES

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

TAX MATTERS

In the opinion of Ice Miller LLP, Indianapolis, Indiana (“Bond Counsel”) under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the “Code”), for federal income tax purposes and is not a specific preference item 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 begin prior to January 1, 2018. Such exclusion is conditioned on continuing compliance with the Tax Covenants (as hereinafter defined). In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana. The Bonds have been designated qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code. See “TAX MATTERS” herein.

MISCELLANEOUS

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

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights and obligations of the owners thereof. Additional information may be requested from the School Corporation, Portage Township Schools, 6240 U.S. Highway 6, Portage, Indiana 46368, phone (219) 762-6511.

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 procuring funds for the renovation of and improvements to Portage High School, Crisman Elementary School, Kyle Elementary School and Myers Elementary School, including HVAC work and the purchase of equipment and site improvements throughout the School Corporation including paving (the "Project") and to pay issuance costs. Funding for the Project will be provided from proceeds of the Bonds and interest earnings during construction, if any.

ESTIMATED PROJECT COSTS AND FUNDING

Estimated Project Costs*

Estimated Proceeds Available for the Project	\$1,865,000.00
Allowance for Cost of Issuance (1)	125,000.00
Allowance for Underwriter's Discount (0.5%)	<u>10,000.00</u>
 Total Estimated Project Costs	 <u>\$2,000,000.00</u>

Estimated Uses of Funds*

General Obligation Bonds of 2018	<u>\$2,000,000.00</u>
 Total Estimated Project Funding	 <u>\$2,000,000.00</u>

(1) Includes fee allowances for local counsel, bond counsel, municipal advisor, registrar/paying agent, ratings, printing and other miscellaneous costs.

SCHEDULE OF AMORTIZATION OF \$2,000,000* PRINCIPAL AMOUNT OF
GENERAL OBLIGATION 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	\$2,000	\$495				
01/15/2020	1,505	505				
07/15/2020	1,000	335				
01/15/2021	665	340				
07/15/2021	325	160				
01/15/2022	165	<u>165</u>				
 Totals		 <u>\$2,000</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 20, Article 48, Chapter 1, as in effect on the date of delivery of the Bonds and pursuant to the Bond Resolution (Appendix B) adopted by the Board of School Trustees on September 17, 2018, as supplemented on October 8, 2018 (the “Bond Resolution” or “Resolution”).

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 School Corporation making it unavailable for its intended use.

The Project is considered a non-controlled project and the issuance of the Bonds was able to continue without additional approval procedures.

SECURITY AND SOURCES OF PAYMENT

The Bonds are the general obligation of the School Corporation payable from ad valorem property taxes to be levied on all taxable property within the School Corporation. (See “Circuit Breaker Tax Credit” herein).

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

INTERCEPT PROGRAM

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

The Act further provides upon failure to pay any Debt Service Obligation when due and upon notice and claim being filed with the Treasurer of the State of Indiana (the “State Treasurer”), the State Treasurer will pay the unpaid Debt Service Obligation of the school corporation within five (5) days, excluding Saturdays, Sundays and legal holidays of receiving such notice to the extent that the amounts described below as the Available Funds are available to the State Treasurer in accordance with the following procedures: (a) upon notice and claim being filed with the State Treasurer, the State Treasurer must immediately contact the school corporation and the person or entity filing the claim to confirm whether the school corporation is unable to make the required payment on the due date, (b) if

confirmed, the State Treasurer must notify the Budget Director of the State of Indiana (the “State Budget Director”), the Auditor of the State of Indiana (the “State Auditor”) and any department or agency of the State of Indiana responsible for distributing funds appropriated by the Indiana General Assembly (the “General Assembly”) to provide the State Treasurer with available funds in order for the State Treasurer to fulfill his/her obligations under the Act, (c) within three (3) days, excluding Saturdays, Sundays and legal holidays, of receiving the notice from the State Treasurer, the State Budget Director, the State Auditor and any department or agency of the State of Indiana responsible for distributing funds appropriated by the General Assembly must provide the State Treasurer with available funds in order for the State Treasurer to fulfill his/her obligations under the Act, and (d) the State Treasurer must make such payment to the claimant from such funds within five (5) days, excluding Saturdays, Sundays and legal holidays of the claim being filed with the State Treasurer (clauses (a) through and including (d), collectively, the “State Intercept Program”). The funds to make such payment will be from the following sources, in the following amount and in the following order of priority: (i) first, from amounts appropriated by the General Assembly for distribution to the school corporation from State funds in the current fiscal year of the State of Indiana (the “Current Year School Distribution”), which begins on July 1 and ends on the immediately following June 30 (the “State Fiscal Year”), (ii) second, to the extent the amounts described in clause (i) are insufficient, from any remaining amounts appropriated by the General Assembly for distribution for tuition support in the current State Fiscal Year which are in excess of the aggregate amount of tuition support needed for distribution to all school corporations during the current State Fiscal Year, and (iii) third, to the extent the amounts described in clauses (i) and (ii) are insufficient and the General Assembly has adopted a biennial budget appropriating amounts in the immediately succeeding State fiscal year for distribution to the school corporation from State funds, then from such fund or account, as determined by the State Budget Director in an amount equal to the lesser of the unpaid Debt Service Obligation or the amount to be distributed to the school corporation in the immediately succeeding State Fiscal Year (clauses (i) through and including (iii), collectively, the “Available Funds”). If any such payment is made by the State Treasurer pursuant to the State Intercept Program, then the State will recover such amounts by deducting such amount from the future State distributions to be made to the school corporation, first from all funds of the school corporation except tuition support. The estimated State distributions for State fiscal year 2019 and resulting debt service coverage levels are as follows:

Fiscal Year 2019 Basic Grant Distribution (all funds) (1)	<u>\$51,934,410</u>
Estimated Combined Maximum Annual Debt Service (2)	<u>\$7,258,576</u>
State Distributions Required to Provide Two-Times Coverage	<u><u>\$14,517,152</u></u>
State Distributions Above Two-Times Coverage Amount	<u><u>\$37,417,258</u></u>

- (1) Per the Indiana Department of Education, net of adjustments.
- (2) Based on combined outstanding debt for the year 2019 including debt service on the Bonds.

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

INVESTMENT OF FUNDS

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

THE BONDS

INTEREST CALCULATION

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

REDEMPTION PROVISIONS

Optional Redemption:

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

Mandatory Sinking Fund Redemption:

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

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

Notice of Redemption:

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

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

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

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

Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a S&P’s Global 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 School Corporation as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

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

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

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

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

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

Revision of Book-Entry-Only System:

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

PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION

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

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

The certified statement of assessed value is used when the governing body of a local taxing unit meets to establish its budget for the next fiscal year (January 1 through December 31) and to set tax rates and levies. In preparing the taxing unit's estimated budget, the governing body must consider the net property tax revenue that will be collected by the taxing unit during the ensuing year, after taking into account the DLGF's estimate of the amount by which the taxing unit's distribution of property taxes will be reduced by the application of the Circuit Breaker Tax Credit (as defined in the summary of "CIRCUIT BREAKER TAX CREDIT" herein), and after taking into account the DLGF's estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the taxing unit will receive in the ensuing year. Before May 1 of each year after 2017, the fiscal officer of each political subdivision shall provide the DLGF with an estimate of the total amount of its debt service obligations (as defined in IC 6-1.1-20.6-9.8) that will be due in the last six months of the current year and in the ensuing year. Beginning in 2018, the DLGF shall provide to each political subdivision: (1) an estimate of the maximum property tax rate that

may be imposed by the political subdivision for the ensuing year for each cumulative fund or other fund for which a maximum property tax rate is established by law; and (2) an estimate of property taxes payable for the ensuing year for debt service. Before August 1 of each year, the DLGF shall provide to each taxing unit (1) an estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the unit will receive in the ensuing year if the unit's tax rates are imposed at the maximum allowable rate and levy under law and (2) an estimate of the amount by which the taxing unit's distribution of property taxes will be reduced due to the Circuit Breaker Tax Credit. Beginning in 2018, the State Budget Agency must provide to the DLGF and the County Auditor an estimate of the certified local income tax distribution before June 1, and the DLGF must provide by July 1, the estimated amounts to be distributed at the taxing level to the County Auditor.

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

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

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

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

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. School corporations are authorized to impose a

referendum tax levy, if approved by voters, to replace property tax revenue that the school corporation will not receive due to the application of the Circuit Breaker Tax Credit. Otherwise school corporations and other political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

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

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

Pursuant to IC 6-1.1-20.6-9.9, a school corporation that is expected to experience sufficient Circuit Breaker Tax Credit loss may, prior to May 1 of a year, request the DLGF, to certify the amount of Circuit Breaker Tax Credit loss, making the school corporation an eligible school corporation under IC 6-1.1-20.6-9.9 (an “Eligible School Corporation”). An Eligible School Corporation may allocate its Circuit Breaker Tax Credit loss, for 2016, 2017, 2018 and 2019 proportionately across all school corporation property tax funds, including the debt service fund, and is exempt from the protected taxes requirement described below. The School Corporation did not qualify for this exemption for 2018.

For 2018 or 2019, if a school corporation: (i) issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than: (A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or (B) for indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law; and (ii) the school corporation’s total debt service levy and total debt service tax rate in 2018 or 2019 is greater than the school corporation’s total debt service levy and total debt service tax rate in 2016, the school corporation will not be eligible to allocate its Circuit Breaker Tax Credit loss proportionately.

Except for an Eligible School Corporation, the Statute categorizes property taxes levied to pay Debt Service Obligations as “protected taxes,” regardless of whether the property taxes were approved at a referendum, and all other property taxes as “unprotected taxes.” The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The School Corporation may allocate the reduction by using a combination of unprotected taxes of the School Corporation in those taxing districts in which the Circuit Breaker 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 School Corporation cannot predict the timing, likelihood or impact on property tax collections of any future actions taken, amendments to the Constitution of the State of Indiana or legislation enacted, regulations or rulings promulgated or issued to implement any such regulations, statutes or the Constitutional Provision described above or of future property tax reform in general. There has been no judicial interpretation of this legislation. In addition, there can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes by the School Corporation.

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

Estimated Circuit Breaker Tax Credit for the School Corporation:

According to the DLGF, the Circuit Breaker Tax Credit allocable to the School Corporation for budget years 2016, 2017 and 2018 were \$1,286,735, \$1,166,747 and \$799,518, 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 to the date hereof (the "SEC Rule"), the School Corporation has entered into a Master Continuing Disclosure Undertaking (the "Original Undertaking"), dated August 24, 2016. In connection with the issuance of the Bonds the School Corporation will enter into a Third Supplement to the Original Undertaking (the "Supplement" and together with the Original Undertaking, the "Undertaking"). Pursuant to the terms of the Undertaking, the School Corporation agrees to provide the information detailed in the Undertaking, the form of which is attached hereto as Appendix D.

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

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

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

In order to assist the Underwriter in complying with the Underwriter's obligations pursuant to SEC Rule, the School Corporation represents that in the previous five years it has not fully complied with its previous undertakings including, but not limited to, the following instances: the operating data and unaudited financial statements for the period ending December 31, 2014 and December 31, 2015 were not properly linked to certain bonds; and certain rating changes were not filed on a timely basis. The School Corporation makes no representation as to any potential materiality of such prior instances, as materiality is dependent upon individual facts and circumstances. The School Corporation has contracted with 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 programmatic bond rating of "____" and an underlying rating of "____" to the Bonds. Such ratings reflect only the view of S&P Global and any explanation of the significance of such ratings may only be obtained from S&P Global.

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

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

UNDERWRITING

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

The Underwriter intends to offer the Bonds to the public at the offering prices set forth on the cover 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 School Corporation to provide certain financial advisory services including, among other things, preparation of the deemed "nearly final" Preliminary Official Statement and the Final Official Statement (the "Official Statements"). The information contained in the Official Statements has been compiled from records and other materials provided by School Corporation officials and other sources deemed to be reliable. The Municipal Advisor has not and will not independently verify the completeness and accuracy of the information contained in the Official Statements.

