Meeting of the Vigo County Council December 19, 2012

VIGO COUNTY COUNCIL
Agenda
Wednesday December 19, 2012 at 3:30 P.M.
Council Chambers, Vigo County Annex

1. Pledge of Allegiance
2. Calling of the roll
3. Corrections to the journal of the preceding meeting, if needed
4. Public comment
5. Communications from elected officials of the County
6. Communications from other officials or agencies
7. Reports from standing committees
8. Reports from select committees
9. Ordinances relating to appropriations
    a. Annual Budget Committee
        i. 2012 Binding Recommendations
            1. Honey Creek FPD
            2. New Goshen FPD
            3. Lost Creek FPD
            4. Prairieton FPD
            5. Riley FPD
            6. Sugar Creek FPD
            7. Clay-Owen-Vigo Solid Waste
10. Honorary resolutions
11. Resolutions relating to fiscal policies of the Council
    a. Resolution 2012-09
12. First reading by summary reference of proposed ordinances and resolutions
13. Appointments
14. Adjournment

Notice to Taxpayers

There will be a meeting of the Vigo County Council on Wednesday, December 19, 2012 at 3:30 pm in the Council Chambers located at 127 Oak Street, Terre Haute, Indiana to withdraw and re-adopt the Clay-Owen-Vigo Solid Waste District, Honey Creek Fire Protection District, New Goshen Fire Protection District, Lost Creek Fire Protection District, Prairieton Fire Protection District, Riley Fire Protection District, and Sugar Creek Fire Protection 2013 budgets due to a technical error.

Timothy M. Seprodi, Vigo County Auditor

Prescribed by the Department of Local Government Finance
Approved by the State Board of Accounts

ORDINANCE / RESOLUTION FOR APPROPRIATIONS AND TAX RATE

Ordinance / Resolution Number:

Be it ordained / resolved by the **Vigo County Council** that for the expenses of **HONEY CREEK FIRE PROTECTION**, Indiana for the year ending December 31, **2013** the sum of **$2,572,574** as shown on Budget Form 4-A are hereby appropriated and ordered set apart out of the funds herein named and for the purposes herein specified, subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year, unless otherwise expressly stipulated and provided for by law. In addition, for the purposes of raising revenue to meet the necessary expense of **HONEY CREEK FIRE PROTECTION**, a total property tax levy of **$2,012,135** and a total tax rate of **0.3868**, are adopted as shown on Budget Form 4-B and included herein. Budget Form 4-A and 4-B for all funds and departments are incorporated by the signing of this form and must be completed and submitted in the manner prescribed by the Department of Local Government Finance.

This ordinance / resolution shall be in full force and effect from and after its passage and approval by the taxing **Vigo County Council**.

Name of Adopting Entity	Select Type of Fiscal Body	Date of Adoption
Vigo County Council	County Council	12/19/2012

Name		Signature
Brad Anderson	Aye ☐ Nay ☐ Abstain ☐	
Bill Thomas	Aye ☐ Nay ☐ Abstain ☐	
Ed Ping	Aye ☐ Nay ☐ Abstain ☐	
Kathy Miller	Aye ☐ Nay ☐ Abstain ☐	
Mark Bird	Aye ☐ Nay ☐ Abstain ☐	
Tim P. Curley	Aye ☐ Nay ☐ Abstain ☐	
Bill Bryan	Aye ☐ Nay ☐ Abstain ☐	

ATTEST

Name	Title	Signature
Timothy M. Seprodi	Vigo County Auditor	

MAYOR ACTION (For City use only)

Name		Signature	Date
	Approve ☐ Veto ☐		

Prescribed by the Department of Local Government Finance
Approved by the State Board of Accounts

Budget Form No. 4 (Rev. 2011)

ORDINANCE / RESOLUTION FOR APPROPRIATIONS AND TAX RATE

Ordinance / Resolution Number:

Be it ordained / resolved by the **Vigo County Council** that for the expenses of **NEW GOSHEN FIRE PROTECTION DISTRICT**, Indiana for the year ending December 31, **2013** the sum of **$195,525** as shown on Budget Form 4-A are hereby appropriated and ordered set apart out of the funds herein named and for the purposes herein specified, subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year, unless otherwise expressly stipulated and provided for by law. In addition, for the purposes of raising revenue to meet the necessary expense of **NEW GOSHEN FIRE PROTECTION DISTRICT**, a total property tax levy of **$175,192** and a total tax rate of **0.1530**, are adopted as shown on Budget Form 4-B and included herein. Budget Form 4-A and 4-B for all funds and departments are incorporated by the signing of this form and must be completed and submitted in the manner prescribed by the Department of Local Government Finance.

This ordinance / resolution shall be in full force and effect from and after its passage and approval by the taxing **Vigo County Council**.

Name of Adopting Entity	Select Type of Fiscal Body	Date of Adoption
Vigo County Council	County Council	12/19/2012

Name		Signature
Brad Anderson	Aye ☐ Nay ☐ Abstain ☐	
Bill Thomas	Aye ☐ Nay ☐ Abstain ☐	
Ed Ping	Aye ☐ Nay ☐ Abstain ☐	
Kathy Miller	Aye ☐ Nay ☐ Abstain ☐	
Mark Bird	Aye ☐ Nay ☐ Abstain ☐	
Tim P. Curley	Aye ☐ Nay ☐ Abstain ☐	
Bill Bryan	Aye ☐ Nay ☐ Abstain ☐	

ATTEST

Name	Title	Signature
Timothy M. Seprodi	Vigo County Auditor	

MAYOR ACTION (For City use only)

