

LAKE LEMON CONSERVANCY DISTRICT

Board of Directors Meeting

Zoom Digital Format

June 24th, 2020

4:30 p.m.

The June 24th, 2020 Board of Directors Meeting of the Lake Lemon Conservancy District was Held remotely using Zoom and was called to order by Chairman Pam Dugan at 4:30 PM.

BOARD MEMBERS PRESENT: Chairman-Pam Dugan, Vice-Chairman Mary Jane Brown, Treasurer Mike Blackwell, Debra Ladyman, Lora Schell, Les Wadzinski. ALSO PRESENT: Adam Casey, District Manager; Alex Snooks, Operations Supervisor; and LLCD Freeholders (see attached sign-in sheet). ABSENT: Michael Klitzing.

- I. Call Meeting to Order / Chairman's Remarks (Dugan)
- II. Approval of the June 2nd Board Meeting Minutes.
 - a. Dugan requested approval of the June 2nd Board Meeting Minutes.

BROWN MOTIONED TO APPROVE THE JUNE 2ND BOARD MEETING MINUTES. SCHELL SECONDED THE MOTION. ALL "AYES". THE MOTION CARRIED.

- III. Indiana University Water Testing (Sarah Powers)
 - a. Sarah went over a few new testing locations including the overflow pond.
 - b. Last year LLCD switched our beach testing to Indiana University with weekly E.coli counts and biweekly blue green algae.
 - c. Sarah requested the LLCD take a closer look into Knob Hill.
 - d. For more details see attached report from the 2019 Water Testing.

IV. Treasurer's Report (Blackwell)

- a. June Budget Highlights
 - i. June Income: \$96,031
 - ii. June Expenditures: \$36,441
- b. Blackwell requested approval of the Report of Claims for June 2020.

DUGAN MOTIONED TO APPROVE THE REPORT OF CLAIMS: ALLOWANCE OF VOUCHERS FOR JUNE 2020. SCHELL SECONDED THE MOTION. ALL "AYES". THE MOTION CARRIED.

- c. Blackwell introduced the proposed 2021 Budget.

V. Manager's Report (Casey)

- a. Casey updated the Board on the dredging this year. So far, our dredging staff has dug out a total of 2396 yards of sediment, 1300 of which has come out of Dorothy Lane.

- b. Casey also stated that he and Snooks will be doing a follow up vegetation survey on June 25th after the treatment on June 5th.
- c. Casey requested that the date for the Fireworks be moved from Friday July 3rd, to Saturday July 4th.

BROWN MOTIONED TO APPROVE THE DATE CHANGE FOR THE FIREWORKS FROM JULY 3RD TO JULY 4TH. LADYMAN SECONDED THE MOTION. ALL "AYES". THE MOTION CARRIED.

- d. Patricia Zellner(ICE Miller) attended the meeting and went over our bond parameters and the introduction to the bonding resolution, and answered questions from the Board.
 - i. The Bonding Resolution does not require a public hearing for approval and authorizes the board to move forward with bonding.

BLACKWELL MOTIONED TO APPROVE THE INTRODUCTION TO THE BONDING RESOLUTION. SCHELL SECONDED. ALL "AYES". THE MOTION CARRIED.

VI. New Business/Correspondence

- a. Dugan stated the next Board Meeting will be Tentatively held at the Riddle Point Shelter House on July 18th, 2020 at 10:00am.

VII. Public Comment

- a. Frank reminded the Board that he needs a letter of support for the sewer project.
- b. Rebecca and Brenda had questions about the overflow pond and agreed to have a meeting with Casey and Blackwell to discuss in further detail.

VIII. Adjournment

BROWN MOTIONED TO ADJOURN THE JUNE 24TH, 2020 BOARD OF DIRECTORS MEETING AT 6:18 P.M. SCHELL SECONDED THE MOTION. ALL "AYE'S". THE MOTION CARRIED. MEETING ADJOURNED.

