

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 12, 2024

**NEW ISSUE – BOOK-ENTRY ONLY
BANK QUALIFIED**

**Program Rating: S&P Global Ratings “AA+”
See “RATING” herein.**

In the opinion of Ice Miller LLP, Indianapolis, Indiana ("Bond Counsel") under existing laws, regulations, judicial decisions and rulings, interest on the Bonds (hereinafter defined) is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. Such exclusion is conditioned on continuing compliance with the Tax Covenants (as hereinafter defined). In the opinion of Bond Counsel, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is exempt from income taxation in the State of Indiana (the "State"). The Bonds have been designated as qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code. See "TAX MATTERS" herein.

**\$3,000,000
SOUTHERN WELLS COMMUNITY SCHOOLS
Wells County, Indiana
GENERAL OBLIGATION BONDS OF 2024**

Dated: As of Delivery

Due: As shown on the inside front cover

The Southern Wells Community Schools (the “School Corporation” or the “Issuer”) General Obligation Bonds of 2024 (the “Bonds”) will be dated as of delivery with interest payable on January 15 and July 15 of each year, commencing July 15, 2025. The Bonds will be issued only as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”). Purchases of beneficial interests in the Bonds will be made in book-entry-only form in the denomination of \$5,000 or any integral multiples thereof. Purchasers of beneficial interest in the Bonds (the “Beneficial Owners”) will not receive physical delivery of certificates representing their interest in the Bonds. Principal and semi-annual interest will be disbursed on behalf of the Issuer by Old National Wealth Management, Evansville, Indiana, as bond registrar and paying agent (the “Registrar” and “Paying Agent”). The principal of and premium, if any, and interest on 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 “THE BONDS – Book-Entry-Only System.” The Bonds are not subject to optional redemption and may be subject to mandatory sinking fund redemption prior to maturity as described herein.

The Bonds are issued pursuant to Indiana Code 20-48-1 and a bond resolution adopted by the Board of School Trustees of the Issuer on September 17, 2024, as supplemented on October 15, 2024 (as supplemented, the “Bond 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” and “PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY, AND COLLECTION” herein for further details on the levy and collection of property taxes.

**THE BONDS WILL MATURE ON THE DATES AND
IN THE AMOUNTS AS SHOWN ON THE INSIDE FRONT COVER.**

The Bonds are offered when, as and if issued by the Issuer and received by the Underwriter, subject to prior sale, the withdrawal or modification of the offer without notice, and to the unqualified approval as to the legality of the Bonds by Ice Miller LLP, Indianapolis, Indiana. It is expected that the Bonds will be delivered through The Depository Trust Company in New York, New York on or about December 12, 2024.

RAYMOND JAMES

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.

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

\$3,000,000
SOUTHERN WELLS COMMUNITY SCHOOLS
Wells County, Indiana
GENERAL OBLIGATION BONDS OF 2024

MATURITY SCHEDULE
(Base CUSIP _____)†

<u>Maturity*</u>	<u>Amount*</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP</u>
7/15/2025	\$140,000			
1/15/2026	145,000			
7/15/2026	165,000			
1/15/2027	170,000			
7/15/2027	175,000			
1/15/2028	180,000			
7/15/2028	180,000			
1/15/2029	185,000			
7/15/2029	190,000			
1/15/2030	195,000			
7/15/2030	200,000			
1/15/2031	205,000			
7/15/2031	210,000			
1/15/2032	215,000			
7/15/2032	220,000			
1/15/2033	225,000			

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

*Preliminary, subject to change

SOUTHERN WELLS COMMUNITY SCHOOLS
9120 S 300 W
Poneto, Indiana 46781-9713
765.728.5537

BOARD OF SCHOOL TRUSTEES

Todd Fiechter, President
Chad Roush, Vice President
Delora Schneider, Secretary
Andrew Pursifull, Liaison

SCHOOL ADMINISTRATION

Dr. Trent Lehman, Superintendent
Lora Warner, Treasurer

SCHOOL ATTORNEY

Warrick & Boyn, LLP
Elkhart, Indiana

BOND COUNSEL

Ice Miller LLP
Indianapolis, Indiana

UNDERWRITER

Raymond James & Associates, Inc.
Carmel, Indiana

BOND REGISTRAR/PAYING AGENT

Old National Wealth Management
Evansville, Indiana

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the School Corporation or the Underwriter to give any information or to make any representations with respect to the Bonds 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 any of the foregoing. 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 Bonds 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 furnished by the School Corporation and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the School Corporation since the date hereof.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of that information.

In connection with this offering, the Underwriter may over allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or under any state securities or "blue sky" laws. The Bonds are offered pursuant to an exemption from registration with the Securities and Exchange Commission.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included in or incorporated by reference in this Official Statement that are not purely historical are "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and reflect the School Corporation's current expectations, hopes, intentions, or strategies regarding the future. Such statements may be identifiable by the terminology used such as "plan," "expect," "estimate," "budget," "intend" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INCLUDED IN SUCH RISKS AND UNCERTAINTIES ARE (i) THOSE RELATING TO THE POSSIBLE INVALIDITY OF THE UNDERLYING ASSUMPTIONS AND ESTIMATES, (ii) POSSIBLE CHANGES OR DEVELOPMENTS IN SOCIAL, ECONOMIC, BUSINESS, INDUSTRY, MARKET, LEGAL AND REGULATORY CIRCUMSTANCES, AND (iii) CONDITIONS AND ACTIONS TAKEN OR OMITTED TO BE TAKEN BY THIRD PARTIES, INCLUDING CUSTOMERS, SUPPLIERS, BUSINESS PARTNERS AND COMPETITORS, AND LEGISLATIVE, JUDICIAL AND OTHER GOVERNMENTAL AUTHORITIES AND OFFICIALS. ASSUMPTIONS RELATED TO THE FOREGOING INVOLVE JUDGMENTS WITH RESPECT TO, AMONG OTHER THINGS, FUTURE ECONOMIC, COMPETITIVE, AND MARKET CONDITIONS AND FUTURE BUSINESS DECISIONS, ALL OF WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT ACCURATELY. FOR THESE REASONS, THERE CAN BE NO ASSURANCE THAT THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENTS WILL PROVE TO BE ACCURATE.

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 FINAL OFFICIAL STATEMENT FOR THE PURPOSES OF, AND AS THAT TERM IS DEFINED IN, SEC RULE 15C2-12.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION.....	1
PURPOSE OF ISSUE.....	1
SOURCES AND USES OF FUNDS	2
SCHEDULE OF SEMI-ANNUAL DEBT SERVICE REQUIREMENTS.....	2
THE BONDS.....	2
SOURCES OF PAYMENT AND SECURITY FOR THE BONDS	5
INTERCEPT PROGRAM	5
PROCEDURES FOR PROPERTY TAX ASSESSMENT, TAX LEVY AND COLLECTION	6
CIRCUIT BREAKER TAX CREDIT	8
LEGAL MATTERS.....	10
LITIGATION	11
PROPOSED LEGISLATION.....	11
TAX MATTERS.....	11
ORIGINAL ISSUE DISCOUNT.....	12
AMORTIZABLE BOND PREMIUM	13
LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES	13
CONTINUING DISCLOSURE	14
IMPACTS RESULTING FROM COVID-19.....	15
CYBERSECURITY	15
UNDERWRITING.....	15
RATING	15
STATEMENT OF ISSUER	16
APPENDIX A General Information Concerning the School Corporation	
APPENDIX B Master Continuing Disclosure Undertaking, First Amendment and Supplements Thereto	
APPENDIX C Form of Opinion of Bond Counsel	
APPENDIX D State Board of Accounts Audit for the Period July 1, 2020 to June 30, 2022	
APPENDIX E Bond Resolution	

OFFICIAL STATEMENT

\$3,000,000

SOUTHERN WELLS COMMUNITY SCHOOLS Wells County, Indiana GENERAL OBLIGATION BONDS OF 2024

INTRODUCTION

This Official Statement, including the cover page and appendices, is provided to set forth certain information concerning the sale and delivery by the Southern Wells Community Schools (the “School Corporation” or the “Issuer”) of its General Obligation Bonds of 2024 (the “Bonds”), in the aggregate principal amount of \$3,000,000. The Bonds are issued pursuant to Indiana Code 20-48-1 and a bond resolution adopted by the Board of School Trustees of the Issuer on September 17, 2024, as supplemented on October 15, 2024 (as supplemented, the “Bond Resolution”), which Bond Resolution is attached hereto as Appendix E.

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

- (1) Costs more than the lesser of:
 - a. Depending on the date of adoption of the preliminary determination ordinance or resolution:
 - i. If adopted prior to January 1, 2018, \$2 million;
 - ii. If adopted after December 31, 2017, but before January 1, 2019, \$5 million;
 - iii. If adopted after December 31, 2018, an amount equal to the assessed value growth quotient (as determined by the DLGF) multiplied by the amount determined under such provision for the preceding calendar year; or
 - b. An amount equal to:
 - i. At least 1% of gross assessed value, if that total gross assessed value is more than \$100 million; or
 - ii. \$1 million if the gross assessed value is not more than \$100 million; or
- (2) Regardless of threshold amounts, is financed by a school corporation whose total debt service tax rate is more than forty cents (\$0.40) per one hundred dollars (\$100) of assessed value unless a public hearing for such project was conducted under IC 20-26-7-37 before July 1, 2023.

The exceptions for a controlled project are (a) when property taxes are used only as a back-up to enhance credit, (b) when a project is being refinanced to generate taxpayer savings, (c) when the project is mandated by federal law, and (d) when the project is in response to a natural disaster, emergency or accident.

This Project (as defined herein) was not subject to the controlled project procedures. Therefore the issuance of the Bonds was able to continue without additional public approval procedures.

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

PURPOSE OF ISSUE

The proceeds from the sale of the Bonds will provide funds for renovation of and improvements to school facilities throughout the School Corporation, including purchase of equipment and technology (the “Project”), and to pay costs incurred with the issuance of the Bonds.

SOURCES AND USES OF FUNDS

The sources and uses of funds related to the Project are shown below:

Sources of Funds

Par Amount of Bonds
Net Reoffering Premium
Total Sources

Uses of Funds

Deposit to Construction Account⁽¹⁾
Costs of Issuance, Underwriter's Discount and Miscellaneous
Total Uses

SCHEDULE OF SEMI-ANNUAL DEBT SERVICE REQUIREMENTS

<u>Payment Date</u>	<u>Principal*</u>	<u>Interest</u>	<u>Total Debt Service</u>
7/15/2025	\$140,000		
1/15/2026	145,000		
7/15/2026	165,000		
1/15/2027	170,000		
7/15/2027	175,000		
1/15/2028	180,000		
7/15/2028	180,000		
1/15/2029	185,000		
7/15/2029	190,000		
1/15/2030	195,000		
7/15/2030	200,000		
1/15/2031	205,000		
7/15/2031	210,000		
1/15/2032	215,000		
7/15/2032	220,000		
1/15/2033	225,000		

THE BONDS

General

The Bonds will be issued in fully registered form in the denomination of \$5,000 or any integral multiple of that amount, will be dated as of delivery, and mature on January 15 and July 15 on the dates and amounts and bear interest at the rates set forth on the inside cover of this Official Statement. Interest on the Bonds, payable on January 15 and July 15, commencing July 15, 2025, is 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. Principal of the bond is payable by check upon presentation at the corporate trust operations office of Old National Wealth Management, Evansville, Indiana, or by wire transfer of immediately available funds to depositories who present the bonds to the Trustee at least two business days prior to the payment date.

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

*Preliminary, subject to change

Book-Entry-Only System

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

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and

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

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

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

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

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

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

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

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 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. 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.

Optional Redemption

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

Mandatory Sinking Fund Redemption

The Bonds maturing on _____ (collectively, the "Term Bonds"), are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof, plus accrued interest on January 15 and July 15 in accordance with the following schedules:

Term Bonds Due _____

<u>Date</u>	<u>Amount</u>	<u>Date</u>	<u>Amount</u>
-------------	---------------	-------------	---------------

- (1) Final Maturity

Registration, Transfer and Exchange

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

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

SOURCES OF PAYMENT AND SECURITY FOR THE BONDS

The Bonds are payable from ad valorem property taxes to be levied on all taxable property within the School Corporation in an amount sufficient to pay the principal of, and interest on, the Bonds as such becomes due. 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. See "CIRCUIT BREAKER TAX CREDIT" herein for further details on the levy and collection of property taxes.

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.

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 on general obligation bonds or lease rental payments that are payable, including payments to a school corporation's designated paying agent under a written agreement entered into in connection with the issuance of obligations (the "Debt Service Obligations"). If a school corporation fails to levy and appropriate sufficient funds for such purpose for the next succeeding calendar year, the DLGF shall establish levies and appropriations which are sufficient to pay such obligations for the next succeeding calendar year.

The Act further provides upon the failure of a school corporation to pay any Debt Service Obligation when due and upon notice and claim being filed with the Treasurer of the State of Indiana (the "State Treasurer"), the State Treasurer shall pay, within five (5) days of receiving such notice (excluding Saturdays, Sundays and legal holidays), the unpaid Debt Service Obligations of the school corporation that are due from the funds of the State in an amount equal to the amount of the unpaid Debt Service Obligations due to the person or entity filing the claim (the "Claimant"), but only to the extent that Available Funds (as hereinafter defined) are available to the State Treasurer in accordance with the following procedures: (a) upon notice and claim being filed with the State Treasurer, the State Treasurer shall immediately contact the school corporation and the person or entity filing the claim to confirm whether the school corporation is unable to make the required payment on the due date; (b) if confirmed, the State Treasurer must notify the Budget Director (the "State Budget Director") of the State of Indiana (the "State"), the Auditor of the State (the "State Auditor") and any department or agency of the State responsible for distributing funds (the "Distributors") appropriated by the State General Assembly (the "General Assembly") for distribution to the school corporation from State funds; (c) within three (3) days of receiving the notice, excluding Saturdays, Sundays and legal holidays, from the State Treasurer, the State Budget Director, the State Auditor and any Distributors must provide the State Treasurer with available funds in order for the State Treasurer to fulfill his/her obligations under the Act; and (d) the State Treasurer must make such payment to the Claimant from such funds within five (5) days, excluding Saturdays, Sundays and legal holidays of the claim being filed with the State Treasurer (clauses (a) through and including (d), collectively, the "State Intercept Program"). The funds to make such payment will be from the following sources, in the following amount and in the following order of priority: (i) first, from amounts appropriated by the General Assembly for distribution to the school corporation from State funds in the current fiscal year of the State (the "Current

Year School Distribution”), which begins on July 1 and ends on the immediately following June 30 (the “State Fiscal Year”); (ii) second, to the extent the amounts described in clause (i) are insufficient, from any remaining amounts appropriated by the General Assembly for distribution for tuition support in the current State Fiscal Year which are in excess of the aggregate amount of tuition support needed for distribution to all school corporations during the current State Fiscal Year; and (iii) third, to the extent the amounts described in clauses (i) and (ii) are insufficient and the General Assembly has adopted a biennial budget appropriating amounts in the immediately succeeding State Fiscal Year for distribution to the school corporation from State funds, then from such fund or account, as determined by the State Budget Director in an amount equal to the lesser of the unpaid Debt Service Obligation or the amount to be distributed to the school corporation in the immediately succeeding State Fiscal Year (clauses (i) through and including (iii), collectively, the “Available Funds”).

If any such payment is made by the State Treasurer pursuant to the State Intercept Program, then the State will recover such amounts by: (i) deducting such amount from the future State distributions to be made to the school corporation from State funds appropriated by the General Assembly, first from all funds of the school corporation except State tuition support and second from State tuition support; and (ii) transferring any amount deducted to the State Treasurer to reimburse the fund or account from which the transfer was made. The estimated State distributions for State fiscal year 2024 and resulting debt service coverage levels are as follows:

Fiscal Year 2024 Basic Grant Distribution (all funds) ⁽¹⁾	\$6,602,215
Combined Maximum Annual Debt Service (2027)	1,094,625*
State Distributions Required to Provide 1.5 Times Coverage	1,641,938*
State Distributions Above/(Below) 1.5 Times Coverage Amount	4,960,278*

(1) Per the Indiana Department of Education estimate, net of adjustments

*Preliminary, subject to change

Pursuant to the paying agency agreement between the School Corporation and the Registrar and Paying Agent, the Registrar and Paying Agent is to notify and demand payment immediately from the State Treasurer if the School Corporation should default in its obligation under the Bond Resolution. There can, however, be no assurance as to the levels or amounts that may from time to time be appropriated by the Indiana General Assembly for school purposes or that this provision of the Indiana Code will not be repealed. Furthermore, there may be a delay in payment of debt service due to the procedural steps required for claimants to draw on the State Intercept Program.