Name		Signature	Date
	Approve ☐ Veto ☐		

Prescribed by the Department of Local Government Finance
Approved by the State Board of Accounts

ORDINANCE / RESOLUTION FOR APPROPRIATIONS AND TAX RATE

Ordinance / Resolution Number:

Be it ordained / resolved by the **Vigo County County Council** that for the expenses of **LOST CREEK FIRE PROTECTION DISTRICT**, Indiana for the year ending December 31, **2013** the sum of **$125,400** as shown on Budget Form 4-A are hereby appropriated and ordered set apart out of the funds herein named and for the purposes herein specified, subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year, unless otherwise expressly stipulated and provided for by law. In addition, for the purposes of raising revenue to meet the necessary expense of **LOST CREEK FIRE PROTECTION DISTRICT**, a total property tax levy of **$107,000** and a total tax rate of **0.0788**, are adopted as shown on Budget Form 4-B and included herein. Budget Form 4-A and 4-B for all funds and departments are incorporated by the signing of this form and must be completed and submitted in the manner prescribed by the Department of Local Government Finance.

This ordinance / resolution shall be in full force and effect from and after its passage and approval by the taxing **Vigo County County Council**.

Name of Adopting Entity	Select Type of Fiscal Body	Date of Adoption
Vigo County County Council	County Council	12/19/2012

Name		Signature
Bill Bryan	Aye ☐ Nay ☐ Abstain ☐	
Tim P. Curley	Aye ☐ Nay ☐ Abstain ☐	
Mark Bird	Aye ☐ Nay ☐ Abstain ☐	
Kathy Miller	Aye ☐ Nay ☐ Abstain ☐	
Ed Ping	Aye ☐ Nay ☐ Abstain ☐	
Bill Thomas	Aye ☐ Nay ☐ Abstain ☐	
Brad Anderson	Aye ☐ Nay ☐ Abstain ☐	

ATTEST

Name	Title	Signature
Timothy M. Seprodi	Vigo County Auditor	

MAYOR ACTION (For City use only)

Name		Signature	Date
	Approve ☐ Veto ☐		

Prescribed by the Department of Local Government Finance
Approved by the State Board of Accounts

Budget Form No. 4 (Rev. 2011)

ORDINANCE / RESOLUTION FOR APPROPRIATIONS AND TAX RATE

Ordinance / Resolution Number:

Be it ordained / resolved by the **Vigo County Council** that for the expenses of **PRAIRIETON FIRE PROTECTION DISTRICT**, Indiana for the year ending December 31, **2013** the sum of **$243,547** as shown on Budget Form 4-A are hereby appropriated and ordered set apart out of the funds herein named and for the purposes herein specified, subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year, unless otherwise expressly stipulated and provided for by law. In addition, for the purposes of raising revenue to meet the necessary expense of **PRAIRIETON FIRE PROTECTION DISTRICT**, a total property tax levy of **$215,200** and a total tax rate of **0.3093**, are adopted as shown on Budget Form 4-B and included herein. Budget Form 4-A and 4-B for all funds and departments are incorporated by the signing of this form and must be completed and submitted in the manner prescribed by the Department of Local Government Finance.

This ordinance / resolution shall be in full force and effect from and after its passage and approval by the taxing **Vigo County Council**.

Name of Adopting Entity	Select Type of Fiscal Body	Date of Adoption
Vigo County Council	County Council	12/19/2012

Name		Signature
Brad Anderson	Aye ☐ Nay ☐ Abstain ☐	
Bill Thomas	Aye ☐ Nay ☐ Abstain ☐	
Ed Ping	Aye ☐ Nay ☐ Abstain ☐	
Kathy Miller	Aye ☐ Nay ☐ Abstain ☐	
Mark Bird	Aye ☐ Nay ☐ Abstain ☐	
Tim P. Curley	Aye ☐ Nay ☐ Abstain ☐	
Bill Bryan	Aye ☐ Nay ☐ Abstain ☐	

ATTEST

Name	Title	Signature
Timothy M. Seprodi	Vigo County Auditor	

MAYOR ACTION (For city use only)

Name		Signature	Date
	Approve ☐ Veto ☐		

ORDINANCE / RESOLUTION FOR APPROPRIATIONS AND TAX RATE

Ordinance / Resolution Number:

Be it ordained / resolved by the **Vigo County Council** that for the expenses of **RILEY FIRE PROTECTION DISTRICT**, Indiana for the year ending December 31, **2013** the sum of **$527,989** as shown on Budget Form 4-A are hereby appropriated and ordered set apart out of the funds herein named and for the purposes herein specified, subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year, unless otherwise expressly stipulated and provided for by law. In addition, for the purposes of raising revenue to meet the necessary expense of **RILEY FIRE PROTECTION DISTRICT**, a total property tax levy of **$440,260** and a total tax rate of **0.4038**, are adopted as shown on Budget Form 4-B and included herein. Budget Form 4-A and 4-B for all funds and departments are incorporated by the signing of this form and must be completed and submitted in the manner prescribed by the Department of Local Government Finance.

This ordinance / resolution shall be in full force and effect from and after its passage and approval by the taxing **Vigo County Council**.