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

Municipal Advisor Registration:

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

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

Other Financial Industry Activities and Affiliations:

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

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

PROPOSED LEGISLATION

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. As an example, the School Corporation previously issued or had issued on its behalf a series of Direct Payment Qualified School Construction Bonds (“Outstanding Direct Pay Bonds”) as taxable bonds in reliance on the provisions of the Internal Revenue Code of 1986, as amended (the “Code”) that provided for a subsidy to the School Corporation from the United States Treasury of all or a portion of the interest due on the Outstanding Direct Pay Bonds. As a result of the continuing federal budget discussions, moneys owed by the United States to the School Corporation with respect to the Outstanding Direct Pay Bonds will be reduced by 6.2% for fiscal year 2019. Future payments may be similarly reduced. Under current law, such reductions in subsidies are scheduled to continue through and including fiscal year 2024. At this time, the School Corporation is unable to project if and when the subsidy payments on the Outstanding Direct Pay Bonds from the United States Treasury will be restored in whole or in part, or what further action the United States Treasury may take with respect to future subsidy payments. To the extent the School Corporation receives less in subsidy payments than expected, it will need to pay more from property taxes to pay debt service. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

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

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

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

TAX MATTERS

In the opinion of Ice Miller LLP, Indianapolis, Indiana (“Bond Counsel”) under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) for federal income tax purposes and is not a specific preference item 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 begin prior to January 1, 2018. This opinion is conditioned on continuing compliance by the Issuer 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 tax purposes retroactive to the date of issue. In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana (the “State”). This opinion relates only to the exemption of interest on the Bonds for State income tax purposes. See Appendix C for the form of opinion of Bond Counsel.

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

Indiana Code § 6-5.5 imposes a franchise tax on certain taxpayers (as defined in Indiana Code § 6-5.5) which, in general, include all corporations which are transacting the business of a financial institution in Indiana. The franchise tax will be measured in part by interest excluded from gross income under Section 103 of the Code minus associated expenses disallowed under Section 265 of the Code. Taxpayers should consult their own tax advisors regarding the impact of this legislation on their ownership of the Bonds.

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

Under existing laws, judicial decisions, regulations and rulings, the Bonds have been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code relating to the exception from the 100% disallowance of the deduction for interest expense allocable to interest on tax-exempt obligations acquired by financial institutions. The designation is conditioned on continuing compliance with the Tax Covenants.

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. A taxpayer who purchases a Discount Bond in the initial public offering at the price listed on the cover page hereof (assuming a substantial amount of such Discount Bond was sold at such price) and who holds such Discount Bond to maturity may treat the full amount of original issue discount as interest which is excludable from the gross income of the owner of that Discount Bond for federal income tax purposes and will not, under present federal income tax law, realize taxable capital gain upon payment of the Discount Bond at maturity.

The original issue discount on each of the Discount Bonds is treated as accruing daily over the term of such Bond on the basis of the yield to maturity determined on the basis of compounding at the end of each six-month period (or

shorter period from the date of the original issue) ending on January 15 and July 15 (with straight line interpolation between compounding dates).

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

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

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

The Code contains certain provisions relating to the accrual of original issue discount in the case of subsequent purchasers of bonds such as the Discount Bonds. Owners who do not purchase Discount Bonds in the initial 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 _____ (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 School Corporation, there is no litigation pending or threatened, against the School Corporation, which in any way questions or affects the validity of the Bonds, or any proceedings or transactions relating to the issuance, sale or delivery thereof.

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

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization and issuance of the Bonds are subject to the unqualified approving opinion of Ice Miller LLP, Indianapolis, Indiana, Bond Counsel, whose approving opinion will be available at the time of delivery of the Bonds. Ice Miller 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 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 Resolution may not be readily available or may be limited. Under federal and State environmental laws certain liens may be imposed on property of the School Corporation from time to time, but the School Corporation has no reason to believe, under existing law, that any such lien would have priority over the lien on the property taxes pledged to owners of the Bonds.


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

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

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

This Official Statement and its execution are duly authorized.

PORTAGE TOWNSHIP SCHOOLS

By: 
President, Board of School Trustees

Attest: 
Secretary, Board of School Trustees

APPENDIX A

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PORTAGE TOWNSHIP SCHOOLS

SYSTEM OVERVIEW

Portage Township Schools (the “School Corporation”) is comprised of the City of Portage, the Town of Ogden Dunes and the unincorporated areas of Portage Township.

FACILITIES

The School Corporation presently operates the following schools.

<u>School</u>	<u>Grades</u>	<u>Year Opened</u>	<u>Additions/ Renovations</u>	<u>2018/2019 Enrollment</u>
Aylesworth Elementary School	K-5	1962	2003, 2004, 2005, 2006	449
Central Elementary School	K-5	1961	2002, 2003, 2004, 2005	522
Crisman Elementary School	K-5	1976	2000, 2004, 2005, 2006	439
Jones Elementary School	K-5	1960	2004, 2005, 2013, 2015	371
Kyle Elementary School	K-5	1967	2000, 2003, 2004, 2005	479
Myers Elementary School	K-5	1960	2001, 2003, 2004, 2005	387
Saylor Elementary School	K-5	1967	2001, 2002, 2005, 2010	325
South Haven Elementary School	K-5	1967	2002, 2004, 2005, 2011	316
Fegely Middle School	6-8	1967	2004, 2005, 2013, 2014	653
Willowcreek Middle School	6-8	1948	2011, 2014, 2015, 2016	1,049
Portage High School	9-12	1973	2011, 2014, 2015, 2016, 2017, 2018	2,448
Portage Special Ed. Coop/Transfers				42

SERVICES

The School Corporation provides a complete academic curriculum in grades kindergarten through twelve as well as various extracurricular activities. The School Corporation offers instructional programs including Special Education, English Language Learners, High Ability Learners and Title I. Vocational education is offered through the School Corporation’s Career and Technical Education program in various areas of study including auto services, construction, dental careers, diesel services, early childhood education, industrial mechanics, graphic imaging, electronics and computer technology and cosmetology. Other vocational opportunities are offered through the Porter County Career Center.

ENROLLMENT

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

<u>School</u>	<u>School Year</u>							
	<u>2011/ 2012</u>	<u>2012/ 2013</u>	<u>2013/ 2014</u>	<u>2014/ 2015</u>	<u>2015/ 2016 (1)</u>	<u>2016/ 2017</u>	<u>2017/ 2018</u>	<u>2018/ 2019</u>
Aylesworth Elementary School	463.5	459.0	431.0	419.0	460.0	477.0	467.0	449.0
Central Elementary School	518.0	520.0	506.5	482.5	503.0	514.0	523.0	522.0
Crisman Elementary School	444.5	432.5	444.0	444.5	458.0	448.0	455.0	439.0
Jones Elementary School	375.0	389.5	381.5	360.0	378.0	387.0	384.0	371.0
Kyle Elementary School	443.5	424.5	421.5	425.0	460.0	456.0	448.0	479.0
Myers Elementary School	339.0	343.0	342.5	362.5	394.0	385.0	392.0	387.0
Saylor Elementary School	306.0	285.0	281.5	311.5	318.0	343.0	346.0	325.0
South Haven Elementary School	347.0	362.0	348.0	332.0	351.0	363.0	342.0	316.0
Fegely Middle School	741.0	749.0	762.0	747.0	713.0	676.0	684.0	653.0
Willowcreek Middle School	1,187.0	1,171.0	1,118.0	1,145.0	1,129.0	1,090.0	1,099.0	1,049.0
Portage High School	2,595.0	2,623.0	2,573.0	2,482.0	2,545.0	2,517.0	2,468.0	2,448.0
Portage Special Ed. Coop/Transfers	<u>57.0</u>	<u>53.5</u>	<u>54.5</u>	<u>57.5</u>	<u>70.0</u>	<u>65.0</u>	<u>48.0</u>	<u>42.0</u>
Totals	<u>7,816.5</u>	<u>7,812.0</u>	<u>7,664.0</u>	<u>7,568.5</u>	<u>7,779.0</u>	<u>7,721.0</u>	<u>7,656.0</u>	<u>7,480.0</u>

(1) Beginning with the 2015/2016 school year, kindergarten students count as full students.

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

<u>Year</u>	<u>Projected Enrollment</u>
2019/2020	7,500
2020/2021	7,500
2021/2022	7,500
2022/2023	7,500
2023/2024	7,500

BOARD OF SCHOOL TRUSTEES

<u>Name</u>	<u>Current Term Began</u>	<u>Current Term Ends</u>
Andy Maletta, President	01/01/2016	12/31/2019
Cheryl Oprisko, Vice President	01/01/2016	12/31/2019
Jessica Bailey, Secretary	01/01/2017	12/31/2020
Rhonda Nelson, Member	01/01/2016	12/31/2019
Wilma Vazquez, Member	01/01/2017	12/31/2020

ADMINISTRATION AND STAFF

The School Corporation is under the direction of a five-member elected Board of School Trustees who serve four-year terms. The Superintendent, appointed by the Board of School Trustees, directs a certified staff of 469 and a non-certified staff of 596 with union representation as follows:

<u>Union Name</u>	<u>Union Representation</u>	<u>Number of Members</u>	<u>Contract Expiration Date</u>
Portage Association of Teachers (PAT)	Teachers	300	June 30, 2019
United Steel Workers (USW)	Custodians, Bus Drivers, Support, Staff, Food Service Workers	388	December 31, 2018

PENSION OBLIGATIONS

Public Employees' Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Employer contributions for the year 2017 were \$1,162,156.90.

Teacher's Retirement Fund

Plan Description

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

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

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

Funding Policy and Annual Pension Cost

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

Employer contributions for the year 2017 were \$2,176,867.29.

Other Post-Employment Benefits

The School Corporation offers retiring full-time employees who have been employed a minimum of 20 years and are members of the group health insurance program at the time of their retirement the option to remain on the plan until age 65 or until such time as they qualify for Medicare benefits, whichever comes first. Prior to 2002, the School Corporation would pay for the employee's share of the group health insurance program policy cost. There are no longer any eligible pre-2002 employees. Since 2002, the retiring employees who elect to remain on the group health insurance plan are responsible for paying the full monthly benefit. Starting in 2017, retirees pay the full premium amount and the School Corporation will not contribute to the premium costs.

Upon separation from the School Corporation, certified staff is paid a lump sum into a 403(b) plan account for accumulated sick days. This lump sum for certified staff is calculated by multiplying the number of accumulated days by the base salary for a new certified staff employee, multiplied by 0.12%. For non-certified staff, employees receive their daily base pay rate multiplied by a percentage based on the number of years of service as follows: (1) 10 years of service – 50% of the daily rate; (2) 15 years of service – 75% of the daily rate; and (3) 20 years of service – 100% of the daily rate. Administrators only receive remaining vacation days. The total liability for

terminated or retired administrators is a maximum of 20 vacation days at the administrators' current daily rate. An actuarial study was completed for the School Corporation in 2009 to estimate these amounts. The School Corporation uses its General Fund or remaining proceeds from its pension bonds to pay for these post-employment benefits.

GENERAL PHYSICAL AND DEMOGRAPHIC INFORMATION

LOCATION

The School Corporation is located in the City of Portage (the "City"), Porter County in northwest Indiana. The School Corporation is approximately 44 miles southeast of Chicago, Illinois, 58 miles west of South Bend, Indiana and 154 miles northwest of Indianapolis, Indiana.

GENERAL CHARACTERISTICS

The City is located in Portage Township along the shoreline of Lake Michigan. Portage is home to the International Port of Indiana, and is the only community in Porter County with a public marina. The Portage Lakefront and Riverwalk beach opened in 2008 and is located on the Indiana Dunes National Lakeshore. The 57 acre park site and beach features paved trails, fishing access, dune trails and a snackbar. There are four other parks located in the City that offer intramural sports including sand volleyball and softball as well as community programs such as summer camp and movies in the park. The Portage District Library, a branch of the Porter County Public Library, serves residents of the City as well as the School Corporation. The Portage District Library offers a variety of events and classes for adults, teens, and children. The Town of Ogden Dunes is primarily a residential community located on the shore line of Lake Michigan in Portage Township offering residents beach and water recreational opportunities.