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

PROCEDURES FOR PROPERTY TAX ASSESSMENT, TAX LEVY AND COLLECTION

The Bonds are payable from ad valorem property taxes required by law to be levied by or on behalf of the School Corporation in an amount sufficient to pay debt service as it becomes due and payable, subject to the Circuit Breaker Tax Credit described herein. Article 10, Section 1 of the Constitution of the State of Indiana (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. The Indiana General Assembly enacted legislation (IC 6-1.1-20.6), which implements the Constitutional Provision and provides taxpayers with a tax credit for all property taxes in an amount that exceeds a certain percentage of the gross assessed value of eligible property. See “CIRCUIT BREAKER TAX CREDIT” herein for further details on the levy and collection of property taxes.

Real and personal property in the State is assessed each year as of January 1. Before August 1 of each year, the county auditor must submit a certified statement of the assessed value of each taxing unit for the ensuing year to the DLGF. The DLGF shall make the certified statement available on its gateway website located at <https://gateway.ifionline.org/> (“Gateway”). The county auditor may submit an amended certified statement at any time before the preceding year, the date by which the DLGF must certify the taxing units' budgets.

The certified statement of assessed value is used when the governing body of a local taxing unit meets to establish its budget for the next fiscal year (January 1 through December 31) and to set tax rates and levies. In preparing the taxing unit's estimated budget, the governing body must consider the net property tax revenue that will be collected by the taxing unit during the ensuing year, after taking into account the DLGF's estimate of the amount by which the taxing unit's distribution of property taxes will be reduced by the application of the Circuit Breaker Tax Credit (as defined in

the summary of "CIRCUIT BREAKER TAX CREDIT" herein), after taking into account the DLGF's estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the taxing unit will receive in the ensuing year end after taking into account all payments for debt service obligations that are to be made by the taxing unit during the ensuing year. Before August 1 of each year, the DLGF shall provide to each taxing unit, an estimate of the amount by which the taxing unit's distribution of property taxes will be reduced.

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

The budget, tax levy and tax rate of each taxing unit are subject to review by the DLGF, and the DLGF shall certify the tax rates and tax levies for all funds of taxing units subject to the DLGF's review. The DLGF may not increase a taxing district's budget by fund, tax rate or tax levy to an amount which exceeds the amount originally fixed by the taxing unit unless the taxing unit meets all of the following: (i) the increase is requested in writing by the taxing unit; (ii) the requested increase is published on the DLGF's advertising internet website; (iii) notice is given to the county fiscal body of the DLGF's correction; (iv) the request includes the corrected budget, tax rate, or levy, as applicable, and the time and place of the public meeting; and (v) the political subdivision adopts the needed changes to its budget, tax levy, or rate in a public meeting of the governing body.

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

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

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

Personal property values are assessed January 1 of every year and are self-reported by property owners to county assessors using prescribed forms. The completed personal property return must be filed with the county assessors no later than May 15. Pursuant to State law, personal property is assessed at its actual historical cost less depreciation, in accordance with 50 IAC 4.2, the DLGF's Rules for the Assessment of Tangible Personal Property. Pursuant to IC 6-1.1-3-7.2, State law automatically exempts from property taxation the acquisition cost of a taxpayer's total business

personal property in a county if the total business personal property is less than forty thousand dollars (\$40,000) for that assessment date prior to January 1, 2022 and less than eighty thousand dollars (\$80,000) for assessment dates after January 1, 2022.

Pursuant to State law, real property is valued for assessment purposes at its “true tax value” as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2021 Real Property Assessment Manual (“Manual”), as incorporated into 50 IAC 2.4 and the 2021 Real Property Assessment Guidelines (“Guidelines”), as published by the DLGF. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and IC 6-1.1-4-13, which shall mean the “market value-in-use” of a property for its current use, as reflected by the utility received by the owner or by a similar user from the property. Except for agricultural land, as discussed below, the Manual permits assessing officials in each county to choose one of three standard approaches to determine market value-in-use, which are the cost approach, the sales comparison approach or the income approach. The Guidelines provide each of the approaches to determine “market value-in-use and the reconciliation of these approaches shall be applied in accordance with generally recognized appraisal principals.” In accordance with IC 6-1.1-4-4.2(a) for the cyclical reassessment (2022-2026), the county assessor was required to submit the reassessment plan to the DLGF before May 1, 2021, and the DLGF was required to approve the reassessment plan before January 1, 2022. The reassessment of 25% of the parcels had to be complete by January 1, 2023. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under a county's reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. All real property assessments are revalued annually to reflect market value based upon comparable sales (“Trending”). “Net Assessed Value” or “Taxable Value” represents the “Gross Assessed Value” less certain deductions for mortgages, veterans, the aged, the blind, economic revitalization areas, resource recovery systems, rehabilitated residential property, solar energy systems, wind power devices, hydroelectric systems, geothermal devices and tax-exempt property. The “Net Assessed Value” or “Taxable Value” is the assessed value used to determine tax rates.

Changes in assessed values of real property occur periodically as a result of general reassessments, as well as when changes occur in the property value due to new construction or demolition of improvements. When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner may file a petition requesting a review of the action. This petition must be filed with the county assessor in which the property is located by June 15 of the assessment year if the written notification is provided to the taxpayer before May 1 of that year, or June 15 of year in which the tax bill is mailed by the county treasurer if the notice is provided on or after May 1 of the assessment year, whichever is earlier. While the appeal is pending, the taxpayer may pay taxes based on the current year's tax rate and the previous or current year's assessed value. For all appeals except an appeal on the assessed value of the property, the taxpayer may appeal not later than three years after the taxes were first due.

CIRCUIT BREAKER TAX CREDIT

Description of Circuit Breaker

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

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. School corporations are authorized to impose a referendum tax levy, if approved by voters, to replace property tax revenue that the school corporation will not receive

due to the application of the Circuit Breaker Tax Credit. Otherwise school corporations and other political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

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

The Statute requires political subdivisions to fully fund the payment of 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 (as herein defined); however, application of the State Intercept Program will result in a shortfall in distributions to the school corporation's education fund and school corporations are encouraged by the DLGF to fund any shortfall directly from the school corporation's other legally available funds to avoid the application of the State Intercept Program. Upon: (i) the failure of a political subdivision to pay any of its Debt Service Obligations; and (ii) notification of that event to the treasurer of the State by a claimant; the treasurer of State is required to pay the unpaid Debt Service Obligations from money in the possession of the State that would otherwise be available to the political subdivision under any other law. A deduction must be made from any other undistributed funds of the political subdivision in possession of the State.

Pursuant to IC 6-1.1-20.6-9.9, if a school corporation has sufficient Circuit Breaker Tax Credit losses in any year from 2014 through 2026, and has such annual losses timely certified by the DLGF, it will be an eligible school corporation for such year that it submitted the request for a determination (an "Eligible School Corporation"). An Eligible School Corporation may allocate its Circuit Breaker Tax Credit loss proportionately across all school corporation property tax funds, including the debt service fund, and is exempt from the protected taxes requirement described below. The School Corporation did not qualify for this exemption in 2023 and 2024.

After December, 31, 2023, if school issues new bonds or enters into a new lease rental agreement after July 1, 2023, for which the school corporation is imposing or will impose a debt service levy other than: (A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2024, but only if the refinancing or renewal is for a lower interest rate; or (B) for indebtedness that is approved in a local public question or referendum under IC 6-1.1-20 or any other law, the school corporation will not be 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 political subdivision in those taxing districts in which the Circuit Breaker Tax Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

If the allocation of property tax reductions to funds receiving only unprotected taxes is insufficient to offset the amount of the Circuit Breaker Tax Credit or if there is not a fund receiving only unprotected taxes from which to distribute revenue, the revenue for a fund receiving protected taxes will also be reduced. If a fund receiving protected taxes is reduced, the Statute provides that a political subdivision may transfer money from any other available source in order to meet its Debt Service Obligations. The amount of this transfer is limited to the amount by which the protected taxes are insufficient to meet Debt Service Obligations.

The allocation of property tax reductions to funds may impact the ability of political subdivisions to provide existing levels of service, and in extreme cases, the ability to make debt service or lease rental payments.

The School Corporation cannot predict the timing, likelihood or impact on property tax collections of any future actions taken, amendments to the Constitution of the State of Indiana or legislation enacted, regulations or rulings promulgated or issued to implement any such regulations, statutes or the Constitutional Provision described above or of future property tax reform in general. There has been no judicial interpretation of this legislation. In addition, there

can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes by the School Corporation.

Estimated Circuit Breaker Tax Credit for the School Corporation

According to the DLGF, the Circuit Breaker Tax Credit allocable to the School Corporation for budget years 2022, 2023 and 2024 are \$6,003, \$6,705 and \$6,823, 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.

School Corporation Fiscal Indicators

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

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

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

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

LEGAL MATTERS

Certain legal matters incident to the issuance of the Bonds and with regard to the tax status of the interest thereon (see “TAX MATTERS”) will be passed upon by Ice Miller LLP, Indianapolis, Indiana (“Bond Counsel”). A signed copy of that opinion, dated and premised on facts and laws existing as of the date of original delivery of the Bonds will be delivered to Raymond James & Associates, Inc. (the “Underwriter”) at the time of that original delivery. A copy of the opinion proposed to be delivered by Bond Counsel for the Bonds is attached as Appendix C.

The engagement of Ice Miller LLP as Bond Counsel is limited generally to the examination of the documents contained in the transcript of proceedings, and examination of such transcript of proceedings and the law incident to rendering the approving legal opinion referred to above, and the rendering of such approving legal opinion. In its capacity as Bond Counsel, said firm has reviewed those portions of this Official Statement under the captions: “SOURCES OF PAYMENT AND SECURITY FOR THE BONDS,” “THE BONDS” (except for information under the subheading “Book-Entry-Only System” and “Revision of Book-Entry-Only System”), “TAX MATTERS,” “ORIGINAL ISSUE DISCOUNT,” “AMORTIZABLE BOND PREMIUM” and “LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES.” Bond Counsel has not been retained to pass upon any information in this Official Statement, or in any other reports, financial information, offering or disclosure documents or other information that may be prepared or made available by the School Corporation, the Trustee, the Underwriter or others to the prospective purchasers of the Bonds or to others.

LITIGATION

No litigation or administrative action or proceeding is pending or, to the knowledge of the School Corporation, threatened restraining or enjoining, or seeking to restrain or enjoin, the levy and collection of taxes to pay the debt service to be paid on the Bonds, or contesting or questioning the proceedings or authority under which the Bond Resolution was authorized, or the validity of the Bonds. No litigation or administrative action or proceeding is pending or, to the knowledge of the School Corporation, threatened concerning the issuance, validity and delivery of the Bonds. Certificates to such effect will be delivered at the time of the original delivery of the Bonds.

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 5.7% for fiscal year 2024. Future payments may be similarly reduced. Under current law, such reductions in subsidies are scheduled to continue through and including fiscal year 2031. 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.

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

TAX MATTERS

In the opinion of Ice Miller LLP, Indianapolis, Indiana (“Bond Counsel”) under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed certain on corporations. 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 Bond 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 Bond Resolution if interest on the Bonds is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not in effect on the issue date of the Bonds.

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

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

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

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

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

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

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

AMORTIZABLE BOND PREMIUM

The initial public offering price of the Bonds maturing on _____ (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 such Premium Bonds and with respect to the state and local tax consequences of owning and disposing of the Premium Bonds.

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

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

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

The remedies available to the bondholders upon a default under the Bond Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the remedies provided in the Bond Resolution may not be readily available or may be limited. Under federal and State environmental laws certain liens may be imposed on property of the School Corporation from time to time, but the School Corporation has no reason to believe, under existing law, that any such lien would have priority over the lien on the property taxes pledged to the 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 Bond Resolution in a situation where such enforcement may adversely affect public health and welfare may be subject to these police powers.

CONTINUING DISCLOSURE

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission (“SEC”) in SEC Rule 15c2-12, as amended (the “SEC Rule”), the School Corporation has entered into a Master Continuing Disclosure Undertaking dated June 28, 2018, as amended by a First Amendment to Master Continuing Disclosure Undertaking and as supplemented by a First Supplement to Master Continuing Disclosure Undertaking (collectively, the “Original Undertaking”). In connection with the issuance of the Bonds the School Corporation will enter into a Second 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 B.

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 instance: a voluntary notice that the 2020 biennial Audited Information was not received by June 30, 2021 was posted timely, however, due to a linkage issue, the voluntary notice was not linked to CUSIPS for the Ad Valorem Property Tax First Mortgage Bonds, Series 2018. The School Corporation makes no representation as to any potential materiality of such prior instances, as materiality is dependent upon individual facts and circumstances. The School Corporation has contracted with Ice Miller LLP as the dissemination agent to assist with future compliance filings. The School Corporation has conducted a review of compliance of its previous undertakings, and the list above represents any instances of non-compliance of which the School Corporation is aware.

IMPACTS RESULTING FROM COVID-19

Regional, national or global epidemics or pandemics, such as the outbreak of the novel coronavirus (“COVID-19”), could have materially adverse local, regional, national or global economic and social impacts. The outbreak of COVID-19 adversely impacted local, state, national and global economies, as governments, businesses and citizens reacted to, planned for, and tried to prevent or slow the further transmission of COVID-19. In 2020 through 2022, in order to take certain steps to increase containment of COVID-19, the Governor of Indiana issued numerous Executive Orders, which included stay-at-home orders and face covering requirements, directed the closing of State government buildings and restricted retail establishments and in-person dining at restaurants, among other things, until the Governor issued an Executive Order on March 3, 2022, which ended the disaster declaration of a public health emergency resulting from COVID-19.

In response to COVID-19, the School Corporation has been awarded State and federal assistance to offset the financial impact of the pandemic in the aggregate amount of \$1,578,310.

CYBERSECURITY

Computer networks and data transmission and collection are vital to the efficient operation of the School Corporation. Despite the implementation of network security measures by the School Corporation, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware or computer virus, or may otherwise be breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the School Corporation does not believe that its information technology systems are at a materially greater risk of cybersecurity attacks than other similarly-situated governmental entities, any such disruption, access, disclosure or other loss of information could have an adverse effect on the School Corporation’s operations and financial health. Further, as cybersecurity threats continue to evolve, the School Corporation may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks.

UNDERWRITING

The Bonds are being purchased, subject to certain conditions, by the Underwriter. The Underwriter has agreed to purchase all, but not less than all, of the Bonds at an aggregate amount of \$_____ includes the par amount of \$_____ plus net original issue premium of \$_____ and an underwriter’s discount of \$_____.

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

RATING

S&P Global Ratings (“S&P”) has assigned a rating of “AA+” to the Bonds based upon the State Intercept Program (see “INTERCEPT PROGRAM” above). Such rating reflects only the view of S&P and any explanation of the significance of such rating may be obtained from S&P. Neither the Issuer nor the School Corporation has applied for any other rating or to any other rating service for a rating on the Bonds.

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

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Bonds, and the rating assigned by any rating agency should be evaluated independently. Except as may be required by the undertaking described under the heading “CONTINUING DISCLOSURE,” neither of the School Corporation nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of such rating or to oppose any such revision or withdrawal.

STATEMENT OF ISSUER

The information and descriptions of documents included in this Official Statement do not purport to be complete and are expressly made subject to the exact provisions of the complete documents. Prospective purchasers of the Bonds are referred to the documents for details of all terms and conditions thereof relating to the Projects and the Bonds.

Neither this Official Statement, nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of any of the Bonds. Any statements in this Official Statement involving matters of opinion whether or not expressly so stated, are intended as such and not as representations of fact.

This Official Statement has been authorized and approved by the School Corporation and is deemed to be nearly final in form. The School Corporation will provide the Underwriter with sufficient copies of the Final Official Statement in a timely manner to be distributed to the purchasers of the Bonds.