RESPECTFULLY SUBMITTED BY:

Alex Snooks, Operations Supervisor

LAKE LEMON CONSERVANCY DISTRICT

Board of Directors Meeting

Virtual Meeting via Zoom

June 24, 2020

4:30 p.m.

AGENDA

- I. Call Meeting to Order / Chairman's Remarks (PD)
- II. Approval of June 2, 2020 Board Meeting Minutes (PD)
- III. Indiana University Water Testing- Sarah Powers
A. 2019 Results
- IV. Treasurer's Report (MB)
 - A. May Financial Highlights
 - B. Report of Claims Approval for May 2020
 - C. Introduction: 2021 Proposed Budget
- V. Manager's Report (AC)
 - A. Dredging Update
 - B. Vegetation Control
 - C. Fireworks Update.
 - D. Sediment Management Project: Update
 - 1. Bond Parameters
 - 2. Bonding Resolution- Introduction
- VI. Public Comment (PD)
- VII. New Business / Correspondence for Future Agenda (PD)
 - A. Next LLCB Board Meeting: July 18, 2020; 10:00 AM;
- VIII. Adjournment (PD)

Lake Lemon Conservancy District
Board Meeting Agenda Item

Presenter	Pam Dugan, Chairman
Action Requested	Approve
Item/Subject	June 2nd Board Meeting Minutes
Dollar Amount	N/A
Meeting Date	June 24th, 2020
Summary	Minutes from Board meeting on June 2nd, 2020
Staff Recommendation	Approve the June 2nd Board Meeting Minutes.

LAKE LEMON CONSERVANCY DISTRICT

Board of Directors Meeting

Zoom Digital Format

June 2nd, 2020

4:30 p.m.

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BOARD MEMBERS PRESENT: Chairman-Pam Dugan, Vice-Chairman Mary Jane Brown, Treasurer Mike Blackwell, Michael Klitzing, Debra Ladyman, Lora Schell. ALSO PRESENT: Adam Casey, District Manager; Alex Snooks, Operations Supervisor; and LLCD Freeholders (see attached sign-in sheet). ABSENT: Les Wadzinski.

- I. Call Meeting to Order / Chairman's Remarks (Dugan)
- II. Approval of the April 9th, and May 4th Board Meeting Minutes.
 - a. Dugan requested approval of the April 9th and May 4th Board Meeting Minutes.

KLITZING MOTIONED TO APPROVE THE APRIL 9TH AND MAY 4TH BOARD MEETING MINUTES. BROWN SECONDED THE MOTION. ALL "AYES". THE MOTION CARRIED.

- III. Treasurer's Report (Blackwell)
 - a. March Budget Highlights
 - i. March Income: \$11,936
 - ii. March Expenditures: \$36,026
 - b. April Budget Highlights
 - i. April Income: \$6,193
 - ii. April Expenditures: \$34,933
 - c. Blackwell requested approval of the Report of Claims for March and April 2020.

DUGAN MOTIONED TO APPROVE THE REPORT OF CLAIMS: ALLOWANCE OF VOUCHERS FOR MARCH AND APRIL 2020. BROWN SECONDED THE MOTION. ALL "AYES". THE MOTION CARRIED.

- IV. Manager's Report (Casey)
 - a. Casey updated the Board that the Rule 5 permit for the proposed disposal site on South Shore Drive has been submitted and expected to be approved in 30-45 days.
 - i. Casey requested approval for Resolution 06-20-04: Tentative Adoption: Drawings, Specifications & Cost estimates for Sediment Management Project.
 - 1. This resolution states the project parameters, specifications and cost estimates.

KLITZING MOTIONED TO APPROVE RESOLUTION 06-20-04: TENTATIVE ADOPTION: DRAWINGS, SPECIFICATIONS & COST ESTIMATES FOR SEDIMENT MANAGEMENT PROJECT. SCHELL SECONDED THE MOTION. ALL "AYES". THE MOTION CARRIED.