Name of Adopting Entity	Select Type of Fiscal Body	Date of Adoption
Vigo County Council	County Council	12/19/2012

Name		Signature
Brad Anderson	Aye ☐ Nay ☐ Abstain ☐	
Bill Thomas	Aye ☐ Nay ☐ Abstain ☐	
Ed Ping	Aye ☐ Nay ☐ Abstain ☐	
Kathy Miller	Aye ☐ Nay ☐ Abstain ☐	
Mark Bird	Aye ☐ Nay ☐ Abstain ☐	
Tim P. Curley	Aye ☐ Nay ☐ Abstain ☐	
Bill Bryan	Aye ☐ Nay ☐ Abstain ☐	

ATTEST

Name	Title	Signature
Timothy M. Seprodi	Vigo County Council	

MAYOR ACTION (For City use only)

Name		Signature	Date
	Approve ☐ Veto ☐		

ORDINANCE / RESOLUTION FOR APPROPRIATIONS AND TAX RATE

Ordinance / Resolution Number:

Be it ordained / resolved by the **Vigo County Council** that for the expenses of **SUGAR CREEK TOWNSHIP FIRE DISTRICT**, Indiana for the year ending December 31, **2013** the sum of **$585,000** as shown on Budget Form 4-A are hereby appropriated and ordered set apart out of the funds herein named and for the purposes herein specified, subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year, unless otherwise expressly stipulated and provided for by law. In addition, for the purposes of raising revenue to meet the necessary expense of **SUGAR CREEK TOWNSHIP FIRE DISTRICT**, a total property tax levy of **$521,914** and a total tax rate of **0.3202**, are adopted as shown on Budget Form 4-B and included herein. Budget Form 4-A and 4-B for all funds and departments are incorporated by the signing of this form and must be completed and submitted in the manner prescribed by the Department of Local Government Finance.

This ordinance / resolution shall be in full force and effect from and after its passage and approval by the taxing **Vigo County Council**.

Name of Adopting Entity	Select Type of Fiscal Body	Date of Adoption
Vigo County Council	County Council	12/19/2012

Name		Signature
Brad Anderson	Aye ☐ Nay ☐ Abstain ☐	
Bill Thomas	Aye ☐ Nay ☐ Abstain ☐	
Ed Ping	Aye ☐ Nay ☐ Abstain ☐	
Kathy Miller	Aye ☐ Nay ☐ Abstain ☐	
Mark Bird	Aye ☐ Nay ☐ Abstain ☐	
Tim P. Curley	Aye ☐ Nay ☐ Abstain ☐	
Bill Bryan	Aye ☐ Nay ☐ Abstain ☐	

ATTEST

Name	Title	Signature
Timothy M. Seprodi	Vigo County Auditor	

MAYOR ACTION (For City use Only)

Name		Signature	Date
	Approve ☐ Veto ☐		

Prescribed by the Department of Local Government Finance
Approved by the State Board of Accounts

Budget Form No. 4 (Rev. 2011)

ORDINANCE / RESOLUTION FOR APPROPRIATIONS AND TAX RATE

Ordinance / Resolution Number:

Be it ordained / resolved by the **Vigo County Council** that for the expenses of **CLAY-OWEN-VIGO SOLID WASTE MANAGEMENT DISTRICT**, Indiana for the year ending December 31, **2013** the sum of **$179,080** as shown on Budget Form 4-A are hereby appropriated and ordered set apart out of the funds herein named and for the purposes herein specified, subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year, unless otherwise expressly stipulated and provided for by law. In addition, for the purposes of raising revenue to meet the necessary expense of **CLAY-OWEN-VIGO SOLID WASTE MANAGEMENT DISTRICT**, a total property tax levy of **$0** and a total tax rate of **0.0000**, are adopted as shown on Budget Form 4-B and included herein. Budget Form 4-A and 4-B for all funds and departments are incorporated by the signing of this form and must be completed and submitted in the manner prescribed by the Department of Local Government Finance.

This ordinance / resolution shall be in full force and effect from and after its passage and approval by the taxing **Vigo County Council**.

Name of Adopting Entity	Select Type of Fiscal Body	Date of Adoption
Vigo County Council	County Council	12/19/2012

Name		Signature
Brad Anderson	Aye ☐ Nay ☐ Abstain ☐	
Bill Thomas	Aye ☐ Nay ☐ Abstain ☐	
Ed Ping	Aye ☐ Nay ☐ Abstain ☐	
Kathy Miller	Aye ☐ Nay ☐ Abstain ☐	
Mark Bird	Aye ☐ Nay ☐ Abstain ☐	
Tim P. Curley	Aye ☐ Nay ☐ Abstain ☐	
Bill Bryan	Aye ☐ Nay ☐ Abstain ☐	

ATTEST

Name	Title	Signature
Timothy M. Seprodi	Vigo County Auditor	

MAYOR ACTION (For City use only)

Name		Signature	Date
	Approve ☐ Veto ☐		

RESOLUTION NO. 2012-09

A RESOLUTION OF THE COUNTY COUNCIL OF VIGO COUNTY, INDIANA, AUTHORIZING THE PARTICIPATION OF SAID COUNTY IN THE MOTOR FUEL BUDGETING PROGRAM OF THE INDIANA BOND BANK FOR THE 2013 BUDGET YEAR, THE EXECUTION OF THE QUALIFIED ENTITY REIMBURSEMENT AGREEMENT IN CONNECTION THEREWITH AND OTHER RELATED MATTERS

WHEREAS, Vigo County, Indiana (the "County") owns and operates a fleet of motor vehicles which motor vehicles are essential to the ability of the County to serve and provide governmental services to the inhabitants of the County, thereby ensuring the safety and well-being of said inhabitants; and

WHEREAS, the County Council of the County (the "Council"), the fiscal body of the County, finds that the availability of motor vehicle fuel, which includes both gasoline and diesel motor fuel (collectively, "Motor Fuel"), is therefore critical to the County in providing such services; and

WHEREAS, the market-driven volatility of Motor Fuel presents a substantial risk to the Motor Fuel budget of the County, which may require the appropriation of additional funds for the purchase of Motor Fuel should prices increase beyond the amount of funds which have been appropriated for such purpose; and