SOUTHERN WELLS COMMUNITY SCHOOLS

By: /s/ _____
President

APPENDIX A

SOUTHERN WELLS COMMUNITY SCHOOLS

GENERAL INFORMATION CONCERNING THE SCHOOL CORPORATION

Location And Size

The Southern Wells Community Schools, Wells County, Indiana (the “School Corporation”) is a school corporation and a political subdivision under and is governed by the general laws of the State of Indiana. The School Corporation is comprised of Chester, Jackson, Liberty and Nottingham Townships and the Town of Poneto located entirely within Wells County, Indiana (the “County”). The School Corporation is in rural Northeast Indiana and is in the southernmost part of the County located on County Road 300 West six miles south of Liberty Center. The area of the School Corporation is approximately 32 miles south of Fort Wayne, Indiana and about 105 miles north of Indianapolis, Indiana, and 130 miles southwest of Toledo, Ohio. Total land area for the School Corporation is approximately 160 square miles.

Organization and Government

A four-member Board of School Trustees (the “Board”), elected/appointed to four-year staggered terms, governs the School Corporation. The current members of the Board are as follows:

Board Members

Todd Fiechter, President
Chad Roush, Vice President
Delora Schneider, Secretary
Andrew Pursifull, Liaison

The Board appoints the Superintendent of Schools, who is the chief administrative officer of the School Corporation. The administrative staff is appointed by the Board on recommendation of the Superintendent of Schools.

<u>Name</u>	<u>Title</u>
Dr. Trent Lehman	Superintendent
Lora Warner	Treasurer

Employees

The School Corporation has 201 (109 full-time and 92 part-time) employees of whom 67 are certified employees and 134 are non-certified. Of the total number, the Independent Southern Wells Association of Teachers (ISWAT) represents 49 members. The contract expires on June 30, 2025.

Facilities

The following school buildings currently house the educational programs for the School Corporation.

<u>Name of School</u>	<u>Grades</u>	<u>Original Construction</u>	<u>Last Addition/ Renovation</u>
Southern Wells Elementary School	K-6	1995	2024
Southern Wells Junior-Senior High School	7-12	1968	2023

Enrollments

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

<u>Academic Year</u>	<u>Actual Enrollment</u>	<u>Academic Year</u>	<u>Projected Enrollment⁽¹⁾</u>
2020-21	828	2025-26	845
2021-22	848	2026-27	845
2022-23	876	2027-28	845
2023-24	872	2028-29	845
2024-25	846	2029-30	845

(1) The School Corporation calculates projected enrollment by trend (conservatively).

Source: School Corporation

Pension Obligations

The School Corporation participates in the Indiana Public Employees' Retirement Fund ("PERF") and the Indiana Teachers' Retirement Fund ("TRF"). State statutes govern, through the Indiana Public Retirement System ("INPRS") Board, most requirements of the plans and gives the School Corporation authority to contribute to the plans. Further information can be found on the INPRS website at <http://www.in.gov/inprs/>. Detailed pension information is set forth in the School Corporation's complete audit report for July 1, 2020 to June 30, 2022, which is attached to this Official Statement as Appendix D.

Public Employees' Retirement Fund

The PERF is a defined pension plan and is an agent multiple-employer public employee retirement system which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit 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% of compensation, plus the interest credited to the member's account. The employer may elect to make contributions on behalf of the member.

The contribution requirements of the plan members for PERF are established by the Board of Trustees of INPRS. The total contributions made to PERF by the School Corporation for the years 2021, 2022 and 2023 were \$193,627, \$204,374 and \$206,845, respectively.

Teachers' Retirement Fund

The TRF is a defined pension plan and 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. 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 the members' contributions, set by state statute at 3% 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.

Effective, July 1, 2019, newly hired TRF-eligible staff members have 60 days to choose from two (2) retirement plans. The first plan is the TRF Hybrid, which is a combination defined contribution account and defined benefit account. The second plan is the My Choice, which is only a defined contribution account. Any employee that does not make a selection within the 60-day required period will default to the TRF Hybrid plan.

The School Corporation contributes the employer's share of TRF for certified employees 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 its 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.

The total contributions made to TRF by the School Corporation for the years 2021, 2022 and 2023 were \$283,633, \$291,585 and \$319,786, respectively.

Other Post-Employment Benefits

Both classified individuals hired before January 1, 2004 and certified individuals hired before September 1, 2001, receive a severance benefit that includes payment for years of service (\$500 per year for classified and \$570 per year for bachelor degree or \$610 for master's degree for certified) worked, payment of \$85 per day of any leave days remaining for certified or \$65 per day of any leave days remaining upon retirement; payment of health insurance benefits for certified individuals (maximum of \$13,524 per year for five years); life insurance for certified not to exceed \$893 per year for 5 years. In addition, these employees receive an annual contribution of 1% of annual salary to a 401(a) plan for certified and 0.75% of annual salary for classified. After 10 years of service and age of 55, employees receive this post-employment benefit.

In lieu of this severance package, individuals hired after September 1, 2001 or January 1, 2024, receive an annual contribution of 1% or 0.75% of annual salary to a 401(a) plan. After 10 years of service and age of 55, employees receive this post-employment benefit.

The School Corporation paid \$131,327 in 2021, \$128,967 in 2022 and \$91,766 in 2023 for other post-employment benefits.

ECONOMIC INFORMATION CONCERNING THE SCHOOL CORPORATION

Wells County is located in the northeastern part of the state of Indiana. There are three public school systems within the County. The Southern Wells Community is composed of approximately 156 square miles that includes the four townships of Chester, Jackson, Liberty and Nottingham.

There are no large towns or cities within the School Corporation. The townships of Chester, Liberty and Nottingham each have a post office and a volunteer fire department. Chester Township has a fire station and EMS garage in the property adjacent to the school to the south. There is a post office and fire department in Poneto, a small community in the School Corporation. There are also several small towns located in the School Corporation which include Liberty Center, Petroleum and Keystone. The school and churches are the centers for a majority of the activities of the community. The school functions as the meeting place for groups such as Campus Life, Scouts, 4-H and Farm Bureau.

Farming is the major enterprise in the School Corporation and there are also a few businesses. Most people are employed in one of the nearby towns or cities which host a wide variety of industries and businesses. Bluffton (county seat), Montpelier, Hartford City and Berne are short drives for employment opportunities. Many drive further to work in Marion (25 miles), Muncie (30 miles) or Fort Wayne (40 miles). Many of the graduates leave the community for a time but return to raise their families.

Major Employers

Below is a list of some of the largest employers in the County.

<u>Name</u>	<u>Type of Business</u>	<u>Employees</u>
Peyton’s Northern Distribution	Distribution center	1,100
TI Fluid Systems	Automobile parts and supplies manufacturer	400
Bluffton Motor Works LLC	Engineers	300
Pretzels Inc.	Pretzel manufacturer	300
Novae Corp.	Trailer manufacturer and designers	287
Northern Wells Community Schools	Education	280
Bluffton-Harrison MSD	Education	268
The School Corporation	Education	201
BCS Industries	Physical therapy equipment	180
Firstfleet Inc.	Trucking transportation brokers	160
Ormsby Trucking Garage	Heavy hauling trucking	160
Caylor-Nickel Clinic	Medical clinic	160
Wayne Metals LLC	Sheet metal work contractors	150
American Axle & Manufacturing Inc.	Automobile parts and supplies wholesaler	144

Source: Hoosiers by the Numbers

Employment Statistics and Patterns

The figures below reflect employment statistics and patterns with respect to the workforce in the County, the State of Indiana (the “State”) and the United States based on average annual rates. Unemployment data is not maintained separately for the School Corporation.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024⁽¹⁾</u>
Wells County	5.9%	2.9%	2.4%	2.7%	3.6%
State of Indiana	7.3%	3.9%	3.1%	3.3%	4.3%
United States	8.1%	5.3%	3.6%	3.6%	3.9%

(1) Rates as of September 2024

Source: Indiana Employment Security Division

Employment by Occupation

The following table categorizes occupations for residents 16 years of age and older living in the School Corporation, the County and the State.

<u>Occupational Category</u>	<u>School Corporation</u>	<u>Wells County</u>	<u>State of Indiana</u>
Management, business, science and arts	41.5%	33.3%	36.5%
Service occupations	13.6%	13.3%	15.6%
Sales and office occupations	17.3%	20.8%	19.8%
Natural resources, construction and maintenance	11.0%	9.9%	8.6%
Production, transportation and material moving	16.5%	22.8%	19.5%

Note: May not sum due to rounding

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates

Employment by Category

Employment patterns for the School Corporation, the County and the State are set forth in the following table:

<u>Employment Category</u>	<u>School Corporation</u>	<u>Wells County</u>	<u>State of Indiana</u>
Agriculture, forestry, fishing, hunting and mining	5.9%	2.7%	1.2%
Construction	8.6%	6.5%	6.4%
Manufacturing	17.7%	22.0%	18.6%
Wholesale trade	3.7%	2.7%	2.3%
Retail trade	9.8%	14.1%	11.0%
Transportation, warehousing and utilities	5.9%	5.5%	5.9%
Information	0.5%	1.6%	1.2%
Finance, insurance, real estate, rental and leasing	4.3%	5.0%	5.3%
Professional, scientific, management, administration and waste management	3.6%	6.3%	8.8%
Educational services, health care and social assistance	25.2%	22.2%	23.1%
Arts, entertainment, recreation, accommodation and food services	5.8%	3.9%	8.1%
Other services, except public administration	7.6%	5.4%	4.5%
Public administration	1.4%	2.1%	3.6%

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates

Educational Attainment

The educational background of area residents over 25 years of age living in the School Corporation, the County and the State are set forth in the following table:

<u>Educational Level Attained</u>	<u>School Corporation</u>	<u>Wells County</u>	<u>State of Indiana</u>
Less than 9 th grade	0.9%	1.5%	3.5%
9 th to 12 th grade, no diploma	4.3%	5.2%	6.5%
High school graduate (includes equivalency)	60.8%	42.7%	33.0%
Some college, no degree	17.4%	20.0%	19.7%
Associate's degree	7.1%	11.5%	9.0%
Bachelor's degree	4.1%	13.6%	18.0%
Graduate or professional degree	5.4%	5.5%	10.2%
Percent high school graduate or higher	94.8%	93.3%	90.0%
Percent Bachelor's degree or higher	9.5%	19.1%	28.2%

Note: May not sum due to rounding

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates

Population

<u>Year</u>	<u>School Corporation</u>	<u>Wells County</u>
2010	3,921	27,636
2015	3,775	27,796
2020	3,800	28,180
2022	3,826	28,167

Source: U.S. Census Bureau

Household Income

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

<u>Household Income Level</u>	<u>School Corporation</u>	<u>Wells County</u>	<u>State of Indiana</u>
Less than \$10,000	0.8%	3.6%	5.0%
\$10,000 to \$14,999	0.8%	3.5%	3.7%
\$15,000 to \$24,999	5.1%	7.6%	7.7%
\$25,000 to \$34,999	6.5%	7.2%	8.4%
\$35,000 to \$49,999	16.3%	13.8%	12.5%
\$50,000 to \$74,999	19.3%	18.6%	18.0%
\$75,000 to \$99,999	14.7%	15.2%	14.0%
\$100,000 to \$149,999	27.3%	20.9%	16.8%
\$150,000 to \$199,999	6.8%	6.1%	7.2%
\$200,000 or more	2.3%	3.7%	6.7%
Median Household Income	\$80,577	\$68,074	\$67,173
Mean Household Income	81,983	80,657	88,805
Per Capita Income	\$29,098	\$33,020	\$35,578

Note: May not sum due to rounding

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates

Housing Values

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

<u>Value of Owner-Occupied Units</u>	<u>School Corporation</u>	<u>Wells County</u>	<u>State of Indiana</u>
Less than \$50,000	90	618	123,846
\$50,000 to \$99,999	273	1,501	257,551
\$100,000 to \$149,999	254	1,680	316,057
\$150,000 to \$199,999	230	1,730	331,625
\$200,000 to \$299,999	254	1,769	425,693
\$300,000 to \$499,999	84	1,031	296,483
\$500,000 to \$999,999	31	193	92,820
\$1,000,000 or more	49	100	16,491
Median (dollars)	\$152,700	\$161,300	\$183,600

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates

DEBT STRUCTURE OF THE SCHOOL CORPORATION

Current Indebtedness

The following tabulation reflects the long-term indebtedness of the School Corporation.

		<u>Per Capita</u>	<u>Percent of True Tax Value</u>
True Tax Value of Property (2024)	\$468,282,686	\$122,395	---
Direct Debt*	9,805,000	2,563	2.09%
Direct and Overlapping Debt*	13,007,342	3,400	2.78%
2022 Estimated Population ⁽¹⁾	3,826	---	---

(1) The population represents data from 2018-2022 American Community Survey 5-Year Estimates from U.S. Census Bureau.

The following tabulation itemizes the outstanding and expected principal amount of long-term direct and overlapping indebtedness of the School Corporation payable from property taxes:

	<u>Issued Amount</u>	<u>Final Maturity Date</u>	<u>Amount Outstanding</u>
<u>Direct Debt</u> ⁽¹⁾ :			
2024 General Obligation Bonds	\$3,000,000	1/15/2033	\$3,000,000
 Lease Obligations:			
First Mortgage Refunding Bonds, Series 2018	4,090,000	1/15/2038	\$3,460,000
First Mortgage Refunding Bonds, Series 2019	3,930,000	1/15/2040	<u>3,345,000</u>
Total Direct Debt			\$9,805,000
 <u>Overlapping Debt:</u>			
Wells County	\$12,995,000	21.81%	\$2,834,210
Wells County Library	1,665,000	22.11%	<u>368,132</u>
Total Overlapping Debt			\$3,202,342
 Total Direct and Overlapping Debt*			\$13,007,342

(1) The School Corporation has a bus lease with an outstanding balance of \$149,569 that will be paid off in December of 2025 that is paid from the debt service levy.

Source: Indiana Gateway for Government Units

(Balance of page intentionally left blank.)

Combined Debt Service Requirements

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

<u>Budget Year</u>	<u>2018 Bonds</u>	<u>2019 Bonds</u>	<u>2024 GO Bonds*</u>	<u>Total*</u>
2024	\$338,000	\$288,000	---	\$626,000
2025	335,000	291,000	\$442,750	1,068,750
2026	337,000	289,000	466,625	1,092,625
2027	337,000	288,000	469,625	1,094,625
2028	339,000	290,000	461,750	1,090,750
2029	334,000	290,000	463,250	1,087,250
2030	335,000	291,000	463,750	1,089,750
2031	335,000	293,000	463,250	1,091,250
2032	335,000	289,000	461,750	1,085,750
2023	334,000	290,000	---	624,000
2034	338,000	291,000	---	629,000
2035	336,000	289,000	---	625,000
2036	334,000	291,000	---	625,000
2037	337,000	292,000	---	629,000
2038	---	291,000	---	291,000
2039	---	290,000	---	290,000
	<u>\$4,704,000</u>	<u>\$4,643,000</u>	<u>\$3,692,750</u>	<u>\$13,039,750</u>

Future Financing

The School Corporation does not anticipate issuing additional debt in the next twelve months.

Short-Term Debt

The School Corporation has no other short-term debt outstanding.

Debt Payment History

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

FINANCIAL INFORMATION CONCERNING THE SCHOOL CORPORATION

Net Assessed Valuation

Net assessed valuation totals of the School Corporation real estate and personal property are shown below. In Indiana, constitutional provisions for assessment of land, improvements, and personal property specify one-third of true value. Criteria for determination of true value are established by the Indiana State Board of Tax Commissioners. Assessed valuation is reduced by various exemptions.

<u>Tax Payment Year</u>	<u>Net Assessed Valuation</u>
2020	\$340,062,991
2021	376,619,398
2022	385,594,874
2023	437,230,004
2024	468,282,686

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.

Source: Indiana Gateway for Government Units

*Preliminary, subject to change

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 Department of Local Government Finance (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.