- b. Casey updated the board on the balances in the community foundation.
 - i. There is \$19,761 in the Brown County Fund, and \$31,295 in the Monroe County Fund. Casey also requested the foundations to receive monthly and quarterly statements.
 - c. Casey updated the board on the Dredging Operations.
 - i. We completed the last Chitwood Channel on May 20th and have dug a total of 1096 cubic yards of sediment this year. 500 yards came from a private job in Salmon Harbor.
 - ii. The next Priority zone will be Dorothy lane
 - d. Casey let everyone know that the submergent vegetation (Eurasian milfoil) will be sprayed on Friday June 5th.
- V. New Business/Correspondence
- a. Dugan stated the next Board Meeting will be Tentatively held at the Riddle Point Shelter House on June 20th, 2020 at 10:00am.
- VI. Public Comment
- a. Questions were asked regarding the usage of the overflow pond, which must be used if the Board uses SRF bonding money.
 - b. Channel marker buoys were requested for the west side of Point Idalawn.
- VII. Adjournment

KLITZING MOTIONED TO ADJOURN THE JUNE 2ND, 2020 BOARD OF DIRECTORS MEETING AT 5:07 P.M. SCHELL SECONDED THE MOTION. ALL "AYE'S". THE MOTION CARRIED. MEETING ADJOURNED.

**RESPECTFULLY SUBMITTED BY:
Alex Snooks, Operations Supervisor**

Lake Lemon Conservancy District
Board Meeting Agenda Item

Presenter	Sarah Powers, Indiana University
Action Requested	N/A
Item/Subject	2019 Water Testing results
Dollar Amount	N/A
Meeting Date	June 24, 2020
Summary	Sarah Power, Indiana University, will present the findings of the 2019 Lake Lemon water testing.
Staff Recommendation	N/A

LAKE LEMON MONITORING PROGRAM
2019 Results Summary



Prepared for:

Lake Lemon Conservancy District

Prepared by:

Sarah Powers

School of Public & Environmental Affairs

Indiana University

Bloomington, Indiana 47405

Lake Lemon 2019 Water Monitoring Overview

The Lake Lemon Conservancy District (LLCD) began contracting Indiana University in 1998 to monitor water quality of the lake and incoming tributaries. Figure 1 shows the sampling locations for Lake Lemon and the tributaries in 2019. IU has provided full sampling methods to the LLCD. Figure 2 displays precipitation during the sampling season with individual sampling events indicated. A storm event sample was collected on June 17, 2019.



Figure 1. Sampling locations for the Lake Lemon Water Monitoring Program.