WHEREAS, current market conditions limit the ability of the County to secure Motor Fuel with qualified suppliers of Motor Fuel in a manner which minimizes the adverse impacts of the volatile Motor Fuel market on the budget for the County; and

WHEREAS, the County has been advised by representatives of the Indiana Bond Bank (the "Bond Bank"), including Crowe Horwath LLP and Maverick Energy Consulting, that the Bond Bank has established and continued a motor fuel budgeting program (the "Program") pursuant to which "qualified entities", as defined in Indiana Code 5-1.5-1-8, may participate for the purpose of managing and mitigating the volatility of Motor Fuel prices in order to achieve budget stability; and

WHEREAS, the Council finds that the County is a qualified entity and is eligible to participate in the Program for the 2013 budget year; and

WHEREAS, the Council, having considered the information presented to it, finds that (i) participation in the Program will allow the County to manage and mitigate the volatility of Motor Fuel prices in order to achieve stability in the County's Motor Fuel budget for the 2013 budget year, (ii) participation in the Program will enhance the County's ability to continue to operate its motor vehicle fleet in an economical manner to assure the continued provision of governmental services to the inhabitants of the County, and (iii) the County is authorized to participate in the Program pursuant to Indiana Code 5-1.5, 36-1-4 and 36-2-2; and

WHEREAS, the Bond Bank has caused to be prepared a Qualified Entity Reimbursement Agreement in connection with the Program, attached hereto as Exhibit A and incorporated herein by reference (the "Agreement"), for execution by and between the County and the Bond Bank; and

WHEREAS, the Bond Bank intends to enter into agreements substantially the same as the Agreement with other qualified entities in connection with the Program; and

WHEREAS, the Agreement has been reviewed by the Council, which has had an opportunity to obtain independent advice and counsel with respect thereto, and has also had the opportunity to review the Agreement with the Bond Bank and seek explanation of the provisions thereof from the Bond Bank; and

WHEREAS, the Agreement sets forth the obligations of the County with respect to its participation in the Program during the term of the Agreement; and

WHEREAS, based upon the foregoing, the Council finds and determines that the County should participate in the Program for the 2013 budget year, that the Agreement should be approved and that any other actions necessary to be taken to assure the County's participation in the Program for the 2013 budget year should be approved;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF VIGO COUNTY, INDIANA, AS FOLLOWS:

Section 1. The findings and determinations set forth in the preambles to this Resolution are hereby made findings and determinations of the County.

Section 2. The County is hereby authorized to enter into the Program with the Bond Bank for the purpose of managing and mitigating the volatility of Motor Fuel prices in order to achieve budget stability for the 2013 budget year.

Section 3. The Agreement, in the form attached hereto as Exhibit A, is hereby approved by the Council so that the County may participate in the Program. The President of the Board of Commissioners of the County (the "Commissioner President") is hereby authorized and directed to execute and deliver, and the Auditor of the County is hereby authorized and directed to attest, the Agreement, and to approve any such changes in form or substance thereto which are consistent with the terms of this Resolution, such changes to be conclusively evidenced by its execution. The Commissioner President, the Auditor of the County, and any other office of the County whose duties concern purchases of the County, are hereby further authorized and directed to take such other actions or deliver such other certificates as are necessary or desirable in connection with the County's participation in the Program and the other documents needed for the County's participation in the Program as they deem necessary or desirable in connection therewith.

Section 4. The obligations of the County under the Agreement shall be payable from and shall not exceed the amount appropriated by the County for Motor Fuel for the 2012 budget year. The Auditor is hereby authorized and directed to make any payments necessary to the Bond Bank pursuant to the terms of the Agreement from funds budgeted by the County for Motor Fuel for the 2013 budget year.

Section 5. All resolutions and parts of resolutions in conflict herewith are hereby repealed.

Section 6. This Resolution shall be in full force and effect upon its passage by the Council.

PASSED AND ADOPTED BY THE COUNTY COUNCIL OF VIGO COUNTY, INDIANA THIS ___ DAY OF DECEMBER, 2012.

COUNTY COUNCIL OF
VIGO COUNTY, INDIANA

____
President

____
Vice President

____
Council Member

____
Council Member

____
Council Member

____
Council Member

____
Council Member

ATTEST:

____
Timothy M. Seprodi, Auditor
Vigo County, Indiana

EXHIBIT A

Form of Qualified Entity Reimbursement Agreement

QUALIFIED ENTITY REIMBURSEMENT AGREEMENT

This QUALIFIED ENTITY REIMBURSEMENT AGREEMENT, dated as of the ____ day of December, 2012 (this "Agreement"), between the INDIANA BOND BANK, a body corporate and politic ("Bond Bank"), created and existing pursuant to the provisions of Indiana Code 5-1.5, as amended (the "Act"), having its principal place of business in the City of Indianapolis, Indiana, and VIGO COUNTY, INDIANA, a political subdivision of the State of Indiana ("Qualified Entity");

WITNESSETH:

WHEREAS, pursuant to the Act, the Board of Directors of the Bond Bank has adopted a resolution (the "Bond Bank Resolution") establishing a motor fuel budgeting program (the "Fuel Budgeting Program, Series 2013 A") and authorizing the Bond Bank (i) to enter into certain transactions with the Qualified Entity for the purpose of insuring against significant price fluctuations associated with the purchase of gasoline and/or diesel motor fuel (such gasoline and diesel motor fuel hereinafter referred to as "Motor Fuel") for use by the Qualified Entity, and (ii) to enter into one or more commodity index swap agreements with one or more commodity index swap counterparties that will allow the Qualified Entity to manage and mitigate the volatility of Motor Fuel prices in order to achieve budget stability for such Qualified Entity; and