PLANNING AND ZONING

The City has a nine-member Plan Commission to provide orderly growth for residential, commercial and industrial areas within the City and a two-mile jurisdiction surrounding its limits. The City also has a five-member Board of Zoning Appeals. The Town of Ogden Dunes is served by a seven-member Plan Commission as well as a five-member Board of Zoning Appeals.

HIGHER EDUCATION

Valparaiso University, located 14 miles southeast of the City, is an independent Lutheran university. Valparaiso University offers more than 70 majors to an undergraduate student body of 3,220 students.

GENERAL ECONOMIC AND FINANCIAL INFORMATION

COMMERCE AND INDUSTRY

NLMK Indiana, founded in 1992, manufactures carbon and alloy specialty steels as hot rolled sheet and plate products. The facility is located in the Port of Indiana on Lake Michigan allowing for barge shipment as well as truck and rail transportation opportunities. According to the Portage Economic Development Corporation (the "EDC"), the company employs approximately 300.

MonoSol LLC, a producer of water-soluble films and technology, announced in April 2016 the opening of a new \$95 million, 300,000-square-foot facility in the City. The company finished construction on the building in September of 2017 and has since worked on installing new manufacturing lines which are expected to boost production capacity by fifteen percent. According to company personnel, the company employs approximately 180 employees and expects to hire an additional 100 employees over the next 17 months.

U.S. Steel Corp. manufactures a wide range of steel sheet and tubular products for the automotive, appliance, container, industrial machinery, construction, and oil and gas industries with a facility located in the City. The Portage plant is a finishing facility with principal products including tin mill products and cold-rolled and electrical lamination steels. In April 2016, the company laid off 25 percent of salaried workers in both the Portage and Gary facilities due to challenging market conditions, including fluctuating oil prices, reduced rig counts and depressed steel prices. The company employs 910 employees at the Portage plant, according to the EDC.

Ratner Steel Supply Co. is a producer of carbon sheets of steel for manufacturing companies and has been located in the City since 2012. The Portage facility is investing \$8.83 million to expand an additional 100,000 square-feet in order to improve logistics efficiency for loading and unloading steel shipments. The expansion was completed in 2017 and is anticipated to create up to 37 new jobs by 2019.

Camaco-Amvian, a manufacturer of steel seat frames for the automotive industry, plans to invest \$9 million to begin operations in the City. The investment will include renovations and new manufacturing equipment. The project is expected to create 160 to 200 new jobs.

In March 2018, voestalpine Bohler Welding Group announced plans to invest more than \$13 million to build a 138,000 square-foot facility in the AmeriPlex at the Port business park in Portage. The new facility will produce welding consumables such as low-alloyed and high-alloyed welding wires and rods. The company plans to hire 25 workers by the end of this year and create 25 additional jobs over the next three years.

NorthShore Health Centers started inside Portage High School in 1996 as a teen clinic. Since then, it has become a federally funded health care facility. In September 2018, ground broke on a new \$18 million facility in Portage. The new facility will offer mammography, optometry, and dental services as well as a drive-thru pharmacy. The facility is expected to open in late winter 2019.

The City is currently constructing a \$40 million, 15-acre mixed-use development called the Promenade at Founders Square. The development will include a total of nine buildings with 304 apartment units and 10,200 square feet of ground floor retail, commercial and restaurant space. Phase II of the project is currently in progress and completion is anticipated for the end of 2019.

LARGE EMPLOYERS

Below is a list of the City of Portage's largest employers. The number of employees shown are as reported by the Portage Economic Development Corporation, 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>
Portage Township Schools	-	Public education	1,065 (1)
U.S. Steel Corp	-	Steel distributor	910
Porter County	1836	County government	909 (2)
ILA Local 1969 & 2038	-	Labor union	627 (3)
Wal-Mart	-	Discount retail	350
City of Portage	1836	City government	335 (4)
NLMK Indiana, Inc.	1992	Carbon and alloy products supplier	300
Meijer	-	Retail store	250
Bass Pro Shops	-	Sporting goods retail	200
Portage Hospital	-	Health care	180
MonoSol LLC	-	Mfg. water soluble films & technology	180 (5)

(1) Includes 469 certified and 596 non-certified.

(2) Includes 624 full-time and 285 part-time employees.

(3) Per union personnel.

(4) Includes 274 full-time and 61 part-time employees.

(5) Per company personnel.

Note: According to the Portage Economic Development Corporation, Solid Platform employs 65 full-time employees as well as a large number of union contractors. The number of union contractors varies from day to day based on the positions the company has available. In the past, union contractors were included in the company's total employment.

EMPLOYMENT

<u>Year</u>	<u>Unemployment Rate</u>		<u>Porter County Labor Force</u>
	<u>Porter County</u>	<u>Indiana</u>	
2013	7.2%	7.7%	83,161
2014	6.2%	6.0%	83,965
2015	5.4%	4.8%	84,691
2016	5.1%	4.4%	86,221
2017	4.1%	3.5%	85,418
2018, July	3.9%	3.5%	88,327

Source: Indiana Business Research Center. Data collected as of September 17, 2018.

BUILDING PERMITS

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

<u>Year</u>	<u>Residential</u>		<u>Commercial</u>		<u>Industrial</u>	
	<u>Total Permits</u>	<u>Estimated Costs</u>	<u>Total Permits</u>	<u>Estimated Costs</u>	<u>Total Permits</u>	<u>Estimated Costs</u>
2013	20	\$2,475,800	1	\$1,400,000	4	\$4,282,500
2014	30	4,648,156	7	4,917,000	5	11,734,000
2015	22	4,265,220	10	19,138,064	1	800,000
2016	83	13,536,613 (1)	9	7,016,000 (2)		
2017	98	14,223,587 (3)	12	41,128,899 (4)		

(1) The increase in residential permits in 2016 is due to residential growth including three new subdivisions located in the City of Portage.

(2) Beginning in 2016, the City of Portage Building Department no longer separates commercial and industrial permits. The number of permits and estimated costs represents both commercial and industrial.

(3) A large number of residential developments within existing subdivisions occurred in 2017.

(4) Includes five mixed-use apartment complexes with commercial and retail on the first floor.

Source: City of Portage Building Department

POPULATION

<u>Year</u>	<u>City of Portage</u>		<u>Porter County</u>	
	<u>Population</u>	<u>Percent of Change</u>	<u>Population</u>	<u>Percent of Change</u>
1970	19,127	61.79%	87,114	44.52%
1980	27,409	43.30%	119,816	37.54%
1990	29,060	6.02%	128,932	7.61%
2000	33,496	15.26%	146,798	13.86%
2010	36,828	9.95%	164,343	11.95%
2017, Est.	36,672	-0.42%	168,404	2.47%

Source: U.S. Census Bureau

AGE STATISTICS

	<u>City of Portage</u>	<u>Porter County</u>
Under 25 Years	12,639	55,151
25 to 44 Years	10,102	42,020
45 to 64 Years	9,636	46,809
65 Years and Over	4,451	20,363
Totals	<u>36,828</u>	<u>164,343</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 Portage</u>	<u>Porter County</u>
Less than 9th grade	3.3%	2.1%
9th to 12th grade, no diploma	9.5%	6.2%
High school graduate	40.2%	34.9%
Some college, no degree	23.3%	21.1%
Associate's degree	8.8%	9.6%
Bachelor's degree	9.7%	16.5%
Graduate or professional degree	5.2%	9.6%

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

MISCELLANEOUS ECONOMIC INFORMATION

	<u>City of Portage</u>	<u>Porter County</u>	<u>Indiana</u>
Per capita income, past 12 months*	\$25,067	\$30,615	\$26,117
Median household income, past 12 months*	\$54,069	\$64,874	\$50,433
Average weekly earnings in manufacturing (1st qtr. of 2018)	N/A	\$1,370	\$1,348
Land area in square miles - 2010	25.63	418.15	35,826.11
Population per land square mile - 2010	1,436.9	393.0	181.0
Retail sales in 2012:			
Total retail sales	\$490,520,000	\$2,035,375,000	\$85,857,962,000
Sales per capita**	\$13,319	\$12,385	\$13,242
Sales per establishment	\$5,390,330	\$4,533,129	\$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 20, 2018.

<u>Employment and Earnings - Porter County 2016</u>	<u>Earnings</u> (In 1,000s)	Percent of <u>Earnings</u>	<u>Labor Force</u>	Distribution of <u>Labor Force</u>
Services	\$1,382,866	35.36%	35,145	43.68%
Manufacturing	849,757	21.73%	10,134	12.60%
Wholesale and retail trade	458,780	11.73%	12,000	14.92%
Government	378,411	9.68%	7,402	9.20%
Construction	364,496	9.32%	5,065	6.30%
Other*	256,382	6.55%	3,238	4.03%
Finance, insurance and real estate	177,571	4.54%	6,174	7.67%
Information	40,447	1.03%	807	1.00%
Farming	2,350	0.06%	486	0.60%
Totals	\$3,911,060	100.00%	80,451	100.00%

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

Source: Bureau of Economic Analysis and the Indiana Business Research Center. Data collected as of August 20, 2018.

<u>Adjusted Gross Income</u>	<u>Year</u>	Porter County <u>Total</u>
	2011	\$4,288,278,465
	2012	4,546,588,711
	2013	4,631,196,079
	2014	4,895,259,093
	2015	4,996,085,600

Source: Indiana Department of Revenue

SCHEDULE OF INDEBTEDNESS

The following schedule shows the outstanding indebtedness of the School Corporation and the taxing units within and overlapping its jurisdiction as of September 15, 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			
General Obligation Bonds of 2018	\$2,000,000 *	01/15/22	\$2,000,000 *
Multi-School Building Corporation Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2017	23,200,000	01/15/29	22,270,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016C	6,630,000	07/15/22	4,425,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016B	6,070,000	01/15/28	5,005,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016A	925,000	01/15/19	185,000
First Mortgage Refunding Bonds, Series 2006 (CABs)		01/15/25	2,582,012 **
Taxable School Severance Refunding Bonds, Series 2015A	5,855,000	01/05/27	4,700,000
Common School Loans***			<u>3,482,541</u>
Total Direct Debt			<u><u>\$44,649,553</u></u>

Note: The School Corporation is in the preliminary stages of discussing potential future capital improvement projects, and may issue bonds to meet the needs of any future capital improvement projects. However, it is too early in the process to indicate specific scope of possible projects, timing, or the extent of potential financing.

<u>Overlapping Debt</u>	<u>Total Debt</u>	<u>Percent Allocable to School Corporation (1)</u>	<u>Amount Allocable to School Corporation</u>
Tax Supported Debt			
Porter County	\$43,360,000	19.35%	\$8,390,160
City of Portage	46,064,170	99.71%	45,930,584
Town of Ogden Dunes	87,795	100.00%	87,795
Portage Township	6,932,000	100.00%	<u>6,932,000</u>
Tax Supported Debt			<u>61,340,539</u>
Self-Supporting Revenue Debt			
Porter County	20,000,000	19.35%	3,870,000
City of Portage	22,030,000	99.71%	21,966,113
Porter County Airport Authority	2,355,000	19.35%	455,693
Porter County Solid Waste District	22,754	19.35%	<u>4,403</u>
Self-Supporting Revenue Debt			<u>26,296,209</u>
Total Overlapping Debt			<u><u>\$87,636,748</u></u>

*This issue. Preliminary, subject to change.

**Capital Appreciation Bonds. The amount represents the accreted value as of September 15, 2018.

***Includes the estimated amortization of \$762,300 Common School Loan approved November 1, 2017. The School Corporation plans to issue additional common school fund loans in 2019 that are expected to be paid from the debt service fund beginning in 2020.

