

**RESOLUTION FOR ISSUANCE OF
TAX ANTICIPATION WARRANT**

WHEREAS, the Board of Trustees of La Porte County Public Library adopted an annual budget for 2012 establishing the amount of \$4,131,300 in the Operating Fund based upon a tax rate of \$0.2917 on a total valuation of all taxable real and personal property within the La Porte County Public Library district of \$1,200,000,000;

WHEREAS, anticipated property tax draws and state funding may not be received in sufficient time, thereby causing a temporary interruption in the flow of cash in the Operating, Library Improvement Reserve, and Rainy Day Funds;

WHEREAS, it is prudent and reasonable as a protective measure to authorize the issuance of a tax anticipation warrant to avoid any interruption in the cash flow in the Library's Funds; and

WHEREAS, a loan of not to exceed Three Million Dollars (\$3,000,000.00) will be required on or about June 1, 2012, to cover the current expenses of the Library's Funds for the period ending December 30, 2012, which amount of principal and accruing interest thereon shall not exceed the maximum cumulative cash deficit, plus five percent (5%) of the property tax levy estimated to be collected for and distributed to the Library's Funds at the settlement and distribution of 2011 taxes payable in 2012.

NOW, THEREFORE, the Board of Trustees of the La Porte County Public Library finds and declares that an emergency exists for the borrowing of money with which to pay current expenses from the Library's Funds prior to the receipt of revenues from taxes levied for such funds for the year 2011 payable in 2012.

IT IS THEREFORE RESOLVED that the Board authorize the borrowing of amounts not to exceed Three Million Dollars (\$3,000,000.00) on June 1, 2012, with the exact rate of interest to be determined by competitive bidding.

FURTHER RESOLVED, that notice of this amount to be borrowed and solicitation of bids for issuance of a tax anticipation warrant be published in the La Porte Herald-Argus, published in the City of La Porte, Indiana, and the Michigan City News-Dispatch, published in the City of Michigan City, Indiana, the newspapers of general circulation in the La Porte County Public Library district, two (2) publications one (1) week apart, and that notice also be posted in three (3) public places in the La Porte County Public Library district. The first publication shall be at least fifteen (15) days prior to March 29, 2012; the second publication shall be at least three (3) days prior to March 29, 2012, being the date fixed for the acceptance of bids and the sale and issuance of said tax anticipation warrant. On March 29, 2012, at 7:00 p.m., the bids shall be opened by the Board of Trustees of the Library. At that time, the Board shall meet and award the tax anticipation warrant to the successful bidder.

All bids shall be in sealed envelopes, addressed to the Board of Trustees of the La Porte County Public Library, La Porte County, Indiana, marked "BID FOR TAX ANTICIPATION WARRANT OF MARCH 29, 2012", and each bid shall be accompanied by:

- (1) an affidavit that no collusion exists between the bidder and any other person relative to the bid, and
- (2) a certified or cashier's check in the amount of \$5,000.00, payable to the La Porte County Public Library, La Porte County, Indiana, to insure the good faith of the bidder.

In the event the successful bidder shall fail or refuse to accept delivery of the tax anticipation warrant when ready for delivery, or in accordance with the notice of sale of said warrant, then said check and the proceeds thereof shall be retained by the Library as its liquidated damages. The notice shall also provide that bidders for the tax anticipation warrant shall name the rate of interest which said warrant shall bear per annum on a 30/360 day calendar year basis; that the best bidder shall be the one who offers the lowest net interest cost to the La Porte County Public Library to be determined by computing the total interest on the warrant on a 30/360 day calendar year basis and deducting therefrom the premium bids, if any. The Library reserves the right to prepay the warrant in any amount and at any time. The warrant shall be dated as of the date of delivery thereof to the purchaser, and interest shall accrue from that date to the date of payment. The warrant is being issued for the purpose of paying current expenses of the La Porte County Public Library from the Library's Funds and will mature on or before December 30, 2012, in the amount of Three Million Dollars (\$3,000,000.00). The proceeds from the sale of the tax anticipation warrant will be deposited to the Operating Fund of the Library.

The notice shall further state that the opinion of Newby, Lewis, Kaminski & Jones, LLP, counsel for the La Porte County Public Library, approving the legality of the warrant will be furnished to the purchaser at the expense of the Library.

The notice shall further state that opinion of bond counsel, if requested by the successful bidder, shall be obtained at the cost of the bidder.

FURTHER RESOLVED, that the La Porte County Public Library issue its tax warrant in anticipation of revenues to be obtained from the levy of 2011 taxes payable in 2012, into and from the Operating, Library Improvement Reserve, and Rainy Day Funds.

FURTHER RESOLVED, that the La Porte County Public Library hereby appropriates and pledges to payment of the loan sufficient amounts from the Operating Fund to pay principal and interest accrued on the loan from the date of issue to the date of payment.

FURTHER RESOLVED, that the Board of Trustees hereby designates the warrant as a "qualified tax exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

FINALLY RESOLVED, that further proceedings in this matter be deferred until the 29th day of March 2012.

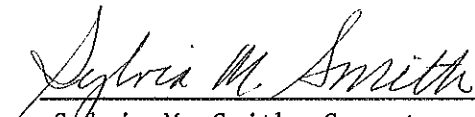
Presented to the La Porte County Public Library Board of Trustees, read in full, and adopted this 23rd day of February 2012.

RESOLUTION FOR ISSUANCE OF


TAX ANTICIPATION WARRANT

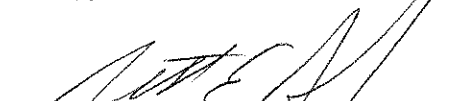
AYE


NAY



Sylvia M. Smith, Secretary

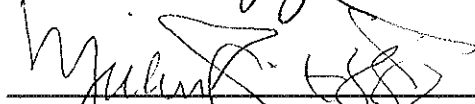

Dava Buell


Gregg Fohlenbrock


Scott Siefker, Vice President


James P. Dermody


Ron Gigliotti, Treasurer


Michael F. Essling, President