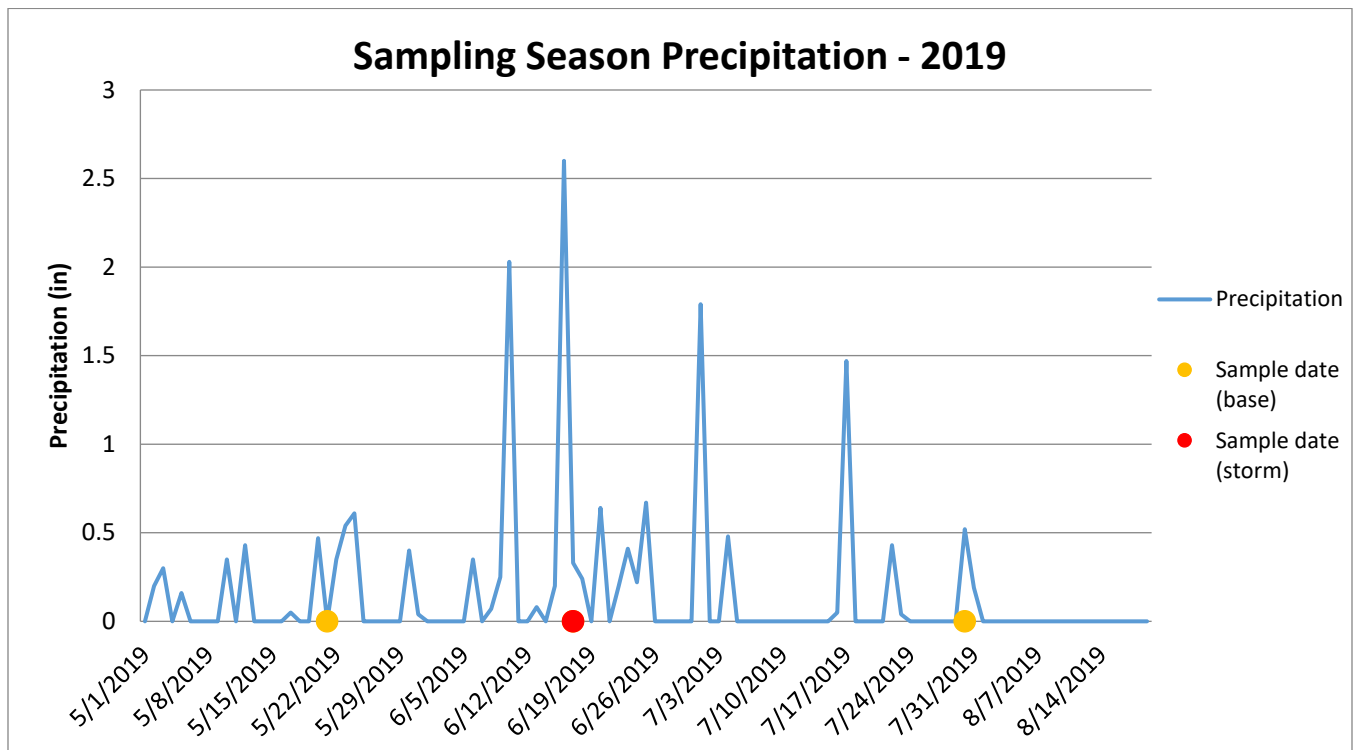


Figure 2. Precipitation amounts during the 2019 sampling season.

Lake Lemon 2019 Summary Results

Temperature and Dissolved Oxygen IU collected a full profile of temperature and dissolved oxygen from one-meter depth increments through the water column at Riddle and Reed Point in Lake Lemon. The temperature profile illustrates the seasonal variation in water temperature and thermal stratification that occurs as the surface water warms. The upper 3 meters of water remained oxygenated during all three sampling events at Riddle Point (Figure 3). The late July dissolved oxygen concentrations averaged 9.15 mg/L in the epilimnion, a slight increase of approximately 0.5mg/L respectively from the sample collected during August of 2018. Anoxic conditions develop below 3 meters depth as organic matter on the lake bottom creates biochemical oxygen demand (BOD) that breaks down the organic matter consuming available oxygen. Stratification of the surface water reduces mixing of oxygen in the deeper water. The shallow depth of Reed Point and lake turbulence keep this area of the lake well mixed and oxygenated (Figure 4).