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

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

DEBT RATIOS

The following presents the ratios relative to the tax indebtedness of the taxing units within and overlapping the School Corporation as of September 15, 2018, including issuance of the Bonds.

	Direct Tax Supported Debt*	Allocable Portion of All Other Overlapping Tax Supported Debt	Total Direct and Overlapping Tax Supported Debt*
	<u>\$44,649,553</u>	<u>\$61,340,539</u>	<u>\$105,990,092</u>
Per capita (1)	\$1,217.54	\$1,672.68	\$2,890.22
Percent of net assessed valuation (2)	2.41%	3.32%	5.73%
Percent of gross assessed valuation (3)	1.36%	1.88%	3.24%
Per pupil (4)	\$5,969.19	\$8,200.61	\$14,169.80

*Preliminary, subject to change.

- (1) According to the U.S. Census Bureau, the estimated 2017 population of the School Corporation is 36,672.
- (2) The net assessed valuation of the School Corporation for taxes payable in 2018 is \$1,848,849,280 according to the Porter County Auditor's office.
- (3) The gross assessed valuation of the School Corporation for taxes payable in 2018 is \$3,271,138,627 according to the Porter County Auditor's office.
- (4) Enrollment of the School Corporation is 7,480 as reported by school personnel.

DEBT LIMIT

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

Certified net assessed valuation (Taxes payable in 2019)	\$1,886,003,346
Times: 2% general obligation debt issue limit	<u>2%</u>
Sub-total	37,720,067
Divided by 3	<u>3</u>
General obligation debt issue limit	12,573,356
Less: Outstanding general obligation debt including the Bonds	<u>(6,700,000)</u>
Estimated amount remaining for general obligation debt issuance	<u><u>\$5,873,356</u></u>

SCHEDULE OF HISTORICAL NET ASSESSED VALUATION

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

<u>Year Payable</u>	<u>Real Estate</u>	<u>Utilities</u>	<u>Personal Property</u>	<u>Total Taxable Value</u>
2014	\$1,377,975,833	\$71,786,210	\$213,772,780	\$1,663,534,823
2015	1,415,130,498	72,069,680	226,620,180	1,713,820,358
2016	1,423,975,181	70,403,120	232,799,760	1,727,178,061
2017	1,481,901,172	71,907,040	241,428,910	1,795,237,122
2018	1,524,595,892	71,525,090	252,728,298	1,848,849,280
2019 (1)				1,886,003,346

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

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

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

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

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

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

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

	<u>Portage Township</u>	<u>Portage City - Portage Township</u>	<u>Ogden Dunes (Portage)</u>	<u>Total</u>
Gross Value of Land	\$107,604,300	\$542,870,300	\$102,841,800	\$753,316,400
Gross Value of Improvements	<u>337,442,600</u>	<u>1,714,834,800</u>	<u>117,591,900</u>	<u>2,169,869,300</u>
Total Gross Value of Real Estate	445,046,900	2,257,705,100	220,433,700	2,923,185,700
Less: Mortgage Exemptions, Veterans, Blind Age 65 & Other Exemptions	(198,315,372)	(783,551,247)	(76,696,580)	(1,058,563,199)
Tax Exempt Property	(15,044,000)	(63,109,500)	(2,296,400)	(80,449,900)
TIF	<u>(259,576,709)</u>	<u>(259,576,709)</u>	<u>(259,576,709)</u>	<u>(259,576,709)</u>
Net Assessed Value of Real Estate	<u>231,687,528</u>	<u>1,151,467,644</u>	<u>141,440,720</u>	<u>1,524,595,892</u>
Business Personal Property	8,340,900	267,798,607	288,330	276,427,837
Less: Deductions	<u>(2,937,220)</u>	<u>(20,681,839)</u>	<u>(80,480)</u>	<u>(23,699,539)</u>
Net Assessed Value of Personal Property	<u>5,403,680</u>	<u>247,116,768</u>	<u>207,850</u>	<u>252,728,298</u>
Net Assessed Value of Utility Property	<u>21,642,390</u>	<u>46,152,210</u>	<u>3,730,490</u>	<u>71,525,090</u>
Total Net Assessed Value	<u><u>\$258,733,598</u></u>	<u><u>\$1,444,736,622</u></u>	<u><u>\$145,379,060</u></u>	<u><u>\$1,848,849,280</u></u>

COMPARATIVE SCHEDULE OF CERTIFIED TAX RATES

Per \$100 of Net Assessed Valuation

	Year Taxes Payable				
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Detail of Certified Tax Rate:					
Debt Service	\$0.3505	\$0.3579	\$0.3430	\$0.3099	\$0.2971
Pension Debt Service	0.0804	0.0813	0.0621	0.0630	0.0346
Capital Projects	0.2535	0.2725	0.2111	0.2124	0.2272
Transportation	0.2607	0.2161	0.2471	0.2427	0.1848
Bus Replacement	<u>0.0703</u>	<u>0.0698</u>	<u>0.0600</u>	<u>0.0483</u>	<u>0.0275</u>
Totals	<u>\$1.0154</u>	<u>\$0.9976</u>	<u>\$0.9233</u>	<u>\$0.8763</u>	<u>\$0.7712</u>
Total District Certified Tax Rate (1)					
Portage Township	\$1.9335	\$1.9358	\$1.8386	\$1.7558	\$1.6679
Portage City - Portage Twp.	\$2.9394	\$2.8442	\$2.7419	\$2.7201	\$2.6142
Ogden Dunes (Portage)	\$2.2465	\$2.2397	\$2.1320	\$2.0375	\$1.9724

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

Source: DLGF Certified Budget Orders for the School Corporation.

PROPERTY TAXES LEVIED AND COLLECTED

Collection <u>Year</u>	Certified	Circuit Breaker <u>Tax Credit</u>	Certified	Taxes <u>Collected</u>	Collected as Percent of <u>Gross Levy</u>	Collected as Percent of <u>Net Levy</u>
	Taxes <u>Levied</u>		Net of Circuit Breaker <u>Tax Credit</u>			
		(1)				
2013	\$17,113,981	(\$1,406,390)	\$15,707,591	\$15,580,635	91.04%	99.19%
2014	16,647,232	(1,595,759)	15,051,473	15,303,928	91.93%	101.68%
2015	16,900,042	(1,603,381)	15,296,661	15,679,619	92.78%	102.50%
2016	15,962,478	(1,286,735)	14,675,743	14,691,387	92.04%	100.11%
2017	15,617,362	(1,166,747)	14,450,615	14,842,140	95.04%	102.71%
2018	14,144,656	(799,518)	13,345,138	(.....In Process.....)		

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

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

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

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

If a school corporation has sufficient Circuit Breaker Tax Credit losses (at least ten percent of its transportation fund levy for 2017 and 2018, or operations fund levy after 2018), and such losses are timely certified by the DLGF, it becomes an eligible school corporation under IC 6-1.1-20.6-9.9 and may allocate its Circuit Breaker Tax Credit loss proportionately for 2016, 2017, 2018 and 2019 across all school corporation property tax supported funds, including the debt service fund, thereby being exempted from the protected taxes requirement as described below (an "Eligible School Corporation"). However, in 2017, 2018 or 2019, if a school corporation: (i) issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than: (A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or (B) for indebtedness that is approved in a local public question or referendum under I.C. 6-1.1-20 or any other law; and (ii) the school corporation's debt service levy in 2018 or 2019 is greater than the school corporation's debt service tax rate in 2016, the school corporation will not be an Eligible School Corporation even if it would otherwise qualify. While the School Corporation qualified for 2014, 2015, 2016, and 2017, the School Corporation did not qualify for this exemption for 2018 but does not know as of the date of this Official Statement if it will qualify for this exemption in 2019.

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

LARGE TAXPAYERS

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

<u>Name</u>	<u>Type of Business</u>	<u>2017/2018 Net Assessed Valuation</u>	<u>Percent of Total Net Assessed Valuation (1)</u>
NLMK Indiana (2)	Carbon and alloy products supplier	\$73,966,300	4.00%
United States Steel Corporation	Steel manufacturer	43,584,040	2.36%
G&I VIII VK II Portage LLC / CRV McCormick LLC / G&I VIII Midpoint LLC (2)	Commercial real estate	34,391,420	1.86%
Northern Indiana Public Service Co. (2)	Natural gas & electric utility	32,592,830	1.76%
Feralloy Corporation-Midwest Division (2)	Steel processor	22,815,130	1.23%
Indiana-American Water Company (2)	Water utility	21,170,360	1.15%
Fronius USA LLC (2)	Real estate developer	19,444,485	1.05%
Monosol LLC (2)	Mfr. water-soluble films	18,450,091	1.00%
Willow Creek Apartments LLC	Apartment developer	17,749,990	0.96%
Central Coil Processing LLC (2)	Steel and wire processing facility	<u>17,012,020</u>	<u>0.92%</u>
Totals		<u><u>\$301,176,666</u></u>	<u><u>16.29%</u></u>

- (1) The total net assessed valuation of the School Corporation is \$1,848,849,280 for taxes payable in 2018, according to the Porter County Auditor's office.
- (2) Located in a tax increment allocation area ("TIF"); therefore, all or a portion of the taxes are captured as TIF and not distributed to individual taxing units.

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

Note: The following financial statements on pages A-17 - A-18 are excerpts from the School Corporation's July 1, 2015 to June 30, 2017 audit report of the Indiana State Board of Accounts. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. A complete audit will be furnished upon request. Current reports are available at <http://www.in.gov/sboa/resources/reports/audit/>.

PORTAGE TOWNSHIP SCHOOLS

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

REGULATORY BASIS

For the Years Ended June 30, 2016 and 2017

	Cash and Investments <u>07-01-15</u>	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments <u>06-30-16</u>	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments <u>06-30-17</u>
General	\$16,134,583	\$52,521,503	\$52,041,505	\$38,429	\$16,653,010	\$53,033,127	\$51,799,596		\$17,886,541
Debt Service	3,183,959	6,665,219	6,340,693	(256,872)	3,251,613	6,340,357	6,282,623	(\$568,621)	2,740,726
Retirement/Severance Bond Debt Service	629,951	1,352,953	1,373,225	(46,664)	563,015	1,222,377	1,369,661	(46,038)	369,693
Capital Projects	1,785,981	3,923,653	4,576,754	123,117	1,255,997	3,941,908	3,928,475	114,742	1,384,172
School Transportation	5,853,084	3,852,364	3,508,869	(321,988)	5,874,591	4,232,645	3,487,976	(375,436)	6,243,824
School Bus Replacement	1,065,347	1,057,556	1,053,939	35,365	1,104,329	916,500	910,738	26,273	1,136,364
Rainy Day	17,169,369		865,705	500,000	16,803,664		4,156,884	528,267	13,175,047
Retirement/Severance Bond	2,268,600	1,039			2,269,639	2,721			2,272,360
Post-Retirement/Severance Future Benefits	2,175,116	998	1,250		2,174,864	2,550	79,584		2,097,830
Construction	9,432			2,500	11,932				11,932
School Lunch	1,960,422	3,800,634	3,744,335	190	2,016,911	3,808,722	3,749,911	34	2,075,756
Textbook Rental	1,204,657	998,793	223,122		1,980,328	1,028,973	1,210,855	342,825	2,141,271
Self-Insurance	6,129,087	6,022,915	5,801,635		6,350,367	6,453,495	6,608,204		6,195,658
Levy Excess	0				0	1,444			1,444
School Library Printed Material	2,921	45,597	6,264	(42,254)	0	3,664			3,664
SAFE School Haven 2014 Grant	(5,075)	5,075			0				0
SAFE School Haven 2015 Grant	0	5,075	10,150		(5,075)	5,075			0
SAFE School Haven 2016 Grant	0				0	20,530	30,000		(9,470)
Early Intervention Grant	0				0	37,564			37,564
Lilly Counseling 2017 Grant	0				0	50,000	17,041		32,959
Kostel Donation	1,423				1,423				1,423
Little Bear	400				400				400
Project Lead the Way	17,600	10,000	16,034		11,566	5,000	11,566		5,000
Project Lead the Way Engineering	0				0	35,000	17,600		17,400
Scholarships and Awards	1,031				1,031				1,031
Culinary Scholarship	593				593				593
Dold English Scholarship	0	30,000	1,500		28,500		1,500		27,000
Portage Township Education Foundation-2010	2,285				2,285			(2,285)	0
Portage Township Education Foundation-2013	643				643			(643)	0
Portage Township Education Foundaiton-2014	885		562		323			(323)	0
Portage Township Education Foundation-2015	15,266		11,668		3,598			(3,598)	0
Portage Township Education Foundation-2016	0				0		6,184	6,849	665
Donations and Trust	60,698	134,968	135,469		60,197	109,432	116,427		53,202
Arcellormittal 2016 Grant	0				0	10,000	4,176		5,824
Arcellormittal 2014 STEM	686		595		91		91		0
Subtotals	\$59,668,944	\$80,428,342	\$79,713,274	\$31,823	\$60,415,835	\$81,261,084	\$83,789,092	\$22,046	\$57,909,873