Gross Assessed Valuation

<u>Tax Payment Year</u>	<u>Gross Assessed Valuation</u>
2020	\$448,665,652
2021	489,753,894
2022	506,234,640
2023	566,489,280
2024	619,923,650

Source: Indiana Gateway for Government Units

Largest Taxpayers

The ten largest taxpayers located within the School Corporation for tax year 2023 payable in 2024, are as follows:

<u>Name of Business</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>
Montpelier Generating Station LLC	Utility	\$62,062,560
AEP Indiana Michigan Transmission	Utility	5,148,140
Beavans Farms	Agriculture	4,939,750
Panhandle Eastern Pipeline Co	Utility	4,623,960
Indiana Michigan Power Co	Utility	4,403,000
Klefeker, Douglas/Tamara	Agriculture	4,289,740
Mounsey Farms	Agriculture	3,881,400
Leas, Joel/Bruce/Jason	Agriculture	3,812,190
WAFU, LLC	Real Estate	2,746,800
Lee, Robert	Agriculture	<u>2,652,630</u>
		\$98,560,170

Percent of 2024 Net Assessed Valuation (\$468,282,686).....21.05%

Source: Wells County Auditor

Taxes Levied and Collected

Total property tax levies for the School Corporation and collections against those levies are:

Collection Year	Certified Levy	Circuit Breaker Tax Credit ⁽¹⁾	Net Taxes Levied	Taxes Collected	Percent of Gross Taxes Levied	Percent of Net Taxes Levied
2020	\$2,571,556	(\$7,054)	\$2,564,502	\$2,626,555	102.14%	102.42%
2021	2,724,465	(6,240)	2,718,225	2,833,245	103.99%	104.23%
2022	2,812,529	(6,003)	2,806,526	2,881,355	102.45%	102.67%
2023	2,945,618	(6,705)	2,938,913	2,945,487	100.00%	100.22%
2024	3,015,272	(6,823)	3,008,449	-----(in process of collection)----		

(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. For more information, see “CIRCUIT BREAKER TAX CREDIT” in the body of this Official Statement.

School Corporation Tax Rates

Certified tax rates (per \$100 of assessed valuation) are:

Fund	Year Payable				
	2020	2021	2022	2023	2024
Referendum	\$0.1270	\$0.1270	\$0.1270	\$0.1270	\$0.1221
Debt Service	0.1637	0.1585	0.1563	0.1379	0.1244
Operations	0.4655	0.4379	0.4461	0.4088	0.3974
	\$0.7562	\$0.7234	\$0.7294	\$0.6737	\$0.6439

Source: Indiana Department of Local Government Finance

Total Tax Rates

The highest overlapping total tax rates (per \$100 of assessed valuation) of the taxing units in the School Corporation have been:

Taxing Unit	Year Payable				
	2020	2021	2022	2023	2024
Wells County	\$0.2467	\$0.2400	\$0.2576	\$0.2597	\$0.2498
Chester Township	0.0000	0.0000	0.0000	0.0000	0.0000
Town of Poneto	0.8884	0.9014	0.8722	0.7691	0.7427
School Corporation	0.7562	0.7234	0.7294	0.6737	0.6439
Wells County Public Library	0.0754	0.0731	0.0743	0.0687	0.0649
Wells County Solid Waste Management	0.0075	0.0073	0.0073	0.0069	0.0066
	\$1.9742	\$1.9452	\$1.9408	\$1.7781	\$1.7079

Source: Indiana Department of Local Government Finance

Financial Statements

The School Corporation is audited biennially by the Indiana State Board of Accounts (“SBA”). The School Corporation maintains its system of accounts on a cash basis as prescribed by the SBA in the “Accounting and Uniform Compliance Manual for Indiana Public School Corporations” (2010 Revised Edition). Bi-annual Financial Reports (Form 9) are filed with the Indiana Department of Public Instruction. The most recent School Corporation’s audit by the SBA was filed on April 11, 2023 for the period July 1, 2020 to June 30, 2022 (the “2022 Audit”). The School Corporation does not control the timing of the review or release of the audit report by the SBA.

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

The Indiana General Assembly enacted P.L. 244-2017 that impacts school corporation funds effective January 1, 2019. The Education Fund was created and is used for expenditures related to student instruction and learning. Additionally, the Operations Fund was created to pay for expenditures not directly related to student instruction and learning, including the operational expenses not paid for by the Education Fund. A property tax levy supports the Operations Fund, as well as the Debt Service Fund or levies approved by referendum. Additionally, school corporations may maintain a separate Rainy Day Fund. School corporations have the authority to transfer between the Education Fund and the Operations Fund, which the School Corporation expects will provide flexibility to manage its cash position by fund.

School Corporation Receipts and Disbursements

	Calendar Year End December 31			
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>DEBT SERVICE FUND</u>				
January 1 Balance	\$171,524	\$125,890	\$129,852	\$126,856
Revenues				
Local Property Tax	\$568,589	\$620,776	\$617,433	\$609,413
License Excise Taxes	35,858	36,053	35,157	33,302
Other	2,557	2,632	2,677	2,657
Total Revenues	\$607,003	\$659,461	\$655,268	\$645,372
Expenditures	623,000	639,749	626,000	624,000
Transfers In/(Out)	(29,637)	(15,751)	(32,264)	(32,576)
December 31 Balance	\$125,890	\$129,852	\$126,856	\$115,652
<u>OPERATING REFERENDUM</u>				
<u>TAX LEVY FUND</u>				
January 1 Balance	\$102,248	\$25,762	\$29,130	\$82,398
Revenues				
Local Property Tax	\$441,117	\$497,404	\$501,689	\$561,243
License Excise Taxes	27,819	28,888	28,567	30,670
Other	1,983	2,076	2,175	2,447
Total Revenues	\$470,919	\$528,368	\$532,431	\$594,360
Expenditures	600,905	525,000	475,846	537,328
Transfers In/(Out)	53,500	- - -	(3,317)	(15,965)
December 31 Balance	\$25,762	\$29,130	\$82,398	\$123,466

Note: May not sum due to rounding

	Calendar Year End December 31			
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<u>EDUCATION FUND</u>				
January 1 Balance	\$315,014	\$218,647	\$298,116	\$300,982
Revenues				
State of Indiana Grants	\$5,465,480	\$5,607,412	\$6,068,657	\$6,448,757
Other	111,236	173,321	83,249	76,817
Total Revenues	\$5,576,716	\$5,780,733	\$6,151,906	\$6,525,574
Expenditures	5,270,883	5,275,806	5,573,929	5,451,718
Transfers In/(Out)	(402,200)	(425,459)	(575,111)	(1,009,203)
December 31 Balance	\$218,647	\$298,116	\$300,982	\$365,633
<u>OPERATIONS FUND</u>				
January 1 Balance	\$212,560	\$4,439	\$223,782	\$473,771
Revenues				
Local Property Tax	\$1,616,849	\$1,715,065	\$1,762,233	\$1,774,831
License Excise Taxes	101,966	99,607	124,305	98,722
Other	199,722	345,809	210,496	331,329
Total Revenues	\$1,918,536	\$2,160,481	\$2,097,034	\$2,204,881
Expenditures	2,051,870	2,059,759	2,193,644	2,365,434
Transfers In/(Out)	(74,788)	118,621	346,599	685,383
December 31 Balance	\$4,439	\$223,782	\$473,771	\$998,602
<u>RAINY DAY FUND</u>				
January 1 Balance	\$1,049,583	\$1,060,043	\$966,072	\$826,370
Revenues	---	95,108	---	---
Expenditures	358,539	445,414	244,702	287,974
Transfers In/(Out)	369,000	256,335	105,000	335,000
December 31 Balance	\$1,060,043	\$966,072	\$826,370	\$873,396
<u>ALL OTHER FUNDS</u>				
January 1 Balance	\$1,163,352	\$131,880	\$122,094	\$303,484
Revenues	1,216,750	1,447,704	1,756,228	1,272,584
Expenditures	2,284,543	1,490,941	1,719,844	1,107,326
Transfers In/(Out)	36,322	33,452	145,006	37,360
December 31 Balance	\$131,880	\$122,094	\$303,484	\$506,102

Note: May not sum due to rounding

Source: School Corporation Annual Financial Reports (Form 9) prepared by school officials for the Indiana Department of Education, Division of School Finance

Cash Balances by Fund

<u>Fund</u>	As of Calendar Year End, December 31			
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt Service	\$125,890	\$129,852	\$126,856	\$115,652
Operating				
Referendum Tax Levy	25,762	29,130	82,398	123,466
Education	218,647	298,116	300,982	365,633
Operations	4,439	223,782	473,771	998,602
Rainy Day	1,060,043	966,072	826,370	873,396
All Other Funds	131,880	122,094	303,484	506,102
	\$1,566,662	\$1,769,046	\$2,113,860	\$2,982,851

Note: May not sum due to rounding

Source: School Corporation Annual Financial Reports (Form 9) prepared by school officials for the Indiana Department of Education, Division of School Finance

Anticipated Receipts and Disbursements by Fund - Calendar Year 2024 Budget

	<u>Education</u>	<u>Debt Service</u>	<u>Operations</u>
Receipts:			
Local Property Tax	---	\$582,544	\$1,860,955
License Excise Taxes	---	26,912	85,971
State of Indiana Grants	\$6,602,215	---	---
Miscellaneous	41,000	2,508	233,553
Total	\$6,643,215	\$611,964	\$2,180,479
Transfers In/(Out)	(\$114,750)	---	\$114,750
Disbursements	\$6,613,659	\$626,000	\$2,901,933

Source: School Corporation; Pay 2024 1782 Fund Report

State of Indiana Payments

The following table shows the annual amounts appropriated to the School Corporation during the four previous years and the amounts of such appropriations projected to be received during 2023 and the current year.

<u>Year</u>	<u>Basic Grants</u>	<u>Other Fund Grants⁽¹⁾</u>	<u>Total</u>
2020	\$5,244,077	\$357,841	\$5,601,918
2021	5,590,684	189,416	5,780,100
2022	6,058,072	207,414	6,265,486
2023	6,432,977	348,247	6,781,224
2024 ⁽²⁾	6,602,215	N/A	N/A

(1) Other grants include summer school, Primetime, pre-school, special education and other special state programs.

(2) Estimated from Pay 2024 1782 Fund Report; other grants not available at this time.

Source: School Corporation Annual Financial Reports (Form 9) prepared by school officials for the Indiana Department of Education, Division of School Finance.

APPENDIX B

**MASTER CONTINUING DISCLOSURE UNDERTAKING,
FIRST AMENDMENT TO MASTER CONTINUING DISCLOSURE UNDERTAKING
AND SUPPLEMENTS THERETO**

MASTER CONTINUING DISCLOSURE UNDERTAKING

This MASTER CONTINUING DISCLOSURE UNDERTAKING dated as of June 28, 2018 (the "Master Undertaking") is executed and delivered by Southern Wells Community 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, as amended (the "SEC Rule");

WITNESSETH THAT:

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

(1) "Holder" or any similar term, when used with reference to any Obligation or Obligations, means any person who shall be the registered owner of any outstanding Obligation, or the owner of a beneficial interest in such Obligation.

(2) "EMMA" is Electronic Municipal Market Access System established by the MSRB.

(3) "Final Official Statement" means, with respect to any Obligations, the final Official Statement relating to such Obligations, including any document or set of documents included by specific reference to such document or documents available to the public on EMMA.

(4) "MSRB" means the Municipal Securities Rulemaking Board.

(5) "Obligated Person" means any person, including the Obligor, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all or a part of the obligations on the Obligations (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). All Obligated Persons with respect to Obligations currently are identified in Section 3 below.

(6) "Obligations" means the various obligations issued by or on behalf of the Obligor, as listed on Exhibit A, as the same shall be amended or supplemented from time to time.

(7) "Underwriter" or "Underwriters" means, with respect to any Obligations, the underwriter or underwriters of such Obligations pursuant to the applicable purchase agreement for such Obligations.

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

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

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

The Obligor hereby represents and warrants that no Obligated Person is an obligated person (within the meaning of the SEC Rule) with respect to more than \$10,000,000 in aggregate amount of outstanding Obligations (excluding municipal securities or other instruments that were offered in a transaction exempt from the SEC Rule pursuant to paragraph (d)(1) of the SEC Rule).

The Obligor hereby covenants that, if and when the Obligor becomes an Obligated Person with respect to more than \$10,000,000 in aggregate amount of outstanding Obligations, the Obligor will modify this Master Undertaking pursuant to Section 11 herein in order to comply with the disclosure requirements of Section (b)(5) of the SEC Rule.

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. Such disclosure of the Audited Information shall first occur by June 30, 2019, 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, 2019, the most recent unaudited annual financial information for the Obligor including (i) unaudited financial statements of the Obligor, (the “Annual Information”), which Annual Information may be provided in such format and under such headings as the School Corporation deems appropriate.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) Subject to paragraph (e) of this Section 9, any challenge to the adequacy of the information provided by the Obligor by the terms of this Master Undertaking may be pursued only by holders of not less than 25% in principal

amount of Obligations then outstanding in any court of competent jurisdiction in the State of Indiana. An affidavit to the effect that such persons are holders of Obligations supported by reasonable documentation of such claim shall be sufficient to evidence standing to pursue the remedy set forth in the preceding paragraph.

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

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

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

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

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

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

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

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

SOUTHERN WELLS COMMUNITY SCHOOLS, as
Obligor

By: _____
Reverend Aaron Westfall, President
Board of School Trustees

Mark Durham, Secretary
Board of School Trustees

EXHIBIT A

OBLIGATIONS

<u>Full Name of Bond Issue</u>	<u>Base CUSIP</u>	<u>Final Maturity</u>
Southern Wells School Building Corporation Ad Valorem First Mortgage Bonds, Series 2018	844130	January 15, 2038

EXHIBIT B

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

The undersigned, on behalf of the Southern Wells Community Schools, as the Obligor under the Master Continuing Disclosure Undertaking, dated as of June 28, 2018 (the "Master Undertaking"), hereby certifies that the information enclosed herewith constitutes the [Annual Information][Audited Information] (as defined in the Master Agreement) which is required to be provided pursuant to Section 4(a) of the Master Agreement.

Dated: _____.

SOUTHERN WELLS COMMUNITY SCHOOLS

EXHIBIT C

CERTIFICATE RE: REPORTABLE EVENT DISCLOSURE

The undersigned, on behalf of the Southern Wells Community Schools, as the Obligor under the Master Continuing Disclosure Undertaking, dated as of June 28, 2018 (the "Master Agreement"), hereby certifies that the information enclosed herewith constitutes notice of the occurrence of a reportable event which is required to be provided pursuant to Section 6 of the Master Agreement.

Dated: _____.

SOUTHERN WELLS COMMUNITY SCHOOLS

EXHIBIT D

NOTICE TO MSRB OF FAILURE TO FILE INFORMATION

Notice is hereby given that the Southern Wells Community 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 June 28, 2018.

Dated: _____.

SOUTHERN WELLS COMMUNITY SCHOOLS

**FIRST AMENDMENT TO
MASTER CONTINUING DISCLOSURE UNDERTAKING**

This FIRST AMENDMENT TO MASTER CONTINUING DISCLOSURE UNDERTAKING, dated as of October 10, 2019 (the "Amendment") amends the Master Continuing Disclosure Undertaking dated as of June 28, 2018 (the "Original Undertaking"). The Amendment is being entered into by the Southern Wells Community Schools (the "Obligor") for the purpose of incorporating changes to the Securities and Exchange Commission ("SEC") Rule 15c2-12 (the "SEC Rule") as described in the 2018 Amendments (as hereinafter defined). The Original Undertaking as amended by the Amendment is referred to herein as the "Master Undertaking".

WITNESSETH THAT:

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

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

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

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

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

NOW, THEREFORE, in consideration of the payment for and acceptance of the Southern Wells School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2019 (the "2019 Bonds") and any Obligations issued after the date of this Amendment, the Original Undertaking is hereby amended as follows:

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

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

Section 2. Solely as to the 2019 Bonds and any Obligations issued after the date of this Amendment, Section 6 of the Original Undertaking is hereby replaced and shall read as follows:

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

- (1) non-payment related defaults;
- (2) modifications to rights of Holders;
- (3) bond calls;
- (4) release, substitution or sale of property securing repayment of the Obligations;
- (5) the consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the obligated person, or entry into or termination of a definitive agreement relating to the foregoing;
- (6) appointment of a successor or additional trustee or the change of name of a trustee; and
- (7) solely as to the 2019 Bonds and any Obligations issued after the date of this Amendment, incurrence of a Financial Obligation (as defined in the SEC Rule) of the Obligor or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligor, any of which affect security holders.