WHEREAS, pursuant to Resolution No. ______, adopted on ____________, 2012 by the Board of Commissioners of Vigo County, Indiana, acting as the executive and legislative body of the Qualified Entity, and Resolution No. ________, adopted on ___________, 2012 by the County Council of Vigo County, Indiana, acting as the fiscal body of the Qualified Entity (such resolutions, collectively, the "Qualified Entity Resolutions"), the Qualified Entity is authorized to enter into this Agreement for the purpose of allowing the Bond Bank to (i) solicit and select creditworthy swap counterparties, (ii) negotiate and manage one or more commodity index swap agreements, and (iii) fund all or a portion of the costs and expenses associated with any such swap agreements and the Fuel Budgeting Program, Series 2013 A, in accordance with this Agreement; and

WHEREAS, pursuant to the Bond Bank Resolution and in reliance, in part, on the adoption of the Qualified Entity Resolutions and the execution and delivery of this Agreement by the Qualified Entity, the Bond Bank has entered into a commodity index swap agreement in the form of the Master Agreement, including the Schedule thereto and the Credit Support Annex thereto, each dated as of May 27, 2009 (collectively, the "ISDA Agreement"), and the Confirmations entered into thereunder each dated December ___, 2012 (the "Confirmations" and, together with the ISDA Agreement, the "Swap Agreement"), with Key Bank National Association (the "Swap Counterparty");

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein THE BOND BANK AND THE QUALIFIED ENTITY AGREE AS FOLLOWS:

1. <u>Representations and Warranties</u>.

(a) The Qualified Entity makes the following representations and warranties to the Bond Bank:

(i) The Qualified Entity has been duly organized and is validly existing under and pursuant to State law.

(ii) Under State law: (A) the Qualified Entity has full legal right, power and authority (I) to enter into, execute, deliver and perform its obligations under this Agreement, (II) to adopt and perform its obligations under the Qualified Entity Resolutions and (III) to carry out and consummate the transactions contemplated by this Agreement and the Qualified Entity Resolutions; and (B) the Qualified Entity has complied with and will be in compliance in all respects with the terms of State law in connection with the adoption of the Qualified Entity Resolutions and the entering into of this Agreement.

(iii) By all necessary official action, the Qualified Entity has duly approved and adopted the Qualified Entity Resolutions, authorized the execution and delivery of this Agreement. This Agreement, when executed and delivered by the parties hereto and the consideration therefor is received by the Qualified Entity, will constitute the legal, valid and binding obligation of the Qualified Entity, enforceable in accordance with its terms, except that its enforceability may be limited by laws relating to bankruptcy, reorganization or other similar laws affecting the rights of creditors, by the exercise of judicial discretion in accordance with general principles of equity and by matters of public policy.

(iv) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby do not and will not conflict with or result in the creation or imposition of any liens, charges or encumbrances of any nature upon any of the property or assets of the Qualified Entity under: (A) any law, regulation, order or decree to which the Qualified Entity is subject; or (B) any agreement or instrument to which the Qualified Entity is a party or by which the Qualified Entity is bound (other than this).

(v) The Qualified Entity is a "qualified entity," within the meaning of Indiana Code 5-1.5-1-8, as amended.

(vi) The Qualified Entity is not in breach of or in default under any applicable constitutional provision, law or administrative regulation of the State or the United States, or any applicable judgment or decree of any court, regulatory body or other public body or any loan agreement, indenture, bond, note, resolution, agreement or other instrument (collectively, "Laws and Agreements") to which the Qualified Entity is a party or to which the Qualified Entity or any of its property or assets is otherwise subject, and no event has occurred and is continuing, which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument. The execution and delivery of this Agreement and the Qualified Entity's compliance with the provisions hereof will not conflict with or constitute a breach of or default under any Laws and Agreements.

(vii) The Qualified Entity will take such action as may be reasonably requested to facilitate the timely consummation of the transactions contemplated by this Agreement.

(viii) The Qualified Entity hereby covenants that it has taken all proceedings required by law to enable it to appropriate and transfer funds to the Bond Bank as provided in Section 2 hereof.

(ix) Except as disclosed in writing to the Bond Bank, there is no action, suit, proceeding, inquiry or investigation of any nature at law or in equity, before or by any court, governmental agency, public board or body pending or, to the knowledge of the Qualified Entity, threatened, seeking to restrain or enjoin the performance of any of the covenants contained in this Agreement or in any way questioning or affecting (A) the transactions contemplated by this Agreement, (B) the right or authority of the Qualified Entity to carry out the terms and provisions of this Agreement, or (C) the power of the Qualified Entity to perform its obligations under this Agreement. Neither the existence of the Qualified Entity nor the right of the officials of the Qualified Entity to their offices nor the titles of the officers of the Qualified Entity to their respective offices are being contested, and no authority or proceeding in connection with or relating to the execution and delivery of this Agreement has been repealed, revoked or rescinded.

(x) The Qualified Entity hereby covenants that it has duly, regularly and properly adopted or will adopt a budget for 2013 setting forth estimated revenues to be received and estimated expenditures for the fiscal year, including funds appropriated for the purchase of Motor Fuel to be used by the Qualified Entity; has complied with or will comply with all statutory and regulatory requirements with respect to the adoption of such budget; and will levy *ad valorem* property taxes in accordance with all statutory and regulatory requirements.

(b) The Bond Bank makes the following representations and warranties:

(i) The Bond Bank is a separate body corporate and politic, constituting an instrumentality of the State, and duly organized and validly existing as such under the Act.