(Continued on next page)

PORTAGE TOWNSHIP SCHOOLS

(Cont'd)

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

REGULATORY BASIS

For the Years Ended June 30, 2016 and 2017

	Cash and Investments <u>07-01-15</u>	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments <u>06-30-16</u>	Receipts	Disbursements	Other Financing Sources (Uses)	Cash and Investments <u>06-30-17</u>
Subtotals carried forward	\$59,668,944	\$80,428,342	\$79,713,274	\$31,823	\$60,415,835	\$81,261,084	\$83,789,092	\$22,046	\$57,909,873
Arcelormittal 2014 PHS	5,138		1,699		3,439		3,439		0
Arcelormittal 2014 WC	1,793		1,785		8		8		0
Arcelormittal 2015 PHS	0	10,000	5,064		4,936		4,936		0
Arcelormittal 2015 PLTW	0	20,000	20,000		0				0
Formative Assessment	0	22,014			22,014	99,526	121,540		0
Excellence in Performance Award Grants	6,617		6,617		0				0
High Ability Grant 2015-2016	0	64,097	51,426		12,671		12,671		0
High Ability Grant 2016-2017	0				0	60,565	54,112		6,453
Computer Consortium/Ed Tech Advance	(5,109)	275,765	270,656		0	924,300	951,342		(27,042)
Secured Schools Safety Grant	0	49,596	49,596		0	50,000	99,800		(49,800)
NESP Grant 2014-2015	5,810		5,810		0				0
NESP Grant 2015-2016	0	35,081	25,164		9,917		9,917		0
NESP Grant 2016-2017	0				0	32,163	27,146		5,017
School Technology	2,017	361,206	337,133		26,090	758,076	664,773		119,393
Career and Technical Performance Grant	0				0	43,371	43,370		1
Performance Based Awards	9,847		9,847		0				0
Performance Based Awards 2016	0	212,325	212,325		0				0
Performance Based Awards 2017	0				0	153,825	153,825		0
Academy of Finance	11				11				11
Senator David Ford Technology	(15,000)	28,850	13,850		0				0
Recycle Learning	54				54				54
Title I 2014-15	(89,442)	417,533	328,091		0				0
Title I 2015-2016	0	862,680	988,101		(125,421)	416,731	291,310		0
Title I 2016-2017	0				0	709,218	828,473		(119,255)
Title II PT A IMPR 2015	(11,949)	86,630	74,681		0				0
Title II PT A IMPR 2016	(8,312)	134,230	150,794		(24,876)	119,844	94,968		0
Title II PT A IMPR 2017	0				0	124,649	151,301		(26,652)
Title III LEP 2012-13	0	732	732		0				0
Title III LEP 2014-15	(1,219)	7,759	6,553		(13)	1,410	1,397		0
Title III LEP 2015-16	0	13,531	15,228		(1,697)	17,227	15,615		(85)
Title III LEP 2016-17	0				0	10,061	11,627		(1,566)
Payroll Clearing	783,934	25,198,749	24,375,398		1,607,285	24,149,186	24,853,413		903,058
Prepaid Food Fund	0	870,402	783,761		86,641	1,138,528	1,020,509		204,660
Totals	\$60,353,134	\$109,099,522	\$107,447,585	\$31,823	\$62,036,894	\$110,069,764	\$113,204,584	\$22,046	\$58,924,120

The following schedules on pages A-19 - A-25 contain limited and unaudited financial information which is presented solely for the purpose of conveying a statement of cash and investment balances for the School Corporation. Consequently, these schedules do not include all disclosures required by generally accepted accounting principles. Current reports are available at <http://www.doe.in.gov/finance/school-financial-reports>.

PORTAGE TOWNSHIP SCHOOLS

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			Six Months
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Ended</u>
<u>GENERAL FUND</u>				<u>6/30/2018</u>
Receipts:				
Revenue in Lieu of Taxes	\$1,476			
Tuition	509,971	\$574,714	\$538,843	\$251,794
Earnings on Investments	60,821	71,008	96,438	54,837
School Corporation Activities	33,685	12,572	14,443	12,883
Other Revenue from Local Sources	772,496	833,252	729,178	315,268
Revenue from State Sources	51,298,857	51,233,858	51,763,795	26,124,888
Revenue from Federal Sources	71,391	61,610	64,692	35,868
Sale of Property, Adjustments and Refunds	5,836		8,103	7,010
Interfund Transfers		42,254		465
Other Items	139,748	32,194	37,545	17,674
Total Receipts	52,894,281	52,861,462	53,253,036	26,820,687
Expenditures:				
Instruction	32,368,288	34,684,978	35,512,126	18,449,218
Support Services	16,275,817	16,564,309	17,138,611	8,689,157
Community Services	600,210	581,993	667,566	293,223
Facilities Acquisitions and Construction	83,202		64,440	
Interfund Transfers		5,916		
Total Expenditures	49,327,518	51,837,195	53,382,744	27,431,597
Net Increase (Decrease)	3,566,763	1,024,267	(129,708)	(610,910)
Beginning Balance - January 1st	14,164,034	17,730,797	18,755,063	18,625,356
Ending Balance	\$17,730,797	\$18,755,063	\$18,625,356	\$18,014,446

Note: The School Corporation estimates the December 31, 2018 ending balance for the General Fund to be \$14,700,000.

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

(Continued on next page)

PORTAGE TOWNSHIP SCHOOLS

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			Six Months
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Ended</u> <u>6/30/2018</u>
<u>DEBT SERVICE FUND</u>				
Receipts:				
Local Property Tax	\$6,196,348	\$5,930,595	\$5,664,710	\$3,021,726
License Excise Tax	464,750	502,888	480,012	238,152
Commercial Vehicle Excise Tax	70,118	64,680	59,699	31,540
Local Option Property Tax Replacement	9,337	10,423	8,928	4,444
Other Revenue from Local Sources		45		
Total Receipts	<u>6,740,553</u>	<u>6,508,630</u>	<u>6,213,348</u>	<u>3,295,862</u>
Expenditures:				
Lease Rental	5,112,000	5,104,000	5,084,000	2,356,000
Advancements and Obligations	1,104,520	1,275,610	1,189,690	583,773
Interfund Transfers	436,346	423,306	402,187	121,094
Total Expenditures	<u>6,652,866</u>	<u>6,802,916</u>	<u>6,675,877</u>	<u>3,060,867</u>
Net Increase (Decrease)	87,687	(294,286)	(462,529)	234,995
Beginning Balance - January 1st	<u>3,151,398</u>	<u>3,239,085</u>	<u>2,944,799</u>	<u>2,482,270</u>
Ending Balance	<u><u>\$3,239,085</u></u>	<u><u>\$2,944,799</u></u>	<u><u>\$2,482,270</u></u>	<u><u>\$2,717,265</u></u>

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

(Continued on next page)

PORTAGE TOWNSHIP SCHOOLS

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			Six Months
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Ended</u> <u>6/30/2018</u>
<u>RETIREMENT/SEVERANCE BOND FUND</u>				
Receipts:				
Local Property Tax	\$1,408,212	\$1,074,026	\$1,151,836	\$351,908
License Excise Tax	105,572	91,048	97,582	27,735
Commercial Vehicle Excise Tax	15,928	11,710	12,136	3,673
Local Option Property Tax Replacement	2,121	1,887	1,815	518
Total Receipts	1,531,833	1,178,671	1,263,369	383,833
Expenditures:				
Principal on Debt	940,000	1,005,000	1,065,000	205,000
Interest on Debt	458,809	366,950	301,337	124,637
Interfund Transfers	70,278	46,664	46,038	
Total Expenditures	1,469,088	1,418,615	1,412,375	329,637
Net Increase (Decrease)	62,745	(239,944)	(149,006)	54,196
Beginning Balance - January 1st	598,778	661,523	421,579	272,573
Ending Balance	<u>\$661,523</u>	<u>\$421,579</u>	<u>\$272,573</u>	<u>\$326,769</u>

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

(Continued on next page)

PORTAGE TOWNSHIP SCHOOLS

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			Six Months
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Ended</u> <u>6/30/2018</u>
<u>CAPITAL PROJECTS FUND</u>				
Receipts:				
Local Property Tax	\$3,940,019	\$3,119,698	\$3,386,162	\$2,068,908
License Excise Tax	353,854	309,503	328,992	182,121
Commercial Vehicle Excise Tax	53,387	39,807	40,917	24,120
Local Option Property Tax Replacement	7,109	6,415	6,119	3,399
Other Revenue from Local Sources		325,065	369,820	
Interfund Transfers	184,845	123,117	114,742	
Total Receipts	<u>4,539,214</u>	<u>3,923,605</u>	<u>4,246,751</u>	<u>2,278,547</u>
Expenditures:				
Support Services	2,316,058	2,246,596	2,178,762	997,900
Facilities Acquisition and Construction	2,180,646	1,954,311	1,741,381	904,769
Total Expenditures	<u>4,496,704</u>	<u>4,200,907</u>	<u>3,920,143</u>	<u>1,902,669</u>
Net Increase (Decrease)	42,510	(277,303)	326,608	375,879
Beginning Balance - January 1st	<u>1,422,122</u>	<u>1,464,632</u>	<u>1,187,329</u>	<u>1,513,937</u>
Ending Balance	<u><u>\$1,464,632</u></u>	<u><u>\$1,187,329</u></u>	<u><u>\$1,513,937</u></u>	<u><u>\$1,889,816</u></u>

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

(Continued on next page)

PORTAGE TOWNSHIP SCHOOLS

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			Six Months
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Ended</u> <u>6/30/2018</u>
<u>TRANSPORTATION FUND</u>				
Receipts:				
Local Property Tax	\$3,125,296	\$3,664,800	\$3,869,751	\$1,699,223
License Excise Tax	280,616	362,284	375,924	148,133
Commercial Vehicle Excise Tax	42,338	46,596	46,754	19,618
Local Option Property Tax Replacement	5,638	7,509	6,992	2,764
Other Revenue from Local Sources	34,344	38,769	47,075	35,615
Other Items	5,130	2,545	500	4,101
Sale of Property, Adjustments and Refunds	47,706	21,482	24,305	13,351
Interfund Transfers	146,182	150,971	130,819	
Total Receipts	<u>3,687,248</u>	<u>4,294,955</u>	<u>4,502,120</u>	<u>1,922,806</u>
Expenditures:				
Support Services	3,471,567	3,480,399	3,767,117	2,041,158
Interfund Transfers	500,000	528,267	750,000	
Total Expenditures	<u>3,971,567</u>	<u>4,008,666</u>	<u>4,517,117</u>	<u>2,041,158</u>
Net Increase (Decrease)	(284,319)	286,289	(14,997)	(118,351)
Beginning Balance - January 1st	<u>5,615,561</u>	<u>5,331,242</u>	<u>5,617,531</u>	<u>5,602,534</u>
Ending Balance	<u><u>\$5,331,242</u></u>	<u><u>\$5,617,531</u></u>	<u><u>\$5,602,534</u></u>	<u><u>\$5,484,183</u></u>

