

ORDINANCE 91-02-CM/CL

AN ORDINANCE authorizing Tippecanoe County, Indiana (the "Issuer"), to make temporary loans to meet current running expenses for the use of the Public Welfare Fund to the Issuer, in anticipation of and not in excess of current taxes levied in the year 1990, and collectable in the year 1991; authorizing the issuance of temporary loan tax anticipation warrants to evidence such loans and the sale of such warrants to the Indiana Bond Bank; and appropriating and pledging the taxes to be received in such fund to the punctual payment of such warrants including the interest thereon.

WHEREAS, the Tippecanoe County Auditor (the "Auditor") and the Director of the Tippecanoe County Department of Public Welfare have represented to the Board of Commissioners of the County of Tippecanoe (the "Board"), and the Tippecanoe County Council (the "Council") now finds that there will be insufficient amounts in the Public Welfare Fund of the Issuer (the "Fund") to meet the current expenses of the Issuer payable from such Fund during the fiscal year ending December 31, 1991, and prior to the respective June and December settlements and distributions of taxes levied for such Fund; and

WHEREAS, the Council now finds that an emergency exists for the borrowing of money to pay current expenses and that temporary loans for the Fund for such purposes should be made and that temporary loan tax anticipation warrants evidencing such loans should be issued and sold, subject to the terms and conditions set forth herein and in accordance with the provisions of Indiana law; and

WHEREAS, the levy proposed for collection for the Fund in the year 1991 is estimated to produce in the aggregate, with respect to such Fund, an amount equal to or in excess of the principal and interest cost of making temporary loans for such Fund for each of the six-month periods, the first ending June 28, 1991 (the "First Borrowing Period"), and the second ending December 31, 1991 (the "Second Borrowing Period") (the First Borrowing Period and the Second Borrowing Period shall collectively be defined as the "Borrowing Periods"); and

WHEREAS, a necessity exists for the making of a temporary loans evidenced by temporary loan tax anticipation warrants for the fund in anticipation of the receipt of current revenues for the Fund actually levied and in the course of collection for the year 1991 and the Council hereby authorizes the making of temporary loans to procure the amounts necessary, in combination with other available amounts, to meet such current expenses for the Fund for each Borrowing Period and to pay necessary costs incurred in connection with the issuance and sale of temporary loan tax anticipation warrants to evidence such temporary loans; and

WHEREAS, the Issuer has not previously issued temporary loan tax anticipation warrants payable from 1991 tax anticipation warrants payable from 1991 tax revenues with respect to the Fund; and

WHEREAS, the Council seeks to authorize the issuance of such temporary loan tax anticipation warrants with respect to the Fund for each Borrowing Period and the sale of such warrants to the Indiana Bond Bank (the "Bond Bank") pursuant to the provisions of Indiana Code 5-1.5, subject to and dependent upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF THE COUNTY OF TIPPECANOE:

Section 1. It is hereby found and declared that an emergency exists for the borrowing of money and therefore the Issuer is hereby authorized to make temporary loans to meet current running expenses pursuant to the provisions of Indiana Code 12-1-11 and Indiana Code 36-2-6 for the use and benefit of the Fund of the Issuer for each of the Borrowing Periods in anticipation of current tax revenues actually levied and in the course of collection for the Fund for the year 1991, which loans shall be evidenced by temporary loan tax anticipation warrants of the Issuer (the "Warrants"). A separate Warrant or Warrants shall be issued with respect to the Fund for each Borrowing Period and all Warrants shall be dated as of their respective date or dates of delivery. Any and all Warrants issued for the First Borrowed Period shall mature and be payable on June 28, 1991, and the Warrants issued for the Second Borrowing Period shall mature and be payable on December 31, 1991, in amounts not to exceed the following:

<u>Fund</u>	<u>Maturing 6/28/91 Amount Not to Exceed</u>	<u>Maturing 12/31/91 Amount Not to Exceed</u>
Public Welfare Fund	\$1,347,800	\$1,221,100