(ii) The Bond Bank has all necessary power and authority under the Act to enter into this Agreement and to consummate the transactions contemplated hereby and by proper corporate action has duly authorized the execution and delivery of this Agreement.

(iii) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby do not and will not conflict with or result in a breach of, and do not and will not constitute a default under, or result in the creation or imposition of any liens, charges or encumbrances of any nature upon any of the property or assets of the Bond Bank under: (A) any law, regulation, order or decree to which the Bond Bank is subject; or (B) any agreement or instrument to which the Bond Bank is a party or by which the Bond Bank is bound.

2. Execution of Swap Agreement; Advancements; Reimbursement by Qualified Entity.

(a) The Bond Bank hereby agrees to enter into the Swap Agreement with the Swap Counterparty for the purpose of hedging the price associated with the purchase of Motor Fuel for use by the Qualified Entity, and to advance payments owed by the Bond Bank to the Swap Counterparty, if any, with respect to the Swap Agreement from the Reserve Account.

(b) Subject to Section 9, the Qualified Entity hereby agrees to appropriate and pay funds to the Bond Bank: (i) to reimburse the Bond Bank for amounts advanced by the Bond Bank from the Reserve Account necessary to make payments due by the Bond Bank to the Swap Counterparty, if any, with respect to the Swap Agreement, which are allocable to the Qualified Entity; (ii) to pay any and all expenses associated with or incurred by Bond Bank in connection with the Fuel Budgeting Program, Series 2013 A, allocable to the Qualified Entity, including, but not limited to, the Swap Agreement, other agreements contemplated under this Agreement, and future agreements, amendments to this Agreement or the agreements contemplated herein, or transactions made pursuant to and consistent with this Agreement; and (iii) paying any other transaction or related costs contemplated hereunder, which are allocable to the Qualified Entity.

(c) Within five (5) business days following a Scheduled Payment Date (as defined in the Swap Agreement), the Bond Bank or its agent shall: (i) confirm and calculate any amounts owed under the Swap Agreement pursuant to this Agreement (A) by the Qualified Entity to the Bond Bank or (B) to the Qualified Entity by the Bond Bank; and (ii) prepare and send any bills or payments to the Qualified Entity for such purpose. In the event the Bond Bank receives payments from the Swap Counterparty on a Scheduled Payment Date, the Bond Bank shall be entitled to retain any interest earned on such payments to cover administrative expenses of the Fuel Budgeting Program, Series 2013 A, prior to disbursing such funds to the Qualified Entity as provided herein.

(d) Any payments to be sent to the Qualified Entity shall be wired in immediately available funds to the account of the Qualified Enity identified below:

Old National Bank
ABA # 086300012
Attention: Dave Crockett
Account # 357028886 – Vigo County Treasurer/Government

(e) Upon receipt of a bill stating the amounts owed by the Qualified Entity under this Agreement, the Qualified Entity hereby agrees to pay to the Bond Bank or its agent any amounts due as stated in the bill within fifteen (15) business days following the receipt of such bill. In the event the Bond Bank does not receive payment from the Qualified Entity within fifteen (15) business days following the Qualified Entity's receipt of a bill stating the amounts due, the amount due shall accrue interest from the due date at a rate of eight percent (8.00%) per annum until payment is received by the Bond Bank. In the event that payment is received, such payment shall be used in the following order of priority: (i) to pay any accrued interest; and then (ii) to pay the principal of any amounts owed.

(f) The Qualified Entity agrees that the portion of the Swap Agreement allocated to the Qualified Entity, for which the Qualified Entity will be responsible pursuant to this Agreement, is set forth in Exhibit A attached hereto, commencing on the effective date of the Swap Agreement, as set forth in the Confirmation, and ending on December 31, 2013. The Qualified Entity approves the ISDA Agreement, attached as Exhibit B hereto. The Qualified Entity authorizes the Bond Bank to enter into the Confirmation on or after the date of the execution of this Agreement, so long as: (i) the Confirmation includes both (A) the sale of a floor (put) and (B) the purchase of a cap (call), the combination of which is commonly referred to as a "costless collar"; and (ii) (A) the floor price is no lower than $____, with respect to gasoline, and

$____, with respect to diesel, and (B) the cap price is no higher than $____, with respect to gasoline, and $____, with respect to diesel. Upon the execution and delivery of the Confirmation by the Bond Bank and the Swap Counterparty, the Confirmation shall be attached to the ISDA Agreement, as part of the Swap Agreement, which is attached as Exhibit B hereto. The Bond Bank and the Qualified Entity agree that any amounts due by the Qualified Entity under the Swap Agreement pursuant to this Agreement will not exceed the current amount appropriated for Motor Fuel for use by the Qualified Entity.

(g) The terms and conditions for disbursement from the Reserve Account to the Swap Counterparty shall be set forth in the Swap Agreement, attached as Exhibit B hereto, and otherwise as may be entered into by the Bond Bank from time to time pursuant hereto.

(h) For the purposes provided in this Section, the Bond Bank's agent shall be The Bank of New York Mellon Trust Company, N.A., until the Bond Bank provides the Qualified Entity notice otherwise.

3. Withholding of Funds Owed to the Qualified Entity. In the event the Qualified Entity fails to remit payment to the Bond Bank within thirty (30) days after payment is due as provided in Section 2(e) hereof, the Bond Bank shall be entitled to exercise the following rights:

(a) If the Qualified Entity would otherwise be entitled to an allocable portion of amounts owed by the Swap Counterparty under the Swap Agreement pursuant to this Agreement, the Bond Bank shall be entitled to retain and apply such amounts against amounts owed by the Qualified Entity. Any amounts retained under this Section shall be used in the following order of priority: (i) to pay any accrued interest on amounts owed; then (ii) to pay the principal of any amounts owed.