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

- (1) principal and interest payment delinquencies;
- (2) unscheduled draws on debt service reserves reflecting financial difficulties;
- (3) unscheduled draws on credit enhancements reflecting financial difficulties;
- (4) substitution of credit or liquidity providers, or their failure to perform;
- (5) defeasances;
- (6) rating changes;
- (7) adverse tax opinions or events affecting the status of the Obligations, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material events, notices or determinations with respect to the tax status of the Obligations;
- (8) tender offers;
- (9) bankruptcy, insolvency, receivership or similar event of the obligated person; and
- (10) solely as to the 2019 Bonds and any Obligations issued after the date of this Amendment, default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligor, any of which reflect financial difficulties."

Section 3. Obligations. This Amendment only applies to the 2019 Bonds and Obligations issued after the date of this Amendment.

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

SOUTHERN WELLS COMMUNITY SCHOOLS, as
Obligor

By: _____
President, Board of School Trustees

Secretary, Board of School Trustees

**FIRST SUPPLEMENT TO
MASTER CONTINUING DISCLOSURE UNDERTAKING**

This First Supplement to Master Continuing Disclosure Undertaking, dated as of October 10, 2019 (the “First Supplement”), to the Master Continuing Disclosure Undertaking dated as of June 28, 2018 as amended by a First Amendment to Master Continuing Disclosure Undertaking dated as of October 10, 2019 (as amended, the “Original Undertaking”), of the Southern Wells Community Schools (the "Obligor"), is entered into for the benefit of Raymond James & Associates, Inc., as underwriter of the \$3,930,000 Southern Wells School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2019 (the “2019 Bonds”). The Original Undertaking as supplemented by this First Supplement will be referred to herein as the “Master Undertaking.”

Section 1. The terms of the Master Undertaking, as supplemented by this First Supplement, are hereby made applicable in all respects to the 2019 Bonds. As of the date of this First Supplement, for clarification purposes only:

- (i) the Audited Information referred to in Section 4(i) of the Master Undertaking shall first occur on the 2019 Bonds by June 30, 2021;
- (ii) the Annual Information referred to in Section 4(ii) of the Master Undertaking shall first occur on the 2019 Bonds beginning June 30, 2020.

Section 2. There are no other obligated persons other than the Obligor with respect to the 2019 Bonds.

Section 3. Exhibit A of the Master Undertaking is supplemented to include the 2019 Bonds, as attached hereto.

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

SOUTHERN WELLS SCHOOL CORPORATION, as
Obligor

By: _____
President
Board of School Trustees

Secretary
Board of School Trustees

EXHIBIT A

OBLIGATIONS

Proforma After Issuance of 2019 Bonds

Full Name of Bond Issue	Base CUSIP	Final Maturity
General Obligation Bonds		
Lease Obligations		
Southern Wells School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2018	844130	January 15, 2038
Southern Wells School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2019 ⁽¹⁾	844130	January 15, 2040

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

**SECOND SUPPLEMENT TO
MASTER CONTINUING DISCLOSURE UNDERTAKING**

This Second Supplement to Master Continuing Disclosure Undertaking, dated as of November ____, 2024 (the "Second Supplement"), to the Master Continuing Disclosure Undertaking dated as of June 28, 2018, as amended by a First Amendment to Master Continuing Disclosure Undertaking dated as of October 10, 2019 and as previously supplemented by a First Supplement Master Continuing Disclosure Undertaking (as supplemented and amended the "Original Undertaking"), of the Southern Wells Community Schools (the "Obligor"), is entered into for the benefit of Raymond James & Associates, Inc., as underwriter of the \$3,000,000 Southern Wells Community Schools General Obligation Bonds of 2024 (the "2024 Bonds"). The Original Undertaking as supplemented by this Second Supplement will be referred to herein as the "Master Undertaking."

Section 1. The terms of the Master Undertaking are hereby made applicable in all respects to the 2024 Bonds. As of the date of this Second Supplement, for clarification purposes only:

- (i) the Audited Information referred to in Section 4(a) (1) of the Master Undertaking shall first occur on the 2024 Bonds by June 30, 2025; and
- (ii) the Annual Information referred to in Section 4(a) (2) of the Master Undertaking shall first occur on the 2024 Bonds beginning June 30, 2025.

Section 2. There are no other obligated persons other than the Obligor with respect to the 2024 Bonds.

Section 3. Exhibit A of the Master Undertaking is supplemented to include the 2024 Bonds, as attached hereto.

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

SOUTHERN WELLS SCHOOL CORPORATION, as
Obligor

By: _____
President
Board of School Trustees

Secretary
Board of School Trustees

EXHIBIT A

OBLIGATIONS

Proforma after Issuance of 2024 Bonds

Full Name of Bond Issue	Base CUSIP	Final Maturity
General Obligation Bonds		
Southern Wells Community Schools General Obligation Bonds of 2024 ⁽¹⁾		
Lease Obligations		
Southern Wells School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2018	844130	January 15, 2038
Southern Wells School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2019 ⁽¹⁾	844130	January 15, 2040

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

APPENDIX C

FORM OF OPINION OF BOND COUNSEL

December __, 2024

Raymond James & Associates, Inc.
Carmel, Indiana

Re: Southern Wells Community Schools
General Obligation Bonds of 2024
Total Issue: \$3,000,000
Original Date: December __, 2024

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Southern Wells Community Schools, Poneto, Indiana (the "School Corporation" or "Issuer"), of \$3,000,000 of its General Obligation Bonds of 2024 dated December __, 2024 (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 _____, 2024 or the Final Official Statement dated _____, 2024 (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 an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. This opinion is conditioned upon compliance by the 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

STATE BOARD OF ACCOUNTS AUDIT FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2022

SOUTHERN WELLS COMMUNITY SCHOOLS
Wells County, Indiana

FINANCIAL STATEMENT
As of June 30, 2022, and for the
period of July 1, 2020 through June 30, 2022

SOUTHERN WELLS COMMUNITY SCHOOLS
Wells County, Indiana

FINANCIAL STATEMENT
As of June 30, 2022, and for the
period of July 1, 2020 through June 30, 2022

CONTENTS

SCHEDULE OF OFFICIALS (Unaudited)	1
INDEPENDENT AUDITOR'S REPORT	2
FINANCIAL STATEMENT	
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS	5
NOTES TO FINANCIAL STATEMENT	7
OTHER INFORMATION	
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS (Unaudited)	13
SCHEDULE OF PAYABLES AND RECEIVABLES (Unaudited)	29
SCHEDULE OF LEASES AND DEBT (Unaudited)	30
SCHEDULE OF CAPITAL ASSETS (Unaudited)	31
STATE REPORTING INFORMATION (Unaudited)	32
SUPPLEMENTARY INFORMATION	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	33
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	36
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	37
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE	39
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	42

SOUTHERN WELLS COMMUNITY SCHOOLS
SCHEDULE OF OFFICIALS (Unaudited)
For the period July 1, 2020 through June 30, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Lora Warner	07-01-20 to 06-30-22
Superintendent of Schools	Steve Darnell Brian Sloan	07-01-20 to 08-03-20 08-04-20 to 06-30-22
President of the School Board	Aaron Westfall Kevin Scott	07-01-20 to 12-31-21 01-01-22 to 06-30-22



INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance
Southern Wells Community Schools
Wells County, Indiana

Report on the Audit of the Financial Statement

Opinions

We have audited the accompanying statement of receipts, disbursements, other financing sources (uses) and cash and investment balances of Southern Wells Community Schools (the School Corporation) as of June 30, 2022 and for the period of July 1, 2020 through June 30, 2022, and the related notes to the financial statement.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement presents fairly, in all material respects, the cash and investment balances of the School Corporation as of June 30, 2022, and its cash receipts, cash disbursements, and other financing sources (uses) for the period of July 1, 2020 through June 30, 2022 in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the School Corporation as of June 30, 2022, or changes in net position for the period of July 1, 2020 through June 30, 2022.

Basis for Opinions

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

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

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

(Continued)

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

Responsibilities of Management for the Financial Statement

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

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

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

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

Supplementary Information

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

(Continued)

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

Other Information

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

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

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2023, on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.


Crowe LLP

Indianapolis, Indiana
March 28, 2023

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2022 and for the period of July 1, 2020 through June 30, 2022

Fund	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments			Other Financing Sources (Uses)	Cash and Investments
	07-01-2020	Receipts	Disbursements		06-30-2021	Receipts	Disbursements		
Education	\$ 352,212	\$ 5,582,533	\$ 5,375,541	\$ (209,204)	\$ 350,000	\$ 5,967,027	\$ 5,453,653	\$ (400,000)	\$ 463,374
Operating Referendum Tax Levy	499	518,904	479,191	-	40,212	534,572	526,686	-	48,098
Debt Service	188,142	655,976	653,388	-	190,730	661,647	652,811	-	199,566
Operations	12,345	2,032,915	1,896,887	56,513	204,886	2,189,882	2,243,310	140,670	292,128
Local Rainy Day	1,092,598	125,000	562,197	56,335	711,736	95,108	216,661	200,000	790,183
Construction	302	-	302	-	-	-	-	-	-
2019 Construction	988,522	7,845	993,983	-	2,384	1	2,385	-	-
School Lunch	144,867	449,180	463,103	(17,051)	113,893	563,573	419,984	-	257,482
Curricular Materials Rental	434	250,123	239,274	-	11,283	167,475	178,336	-	422
Educational License Plates	609	131	-	-	740	113	-	-	853
Asbury Chapel Lunch (Es/Hs)	90	-	-	-	90	-	17	-	73
Special Anonymous Elementary Grant	74	10,000	4,000	-	6,074	4,500	10,133	-	441
Park Community Church-Food Fight	79	-	79	-	-	-	-	-	-
Bluffton Lodge #145	2	1	3	-	-	-	-	-	-
Donation For Swhs	350	-	-	-	350	500	850	-	-
Archery Club Donations	-	275	-	-	275	-	275	-	-
Six Mile Church Elementary Donation	-	-	-	-	-	150	-	-	150
Family Ford Donation-Hs Weight Room	-	-	-	-	-	1,000	1,000	-	-
Building Trades Donations	-	-	-	-	-	2,865	1,294	-	1,571
Driver'S Education	8,741	17,854	14,507	-	12,088	2,655	6,382	-	8,361
Nasp-Es/Ms Archery (Whitetails Unlimited)	2,265	-	1,066	-	1,199	1,120	2,319	-	-
Action For Healthy Kids	2,172	26	174	-	2,024	20	882	-	1,162
Stem/Robotics Donations	-	-	-	-	-	150	-	-	150
Cada Grant	4	-	-	-	4	860	858	-	6
Aws Foundation Grant	-	2,500	-	-	2,500	-	2,500	-	-
Partners In Education Donation	96	-	-	-	96	-	-	-	96
Genyouth Futp60 Grant	-	-	-	-	-	1,295	1,295	-	-
Wells County Foundation	124	-	124	-	-	-	-	-	-
2020 Wells County Foundation Grants	2,150	10,807	12,957	-	-	-	-	-	-
2021 Wells County Foundation Grant	-	7,043	146	-	6,897	-	6,897	-	-
2022 Wells County Foundation Grants	-	-	-	-	-	12,519	5,825	-	6,694
Scholarship	-	-	-	-	-	5,828	500	-	5,328
Formative Assessment	-	9,045	8,955	-	90	10,486	10,576	-	-
Medicaid Reimbursement	11,444	521	10,951	-	1,014	648	1,173	-	489
Secured Schools Safety Grant	(45,183)	40,835	73,850	65,299	(12,899)	57,180	67,273	22,992	-
Early Literacy Intervention Grant 2020	3,320	-	3,320	-	-	-	-	-	-
2020-2021 Early Intervention Grant	-	2,613	-	-	2,613	-	2,613	-	-
2021-2022 Early Intervention Grant	-	-	-	-	-	2,942	1,782	-	1,160
School Technology --Do Not Use	31,708	1	11,817	-	19,892	4,860	68,042	43,290	-
Teacher Appreciation Grant	-	30,786	30,951	165	-	-	-	-	-
2022 Teacher Appreciation Grant (Tag)	-	-	-	-	-	31,645	31,645	-	-
High Ability Students	2,003	22,621	9,753	-	14,871	24,760	29,522	-	10,109
State Connectivity Grant	11,083	11,864	6,400	-	16,547	12,760	14,580	-	14,727
Title 1 2019/2020	(3,326)	2,397	2,398	3,327	-	-	-	-	-
2020-2021 Title I	-	60,855	90,232	29,377	-	-	-	-	-
2021-2022 Title I	-	-	-	-	-	57,868	57,318	-	550
Title Iv Student Support	(2,655)	3,295	640	-	-	-	-	-	-

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
STATEMENT OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES (USES),
AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
As of June 30, 2022 and for the period of July 1, 2020 through June 30, 2022

Fund	Cash and Investments 07-01-2020		Other Financing Sources (Uses)		Cash and Investments 06-30-2021		Other Financing Sources (Uses)		Cash and Investments 06-30-2022	
	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements	Receipts	Disbursements
2020-2021 Title Iv Part A	\$ -	\$ 4,962	\$ 6,476	\$ -	\$ (1,514)	\$ 1,944	\$ 430	\$ -	\$ -	\$ -
2019-2020 Cte Pilot Program Planning Gra	(2,159)	5,000	2,841	-	-	-	-	-	-	-
2020-2021 Area 18 Perkins Grant-Cte	-	27,285	27,285	-	-	-	-	-	-	-
2021-2022 Perkins Cte Grant	-	-	-	-	-	13,188	13,188	-	-	-
School Technology-E Rate	-	-	-	-	-	3,713	5,304	1,591	-	-
Improving Teacher Quality Nclb	(1,001)	3,068	2,067	-	-	-	-	-	-	-
2020-2021 Title Ii A	-	1,367	1,417	-	(50)	6,660	6,735	-	-	(125)
2019-2020 Title Iia-Pbl Training	-	600	600	-	-	400	400	-	-	-
Title Iia Fy2019	-	4,463	4,463	-	-	-	-	-	-	-
Emergency Connectivity (American Rescue	-	-	-	-	-	5,336	5,336	-	-	-
ESSER III	-	-	2,671	-	(2,671)	365,238	363,402	(8,543)	-	(9,378)
ESSER II	-	-	98,481	-	(98,481)	211,651	113,170	-	-	-
Governor's Emergency Education Relief (GEER)	-	295,343	295,343	-	-	134,252	134,252	-	-	-
ESSER I	-	61,478	64,926	-	(3,448)	5,786	2,338	-	-	-
Covid-19 Fema Ing-Application 2	-	5,147	5,147	-	-	-	-	-	-	-
Covid-19 Fema Application #1	-	3,020	3,020	-	-	-	-	-	-	-
Prepaid School Lunch Accounts	10,379	55,439	66,373	17,051	16,496	40,489	43,666	-	-	13,319
Construction Trades	28,195	85,096	1,302	450	112,439	8,868	-	400	-	121,707
Federal	-	343,772	343,772	-	-	379,658	379,658	-	-	-
State	-	151,389	151,389	-	-	161,274	161,274	-	-	-
County	(1)	94,409	94,408	-	-	99,714	99,714	-	-	-
Annuities	-	164,455	164,455	-	-	176,820	176,820	-	-	-
I.S.W.A.T.	-	4,100	4,100	-	-	4,140	4,140	-	-	-
Fica - Certified	-	271,782	271,782	-	-	281,804	281,804	-	-	-
Fica - Noncertified	-	108,696	108,696	-	-	115,020	115,020	-	-	-
United Way	-	1,467	1,467	-	-	96	96	-	-	-
Garnishment	-	5,009	5,009	-	-	1,167	1,167	-	-	-
Textbook Payroll Deduction	-	246	246	-	-	245	245	-	-	-
County Property Tax Withholding	-	16	16	-	-	-	-	-	-	-
Health Insurance	7,432	169,843	177,764	-	(489)	182,248	181,473	-	-	286
Health Insurance - Retirees	-	31,584	26,878	-	4,706	33,071	34,054	-	-	3,723
Cancer/Other Insurance	-	63,488	63,488	-	-	65,628	65,793	-	-	(165)
Life Insurance	(64)	7,492	7,428	-	-	9,050	8,915	-	-	135
Life Insurance - Retirees	-	273	163	-	110	217	247	-	-	80
Section 125 Flexible	-	5,975	5,975	-	-	2,926	2,926	-	-	-
Long Term Disability	-	106	106	-	-	110	110	-	-	-
S125 Vision Service Plan	348	9,253	9,513	-	88	8,713	8,744	-	-	57
Vsp - Retiree Premiums	-	473	414	-	59	596	682	-	-	(27)
Library Book Replacement Clearing Acct	124	122	124	-	122	54	126	-	-	50
Eca/Overpayment Clearing	-	112	75	-	37	-	37	-	-	-
Online Textbook Payments	-	7,641	7,641	-	-	15,100	15,100	-	-	-
Adams Wells Retirement Payoff	-	-	-	-	-	-	-	-	-	-
Bank Transfer	-	-	-	-	-	30,450	30,450	-	-	-
Totals	\$ 2,848,324	\$ 11,849,917	\$ 12,973,510	\$ 2,262	\$ 1,726,993	\$ 12,781,635	\$ 12,276,193	\$ 400	\$ 2,232,835	

See notes to financial statement.