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

(Continued on next page)

PORTAGE TOWNSHIP SCHOOLS

(Cont'd)

SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			Six Months
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Ended</u> <u>6/30/2018</u>
<u>TRANSPORTATION SCHOOL BUS REPLACEMENT FUND</u>				
Receipts:				
Local Property Tax	\$1,009,744	\$889,610	\$769,683	\$252,582
License Excise Tax	90,639	87,969	74,813	22,044
Commercial Vehicle Excise Tax	13,675	11,314	9,304	2,919
Local Option Property Tax Replacement	1,821	1,823	1,391	411
Interfund Transfers	47,066	35,365	26,273	
Total Receipts	<u>1,162,945</u>	<u>1,026,081</u>	<u>881,465</u>	<u>277,956</u>
Expenditures:				
Support Services	932,936	910,738	715,976	
Debt Services	121,002	60,502		
Total Expenditures	<u>1,053,938</u>	<u>971,240</u>	<u>715,976</u>	<u>0</u>
Net Increase (Decrease)	109,007	54,841	165,489	277,956
Beginning Balance - January 1st	<u>487,804</u>	<u>596,810</u>	<u>651,650</u>	<u>817,140</u>
Ending Balance	<u>\$596,810</u>	<u>\$651,650</u>	<u>\$817,140</u>	<u>\$1,095,096</u>

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

	Calendar Year			Six Months
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Ended</u> <u>6/30/2018</u>
<u>LOCAL RAINY DAY FUND</u>				
Receipts:				
Revenue from Local Sources			\$296,013	
Interfund Transfers	<u>\$500,000</u>	<u>\$528,267</u>	<u>750,000</u>	
Total Receipts	<u>500,000</u>	<u>528,267</u>	<u>1,046,013</u>	<u>\$0</u>
Expenditures:				
Facilities Acquisition and Construction (1)		<u>4,580,407</u>	<u>2,500,907</u>	<u>3,503,838</u>
Total Expenditures	<u>0</u>	<u>4,580,407</u>	<u>2,500,907</u>	<u>3,503,838</u>
Net Increase (Decrease)	500,000	(4,052,140)	(1,454,894)	(3,503,838)
Beginning Balance - January 1st	<u>17,169,369</u>	<u>17,669,369</u>	<u>13,617,228</u>	<u>12,162,334</u>
Ending Balance	<u>\$17,669,369</u>	<u>\$13,617,228</u>	<u>\$12,162,334</u>	<u>\$8,658,496</u>

Note: The School Corporation estimates the December 31, 2018 ending balance for the Rainy Day Fund to be \$9,250,000.

The School Corporation has created a Rainy Day Fund as allowed under IC 36-1-8-5.1 by adopting a resolution. The resolution of the School Corporation designates the purposes of the Rainy Day Fund and restrictions, if any, on the use of funds and allowable sources of funding.

(1) The School Corporation utilized a portion of the Rainy Day Fund balance as a part of a planned spend-down to fund a portion of the renovations at Portage High School West.

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PORTAGE TOWNSHIP SCHOOLS

(Cont'd)

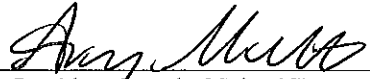
SUMMARY OF RECEIPTS AND EXPENDITURES BY FUND
(Unaudited)

	Calendar Year			Six Months
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Ended</u> <u>6/30/2018</u>
<u>OTHER FUNDS</u>				
Receipts:				
Revenues from Local Sources	\$8,360,895	\$8,668,608	\$9,329,684	\$4,658,333
Earnings on Investments	(24,290)	11,831		10,919
Revenues from State Sources	1,238,891	1,977,531	1,713,649	1,293,539
Revenues from Federal Sources	4,095,494	4,194,858	4,273,256	2,154,918
Revenues from Intermediate Sources	10,150	10,150	30,000	21,665
Sale of Property, Adjustments and Refunds	2,500	190		197
Interfund Transfers	128,531	173,283	176,391	121,094
Other Items	761	1,639	11,791	780
Total Receipts	<u>13,812,931</u>	<u>15,038,091</u>	<u>15,534,772</u>	<u>8,261,447</u>
Expenditures:				
Support Services	1,782,748	3,331,990	2,321,376	1,773,143
Community Services	3,690,544	3,762,388	3,850,996	1,945,314
Facilities Acquisition and Construction	49,596	55,881	1,812,574	
Instruction	1,420,494	1,683,175	50,000	714,617
Nonprogrammed Charges	4,505,490	6,156,666	7,306,226	3,058,986
Interfund Transfers		49,103		465
Total Expenditures	<u>11,448,872</u>	<u>15,039,203</u>	<u>15,341,171</u>	<u>7,492,526</u>
Net Increase (Decrease)	2,364,060	(1,112)	193,601	768,921
Beginning Balance - January 1st	<u>11,709,070</u>	<u>14,073,130</u>	<u>14,072,018</u>	<u>14,265,619</u>
Ending Balance	<u>\$14,073,130</u>	<u>\$14,072,018</u>	<u>\$14,265,619</u>	<u>\$15,034,539</u>
<u>GRAND TOTALS</u>				
Total Receipts	<u>\$84,869,005</u>	<u>\$85,359,761</u>	<u>\$86,940,874</u>	<u>\$43,241,139</u>
Total Expenditures	<u>78,420,552</u>	<u>88,859,151</u>	<u>88,466,309</u>	<u>45,762,293</u>
Net Increase (Decrease)	6,448,453	(3,499,390)	(1,525,435)	(2,521,153)
Beginning Balance - January 1st	<u>54,318,136</u>	<u>60,766,588</u>	<u>57,267,199</u>	<u>55,741,764</u>
Ending Balance	<u>\$60,766,588</u>	<u>\$57,267,199</u>	<u>\$55,741,764</u>	<u>\$53,220,610</u>

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

This Official Statement and its execution are duly authorized.

PORTAGE TOWNSHIP SCHOOLS

By: 
President, Board of School Trustees

Attest: 
Secretary, Board of School Trustees

APPENDIX B

FINAL BOND RESOLUTION

WHEREAS, Portage Township Schools (the "Issuer" or "School Corporation") is a school corporation organized and existing under the provisions of Indiana Code § 20-23; and

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

WHEREAS, the Board finds that there are not sufficient funds available or provided for in existing tax levies with which to pay the total cost of the renovation of and improvements to Portage High School, Crisman Elementary School, Kyle Elementary School and Myers Elementary School, including HVAC work and the purchase of equipment and site improvements throughout the School Corporation including paving (the "Project"), and that the School Corporation should issue bonds in an amount not to exceed Two Million Dollars (\$2,000,000) (the Bonds") for the purpose of providing funds to be applied on the cost of the Project, and that bonds in such amount should now be authorized; and

WHEREAS, the School Corporation has determined that the total cost of the Project authorized herein will not exceed the lesser of: (i) \$5,000,000; or (ii) the greater of (a) one percent (1%) of the total gross assessed value of property within the School Corporation on the last assessment date, or (b) \$1,000,000 and, therefore, the bonds will not be issued to fund a controlled project, as defined in IC 6-1.1-20-1.1; and

WHEREAS, the net assessed valuation of taxable property in the School Corporation, as shown in the last final and complete assessment which was made in the year 2017 for state and county taxes collectible in the year 2018 is \$1,834,110,019 and there is \$4,700,000 of outstanding indebtedness of the School Corporation for constitutional debt purposes (excluding the Bonds authorized herein); such assessment and outstanding indebtedness amounts shall be verified at the time of the payment for and delivery of the Bonds; now, therefore,

BE IT RESOLVED by the Board of the Issuer that, for the purpose of obtaining funds to be applied on the cost of the Project, there shall be issued and sold the Bonds of the School Corporation to be designated as "General Obligation Bonds of 2018" (or such other name or series designation as determined by the School Corporation's municipal advisor). The Bonds shall be in a principal amount not to exceed Two Million Dollars (\$2,000,000), bearing interest at a rate or rates not exceeding five percent (5.00%) per annum (the exact rate or rates to be determined by bidding), which interest shall be payable on July 15, 2019, and semi-annually thereafter on January 15 and July 15 in each year. Interest on the Bonds shall be calculated according to a 360-day year containing twelve 30-day months. The Bonds shall be numbered consecutively from R-1 upward, fully registered in the denomination of Five Thousand Dollars (\$5,000) or integral multiples thereof (or other denominations as requested by the winning bidder), and shall mature or be subject to mandatory redemption on January 15 and July 15 beginning no sooner than July 15, 2019 through not later than January 15, 2029.

All or a portion of the Bonds may be issued as one or more term bonds, upon election of the successful bidder. Such term bonds shall have a stated maturity or maturities as determined

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

The original date shall be the date of delivery of the Bonds. The authentication certificate shall be dated when executed by the bank chosen by the Superintendent to act as Registrar and Paying Agent (the "Paying Agent" or "Registrar").

Interest shall be paid from the interest payment date to which interest has been paid next preceding the date of authentication unless the bond is authenticated on or before the fifteenth day immediately preceding the first interest payment date, in which case interest shall be paid from the original date, or unless the Bond is authenticated after the fifteenth day immediately preceding an interest payment date and on or before such interest payment date, in which case interest shall be paid from such interest payment date.

Interest and principal shall be payable as described in the Bonds.

The Bonds are transferable by the registered owner at the principal corporate trust office of the Paying Agent upon surrender and cancellation of a Bond and on presentation of a duly executed written instrument of transfer, and thereupon a new Bond or Bonds of the same aggregate principal amount and maturity and in authorized denominations will be issued to the transferee or transferees in exchange therefor. The Bonds may be exchanged upon surrender at the principal corporate trust office of the Registrar and Paying Agent, duly endorsed by the registered owner for the same aggregate principal amount of bonds of the same maturity in authorized denominations as the owner may request. The cost of such transfer or exchange shall be paid by the Issuer.

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

The Issuer agrees that it will deposit with the Paying Agent funds in an amount equal to the principal of, premium, if any, and interest on the Bonds which shall become due in accordance with the terms of the Paying Agent Agreement (as hereinafter defined).

The form of the Registrar and Paying Agent Agreement (the "Paying Agent Agreement") presented to the Board is hereby approved and any officers of the Board of the School Corporation are authorized and directed to execute the Paying Agent Agreement after the sale of the Bonds.

Notwithstanding any other provision of this Resolution, the Issuer will enter into the Paying Agent Agreement with the Paying Agent in which the Paying Agent agrees that upon any default or insufficiency in the payment of principal and interest as provided in the Paying Agent Agreement, the Paying Agent will immediately, without any direction, security or indemnity file a claim with the Treasurer of the State of Indiana for an amount equal to such principal and interest in default and consents to the filing of any such claim by a Bondholder in the name of the Paying Agent for deposit with the Paying Agent. Filing of the claim with the Treasurer of the State of Indiana, as described above, shall occur on the dates set forth in the Paying Agent Agreement.

If required by the successful bidder, the Issuer has hereby authorized the Bonds may be held by a central depository system pursuant to an agreement between the Issuer and The Depository Trust Company, and have transfers of the Bonds effected by book-entry on the books of the central depository system (unless otherwise requested by the winning bidder). Upon initial issuance, the ownership of such Bonds is expected to be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee (the "Nominee") of The Depository Trust Company ("DTC"). However, upon the successful bidder's request, the Bonds may be delivered and held by physical delivery as an alternative to DTC.