(b) Pursuant to Indiana Code 5-1.5-8-5, to the extent that any department or agency of the State, including the treasurer of state, is the custodian of money payable to the Qualified Entity (other than for goods or services provided by the Qualified Entity), the Bond Bank may provide written notice to the department or agency head that the Qualified Entity is in default on the payment of any amounts owed arising from this Agreement, and the department or agency shall withhold the payment of that money from that Qualified Entity and pay over the money to the Bond Bank for the purpose of paying any amounts owed to the Swap Counterparty pursuant to the Swap Agreement entered into by the Bond Bank on behalf of the Qualified Entity. Any amounts obtained under this Section shall be used in the following order of priority: (i) to pay any accrued interest on amounts owed; then (ii) to pay the principal of any amounts owed.

4. Term of Agreement; Renewal. The term of this Agreement shall commence on January 1, 2013, and, subject to Section 5 hereof, shall remain in full force and effect up to and including December 31, 2013. This Agreement may be extended beyond December 31, 2013, only if and when duly authorized and approved by the Qualified Entity and the Bond Bank, in writing, with the amended terms set forth therein.

5. Termination.

(a) In the event this Agreement is not extended beyond December 31, 2013, and any amount then remains owed and unpaid by one party to the other under this Agreement, this Agreement shall remain in full force and effect until all such amounts have been paid.

(b) In the event the Qualified Entity fails to remit payment to the Bond Bank within thirty (30) days after payment is due as provided in Section 2(e) hereof, the Bond Bank shall be entitled to terminate this agreement in its sole discretion. If the Bond Bank exercises its right to terminate this Agreement, the Bond Bank shall immediately terminate the notional amount of Motor Fuel allocable to the Qualified Entity in the Swap Agreement.

(i) If any termination payment is owed by the Bond Bank to the Swap Counterparty in connection with the termination of the Swap Agreement pursuant to this Section, such amounts shall be immediately due by the Qualified Entity and shall accrue interest at the rate of eight percent (8.00%) per annum from the date of such termination until paid. The Bond Bank shall send the Qualified Entity written notice of the termination payment stating that such termination payment: (A) is due within ten (10) business days following receipt of such notice; (B) shall accrue interest at the rate of eight percent (8.00%) per annum from the date of such termination until repaid; and (C) is in addition to any other amounts owed to the Bond Bank by the Qualified Entity pursuant to this Agreement.

(ii) If any termination payment is received by the Bond Bank from the Swap Counterparty in connection with the termination of the Swap Agreement pursuant to this Section, the Bond Bank shall be entitled to retain and apply such amounts against amounts owed by the Qualified Entity. Any amounts retained under this Section shall be used in the following order of priority: (A) to pay any accrued interest on amounts owed; then (B) to pay the principal of any amounts owed. In the event that there are excess moneys after making the payment of interest and principal amounts due, the Bond Bank shall be entitled to retain all such excess moneys.

6. Verification of Qualified Entity Budget. Simultaneously with the execution of this Agreement, the Qualified Entity shall furnish to the Bond Bank any documentation as requested by the Bond Bank, as to, among other things, the funding and maintenance amounts budgeted for the purchase of Motor Fuel to be used by the Qualified Entity.

7. Pledge and Assignment of Payments. The Qualified Entity and the Bond Bank agree that this Agreement and any payments to be made hereunder may be pledged or assigned by the Bond Bank.

8. Annual Financial Information and Reports. The Qualified Entity agrees to furnish to the Bond Bank, so long as this Agreement or the Swap Agreement entered into by the Bond Bank on behalf of the Qualified Entity pursuant to this Agreement remains in effect, annual financial reports, audit reports and such other financial information as is reasonably requested by the Bond Bank.

9. Severability. If any provision of this Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any

of the remaining provisions of this Agreement and this Agreement shall be construed and in force as if such invalid or unenforceable provision had not been contained herein.

10. Indemnification. To the extent permitted by law, the Qualified Entity releases the Bond Bank from, agrees that the Bond Bank shall not be liable for, and to the extent permitted by law agrees to indemnify and hold the Bond Bank harmless from, any liability for, or expense resulting from (including, but not limited to, reasonable attorneys' fees and expenses), or any loss or damage that may be occasioned by, any cause whatsoever pertaining to the execution and delivery of the Swap Agreement entered into by the Bond Bank on behalf of the Qualified Entity, or the actions taken or to be taken by the Bond Bank under this Agreement, except for the willful misconduct of the Bond Bank or the Trustee.

11. Counterparts. This Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. The Bond Bank and the Qualified Entity each agree that they will execute any and all documents or other instruments, and take such other actions as may be necessary to give effect to the terms of this Agreement.

12. Waiver. No waiver by either the Bond Bank or the Qualified Entity of any term or condition of this Agreement shall be deemed or construed as a waiver of any other terms or conditions, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Agreement.

13. Entire Agreement. This Agreement, together with the Qualified Entity Resolution, merges and supersedes all prior negotiations, representations and agreements between the Bond Bank and the Qualified Entity relating to the subject matter hereof and constitutes the entire agreement between the Bond Bank and the Qualified Entity in respect hereof and thereof.

14. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed and enforced in accordance with the laws of the State of Indiana.

IN WITNESS WHEREOF, the Bond Bank and the Qualified Entity have caused this Agreement to be executed in their respective names, by their duly authorized officers, under the authority of resolutions adopted by each prior to the date hereof, all as of the day and year first above written.