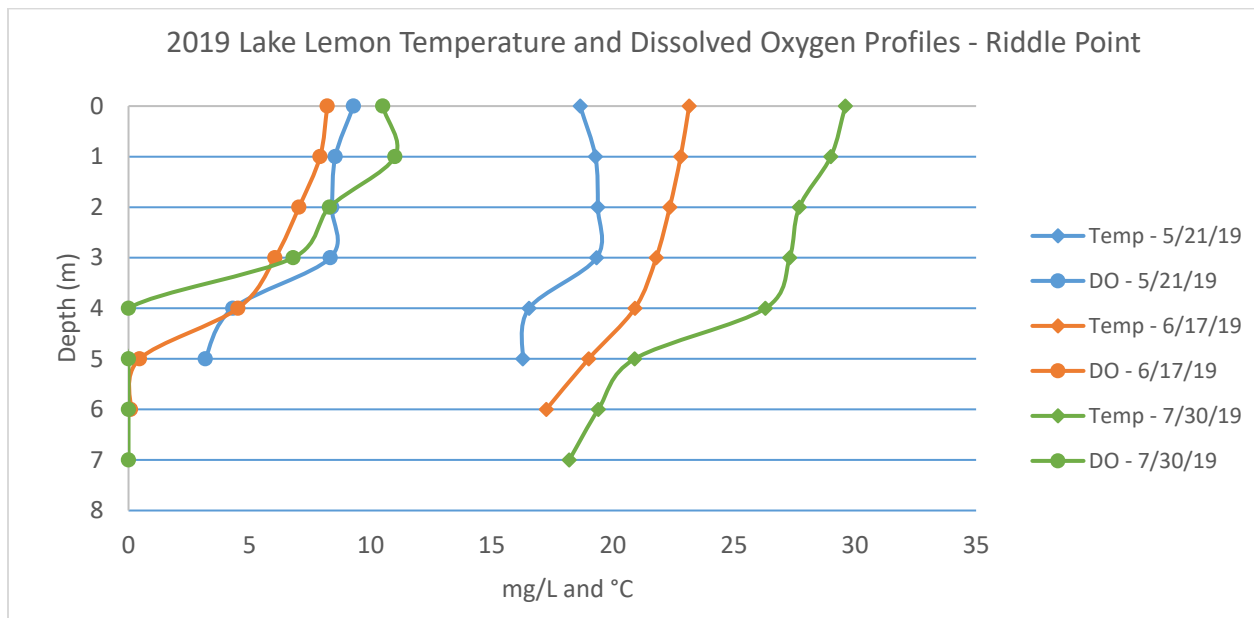


Figure 3. Temperature and dissolved oxygen profiles from all sample dates from Indiana University at Riddle Point in 2019.

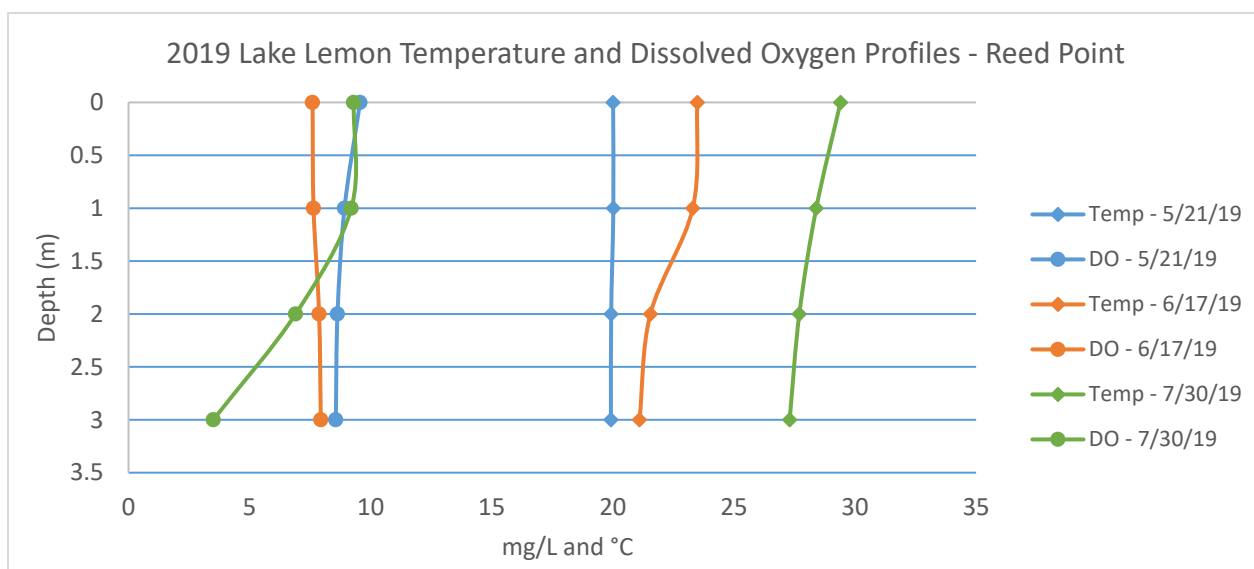


Figure 4. Temperature and dissolved oxygen profiles from all sample dates from Indiana University at Reed Point in 2019.