The Warrants shall bear interest prior to maturity at a rate or rates per annum not to exceed a maximum of four percent (4%), the exact rate or rates to be determined under the terms of an advance funding agreement to be entered into between the Bond Bank and the Issuer in substantially the form presented at this meeting (the "Advance Funding Agreement"), in accordance with the provisions of Indiana Code 5-1.5. Interest shall be computed from the date of each temporary loan made to the Issuer by the Bond Bank under the Advance Funding Agreement (each an "Advance") to the date of payment, based on the average daily balance of Advances outstanding, all as further set forth under the Advance Funding Agreement. Interest shall be calculated on the basis of a 365-day year and the actual number of borrowing days elapsed.

Section 2. With respect to the Fund, the officers of the Issuer are authorized to deliver a principal amount of Warrants up to or less than the maximum amount established for the Fund in Section 1 hereof in order to comply with any requirements of the Bond Bank. The Issuer shall have the option to prepay Advances under the Warrants pursuant to the terms of the Advance Funding Agreement and, to the extent that prior to maturity the Issuer shall have received payment of part or all of the taxes in anticipation of which the Warrants have been issued, the Auditor is authorized and directed to prepay such Advances pursuant to the terms of the Advance Funding Agreement. All Warrants for each Borrowing Period will be delivered at the time of the first Advance with respect to the Fund for such Borrowing Period or otherwise as appropriate and in accordance with the terms of the Advance Funding Agreement. All subsequent Advances during such Borrowing Period will be drawn on the Warrants not more frequently than weekly in the amount needed by the Issuer each month for the Fund based on the Period Allocation and Monthly Allocation (both defined and set forth in the Advance Funding Agreement) for such Borrowing Period as determined by the Bond Bank and set forth on Schedule A to each Warrant. Each Advance drawn on the Warrants and any prepayment of such an Advance shall be noted on Schedule B attached to each Warrant. The Auditor is hereby authorized to request such Advances, and the respective officers of the Council are authorized to deliver such certificates as shall be necessary to accompany the Auditor's request, pursuant to the terms of the Advance Funding Agreement.

Section 3. The principal of and interest on the Warrants, together with all necessary costs incurred in connection with the issuance of the Warrants, shall be payable from tax revenues to be received in the Fund upon which such Warrant is issued. There is hereby appropriated and pledged to the payment of all Warrants issued with respect to the Fund in each Borrowing Period, including interest and all necessary costs incurred in connection with the issuance and sale of the Warrants, a sufficient amount of the taxes, levied in 1990, and payable in 1991, in each of such Borrowing Periods, for the Fund and in anticipation of which the Warrants have been issued, for the punctual payment of the principal of and interest on the Warrants evidencing such temporary loans, together with such issuance costs, if any.

Section 4. The Warrants issued hereunder with respect to the Fund shall be executed in the name of the Issuer by the manual or facsimile signatures of the members of the Board and the corporate seal of the Issuer affixed thereto and attested by the manual signature of the Auditor. All Warrants shall be payable in lawful money of the United States of America at the principal corporate trust office of INB National Bank in Indianapolis, Indiana, as Trustee under the Note Indenture with the Bond Bank, dated as of April 1, 1989. Further, the Warrants shall not be delivered and no payment shall be made therefor prior to January 1, 1991.

Section 5. The Warrants with respect to the Fund shall be issued in substantially the following form (all blanks, including the appropriate amounts, dates and other information to be properly completed prior to the execution and delivery thereof):

FORM OF WARRANT
UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF TIPPECANOE

Due Date: [June 28 or
December 31], 1991

Principal (not to exceed): \$ _____

TIPPECANOE COUNTY, INDIANA
TEMPORARY LOAN TAX ANTICIPATION WARRANT
(_____ FUND)