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

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

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

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

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

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

NOTE 2 - BUDGETS

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

NOTE 3 - PROPERTY TAXES

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

The School Corporation held cash deposits with financial institutions that maintained FDIC and PDIF coverages, as applicable. The School Corporation did not hold investments for the period under audit.

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

NOTE 5 - RISK MANAGEMENT

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

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

NOTE 6 - CASH BALANCE DEFICITS

The financial statement contain some funds with deficits in cash. This is a result of certain funds being set up for reimbursable grants, but for which reimbursement was not yet received by June 30, 2020, and 2021. Deficits in other fund balances, including the Health Insurance, VSP – Retiree Premiums, and Cancer/Other Insurance funds, were the result of disbursements exceeding receipts due to under-estimating current requirements for some funds. While the Health Insurance deficit balance was prepaid with future receipts during fiscal year 2022, the deficits in the other funds are to be prepaid from future receipts.

NOTE 7 - HOLDING CORPORATION

The School Corporation has entered into a series of capital leases with the Southern Wells School Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the School Corporation. The lessor has been determined to be a related party of the School Corporation. Lease payments for the period July 1, 2020 to June 30, 2021 totaled \$506,000. Lease payments for the period July 1, 2021 to June 30, 2022 totaled \$623,000.

NOTE 8 - PENSION PLANS

Public Employees' Retirement Fund

Plan Description

The Indiana Public Employees' Retirement Fund Defined Benefit Plan (PERF DB) is a cost sharing multiple-employer defined benefit plan and provides retirement, disability, and survivor benefits to plan members. PERF DB is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the School Corporation authority to contribute to the plan.

The Public Employees' Hybrid Plan (PERF Hybrid) consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

NOTE 8 - PENSION PLANS (Continued)

Financial Report

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

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (844) 464-6777

Contributions

Members' contributions are set by state statute at 3 percent of compensation for the defined contribution component of PERF Hybrid. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid.

Teachers' Retirement Fund

Plan Descriptions

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

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

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

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

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

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

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO FINANCIAL STATEMENT
As of June 30, 2022, and for the period July 1, 2020 through June 30, 2022

NOTE 8 - PENSION PLANS (Continued)

Financial Report

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

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (844) 464-6777

Contributions

The School Corporation contributes the employer's share to Teachers' 1996 DB for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. These contributions are determined by the INPRS Board based on actuarial valuation. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995 (Teachers' Pre-1996 DB) is an obligation of, and is paid by, the State of Indiana.

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

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

SUPPLEMENTARY INFORMATION

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Education	Operating Referendum Tax Levy	Debt Service	Operations	Local Rainy Day	Construction	2019 Construction	School Lunch	Curricular Materials Rental	Educational License Plates	Asbury Chapel Lunch (Es/Hs)	Special Anonymous Elementary Grant
Cash and investments - beginning	\$ 352,212	\$ 499	\$ 188,142	\$ 12,345	\$ 1,092,598	\$ 302	\$ 988,522	\$ 144,867	\$ 434	\$ 609	\$ 90	\$ 74
Receipts:												
Local sources	107,662	518,904	655,976	2,020,541	-	-	7,845	66,545	162,535	-	-	10,000
Intermediate sources	210	-	-	-	-	-	-	-	-	131	-	-
State sources	5,391,784	-	-	-	-	-	-	6,624	27,334	-	-	-
Federal sources	-	-	-	-	-	-	-	376,011	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	60,254	-	-	-	125,000	-	-	-	60,254	-	-	-
Other receipts	22,623	-	-	12,374	-	-	-	-	-	-	-	-
Total receipts	5,582,533	518,904	655,976	2,032,915	125,000	-	7,845	449,180	250,123	131	-	10,000
Disbursements:												
Instruction	4,026,295	283,824	-	-	-	-	-	-	-	-	-	4,000
Support services	1,146,010	195,367	45,388	1,896,887	35,846	302	60,680	200	54,020	-	-	-
Noninstructional services	142,982	-	-	-	-	-	-	413,941	-	-	-	-
Facilities acquisition and construction	-	-	-	-	526,351	-	933,303	48,962	-	-	-	-
Debt services	-	-	608,000	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	60,254	-	-	-	-	-	-	-	185,254	-	-	-
Total disbursements	5,375,541	479,191	653,388	1,896,887	562,197	302	993,983	463,103	239,274	-	-	4,000
Excess (deficiency) of receipts over disbursements	206,992	39,713	2,588	136,028	(437,197)	(302)	(986,138)	(13,923)	10,849	131	-	6,000
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	1,812	-	-	-	-	-	-	-	-
Transfers in	-	-	-	122,042	56,335	-	-	-	-	-	-	-
Transfers out	(209,204)	-	-	(67,341)	-	-	-	(17,051)	-	-	-	-
Total other financing sources (uses)	(209,204)	-	-	56,513	56,335	-	-	(17,051)	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(2,212)	39,713	2,588	192,541	(380,862)	(302)	(986,138)	(30,974)	10,849	131	-	6,000
Cash and investments - ending	\$ 350,000	\$ 40,212	\$ 190,730	\$ 204,886	\$ 711,736	\$ -	\$ 2,384	\$ 113,893	\$ 11,283	\$ 740	\$ 90	\$ 6,074

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Park Community Church-Food Fight	Bluffton Lodge #145	Donation For Swhs	Archery Club Donations	Six Mile Church Elementary Donation	Family Ford Donation-Hs Weight Room	Building Trades Donations	Driver'S Education	Nasp-Es/Ms Archery (Whitetails Unlimited	Action For Healthy Kids	Stem/Robotics Donations	Cada Grant
Cash and investments - beginning	\$ 79	\$ 2	\$ 350	\$ -	\$ -	\$ -	\$ -	\$ 8,741	\$ 2,265	\$ 2,172	\$ -	\$ 4
Receipts:												
Local sources	-	1	-	275	-	-	-	17,854	-	26	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	1	-	275	-	-	-	17,854	-	26	-	-
Disbursements:												
Instruction	-	-	-	-	-	-	-	14,507	1,066	174	-	-
Support services	-	3	-	-	-	-	-	-	-	-	-	-
Noninstructional services	79	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	79	3	-	-	-	-	-	14,507	1,066	174	-	-
Excess (deficiency) of receipts over disbursements	(79)	(2)	-	275	-	-	-	3,347	(1,066)	(148)	-	-
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(79)	(2)	-	275	-	-	-	3,347	(1,066)	(148)	-	-
Cash and investments - ending	\$ -	\$ -	\$ 350	\$ 275	\$ -	\$ -	\$ -	\$ 12,088	\$ 1,199	\$ 2,024	\$ -	\$ 4

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Aws Foundation Grant	Partners In Education Donation	Genyouth Futp60 Grant	Wells County Foundation	2020 Wells County Foundation Grants	2021 Wells County Foundation Grant	2022 Wells County Foundation Grants	Scholarship	Formative Assessment	Medicaid Reimbursement	Secured Schools Safety Grant	Early Literacy Intervention Grant 2020
Cash and investments - beginning	\$ -	\$ 96	\$ -	\$ 124	\$ 2,150	\$ -	\$ -	\$ -	\$ -	\$ 11,444	\$ (45,183)	\$ 3,320
Receipts:												
Local sources	2,500	-	-	-	10,807	7,043	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	9,045	521	40,835	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,500	-	-	-	10,807	7,043	-	9,045	521	40,835	-	-
Disbursements:												
Instruction	-	-	-	124	12,957	146	-	8,955	-	-	-	3,320
Support services	-	-	-	-	-	-	-	-	10,951	73,850	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	-	124	12,957	146	-	8,955	10,951	73,850	-	3,320
Excess (deficiency) of receipts over disbursements	2,500	-	-	(124)	(2,150)	6,897	-	90	(10,430)	(33,015)	-	(3,320)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	65,299	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	65,299	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,500	-	-	(124)	(2,150)	6,897	-	90	(10,430)	32,284	-	(3,320)
Cash and investments - ending	\$ 2,500	\$ 96	\$ -	\$ -	\$ -	\$ 6,897	\$ -	\$ 90	\$ 1,014	\$ (12,899)	\$ -	\$ -

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	2020-2021 Early Intervention Grant	2021-2022 Early Intervention Grant	School Technology --Do Not Use	Teacher Appreciation Grant	2022 Teacher Appreciation Grant (Tag)	High Ability Students	State Connectivity Grant	Title 1 2019/2020	2020-2021 Title I	2021-2022 Title I	Title Iv Student Support	2020-2021 Title Iv Part A
Cash and investments - beginning	\$ -	\$ -	\$ 31,708	\$ -	\$ -	\$ 2,003	\$ 11,083	\$ (3,326)	\$ -	\$ -	\$ (2,655)	\$ -
Receipts:												
Local sources	-	-	1	-	-	-	-	-	10	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	2,613	-	-	30,786	-	22,621	11,864	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	2,397	60,845	-	3,295	4,962
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Total receipts	2,613	-	1	30,786	-	22,621	11,864	2,397	60,855	-	3,295	4,962
Disbursements:												
Instruction	-	-	-	30,951	-	5,597	-	2,398	90,232	-	-	5,991
Support services	-	-	11,817	-	-	4,156	6,400	-	-	-	640	485
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	-	11,817	30,951	-	9,753	6,400	2,398	90,232	-	640	6,476
Excess (deficiency) of receipts over disbursements	2,613	-	(11,816)	(165)	-	12,868	5,464	(1)	(29,377)	-	2,655	(1,514)
Other financing sources (uses):												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	165	-	-	-	3,327	29,377	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	165	-	-	-	3,327	29,377	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,613	-	(11,816)	-	-	12,868	5,464	3,326	-	-	2,655	(1,514)
Cash and investments - ending	\$ 2,613	\$ -	\$ 19,892	\$ -	\$ -	\$ 14,871	\$ 16,547	\$ -	\$ -	\$ -	\$ -	\$ (1,514)

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	2019-2020 Cte Pilot Program Planning Gra	2020-2021 Area 18 Perkins Grant- Cte	2021-2022 Perkins Cte Grant	School Technology-E Rate	Improving Teacher Quality Nclb	2020-2021 Title Ii A	2019-2020 Title Iia-Pbl Training	Title Iia Fy2019	Emergency Connectivity (American Rescue	ESSER III	ESSER II
Cash and investments - beginning	\$ (2,159)	\$ -	\$ -	\$ -	\$ (1,001)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	5,000	27,285	-	-	3,068	1,367	600	4,463	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	5,000	27,285	-	-	3,068	1,367	600	4,463	-	-	-
Disbursements:											
Instruction	2,841	27,285	-	-	-	-	600	1,748	-	-	3,303
Support services	-	-	-	-	2,067	1,417	-	2,715	-	2,671	95,178
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	2,841	27,285	-	-	2,067	1,417	600	4,463	-	2,671	98,481
Excess (deficiency) of receipts over disbursements	2,159	-	-	-	1,001	(50)	-	-	-	(2,671)	(98,481)
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	2,159	-	-	-	1,001	(50)	-	-	-	(2,671)	(98,481)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50)	\$ -	\$ -	\$ -	\$ (2,671)	\$ (98,481)

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Governor's Emergency Education Relief (GEER)	ESSERI	Covid-19 Fema Ing-Application 2	Covid-19 Fema Application #1	Prepaid School Lunch Accounts	Construction Trades	Federal	State	County	Annuities	I.S.W.A.T.
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 10,379	\$ 28,195	\$ -	\$ -	\$ (1)	\$ -	\$ -
Receipts:											
Local sources	-	-	-	-	183	85,096	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	295,343	61,478	5,147	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	3,020	55,256	-	343,772	151,389	94,409	164,455	4,100
Total receipts	295,343	61,478	5,147	3,020	55,439	85,096	343,772	151,389	94,409	164,455	4,100
Disbursements:											
Instruction	-	13,089	-	-	-	-	-	-	-	-	-
Support services	295,343	51,837	5,147	3,020	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	66,373	1,302	343,772	151,389	94,408	164,455	4,100
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	295,343	64,926	5,147	3,020	66,373	1,302	343,772	151,389	94,408	164,455	4,100
Excess (deficiency) of receipts over disbursements	-	(3,448)	-	-	(10,934)	83,794	-	-	1	-	-
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	450	-	-	-	-	-
Transfers in	-	-	1,287	755	17,051	-	-	-	-	-	-
Transfers out	-	-	(1,287)	(755)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	17,051	450	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	(3,448)	-	-	6,117	84,244	-	-	1	-	-
Cash and investments - ending	\$ -	\$ (3,448)	\$ -	\$ -	\$ 16,496	\$ 112,439	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Fica - Certified	Fica - Noncertified	United Way	Garnishment	Textbook Payroll Deduction	County Property Tax Withholding	Health Insurance	Health Insurance - Retirees	Cancer/Other Insurance	Life Insurance	Life Insurance - Retirees
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,432	\$ -	\$ -	\$ (64)	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	271,782	108,696	1,467	5,009	246	16	169,843	31,584	63,488	7,492	273
Total receipts	271,782	108,696	1,467	5,009	246	16	169,843	31,584	63,488	7,492	273
Disbursements:											
Instruction	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	271,782	108,696	1,467	5,009	246	16	177,764	26,878	63,488	7,428	163
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	271,782	108,696	1,467	5,009	246	16	177,764	26,878	63,488	7,428	163
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	(7,921)	4,706	-	64	110
Other financing sources (uses):											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	(7,921)	4,706	-	64	110
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (489)	\$ 4,706	\$ -	\$ -	\$ 110

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2020 through June 30, 2021

	Section 125 Flexible	Long Term Disability	S125 Vision Service Plan	Vsp - Retiree Premiums	Library Book Replacement Clearing Acct	Eca/Overpaymen t Clearing	Online Textbook Payments	Adams Wells Retirement Payoff	Bank Transfer	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 348	\$ -	\$ 124	\$ -	\$ -	\$ -	\$ -	\$ 2,848,324
Receipts:										
Local sources	-	-	-	473	122	112	7,641	-	-	3,682,152
Intermediate sources	-	-	-	-	-	-	-	-	-	341
State sources	-	-	-	-	-	-	-	-	-	5,544,027
Federal sources	-	-	-	-	-	-	-	-	-	851,261
Temporary loans	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	245,508
Other receipts	5,975	106	9,253	-	-	-	-	-	-	1,526,628
Total receipts	5,975	106	9,253	473	122	112	7,641	-	-	11,849,917
Disbursements:										
Instruction	-	-	-	-	-	-	-	-	-	4,539,403
Support services	-	-	-	-	-	-	-	-	-	4,002,397
Noninstructional services	-	-	-	-	-	-	-	-	-	557,002
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	1,508,616
Debt services	-	-	-	-	-	-	-	-	-	608,000
Nonprogrammed charges	5,975	106	9,513	414	124	75	7,641	-	-	1,512,584
Interfund loans	-	-	-	-	-	-	-	-	-	245,508
Total disbursements	5,975	106	9,513	414	124	75	7,641	-	-	12,973,510
Excess (deficiency) of receipts over disbursements	-	-	(260)	59	(2)	37	-	-	-	(1,123,593)
Other financing sources (uses):										
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	2,262
Transfers in	-	-	-	-	-	-	-	-	-	295,638
Transfers out	-	-	-	-	-	-	-	-	-	(295,638)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	2,262
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(260)	59	(2)	37	-	-	-	(1,121,331)
Cash and investments - ending	\$ -	\$ -	\$ 88	\$ 59	\$ 122	\$ 37	\$ -	\$ -	\$ -	\$ 1,726,993