Water Quality Summary IU collected epilimnion samples from the top 2 meters of the water column and hypolimnion at 6 meters depth (19.7 ft) at Riddle Point. IU collected samples in the epilimnion only at Reed Point.

Table 1. Water Quality Characteristics of Lake Lemon – Riddle Point and Reed Point, 5/21/2019.

Parameter	Riddle		Reed
	Epilimnion	Hypolimnion	Epilimnion
Secchi (m)	0.8	--	0.6
Light trans @ 3' (%)	53.83	--	42.13
1% Light Level (ft)	7.9	--	5.2
% Water Column Oxic	100	--	100
pH	7.5	6.94	7.49
Conductivity (uS/cm))	100.51	185.61	202.47
Alkalinity (mg/L)	55.8	54.7	66.1
Nitrate (mg/L)	0.024	0.009	0.027
Ammonia (mg/L)	0.149	0.043	< 0.014
Total Nitrogen (mg/L)	0.545	1.659	0.451
Orthophosphate (mg/L)	0.010	0.015	0.019
Total Phosphorus (mg/L)	0.02	0.135	0.024
Chlorophyll- <i>a</i> (ug/L)	--	--	--
Plankton (Cells/ml)	1,577	--	2,288
Plankton (#/L)	1,727,279	--	2,717,931
Blue-green dominance NU (%)	55	--	59
Blue-green dominance – cells/ml (%)	56	--	60
<i>E. coli</i> (#/100 mls)	1,190	--	1,170

Table 2. Water Quality Characteristics of Lake Lemon – Riddle Point and Reed Point, 6/17/2019.

Parameter	Riddle		Reed
	Epilimnion	Hypolimnion	Epilimnion
Secchi (m)	1.1	--	0.6
Light trans @ 3' (%)	607.1	--	118.7
1% Light Level (ft)	9.3	--	6.7
% Water Column Oxic	71.4	--	100
pH	7.42	7.1	7.04
Conductivity (uS/cm)	213.8	228.7	2.5
Alkalinity (mg/L)	66.0	71.0	62.0
Nitrate (mg/L)	< 0.008	0.023	0.124
Ammonia (mg/L)	< 0.014	0.181	0.061
Total Nitrogen (mg/L)	0.295	0.539	0.421
Orthophosphate (mg/L)	0.003	0.011	0.005
Total Phosphorus (mg/L)	0.02	0.035	0.023
Chlorophyll-a (ug/L)	13.78	--	11.48
Plankton (Cells/ml)	7,202	--	6,690
Plankton (#/L)	1,933,717	--	1,478,667
Blue-green dominance NU (%)	87	--	87
Blue-green dominance – cells/ml (%)	96	--	96
<i>E. coli</i> (#/100 mls)	400	--	720

Table 3. Water Quality Characteristics of Lake Lemon – Riddle Point and Reed Point, 7/30/2019.

Parameter	Riddle		Reed
	Epilimnion	Hypolimnion	Epilimnion
Secchi (m)	0.8	--	0.4
Light trans @ 3' (%)	288.5	--	63.0
1% Light Level (ft)	6.99	--	4.99
% Water Column Oxic	50	--	100
pH	8.3	6.7	7.7
Conductivity (uS/cm))	190.3	236.3	195
Alkalinity (mg/L)	71.0	101.0	71.0
Nitrate (mg/L)	< 0.008	< 0.008	< 0.008
Ammonia (mg/L)	0.048	1.941	0.018
Total Nitrogen (mg/L)	0.445	0.839	0.815
Orthophosphate (mg/L)	0.002	0.276	0.032
Total Phosphorus (mg/L)	0.045	0.195	0.067
Chlorophyll-a (ug/L)	40.89	--	40.71
Plankton (Cells/ml)	--	--	176,131
Plankton (#/L)	--	--	13,333,666
Blue-green dominance NU (%)	--	--	86
Blue-green dominance – cells/ml (%)	--	--	97
<i>E. coli</i> (#/100 mls)	--	--	--