With respect to the Bonds registered in the register kept by the Paying Agent in the name of the Nominee, the Issuer and the Paying Agent shall have no responsibility or obligation to any other holders or owners (including any beneficial owner ("Beneficial Owner") of the Bonds with respect to (i) the accuracy of the records of DTC, the Nominee., 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 DTC, 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 DTC, 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 DTC shall receive an authenticated Bond evidencing an obligation of the Issuer to make payments of the principal of and premium, if any, and interest on the Bonds pursuant to this Resolution. The Issuer and the Paying Agent may treat as and deem DTC or the Nominee 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 DTC, and all such payments shall be valid and effective fully to satisfy and discharge the Issuer's and the Paying Agent's obligations with respect to principal of and premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. Upon delivery by DTC to the Issuer of written notice to the effect that DTC has determined to substitute a new Nominee in place of the Nominee, and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this resolution shall refer to such new Nominee of DTC. Notwithstanding any other provision hereof to the contrary, so long as any Bond is registered in the name of the Nominee, 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 DTC as provided in a representation letter from the Issuer to DTC.

Upon receipt by the Issuer of written notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, then the Bonds shall no longer be restricted to being registered in the register of the Issuer kept by the Paying Agent in the name of the Nominee, but may be registered in whatever name or names the Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this resolution.

If the Issuer determines that it is in the best interest of the Bondholders that they be able to obtain certificates for the fully registered Bonds, the Issuer may notify DTC and the Paying Agent, whereupon DTC will notify the Beneficial Owners of the availability through DTC of certificates for the Bonds. In such event, the Paying Agent shall prepare, authenticate, transfer and exchange certificates for the Bonds as requested by DTC and any Beneficial Owners in appropriate amounts, and whenever DTC requests the Issuer and the Paying Agent to do so, the Paying Agent and the Issuer will cooperate with DTC 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 DTC account or (ii) to arrange for another securities depository to maintain custody of certificates for and evidencing the Bonds.

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

In connection with any notice or other communication to be provided to Bondholders by the Issuer or the Paying Agent with respect to any consent or other action to be taken by Bondholders, the Issuer or the Paying Agent, as the case may be, shall establish a record date for such consent or other action and give DTC 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 DTC or the Nominee, or any substitute nominee, the Issuer and the 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 DTC 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 Paying Agent and DTC, to the same extent as if such consent, advice, direction, demand or vote were made by the Bondholders for purposes of this resolution and the Issuer and the Paying Agent shall for such purposes treat the Beneficial Owners as the Bondholders. Along with any such certificate or representation, the Paying Agent may request DTC to deliver, or cause to be delivered, to the Paying Agent a list of all Beneficial Owners of the Bonds, together with the dollar amount of each Beneficial Owner's interest in the Bonds and the current addresses of such Beneficial Owners.

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

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

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

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

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

100% of the principal amount thereof against the mandatory sinking fund obligation on such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of the Bonds to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Paying Agent shall credit only such Bonds maturing as term bonds to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date as stated above.

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

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

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

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

The Bonds shall be executed in the name of Issuer by the manual or facsimile signature of any member of the Board of the School Corporation, and attested by the manual or facsimile signature of any member of the Board. In case any official whose signature or facsimile of

whose signature shall appear on the Bonds shall cease to be such officer before the issuance, authentication or delivery of such Bonds, such signature or such facsimile shall, nevertheless, be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

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

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

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

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

(c) The Issuer will, to the extent necessary to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes, rebate all required arbitrage profits on Bond proceeds or other moneys treated as Bond proceeds to the federal government as provided in Section 148 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code") and will set aside such moneys in a Rebate Account to be held by the Treasurer in trust for such purpose.

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

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

The Issuer represents that it reasonably expects that tax-exempt bonds, warrants and other evidences of indebtedness issued by or on behalf of it or any subordinate entity, during the calendar year in which the bonds will be issued will be less than \$10,000,000 principal amount. This amount includes all obligations issued by, or on behalf of the Issuer and subordinate entities, including building corporation bonds. At least 95% of the net proceeds of the Bonds shall be used for governmental activities of Issuer. The Issuer hereby designates the Bonds as qualified tax exempt obligations for purposes of Section 265(b)(3) of the Code, relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations acquired after August 7, 1986.

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

Registered
No. R-1

Registered
\$2,000,000

UNITED STATES OF AMERICA

State of Indiana

County of Porter

PORTAGE TOWNSHIP SCHOOLS
GENERAL OBLIGATION BOND OF 2018

Interest <u>Rate</u> See <u>Exhibit A</u>	Maturity <u>Date</u> See <u>Exhibit A</u>	Original <u>Date</u> November 29, 2018	Authentication <u>Date</u> November 29, 2018	<u>CUSIP</u> See <u>Exhibit A</u>
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Registered Owner:

Principal Sum: TWO MILLION DOLLARS

Portage Township Schools (the "Issuer" or "School Corporation"), a school corporation organized and existing under the laws of the State of Indiana, in Porter County, Indiana, for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner (named above) or to registered assigns, the Principal Sum set forth above in installments as set forth on Exhibit A on the Maturity Dates set forth on Exhibit A and to pay interest thereon at the Interest Rate per annum as set forth on Exhibit A from the interest payment date to which interest has been paid next preceding the date of authentication hereof unless this Bond is authenticated on or before June 30, 2019 in which case interest shall be paid from the Original Date, or unless this Bond is authenticated after the fifteenth day immediately preceding an interest payment date and on or before such interest payment date, in which case interest shall be paid from such interest payment date, which interest is payable on July 15, 2019 and each January 15 and July 15 thereafter until the principal has been paid. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

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

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

This Bond is one of an issue of bonds aggregating Two Million Dollars (\$2,000,000), of like tenor and effect, except as to numbering, authentication date, denomination, interest rate, and date of maturity, issued by Issuer pursuant to a resolution adopted by the Board of School Trustees of the Issuer on September 17, 2018 as supplemented on October 8, 2018 (as supplemented, the "Resolution"), and in strict accordance with the governing statutes of the State of Indiana, particularly Indiana Code § 20-48-1 (the "Act"), for the purpose of providing funds to be applied on the cost of the renovation of and improvements to Portage High School, Crisman Elementary School, Kyle Elementary School and Myers Elementary School, including HVAC work and the purchase of equipment and site improvements throughout the School Corporation including paving in the School Corporation. The owner of this Bond, by the acceptance thereof, agrees to all the terms and provisions contained in the Resolution and the Act.

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

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

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

*denotes final maturity

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

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

This Bond shall be initially issued in a Book Entry System (as defined in the Resolution). The provisions of this Bond and of the Resolution are subject in all respects to the provisions of the Letter of Representations between the Issuer and the Depository Trust Company, or any substitute agreement, effecting such Book Entry System.

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

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

PURSUANT TO THE PROVISIONS OF THE ACT AND THE RESOLUTION, THE PRINCIPAL OF THIS BOND AND ALL OTHER BONDS OF THE BOND ISSUE AND THE INTEREST DUE THEREON ARE PAYABLE AS A LIMITED GENERAL OBLIGATION OF THE SCHOOL CORPORATION, FROM AD VALOREM PROPERTY TAXES TO BE LEVIED ON ALL TAXABLE PROPERTY WITHIN THE SCHOOL CORPORATION; HOWEVER, THE ISSUER'S COLLECTION OF THE LEVY MAY BE LIMITED BY OPERATION OF INDIANA CODE 6-1.1-20.6 WHICH PROVIDES TAXPAYERS WITH TAX CREDITS FOR PROPERTY TAXES ATTRIBUTABLE TO DIFFERENT CLASSES OF PROPERTY IN AN AMOUNT THAT EXCEEDS CERTAIN PERCENTAGES OF THE GROSS ASSESSED VALUE OF THAT PROPERTY. UPON THE FAILURE OF THE ISSUER TO MAKE DEBT SERVICE WHEN DUE AND UPON NOTICE AND CLAIM, THE INTERCEPT PROVISIONS OF INDIANA CODE 20-48-1-11 WILL APPLY.

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

The Issuer has designated this Bond a qualified tax exempt obligation for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended to the Original Date of the Bonds.

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

PORTAGE TOWNSHIP SCHOOLS

By: _____
President, Board of School Trustees

Attest:

Secretary, Board of School Trustees

CERTIFICATE OF AUTHENTICATION

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

_____,
as Registrar and Paying Agent

By: _____
Authorized Representative

[END OF BOND FORM]

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

The bond sale notice, when published, shall provide that each bid shall be in a sealed envelope marked "Bid for General Obligation Bonds of 2018," and the successful bidder shall provide a certified or cashier's check in the amount of Twenty Thousand Dollars (\$20,000), payable to Issuer, to insure the good faith of the bidder. In the event the successful bidder shall fail or refuse to accept delivery of the Bonds when ready for delivery, said check and the proceeds thereof shall be retained by the School Corporation as its liquidated damages. Said notice shall also provide that bidders for the Bonds shall name the purchase price for the Bonds, not less than 99.50% of par and the rate or rates of interest which the Bonds are to bear, not exceeding five percent (5.00%) per annum; that said interest rate or rates shall be in multiples of 1/8th or 1/100th of one percent (1%); that the interest rate named for any maturity shall be equal

to or greater than the immediately preceding maturity; and that the highest bidder shall be the one who offers the lowest net interest cost to the Issuer, to be determined by computing the total interest on all of the Bonds to their maturities and deducting therefrom the premium bid, if any, or adding the discount bid, if any. The bond sale notice shall state that the opinion of Ice Miller LLP, bond counsel, approving the legality of the Bonds, will be furnished to the purchaser at the expense of the School Corporation, so that the School Corporation will receive due credit therefor in the bidding. The notice may contain such other terms and conditions as the attorney for the Issuer shall deem advisable.

The Superintendent, Director of Finance and a representative of Umbaugh are appointed as a bid committee and are authorized to award the Bonds to the buyer consistent with this resolution.

Subject to the terms and provisions contained in this paragraph and not otherwise, the owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption by the School Corporation of such resolution or resolutions supplemental hereto as shall be deemed necessary or desirable by the School Corporation for the purpose of amending in any particular any of the terms or provisions contained in this Resolution, or in any supplemental resolution; provided, however, that nothing herein contained shall permit or be construed as permitting without the consent of all affected owners of the Bonds:

- (a) An extension of the maturity of the principal of or interest on any Bond without the consent of the holder of each Bond so affected; or
- (b) A reduction in the principal amount of any Bond or the rate of interest thereon or a change in the monetary medium in which such amounts are payable, without the consent of the holder of each Bond so affected; or
- (c) A preference or priority of any Bond over any other Bond, without the consent of the holders of all Bonds then outstanding; or
- (d) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental resolution, without the consent of the holders of all Bonds then outstanding.

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

Whenever at any time within one year after the date of the mailing of such notice, the School Corporation shall receive any instrument or instruments purporting to be executed by the owners of the Bonds of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate

principal amount of the Bonds then outstanding, which instrument or instruments shall refer to the proposed supplemental resolution described in such notice, and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice as on file with the Registrar, thereupon, but not otherwise, the School Corporation may adopt such supplemental resolution in substantially such form, without liability or responsibility to any owners of the Bonds, whether or not such owners shall have consented thereto.

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

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

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

- (a) to cure any ambiguity or formal defect or omission in this Resolution or in any supplemental resolution; or
- (b) to grant to or confer upon the owners of the Bonds any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the Bonds; or
- (c) to procure a rating on the Bonds from a nationally recognized securities rating agency designated in such supplemental resolution, if such supplemental resolution will not adversely affect the owners of the Bonds; or
- (d) to provide for the refunding or advance refunding of the Bonds; or
- (e) to make any other change which, in the determination of the Board in its sole discretion, is not to the prejudice of the owners of the Bonds.

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

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

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

BE IT FURTHER RESOLVED, that the form of the Third Supplement to the Master Continuing Disclosure Undertaking (the "Undertaking") is hereby approved and the officers are authorized and directed to execute such Undertaking and any and all documents necessary to issue and deliver the Bonds including but not limited to a bond purchase agreement or bond placement agreement.