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Education	Operating Referendum Tax Levy	Debt Service	Operations	Local Rainy Day	Construction	2019 Construction	School Lunch	Curricular Materials Rental	Educational License Plates	Asbury Chapel Lunch (Es/Hs)
Cash and investments - beginning	\$ 350,000	\$ 40,212	\$ 190,730	\$ 204,886	\$ 711,736	\$ -	\$ 2,384	\$ 113,893	\$ 11,283	\$ 740	\$ 90
Receipts:											
Local sources	119,636	534,572	661,647	2,073,439	-	-	1	51,422	120,568	-	-
Intermediate sources	195	-	-	-	-	-	-	-	-	113	-
State sources	5,833,196	-	-	-	-	-	-	4,202	43,817	-	-
Federal sources	-	-	-	-	-	-	-	506,911	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	3,000	-	-
Other receipts	14,000	-	-	116,443	95,108	-	-	1,038	90	-	-
Total receipts	5,967,027	534,572	661,647	2,189,882	95,108	-	1	563,573	167,475	113	-
Disbursements:											
Instruction	4,219,832	313,511	-	5,140	-	-	-	-	-	-	-
Support services	1,092,405	213,175	29,811	2,238,170	12,253	-	-	200	178,336	-	-
Noninstructional services	141,416	-	-	-	-	-	-	419,784	-	-	17
Facilities acquisition and construction	-	-	-	-	201,408	-	2,385	-	-	-	-
Debt services	-	-	623,000	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	3,000	-	-	-	-	-	-
Total disbursements	5,453,653	526,686	652,811	2,243,310	216,661	-	2,385	419,984	178,336	-	17
Excess (deficiency) of receipts over disbursements	513,374	7,886	8,836	(53,428)	(121,553)	-	(2,384)	143,589	(10,861)	113	(17)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	208,543	200,000	-	-	-	-	-	-
Transfers out	(400,000)	-	-	(67,873)	-	-	-	-	-	-	-
Total other financing sources (uses)	(400,000)	-	-	140,670	200,000	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	113,374	7,886	8,836	87,242	78,447	-	(2,384)	143,589	(10,861)	113	(17)
Cash and investments - ending	\$ 463,374	\$ 48,098	\$ 199,566	\$ 292,128	\$ 790,183	\$ -	\$ -	\$ 257,482	\$ 422	\$ 853	\$ 73

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Special Anonymous Elementary Grant	Park Community Church-Food Fight	Bluffton Lodge #145	Donation For Swhs	Archery Club Donations	Six Mile Church Elementary Donation	Family Ford Donation-Hs Weight Room	Building Trades Donations	Driver'S Education	Nasp-Es/Ms Archery (Whitetails Unlimited)	Action For Healthy Kids
Cash and investments - beginning	\$ 6,074	\$ -	\$ -	\$ 350	\$ 275	\$ -	\$ -	\$ -	\$ 12,088	\$ 1,199	\$ 2,024
Receipts:											
Local sources	4,500	-	-	500	-	150	1,000	2,865	2,655	1,120	20
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	4,500	-	-	500	-	150	1,000	2,865	2,655	1,120	20
Disbursements:											
Instruction	6,341	-	-	850	275	-	1,000	1,294	5,847	2,319	882
Support services	3,792	-	-	-	-	-	-	-	535	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	10,133	-	-	850	275	-	1,000	1,294	6,382	2,319	882
Excess (deficiency) of receipts over disbursements	(5,633)	-	-	(350)	(275)	150	-	1,571	(3,727)	(1,199)	(862)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(5,633)	-	-	(350)	(275)	150	-	1,571	(3,727)	(1,199)	(862)
Cash and investments - ending	\$ 441	\$ -	\$ -	\$ -	\$ -	\$ 150	\$ -	\$ 1,571	\$ 8,361	\$ -	\$ 1,162

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Stem/Robotics Donations	Cada Grant	Aws Foundation Grant	Partners in Education Donation	Genyouth Futp60 Grant	Wells County Foundation	2020 Wells County Foundation Grants	2021 Wells County Foundation Grant	2022 Wells County Foundation Grants	Scholarship	Formative Assessment
Cash and investments - beginning	\$ -	\$ 4	\$ 2,500	\$ 96	\$ -	\$ -	\$ -	\$ 6,897	\$ -	\$ -	\$ 90
Receipts:											
Local sources	150	860	-	-	1,295	-	-	-	12,519	5,828	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	10,486
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	150	860	-	-	1,295	-	-	-	12,519	5,828	10,486
Disbursements:											
Instruction	-	858	2,500	-	1,295	-	-	6,897	5,825	-	10,576
Support services	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	500	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	858	2,500	-	1,295	-	-	6,897	5,825	500	10,576
Excess (deficiency) of receipts over disbursements	150	2	(2,500)	-	-	-	-	(6,897)	6,694	5,328	(90)
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	150	2	(2,500)	-	-	-	-	(6,897)	6,694	5,328	(90)
Cash and investments - ending	\$ 150	\$ 6	\$ -	\$ 96	\$ -	\$ -	\$ -	\$ -	\$ 6,694	\$ 5,328	\$ -

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Medicaid Reimbursement	Secured Schools Safety Grant	Early Literacy Intervention Grant 2020	2020-2021 Early Intervention Grant	2021-2022 Early Intervention Grant	School Technology --Do Not Use	Teacher Appreciation Grant	2022 Teacher Appreciation Grant (Tag)	High Ability Students	State Connectivity Grant	Title 1 2019/2020
Cash and investments - beginning	\$ 1,014	\$ (12,899)	\$ -	\$ 2,613	\$ -	\$ 19,892	\$ -	\$ -	\$ 14,871	\$ 16,547	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	648	57,180	-	-	2,942	-	-	31,645	24,760	12,760	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	4,860	-	-	-	-	-
Total receipts	648	57,180	-	-	2,942	4,860	-	31,645	24,760	12,760	-
Disbursements:											
Instruction	-	-	-	-	1,782	-	-	31,645	17,313	-	-
Support services	1,173	67,273	-	2,613	-	68,042	-	-	12,209	14,580	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	1,173	67,273	-	2,613	1,782	68,042	-	31,645	29,522	14,580	-
Excess (deficiency) of receipts over disbursements	(525)	(10,093)	-	(2,613)	1,160	(63,182)	-	-	(4,762)	(1,820)	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	22,992	-	-	-	43,290	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	22,992	-	-	-	43,290	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(525)	12,899	-	(2,613)	1,160	(19,892)	-	-	(4,762)	(1,820)	-
Cash and investments - ending	\$ 489	\$ -	\$ -	\$ -	\$ 1,160	\$ -	\$ -	\$ -	\$ 10,109	\$ 14,727	\$ -

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	2020-2021 Title I	2021-2022 Title I	Title Iv Student Support	2020-2021 Title Iv Part A	2019-2020 Cte Pilot Program Planning Gra	2020-2021 Area 18 Perkins Grant- Cte	2021-2022 Perkins Cte Grant	School Technology-E Rate	Improving Teacher Quality Nclb	2020-2021 Title Ii A	2019-2020 Title Iia-Pbl Training
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ (1,514)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50)	\$ -
Receipts:											
Local sources	-	-	-	-	-	-	-	-	-	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	13,188	-	-	-	-
Federal sources	-	57,868	-	1,944	-	-	-	3,713	-	6,660	400
Temporary loans	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-	-	-
Total receipts	-	57,868	-	1,944	-	-	13,188	3,713	-	6,660	400
Disbursements:											
Instruction	-	57,318	-	430	-	-	13,188	-	-	-	400
Support services	-	-	-	-	-	-	-	5,304	-	6,735	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	57,318	-	430	-	-	13,188	5,304	-	6,735	400
Excess (deficiency) of receipts over disbursements	-	550	-	1,514	-	-	-	(1,591)	-	(75)	-
Other financing sources (uses)											
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	1,591	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	1,591	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	550	-	1,514	-	-	-	-	-	(75)	-
Cash and investments - ending	\$ -	\$ 550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (125)	\$ -

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Title Iia Fy2019	Emergency Connectivity (American Rescue	ESSER III	ESSER II	Governor's Emergency Education Relief (GEER)	ESSER I	Covid-19 Fema Ing-Application 2	Covid-19 Fema Application #1	Prepaid School Lunch Accounts	Construction Trades	Federal	State
Cash and investments - beginning	\$ -	\$ -	\$ (2,671)	\$ (98,481)	\$ -	\$ (3,448)	\$ -	\$ -	\$ 16,496	\$ 112,439	\$ -	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	106	8,868	-	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	5,336	365,238	211,651	134,252	5,786	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	40,383	-	379,658	161,274
Total receipts	-	5,336	365,238	211,651	134,252	5,786	-	-	40,489	8,868	379,658	161,274
Disbursements:												
Instruction	-	5,336	116,809	49,291	-	267	-	-	-	-	-	-
Support services	-	-	39,537	58,751	134,252	2,071	-	-	-	-	-	-
Noninstructional services	-	-	-	5,128	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	207,056	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	43,666	-	379,658	161,274
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	-	5,336	363,402	113,170	134,252	2,338	-	-	43,666	-	379,658	161,274
Excess (deficiency) of receipts over disbursements	-	-	1,836	98,481	-	3,448	-	-	(3,177)	8,868	-	-
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	400	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	(8,543)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(8,543)	-	-	-	-	-	-	400	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	(6,707)	98,481	-	3,448	-	-	(3,177)	9,268	-	-
Cash and investments - ending	\$ -	\$ -	\$ (9,378)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,319	\$ 121,707	\$ -	\$ -

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	County	Annuities	I.S.W.A.T.	Fica - Certified	Fica - Noncertified	United Way	Garnishment	Textbook Payroll Deduction	County Property Tax Withholding	Health Insurance	Health Insurance - Retirees	Cancer/Other Insurance
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (489)	\$ 4,706	\$ -
Receipts:												
Local sources	-	-	-	-	-	-	-	-	-	660	33,071	-
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Other receipts	99,714	176,820	4,140	281,804	115,020	96	1,167	245	-	181,588	-	65,628
Total receipts	99,714	176,820	4,140	281,804	115,020	96	1,167	245	-	182,248	33,071	65,628
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	-
Support services	-	-	-	-	-	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	99,714	176,820	4,140	281,804	115,020	96	1,167	245	-	181,473	34,054	65,793
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	-
Total disbursements	99,714	176,820	4,140	281,804	115,020	96	1,167	245	-	181,473	34,054	65,793
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-	-	-	-	775	(983)	(165)
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	-	-	-	-	-	-	-	-	-	775	(983)	(165)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 286	\$ 3,723	\$ (165)

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, OTHER FINANCING SOURCES
 (USES), AND CASH AND INVESTMENT BALANCES - REGULATORY BASIS
 July 1, 2021 through June 30, 2022

	Life Insurance	Life Insurance - Retirees	Section 125 Flexible	Long Term Disability	S125 Vision Service Plan	Vsp - Retiree Premiums	Library Book Replacement Clearing Acct	Eca/Overpayment Clearing	Online Textbook Payments	Adams Wells Retirement Payoff	Bank Transfer	Totals
Cash and investments - beginning	\$ -	\$ 110	\$ -	\$ -	\$ 88	\$ 59	\$ 122	\$ 37	\$ -	\$ -	\$ -	\$ 1,726,993
Receipts:												
Local sources	-	217	-	-	-	596	54	-	15,100	-	-	3,653,419
Intermediate sources	-	-	-	-	-	-	-	-	-	-	-	308
State sources	-	-	-	-	-	-	-	-	-	-	-	6,034,824
Federal sources	-	-	-	-	-	-	-	-	-	-	-	1,299,759
Temporary loans	-	-	-	-	-	-	-	-	-	-	-	-
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	3,000
Other receipts	9,050	-	2,926	110	8,713	-	-	-	-	-	30,450	1,790,325
Total receipts	9,050	217	2,926	110	8,713	596	54	-	15,100	-	30,450	12,781,635
Disbursements:												
Instruction	-	-	-	-	-	-	-	-	-	-	-	4,879,021
Support services	-	-	-	-	-	-	-	-	-	-	30,450	4,211,667
Noninstructional services	-	-	-	-	-	-	-	-	-	-	-	566,345
Facilities acquisition and construction	-	-	-	-	-	-	-	-	-	-	-	410,849
Debt services	-	-	-	-	-	-	-	-	-	-	-	623,000
Nonprogrammed charges	8,915	247	2,926	110	8,744	682	126	37	15,100	-	-	1,582,311
Interfund loans	-	-	-	-	-	-	-	-	-	-	-	3,000
Total disbursements	8,915	247	2,926	110	8,744	682	126	37	15,100	-	30,450	12,276,193
Excess (deficiency) of receipts over disbursements	135	(30)	-	-	(31)	(86)	(72)	(37)	-	-	-	505,442
Other financing sources (uses)												
Proceeds of long-term debt	-	-	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-	-	400
Transfers in	-	-	-	-	-	-	-	-	-	-	-	476,416
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(476,416)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-	400
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	135	(30)	-	-	(31)	(86)	(72)	(37)	-	-	-	505,842
Cash and investments - ending	\$ 135	\$ 80	\$ -	\$ -	\$ 57	\$ (27)	\$ 50	\$ -	\$ -	\$ -	\$ -	\$ 2,232,835

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
SCHEDULE OF PAYABLES AND RECEIVABLES
June 30, 2022

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	<u>\$ 285,318</u>	<u>\$ 146,884</u>

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
SCHEDULE OF LEASES AND DEBT
June 30, 2022

<u>Lessor</u>	<u>Purpose</u>	<u>Annual Lease Payment</u>	<u>Lease Beginning Date</u>	<u>Lease Ending Date</u>
Governmental activities:				
Advanced Imaging Solutions	Copy machines	\$ 21,031	8/29/2018	8/29/2023
Southern Wells Community Schools Building Corporation	2019 Bond Issuance	292,000	7/15/2020	1/15/2040
Southern Wells Community Schools Building Corporation	2018 Bond Issuance	<u>333,000</u>	7/15/2019	1/15/2038
Total governmental activities		<u>646,031</u>		
Total of annual lease payments		<u>\$ 646,031</u>		

<u>Description of Debt</u>		<u>Ending Principal Balance</u>	<u>Principal and Interest Due Within One Year</u>
<u>Type</u>	<u>Purpose</u>		
Governmental activities:			
General Obligation Bonds	2018 Bond-Renovation projects- entire Corporation	\$ 4,090,000	\$ -
General Obligation Bonds	2019 Bond-Renoavtion projects- entire Corporation	<u>3,895,000</u>	<u>-</u>
Total governmental activities		<u>7,985,000</u>	<u>-</u>
Totals		<u>\$ 7,985,000</u>	<u>\$ -</u>

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
SCHEDULE OF CAPITAL ASSETS
June 30, 2022

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 42,500
Infrastructure	899,745
Buildings	22,493,577
Improvements other than buildings	1,343,801
Machinery, equipment, and vehicles	3,240,118
Books and other	<u>347,081</u>
Total governmental activities	<u>28,366,822</u>
Total capital assets	<u>\$ 28,366,822</u>

SOUTHERN WELLS COMMUNITY SCHOOLS
STATE REPORTING INFORMATION
July 1, 2020 - June 30, 2022

Financial Statement and Accompanying Notes:

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

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

Indiana Department of Education Reporting:

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

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

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

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2021 and 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
<u>Department of Agriculture</u>						
Child Nutrition Cluster						
Food & Nutrition Service/ School Breakfast Program	Indiana Department of Education					
School Breakfast Program		10.553	FY2021, FY2022	\$ 52,500	\$ 82,951	\$ 135,451
National School Lunch Program		10.555	FY2021, FY2022	323,511	432,061	755,572
Commodities		10.555	FY2021, FY2022	42,946	52,836	95,782
Total - Child Nutrition Cluster				418,957	567,848	986,805
Pandemic EBT Administrative Costs						
Pandemic EBT Administrative Costs	Indiana Department of Education	10.649	FY2021, FY2022	-	614	614
Total - Pandemic EBT Administrative Costs				-	614	614
Total - Department of Agriculture				418,957	568,462	987,419
<u>Federal Communications Commission</u>						
Universal Service Fund - Schools and Libraries						
School Technology E-rate	Universal Service Administrative Co.	32.004	27-5182-0-2-376	-	3,713	3,713
Total - Universal Service Fund - Schools and Libraries				-	3,713	3,713
Emergency Connectivity Fund Program						
Emergency Connectivity	Universal Service Administrative Co.	32.009	27-1913-0-1-376	-	5,337	5,337
Total - Emergency Connectivity Fund Program				-	5,337	5,337
Total - Federal Communications Commission				-	9,050	9,050
<u>Department of Education</u>						
Special Education Cluster(IDEA)						
Special Education Grants to States						
Special Ed-Part B	Indiana Depoartment of Education	84.027	19611-01-PN01	36,062	-	36,062
Special Ed-Part B		84.027	20611-01-PN01	153,311	16,859	170,170
Special Ed-Part B		84.027	21611-001-PN01	14,346	167,323	181,669
Special Ed-Part B		84.027	22611-001-ARP	-	2,077	2,077
Special Ed-Part B		84.027	22611-001-PN01	-	3,743	3,743
Total - Special Education Grants to States				203,719	190,002	393,721