INDIANA BOND BANK

By: ________________________________
Richard E. Mourdock, Chairperson Ex Officio

Attest:

____
Lisa Cottingham, Executive Director

VIGO COUNTY, INDIANA

By: ________________________________
President, Board of Commissioners of
Vigo County, Indiana

Attest:

____
Timothy M. Seprodi, Auditor
Vigo County, Indiana

EXHIBIT A

PORTION OF THE SWAP AGREEMENT ALLOCATED TO THE QUALIFIED ENTITY

(Vigo County, Indiana)

Month	Gasoline (in gallons)	Diesel (in gallons)
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		
TOTAL:		

EXHIBIT B

SWAP AGREEMENT

10 West Market Street
Suite 2980
Indianapolis, IN 46204

(317) 233-0888
(800) 535-6974
Fax (317) 233-0894

http://www.in.gov/bond

DATE: December 14, 2012

TO: **2013 Fuel Budgeting Participants**

FROM: **Ron Mangus, Deputy Director**

RE: **2013 Fuel Budgeting Program**
Final Confirmation – Gasoline (RBOB)

Attached to this memo is the final confirmation for the 2013 Fuel Budgeting Program for Gasoline (RBOB). The final confirmation serves as your commitment to participate in the 2013 Fuel Budgeting Program.

The Bond Bank will enter into a floor and cap (collar) on December 20th. The Bond Bank will enter into the collar within the range on the final confirmation. If you have questions regarding the collar and current pricing, please contact John Righeimer at 815-498-3855.

Please sign and fax the final confirmation to the Bond Bank at 317-233-0894. Please return your final confirmation to the Bond Bank by 2 pm Monday, December 17th.

Finally, Dennis Otten with Bose McKinney & Evans will be contacting you regarding final legal paper work. If you have any questions regarding the paperwork, you can contact Dennis at 317-684-5307.

If you have any questions regarding the Fuel Budgeting Program, please do not hesitate to give me a call at 317-233-0091.

FINAL

Indiana Bond Bank
2013 Fuel Budgeting Program
Final Confirmation for Gasoline (RBOB)

INDIANA BOND BANK
"...building better communities"
EST. 1984

Please sign the final fuel budgeting confirmation and fax to Bond Bank at 317-233-0894.

Entity Name: **Vigo County**

Program Administrative Fee: $ **0.0380** per gallon for Gasoline (RBOB).

The Bond Bank will enter into a collar based on the NYMEX index. The actual fuel hedge collar (floor & cap) will be provided at closing but will be within the following range:

$ 2.35 - $ 3.10

Month	Actual Gasoline (RBOB) Hedge in Gallons
January	6,680
February	6,517
March	7,477
April	7,100
May	7,961
June	7,721
July	7,800
August	8,435
September	7,384
October	7,396
November	7,566
December	6,944
Total Gasoline (RBOB) Hedge *	88,981

* Represents 80.00% of total consumption.

Please review your fuel hedge amount by month.

I have reviewed the above information. This form will serve as my commitment to participate in the 2013 Indiana Bond Bank Fuel Budgeting Program and authorizes the Indiana Bond Bank to enter into a fuel hedge agreement within the range specified.

By:______________________________ Date:________________
County Commissioner or authorized official

INDIANA BOND BANK
"...building better communities"
EST. 1984

10 West Market Street
Suite 2980
Indianapolis, IN 46204

(317) 233-0888
(800) 535-6974
Fax (317) 233-0894

http://www.in.gov/bond

DATE: **December 14, 2012**

TO: **2013 Fuel Budgeting Participants**

FROM: **Ron Mangus, Deputy Director**

RE: **2013 Fuel Budgeting Program**
Final Confirmation – Diesel (HO)

Attached to this memo is the final confirmation for the 2013 Fuel Budgeting Program for Diesel (HO). The final confirmation serves as your commitment to participate in the 2013 Fuel Budgeting Program.

The Bond Bank will enter into a floor and cap (collar) on December 20th. The Bond Bank will enter into the collar within the range on the final confirmation. If you have questions regarding the collar and current pricing, please contact John Righeimer at 815-498-3855.

Please sign and fax the final confirmation to the Bond Bank at 317-233-0894. <u>Please return your final confirmation to the Bond Bank by 2 pm Monday, December 17th.</u>

Finally, Dennis Otten with Bose McKinney & Evans will be contacting you regarding final legal paper work. If you have any questions regarding the paperwork, you can contact Dennis at 317-684-5307.

If you have any questions regarding the Fuel Budgeting Program, please do not hesitate to give me a call at 317-233-0091.

FINAL

Indiana Bond Bank
2013 Fuel Budgeting Program
Final Confirmation for Diesel (HO)

INDIANA BOND BANK EST. 1984

Please sign the final fuel budgeting confirmation and fax to Bond Bank at 317-233-0894.

Entity Name: Vigo County

Program Administrative Fee: $ 0.0380 per gallon for Diesel (HO).

The Bond Bank will enter into a collar based on the NYMEX index. The actual fuel hedge collar (floor & cap) will be provided at closing but will be within the following range:

$ 2.61 - $ 3.40

Month	Actual Diesel (HO) Hedge in Gallons
January	4,358
February	4,171
March	2,589
April	2,117
May	2,509
June	2,124
July	2,128
August	2,572
September	2,285
October	1,917
November	3,821
December	4,392
Total Diesel (HO) Hedge *	34,983

* Represents 80.00% of total consumption.

Please review your fuel hedge amount by month.

I have reviewed the above information. This form will serve as my commitment to participate in the 2013 Indiana Bond Bank Fuel Budgeting Program and authorizes the Indiana Bond Bank to enter into a fuel hedge agreement within the range specified.

By:______________________________ Date:__________________
County Commissioner or authorized official