BE IT FURTHER RESOLVED, that the officers of the Board have full authority to execute any and all documents necessary to issue the Bonds.

Passed and Adopted this 8th day of October, 2018.

President, Board of School Trustees

ATTEST:

Secretary, Board of School Trustees

APPENDIX C

_____, 2018

_____, _____

Re: Portage Township Schools
General Obligation Bonds of 2018
Total Issue: \$2,000,000
Original Date: _____, 2018

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Portage Township Schools, Portage, Indiana (the "School Corporation" or "Issuer"), of \$2,000,000 of its General Obligation Bonds of 2018 dated _____, 2018 (the "Bonds"). We have examined the law and the certified transcript of proceedings of the Issuer relative to the authorization, issuance and sale of the Bonds and such other papers as we deem necessary to render this opinion. We have relied upon the certified transcript of proceedings and certificates of public officials, including the Issuer's tax covenants and representations ("Tax Representations"), and we have not undertaken to verify any facts by independent investigation.

We have not been engaged nor have we undertaken to review the accuracy, completeness or sufficiency of the Preliminary Official Statement dated _____, 2018 or the Final Official Statement dated _____, 2018 (collectively, the "Official Statement") or any other offering material relating to the Bonds, and we express no opinion relating thereto.

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

1. The Bonds are valid and binding general obligations of the School Corporation.
2. All taxable property in the School Corporation is subject to ad valorem taxation to pay the debt service; however, the School Corporation's collection of the levy may be limited by operation of Indiana Code § 6-1.1-20.6, which provides taxpayers with tax credits for property taxes attributable to different classes of property in an amount that exceeds certain percentages of the gross assessed value of that property. The School Corporation is required by law to fully fund the payment of debt service on the Bonds in an amount sufficient to pay the debt service, regardless of any reduction in property tax collections due to the application of such tax credits.

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

4. Under federal statutes, decisions, regulations and rulings existing on this date, the interest on the Bonds is excludable from gross income of the owners for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code") and is not a specific preference item for purposes of the federal alternative minimum tax, although it is included in adjusted current earnings in calculating corporate alternative minimum taxable income for the taxable years that began prior to January 1, 2018. This opinion is conditioned upon compliance by the School Corporation subsequent to the date hereof with its Tax Representations. Failure to comply with the Tax Representations could cause interest on the Bonds to lose the exclusion from gross income for federal income tax purposes retroactive to their date of issue.

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

Very truly yours,

APPENDIX D

MASTER CONTINUING DISCLOSURE UNDERTAKING

This MASTER CONTINUING DISCLOSURE UNDERTAKING dated as of July ____, 2016 (the "Master Undertaking") is executed and delivered by PORTAGE TOWNSHIP SCHOOLS (the "Obligor") for the purpose of permitting various Underwriters (as hereinafter defined) of the Obligations (as hereinafter defined) issued by or on behalf of the Obligor from time to time to purchase such Obligations in compliance with the Securities and Exchange Commission ("SEC") Rule 15c2-12 (the "SEC Rule") as amended;

WITNESSETH THAT:

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

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

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

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

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

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

- (1) To the MSRB, the audited financial statements of the Obligor as prepared and examined by the Indiana State Board of Accounts on a biennial basis for each period of two fiscal years, together with the opinion of the reviewers thereof and all notes thereto (collectively, the "Audited Information"), by the June 30 immediately following each biennial period. However, the Audited Information for the biannual period ending June 30, 2015 must be provided within 60 days of receipt. Thereafter, such disclosure of Audited Information shall first occur by June 30, 2018, and shall be made by June 30 every two years thereafter, if the Audited Information is delivered to the Obligor by June 30 of each biennial period. If, however, the Obligor has not received the Audited Information by such June 30 biennial date, the Obligor agrees to (i) post a voluntary notice to the MSRB by June 30 of such biennial period that the Audited Information has not been received, and (ii) post the Audited Information within 60 days of the Obligor's receipt thereof; and
- (2) To the MSRB, no later than June 30 of each year beginning June 30, 2017, the most recent unaudited annual financial information for the Obligor including (i) unaudited financial statements of the Obligor, and (ii) operating data (excluding any demographic information or forecast) of the general type provided under the general categories of headings as described below (collectively, the "Annual Information"), which Annual Information may be provided in such format and under such headings as the School Corporation deems appropriate:

APPENDIX A

PORTAGE TOWNSHIP SCHOOLS

- Enrollment

GENERAL ECONOMIC AND FINANCIAL INFORMATION

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

(b) If any Annual Information or Audited Information relating to the Obligor referred to in paragraph (a) of this Section 4 no longer can be provided because the operations to which they relate have been materially changed or discontinued, a statement to that effect, provided by the Obligor to the MSRB, along with any other Annual Information or Audited Information required to be provided under this Agreement, shall satisfy the undertaking to provide such Annual Information or Audited Information. To the extent available, the Obligor shall cause to be filed along with the other Annual Information or Audited Information operating data similar to that which can no longer be provided.

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

(d) The Obligor agrees to make a good faith effort to obtain Annual Information and Audited Information. However, failure to provide any component of Annual Information and Audited Information, because it is not available to the Obligor on the date by which Annual Information is required to be provided hereunder, shall not be deemed to be a breach of this Master Undertaking. The Obligor further agrees to supplement the Annual Information or Audited Information filing when such data is available.

(e) Annual Information or Audited Information required to be provided pursuant to this Section 4 may be provided by a specific reference to such Annual Information or Audited Information already prepared and previously provided to the MSRB. Any information included by reference shall also be (i) available to the public on EMMA at www.emma.msrb.org, or (ii) filed with the SEC.

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

Section 5. Accounting Principles. The Annual Information will be prepared on a cash basis as prescribed by the State Board of Accounts, as in effect from time to time, as described in the auditors' report and notes accompanying the audited financial statements of the

Obligor or those mandated by state law from time to time. The Audited Information of the Obligor, as described in Section 4(a)(1) hereof, will be prepared in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

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

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

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

- (1) principal and interest payment delinquencies;
- (2) unscheduled draws on debt service reserves reflecting financial difficulties;
- (3) unscheduled draws on credit enhancements reflecting financial difficulties;
- (4) substitution of credit or liquidity providers, or their failure to perform;
- (5) defeasances;
- (6) rating changes;
- (7) adverse tax opinions or events affecting the status of the Obligations, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed

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

- (8) tender offers; and
- (9) bankruptcy, insolvency, receivership or similar event of the obligated person.

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

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

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

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

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

(b) Subject to paragraph (e) of this Section 9, in the event the Obligor fails to provide any information required of it by the terms of this Master Undertaking, any holder of Obligations may pursue the remedy set forth in the preceding paragraph in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such person is a holder of Obligations supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue this remedy.

(c) Subject to paragraph (e) of this Section 9, any challenge to the adequacy of the information provided by the Obligor by the terms of this Master Undertaking may be pursued

only by holders of not less than 25% in principal amount of Obligations then outstanding in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such persons are holders of Obligations supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue the remedy set forth in the preceding paragraph.

(d) If specific performance is granted by any such court, the party seeking such remedy shall be entitled to payment of costs by the Obligor and to reimbursement by the Obligor of reasonable fees and expenses of attorneys incurred in the pursuit of such claim. If specific performance is not granted by any such court, the Obligor shall be entitled to payment of costs by the party seeking such remedy and to reimbursement by such party of reasonable fees and expenses of attorneys incurred in the pursuit of such claim.

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

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

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

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

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

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

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

PORTAGE TOWNSHIP SCHOOLS, as Obligor

By: _____
_____, President
Board of School Trustees

_____, Secretary
Board of School Trustees

EXHIBIT A
OBLIGATIONS

<u>Name of Issue</u>	<u>Base CUSIP</u>	<u>Final Maturity</u>
Portage Township Multi-School Building Corporation Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016A		

EXHIBIT B

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

The undersigned, on behalf of the PORTAGE TOWNSHIP SCHOOLS, as the Obligor under the Master Continuing Disclosure Undertaking, dated as of July __, 2016 (the "Agreement"), hereby certifies that the information enclosed herewith constitutes the [Annual Information][Audited Information] (as defined in the Agreement) which is required to be provided pursuant to Section 4(a) of the Agreement.

Dated: _____.

PORTAGE TOWNSHIP SCHOOLS

DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT C

CERTIFICATE RE: REPORTABLE EVENT DISCLOSURE

The undersigned, on behalf of the PORTAGE TOWNSHIP SCHOOLS, as Obligor under the Master Continuing Disclosure Undertaking, dated as of July ____, 2016 (the "Agreement"), hereby certifies that the information enclosed herewith constitutes notice of the occurrence of a reportable event which is required to be provided pursuant to Section 6 of the Agreement.

Dated: _____.

PORTAGE TOWNSHIP SCHOOLS

DO NOT EXECUTE – FOR FUTURE USE ONLY

EXHIBIT D

NOTICE TO MSRB OF FAILURE TO FILE INFORMATION

Notice is hereby given that the PORTAGE TOWNSHIP SCHOOLS (the "Obligor") did not timely file its [Annual Information][Audited Information] as required by Section 4(a) of the Master Continuing Disclosure Undertaking, dated as of July ___, 2016.

Dated: _____

PORTAGE TOWNSHIP SCHOOLS

DO NOT EXECUTE – FOR FUTURE USE ONLY

**THIRD SUPPLEMENT TO
MASTER CONTINUING DISCLOSURE UNDERTAKING**

This Third Supplement, dated as of _____, 2018 (the "Third Supplement"), to the Master Continuing Disclosure Undertaking dated as of August 24, 2016, as previously supplemented to the date hereof (as supplemented, the "Master Undertaking"), of Portage Township Schools (the "Obligor"), is entered into for the benefit of _____, as underwriter of the \$2,000,000 Portage Township Schools General Obligation Bonds of 2018 (the "2018 Bonds").

Section 1. The terms of the Master Undertaking, as supplemented by this Third Supplement, are hereby made applicable in all respects to the 2018 Bonds. As of the date of this Third Supplement, for clarification purposes only:

(i) the Audited Information referred to in Section 4(i) of the Master Undertaking shall first occur on the 2018 Bonds within sixty (60) days of the Obligor's receipt of the Audited Information for the biennial period ending June 30, 2017. Thereafter, such disclosure of Audited Information shall first begin by June 30, 2020, and shall be made by June 30 of every other year thereafter; and

(ii) the Annual Information referred to in Section 4(ii) of the Master Undertaking shall first occur on the 2018 Bonds beginning June 30, 2019.

Section 2. There are no other obligated persons other than the Obligor with respect to the 2018 Bonds.

Section 3. Exhibit A of the Master Undertaking is supplemented to include the 2018 Bonds, as attached hereto.

[Remainder of page intentionally left blank]

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

PORTAGE TOWNSHIP SCHOOLS, as Obligor

By: _____
President, Board of School Trustees

Secretary, Board of School Trustees

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

EXHIBIT A
OBLIGATIONS

Proforma after Issuance of 2018 Bonds

Full Name of Bond Issue	Base CUSIP	Final Maturity
General Obligation Bonds		
Portage Township Schools General Obligation Bonds of 2018		
Lease Obligations		
Portage Township Multi-School Building Corporation Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016B	735883	January 15, 2028
Portage Township Multi-School Building Corporation Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016C	735883	July 15, 2022
Portage Township Multi-School Building Corporation Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2017	735883	January 15, 2029

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APPENDIX E

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) Portage Township Schools (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
\$2,000,000
GENERAL OBLIGATION 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 November 14, 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 Ice Miller 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 Portage Township Schools (the “Issuer”) offered its General Obligation 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

Portage Township Schools

By: _____

SCHEDULE A

This Schedule A sets forth as of the date hereof, the agreement between Portage Township Schools (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 November 14, 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

\$2,000,000

GENERAL OBLIGATION 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 (November 14, 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 Portage Township Schools.

(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 November 14, 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 Ice Miller 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.]**.

Portage Township Schools

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: _____