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Years Ended June 30, 2021 and 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
Special Education Preschool Grants	Indiana Department of Education					
Special Ed Preschool		84.173	19619-01-PN01	\$ 530	\$ -	\$ 530
Special Ed Preschool		84.173	20619-01-PN01	1,168	-	1,168
Special Ed Preschool		84.173	21619-01-PN01	11,277	2,328	13,605
Special Ed Preschool		84.173	22619-001-PN01	-	6,742	6,742
				<u>12,975</u>	<u>9,070</u>	<u>22,045</u>
Total - Special Education Preschool Grants						
				<u>216,694</u>	<u>199,072</u>	<u>415,766</u>
Total - Special Education Cluster(IDEA)						
Title I Grants to Local Education Agencies	Indiana Department of Education					
Title I, Part A		84.010	S010A190014	5,725	-	5,725
Title I, Part A		84.010	S010A200014	57,518	57,868	115,386
				<u>63,243</u>	<u>57,868</u>	<u>121,111</u>
Total - Title I Grants to Local Educational Agencies						
Title V Career and Technical Education - Basic Grants to State Pilot Program Planning Grant	IBluffton-Harrison M.S.D.					
		84.048	51248A19LDRSHIP	32,285	13,188	45,473
				<u>32,285</u>	<u>13,188</u>	<u>45,473</u>
Total - Title V Career and Technical Education - Basic Grants to State						
Title II Supporting Effective Instruction State Grants	Indiana Department of Education					
Title II, Part A		84.367	S367A180013	3,067	-	3,067
Title II, Part A		84.367	S367A190013	4,462	400	4,862
Title II, Part A		84.367	S367A200013	1,968	6,660	8,628
				<u>9,497</u>	<u>7,060</u>	<u>16,557</u>
Total - Title II Supporting Effective Instruction State Grants						
Title IV Student Support and Academic Enrichment Program	Indiana Department of Education					
Title IV Part A		84.424	S424A180015	640	-	640
Title IV Part A		84.424	S424A200015	7,617	1,944	9,561
				<u>8,257</u>	<u>1,944</u>	<u>10,201</u>
Total - Title IV Student Support and Academic Enrichment Program						

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOL CORPORATION
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Years Ended June 30, 2021 and 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended 06-30-21	Total Federal Awards Expended 06-30-22	Total Federal Awards Expended 07-01-2020 to 06-30-22
COVID-19 Education Stabilization Fund	Indiana Department of Education					
Governor's Emergency Education Relief (GEER) Fund		84.425C	S425C200018	\$ 295,343	\$ 134,252	\$ 429,595
Elementary and Secondary School Emergency Relief (ESSER I) Fund		84.425D	S425D200013	61,477	5,786	67,263
Elementary and Secondary School Emergency Relief (ESSER II) Fund		84.425D	S425D210013	-	211,650	211,650
Elementary and Secondary School Emergency Relief (ESSER III) Fund		84.425U	S425U200013	-	365,238	365,238
Total - COVID-19 Education Stabilization Fund				<u>356,820</u>	<u>716,926</u>	<u>1,073,746</u>
Total - Department of Education				<u>686,796</u>	<u>996,058</u>	<u>1,685,854</u>
<u>Department of Health and Human Services</u>						
Medicaid Cluster	Indiana Department of Education					
Medical Assistance Program		93.778	FY2021, FY2022	375	469	844
Total - Medicaid Cluster				<u>375</u>	<u>469</u>	<u>844</u>
Total - Department of Health and Human Services				<u>375</u>	<u>469</u>	<u>844</u>
<u>Department of Homeland Security</u>						
Federal Emergency Management Agency (FEMA)	Indiana Department of Education					
COVID-19 - FEMA Public Assistance Grant		97.036	N/A	5,147	-	5,147
Total - Disaster Grants - Public Assistance (Presidentially Declared Disasters)				<u>5,147</u>	<u>-</u>	<u>5,147</u>
Total - Department of Homeland Security				<u>5,147</u>	<u>-</u>	<u>5,147</u>
Total federal awards expended				<u>\$ 1,111,275</u>	<u>\$ 1,574,039</u>	<u>\$ 2,685,314</u>

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

SOUTHERN WELLS COMMUNITY SCHOOLS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Period of July 1, 2020 through June 30, 2022

NOTE 1 - BASIS OF PRESENTATION

A. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) includes the federal grant activity of the School Corporation under programs of the federal government for the period of July 1, 2020 through June 30, 2022. The information in the SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the SEFA presents only a select portion of the operations of the School Corporation, it is not intended to and does not present the financial position of the School Corporation.

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

B. Other Significant Accounting Policies

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

NOTE 2 - INDIRECT COST RATE

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

NOTE 3 - OTHER INFORMATION

The School Corporation did not have any subrecipient activity for the period July 1, 2020 to June 30, 2022.

NOTE 4 - SPECIAL EDUCATION COOPERATIVE (ALN: 84.027, 84.173)

The School Corporation is a member of the Adams-Wells Special Services Cooperative (Cooperative), which operates the special education program for the School Corporation. As a result, some activity for the Special Education Cluster (IDEA) that is presented on the SEFA is not presented as receipts and disbursements in the financial statement for the School Corporation. This activity is reported on the financial statement of the Cooperative.

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

Those Charged with Governance
Southern Wells Community Schools
Wells County, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Centerville-Abington Community Schools ("School Corporation"), which comprise the statement of receipts, disbursements, other financing sources (uses), and cash and investment balances of the School Corporation as of June 30, 2022 and for the period July 1, 2020 to June 30, 2022 and the related notes to the financial statement, which collectively comprise the School Corporation's financial statement, and have issued our report thereon dated March 28, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2022-001 that we consider to be a significant deficiency.

(Continued)

Report on Compliance and Other Matters

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

School Corporation's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the School Corporation's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned cost. The School Corporation's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 28, 2023

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

Those Charged with Governance
Southern Wells Community Schools
Wells County, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Southern Wells Community Schools' (the "School Corporation") compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the School Corporation's major federal programs for the period of July 1, 2020 through June 30, 2022. The School Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the period of July 1, 2020 through June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

(Continued)

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

(Continued)

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

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

Crowe LLP
Crowe LLP

Indianapolis, Indiana
March 28, 2023

SOUTHERN WELLS COMMUNITY SCHOOLS
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 July 1, 2020 through June 30, 2022

Section I – Summary of Auditor’s Results

Financial Statement

Type of auditor’s report issued	Adverse as to GAAP, Unmodified as to regulatory basis		
Internal control over financial reporting			
Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No	
Significant deficiencies identified not considered to be material weaknesses?	_____ <u>X</u> Yes	_____ None Reported	
Noncompliance material to financial statement noted?	_____ Yes	_____ <u>X</u> No	

Federal Awards

Internal control over major programs			
Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No	
Significant deficiencies identified not considered to be material weaknesses?	_____ Yes	_____ <u>X</u> None Reported	
Type of auditor’s report issued on compliance for major programs	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	_____ Yes	_____ <u>X</u> No	

Identification of major programs

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555	Child Nutrition Cluster
84.425C, 84.425D, 84.425U	COVID-19 – Education Stabilization Fund

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

Auditee qualified as low-risk auditee?	_____ Yes	_____ <u>X</u> No
--	-----------	-------------------

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 through June 30, 2022

Section II – Financial Statement Findings

FINDING 2022-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards
Audit Findings: Significant Deficiency

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

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

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

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduce here for reference purposes:

- ...
- Accurate and timely recording of transactions. . . ."

2 CFR 200.508 states in part:

"The auditee must: . . .

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

2 CFR 200.510(b) states:

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

(1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within a cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 through June 30, 2022

Section II – Financial Statement Findings (Continued)

FINDING 2022-001 (Continued)

(2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.

(3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.

(4) Include the total amount provided to subrecipients from each Federal program.

(5) For loan or loan guarantee programs described in § 200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.

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

Condition: The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

Cause: Management had not established a system of internal control that would have ensured proper reporting of the SEFA.

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. There was no formal evidence that the SEFA was reviewed prior to submission. The following errors were noted that resulted in the net overstatement of the total federal awards expended on the SEFA by \$57,026 for the period July 1, 2020 through June 30, 2022:

1. The Child Nutrition Cluster expenditures were overstated by \$61,258
2. The Title I Grants to Local Education Agencies expenditures were overstated by \$3,327
3. The Title II Supporting Effective Instruction State Grants expenditures were understated by \$601
4. The Title IV Student Support and Academic Enrichment Program expenditures were understated by \$2,655
5. The Medicaid Cluster expenditures were understated by \$844
6. The COVID-19 – FEMA Public Assistance Grant expenditures were understated by \$5,147

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA to correct the issues noted above.

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

Identification as a repeat finding, if applicable: No.

(Continued)

SOUTHERN WELLS COMMUNITY SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
July 1, 2020 through June 30, 2022

Section II – Financial Statement Findings (Continued)

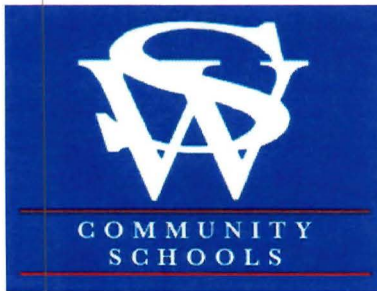
FINDING 2022-001 (Continued)

Recommendation: We recommended that the School Corporation's management establish a formal review over the SEFA to ensure amounts reported are accurate. The School Corporation should establish a documented, secondary review to ensure the amounts reported on the SEFA agree to the supporting federal receipt fund ledger detail.

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

Section III – Federal Award Findings and Questioned Costs

None noted.



Southern Wells Community Schools

9120 S 300 West

Poneto, IN 46781

765-728-5537

Dr. Trent Lehman, Superintendent

Lora Warner, Treasurer

Shirley Klowetter, Secretary

lwarner@swraiders.com

sklowetter@swraider.com

CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS

June 30, 2022

FINDING 2022-001

Subject: Preparation of the Schedule of Expenditures of Federal Awards

Audit Findings: Significant Deficiency

Condition: The School Corporation did not have a proper system of internal control in place to prevent, or detect and correct, errors on the Schedule of Expenditures of Federal Awards (SEFA).

Context: The federal grant information entered and submitted in the Indiana Gateway for Government Units financial reporting system was the source of the SEFA. There was no formal evidence that the SEFA was reviewed prior to submission. The following errors were noted that resulted in the net overstatement of the total federal awards expended on the SEFA by \$57,026 for the period July 1, 2020 through June 30, 2022:

The Child Nutrition Cluster expenditures were overstated by \$61,258

The Title I Grants to Local Education Agencies expenditures were overstated by \$3,327

The Title II Supporting Effective Instruction State Grants expenditures were understated by \$601

The Title IV Student Support and Academic Enrichment Program expenditures were understated by \$2,655

The Medicaid Cluster expenditures were understated by \$844

The COVID-19 – FEMA Public Assistance Grant expenditures were understated by \$5,147

Audit adjustments were proposed, accepted by the School Corporation, and made to the SEFA to correct the issues noted above.

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

The above listed grant amounts on the SEFA will be corrected at completion of the exit conference with Crowe auditors. On future SEFA reports, receipt amounts will be used to complete the distribution amounts on the report instead of our expenditure amounts as was done in the reports in this audit period. Double review and sign-off from the treasurer and superintendent will be established for the SEFA report prior to submitting the report in Gateway.

Responsible Party and Timeline for Completion:

The treasurer will be responsible for making the corrections in Gateway immediately following the end of the audit as well as making sure that the double review and sign-off process is completed prior to making any future submissions to Gateway for the SEFA.

APPENDIX E

BOND RESOLUTION

WHEREAS, Southern Wells Community 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 educational environment 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 school facilities throughout the School Corporation, including the purchase of equipment and technology (the "Project"), and that the School Corporation should issue bonds in an amount not to exceed Three Million Dollars (\$3,000,000) (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) \$6,350,465; 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 Indiana Code § 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 2023 for state and county taxes collectible in the year 2024 is \$468,282,686 and there is \$0 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 FURTHER RESOLVED that the Debt Service Fund tax rate is \$0.1244 as of the date hereof.

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 2024" (or such other name or series designation as determined by the School Corporation's underwriter). The Bonds shall be in a principal amount not to exceed Three Million Dollars (\$3,000,000), bearing interest at a rate or rates not exceeding five percent (5.00%) per annum (the exact rate or rates to be determined by negotiation with an underwriter or purchaser), which interest shall be payable no earlier than July 15, 2025 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 underwriter or purchaser), and shall mature or be subject to mandatory

redemption on January 15 and July 15 beginning no sooner than July 15, 2025 through no later than January 15, 2034.

All or a portion of the Bonds may be issued as one or more term bonds, upon election of the underwriter or purchaser. Such term bonds shall have a stated maturity or maturities as determined by negotiation with the underwriter or 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 Old National Wealth Management, 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 underwriter or purchaser, 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 underwriter or purchaser). 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 underwriter's or purchaser's or successful offeror'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 underwriter or purchaser, 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 evidence 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- _____

Registered
\$3,000,000

UNITED STATES OF AMERICA

State of Indiana

County of Wells

SOUTHERN WELLS COMMUNITY SCHOOLS
GENERAL OBLIGATION BONDS OF 2024

Interest <u>Rate</u>	Maturity <u>Date</u>	Original <u>Date</u>	Authentication <u>Date</u>	<u>CUSIP</u>
See <u>Exhibit A</u>	See <u>Exhibit A</u>	_____, 2024	_____, 2024	See <u>Exhibit A</u>

Registered Owner: CEDE & CO.

Principal Sum: THREE MILLION DOLLARS

Southern Wells Community Schools (the "Issuer" or "School Corporation"), a school corporation organized and existing under the laws of the State of Indiana, in Wells 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, 2025 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, 2025 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 Old National Wealth Management, Evansville, Indiana (the "Registrar and Paying Agent") or by wire transfer of immediately available funds to depositories who present the Bonds to the Registrar and Paying Agent at least two business days prior to the payment date in lawful money of the United States of America. If the payment date occurs on a date when financial institutions are not open for business, the wire transfer shall be made on the next succeeding business day. The Registrar and Paying Agent shall wire transfer payments by 1:00 p.m. (New York City time) so such payments are received at the depository by 2:30 p.m. (New York City time).

This Bond is one of an issue of bonds aggregating Three Million Dollars (\$3,000,000), 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, 2024 as supplemented on October 15, 2024 (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 school facilities throughout the School Corporation, including the purchase of equipment and technology 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.

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.

SOUTHERN WELLS COMMUNITY
SCHOOLS

By: Example Signature Page
President, Board of School Trustees

Attest:

Example Signature Page
Secretary, Board of School Trustees

CERTIFICATE OF AUTHENTICATION

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

OLD NATIONAL WEALTH
MANAGEMENT,
as Registrar and Paying Agent

By: Example Signature Page
Authorized Representative

[END OF BOND FORM]

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 Second 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. Further, the use of electronic signatures by officers of the Board or representatives of the School Corporation are hereby authorized and affirmed with full valid legal effect and enforceability.

BE IT RESOLVED, that this Board hereby hires Raymond James & Associates, Inc. as underwriter or placement agent of the Bonds and the officers are authorized and directed to execute a Bond Purchase Agreement or Private Placement Agreement with such underwriter.

BE IT FURTHER RESOLVED, that the officers of the Board have full authority to execute any and all documents necessary to issue the Bonds, and that the use of electronic signatures by officers of the Board or representatives of the School Corporation are hereby authorized and affirmed with full valid legal effect and enforceability.

Passed and Adopted this 15th day of October, 2024.

President, Board of School Trustees

ATTEST:

Secretary, Board of School Trustees