FOR VALUE RECEIVED, on or before [June 28 or December 31], 1991, Tippecanoe County, Indiana (the "Borrower"), shall pay to the Indiana Bond Bank (the "Bond Bank") the amount, not in excess of \$ _____ outstanding at any one time, equal to the total of all temporary loans made to the Borrower by the Bond Bank (the "Advances") in accordance with the Period Allocation and the Monthly Allocations as set forth in Schedule A to this Warrant and pursuant to a certain Advance Funding Agreement between the Bond Bank and the Borrower, dated as of _____ (the "Agreement"); provided, that part or all of the Advances may be prepaid at the option of the Borrower and, in the event that prior to maturity of this Warrant the Borrower receives payment of part or all of the taxes in anticipation of which this Warrant has been issued, the Borrower shall prepay all or a portion of such Advances to the extent required by and in accordance with the terms of the Agreement. The actual Advances made to the Borrower and any prepayment on such Advances shall be recorded on Schedule B to this Warrant.

In addition, the Borrower on the Due Date hereof shall pay to the Bond Bank interest at the rate of _____% per annum on the average daily balance of Advances outstanding from time to time hereunder, with such interest to be computed from the date of each Advance to the date of payment and calculated on the basis of a 365-day year and the actual number of borrowing days elapsed. Under the Note Indenture dated as of April 1, 1989, INB National Bank, Indianapolis, Indiana, is serving as the Bond Bank's Trustee (the "Trustee").

This Warrant evidences a temporary loan to provide funds to meet current expenses of the _____ Fund in an aggregate amount not in excess of _____ Dollars (\$ _____), and has been authorized by an ordinance passed and adopted by the Tippecanoe County Council on _____, 19____, in accordance with Indiana Code, Title 36, Article 2, Chapter 6, and Indiana Code, Title 12, Article 1, Chapter 11, and all other acts amendatory thereof or supplemental thereto.

All payments or prepayments of principal and interest to be made by the Borrower to the Bond Bank shall be made by paying the amount due in funds that are available for immediate transfer or investment on or before 12:00 noon (Indianapolis time) on the payment date to the Trustee in Indianapolis, Indiana.

This Warrant is issued in anticipation of the tax levy which has been made for the _____ Fund in the year 1990, collectable in the year 1991, which tax levy is now in the course of collection. There has been irrevocably appropriated and pledged to the payment in full of the principal of and interest

on this Warrant a sufficient amount of the revenues to be derived from the _____ Fund tax levy.

It is further hereby certified, recited, and declared that all acts, conditions, and things required by law precedent to the issuance and execution of this Warrant have been properly done, have happened, and have been performed in the manner required by the constitution and statutes of the State of Indiana relating thereto; that the _____ Fund tax levy from which (together with other amounts in the _____ Fund) this Warrant is payable, is a valid and legal levy; and that the Borrower will reserve a sufficient amount of the proceeds of the _____ fund tax levy currently in the course of collection for the timely payment of the principal of and interest on this Warrant in accordance with its terms.

IN WITNESS WHEREOF, the Board of County Commissioners of the County of Tippecanoe has caused this Warrant to be executed in its corporate name by the signatures of its duly elected, qualified, and acting Commissioners, and its corporate seal to be hereunto affixed and attested by the duly elected, qualified, and acting County Auditor, all as of the _____ day of _____, 1991.

THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF TIPPECANOE

Keith W. Miller
Walter J. Smith
Nathan D. Stewart

ATTEST:

Betty J. Michael
(SEAL)

SCHEDULE A

<u>Month</u>	<u>Monthly Allocations</u>
[January/July]	\$ _____
[February/August]	\$ _____
[March/September]	\$ _____
[April/October]	\$ _____
[May/November]	\$ _____
[June/December]	\$ _____
Period Allocation	\$ _____

SCHEDULE B

<u>Date of Advance</u>	<u>Amount of</u>	<u>Amount of</u>	<u>Month End</u>
<u>Prepayment</u>	<u>Advance</u>	<u>Prepayment</u>	<u>Balance</u>

(End of Form of Warrant)

Section 6. The Auditor is hereby authorized and directed to have the Warrants prepared, and the members of the Board are hereby authorized and directed to execute all Warrants in the manner and substantially the form provided in this Ordinance.

