

SUPPLEMENT DATED OCTOBER 16, 2020

to

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 14, 2020

relating to

\$52,140,000*

**Lower Merion School District
Montgomery County, Pennsylvania
General Obligation Bonds, Series of 2020**

The purpose of this Supplement is to amend and supplement certain information contained in the Preliminary Official Statement dated October 14, 2020 (the “Preliminary Official Statement”) relating to the above-referenced bonds. This Supplement should be read in conjunction with the Preliminary Official Statement. Terms used in this Supplement have the same meaning as in the Preliminary Official Statement, unless specifically otherwise defined herein.

The Preliminary Official Statement is amended and supplemented to replace the section “LITIGATION” and “APPENDIX C – Form of Solicitor’s Opinion”, specifically, the sixth paragraph of the opinion.

Accordingly, the section entitled “LITIGATION” is amended and restated in its entirety as follows:

LITIGATION

At the time of settlement, the President or Vice-President of the Board of School Directors of the School District will deliver a certificate dated as of the date of delivery of and payment for the Bonds, certifying that except for the action described herein, there is no litigation pending which challenges the validity or enforceability of the Bonds and there is no litigation pending which would materially affect the School District’s financial condition; or in the event that such litigation is pending, a description of the nature of such litigation, together with an opinion of legal counsel approved by the School District, to the effect that such litigation is without legal merit. See the proposed text of the opinion of the School District Solicitor appended to this Preliminary Official Statement as Appendix C. On February 1, 2016, a putative class action suit was filed by Arthur Alan Wolk, For Himself and All School Taxpayers to The School District of Lower Merion, as Plaintiff, against The School District of Lower Merion, as Defendant, in the Montgomery County Court of Common Pleas, Case No. 2016-01839. The Complaint makes numerous allegations of School District misrepresentations relating to budgets, curriculum, construction projects, and tax increases. The Complaint also seeks the suspension of the authority of the Board of School Directors of the School District to act for the School District and the appointment of a trustee to undertake their responsibilities. Finally, the Complaint seeks damages in the amount of the School District’s entire general fund balance. The School District is vigorously defending the action. The School District has also put its insurance carriers on notice to the extent that any claims are covered by insurance. On the date of delivery of the Bonds, the Solicitor for the School District will issue an opinion to the effect that the underlying litigation is without legal merit. However, the plaintiffs did file a petition for a Preliminary Injunction seeking to enjoin the 2016 tax increase of 4.44% imposed by the School Board on June 13 2016. On August 29, 2016, the Court of Common Peas of Montgomery County enjoined the District from “enforcing or collecting a tax increase for fiscal year 2016-17 of over 2.4% more than was in effect for the prior fiscal year.” Until recently, that decision was on appeal to the Pennsylvania Supreme Court. Since the appeal stayed the injunction, the District did enforce and collect the disputed 4.44% tax increase. The stay is no longer in effect and the matter has been remanded to the Court of Common Pleas. The District has, pending the resolution of the appeal of the Montgomery County Court of Common Pleas Order of August 29, 2016 and any proceedings on remand or otherwise in relation to the August 29, 2016 Order, segregated the proceeds of the disputed tax increase of 2.04% in a separate PSDLAF account. Additionally, the District will segregate any proceeds it receives from the recently imposed 2019-20 tax millage which are attributable to the disputed tax increase of 2.04% from the 2016-17 tax increase. The monies in this PSDLAF account may not be released by the administration without further action taken by the Board at a public meeting.

*Estimated, subject to change.

Accordingly, the “APPENDIX C – Form of Solicitor’s Opinion” paragraph number 6 is amended and restated in its entirety as follows:

6. On February 1, 2016, a putative class action suit was filed by Arthur Alan Wolk, For Himself and All School Taxpayers to The School District of Lower Merion, as Plaintiff, against The School District of Lower Merion, as Defendant, in the Montgomery County Court of Common Pleas, Case No. 2016-01839. The Complaint makes numerous allegations of School District misrepresentations relating to budgets, curriculum, construction projects, and tax increases. The Complaint also seeks the suspension of the authority of the Board of School Directors of the School District to act for the School District and the appointment of a trustee to undertake their responsibilities. Finally, the Complaint seeks damages in the amount of the School District’s entire general fund balance. The School District is vigorously defending the action. The School District has also put its insurance carriers on notice to the extent that any claims are covered by insurance. On the date of delivery of the Bonds, the Solicitor for the School District will issue an opinion to the effect that the underlying litigation is without legal merit. However, the plaintiffs did file a petition for a Preliminary Injunction seeking to enjoin the 2016 tax increase of 4.44% imposed by the School Board on June 13 2016. On August 29, 2016, the Court of Common Peas of Montgomery County enjoined the District from “enforcing or collecting a tax increase for fiscal year 2016-17 of over 2.4% more than was in effect for the prior fiscal year.” Until recently, that decision was on appeal to the Pennsylvania Supreme Court. Since the appeal stayed the injunction, the District did enforce and collect the disputed 4.44% tax increase. The stay is no longer in effect and the matter has been remanded to the Court of Common Pleas. The District has, pending the resolution of the appeal of the Montgomery County Court of Common Pleas Order of August 29, 2016 and any proceedings on remand or otherwise in relation to the August 29, 2016 Order, segregated the proceeds of the disputed tax increase of 2.04% in a separate PSDLAF account. Additionally, the District will segregate any proceeds it receives from the recently imposed 2019-20 tax millage which are attributable to the disputed tax increase of 2.04% from the 2016-17 tax increase. The monies in this PSDLAF account may not be released by the administration without further action taken by the Board at a public meeting.

Except as provided herein, the Preliminary Official Statement remains unchanged.