Section 7. The Auditor, on behalf of the Issuer, is authorized to sell to the Bond Bank the Warrants for the Funds and is also authorized to execute and deliver a Notice of Intention to Sell Warrants (the "Notice") to the Bond Bank, which Notice shall be a commitment of the Issuer to sell its Warrants to the Bond Bank. The Advance Funding Agreement and the Notice shall set forth the definitive terms and conditions for such sale, including the interest rate or rates on the Warrants, not exceeding four percent (4%) per annum, which rate does not exceed the maximum authorized rate of interest for Warrants issued and sold to the Bond Bank pursuant to this Ordinance. Warrants sold to the Bond Bank shall be accompanied by all documentation required by the Bond Bank pursuant to the provisions of Indiana Code 5-1.5 and the Advance Funding Agreement, including without limitation an approving opinion of Baker & Daniels, specially designated bond counsel for the Warrants; certification and guarantee of signatures; and certification as to no litigation pending as of the date of delivery of the Warrants to the Bond Bank challenging the validity or issuance of the Warrants. The submission of the Notice to the Bond Bank by the Auditor, the entry by the Issuer into the Advance Funding Agreement, and the execution of the Advance Funding Agreement on behalf of the Issuer by the members of the Board, in accordance with this Ordinance, are hereby authorized, approved, and ratified.

Section 8. The proper officers of the Issuer are hereby authorized to deliver the Warrants to the Bond Bank, upon receipt from the Bond Bank of the first Advance or otherwise as appropriate and in accordance with the terms of the Advance Funding Agreement.

Section 9. The Auditor and other appropriate officers of the Issuer are hereby authorized and directed to make such filings and requests, deliver such certifications, execute and deliver such documents and instruments, and otherwise take such actions as are necessary or appropriate to carry out the terms and conditions of this Ordinance and the actions authorized hereby and thereby.

Section 10. The Issuer hereby covenants that the Issuer and its officers shall not take any action or fail to take any action with respect to the proceeds of any of the Warrants or any investment earnings thereon which would result in constituting any of the Warrants as "arbitrage bonds" under the Internal Revenue Code of 1986, as amended, and any and all final or proposed regulations or rulings applicable thereto, or which would otherwise cause the interest on any of the Warrants to cease to be excludable from gross income for purposes of federal income taxation; and the Auditor and all other appropriate officers are hereby authorized and directed to take any and all actions and to make and deliver any and all reports, filings, and certifications as may be necessary or appropriate to evidence, establish, or ensure such continuing exclusion of the interest on the Warrants.

Section 11. This Ordinance shall be in full force and effect from and after the time it has been adopted by the Council.

Section 12. All resolutions and ordinances in conflict herewith are, to extent of such conflict, hereby repealed.

Adopted and approved by the County Council of Tippecanoe County, Indiana, this 8th day of January, 1991.

TIPPECANOE COUNTY COUNCIL

Gene Jones
Gene Jones

Lillian Cote
Lillian Cote

John L. Knochel
John L. Knochel

Stephen M. Lange
Stephen M. Lange

C. Wesley Shook
C. Wesley Shook

Edgar B. Harger
Edgar B. Harger

James A. Andrew
James A. Andrew

ATTEST:

Betty J. Michael
Betty J. Michael, Auditor

The foregoing Ordinance was presented by me to the Board of Commissioners of the County of Tippecanoe at 10:25 o'clock a.m., on January 7, 1991.

Betty J. Michael
Betty J. Michael
Tippecanoe County Auditor

The foregoing Ordinance is hereby approved by the Board of Commissioners of the County of Tippecanoe as of this 7th day of January, 1991. The Tippecanoe County Auditor is hereby authorized and directed to announce such approval to the Tippecanoe County Council.

BOARD OF COMMISSIONERS OF THE
COUNTY OF TIPPECANOE

Nola G. Gentry
Nola G. Gentry

Keith E. McMillin
Keith E. McMillin

Hubert D. Yount
Hubert D. Yount