Chlorophyll-*a*, which is a measure of the primary pigment in algae, is a direct measure of algal productivity. In the integrated samples from the surface to the 2-meter depth, the chlorophyll-*a* concentrations ranged from 11.48 µg/L in June to 40.89 µg/L in late July. Chlorophyll-*a* concentrations >7 µg/L are indicative of eutrophic lake conditions. Overall, we see a seasonal pattern of nutrient increase by late summer as total phosphorous concentrations increase, which is characteristic of Lake Lemon. This pattern is mirrored by increases in chlorophyll-*a* concentrations. This suggests that conditions exist for increasing growth of algae (Figures 5 and 6).

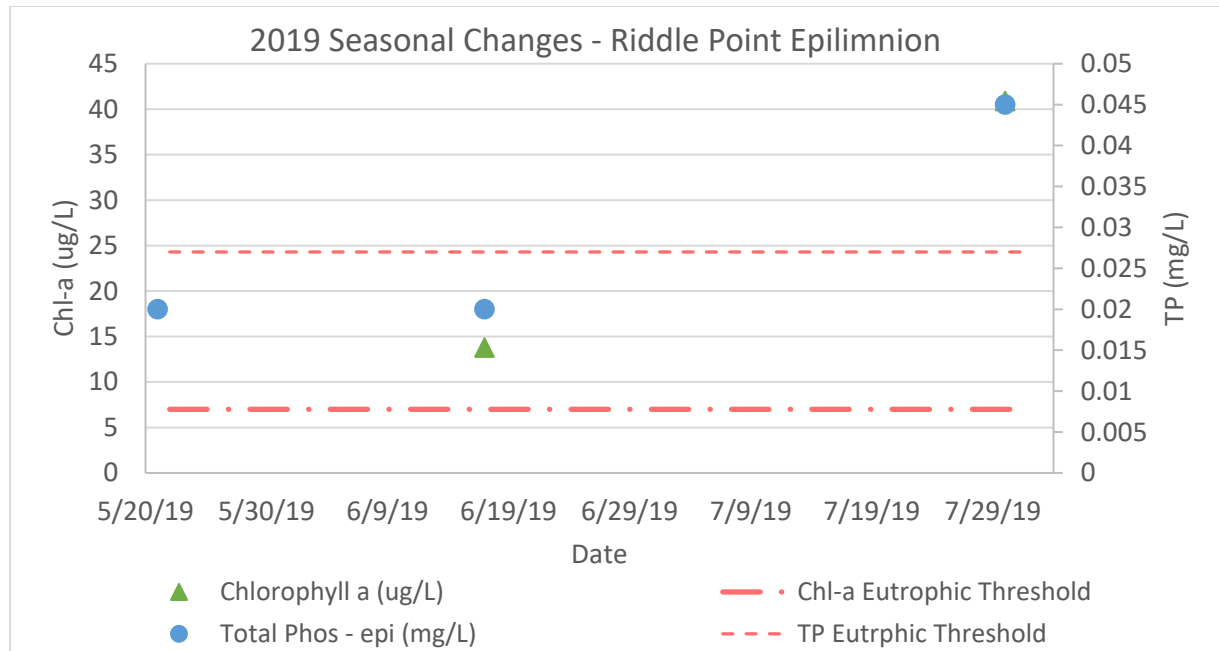


Figure 5. Seasonal changes in total phosphorus and chlorophyll-*a* in the surface waters (epilimnion) at Riddle Point in Lake Lemon in 2019.

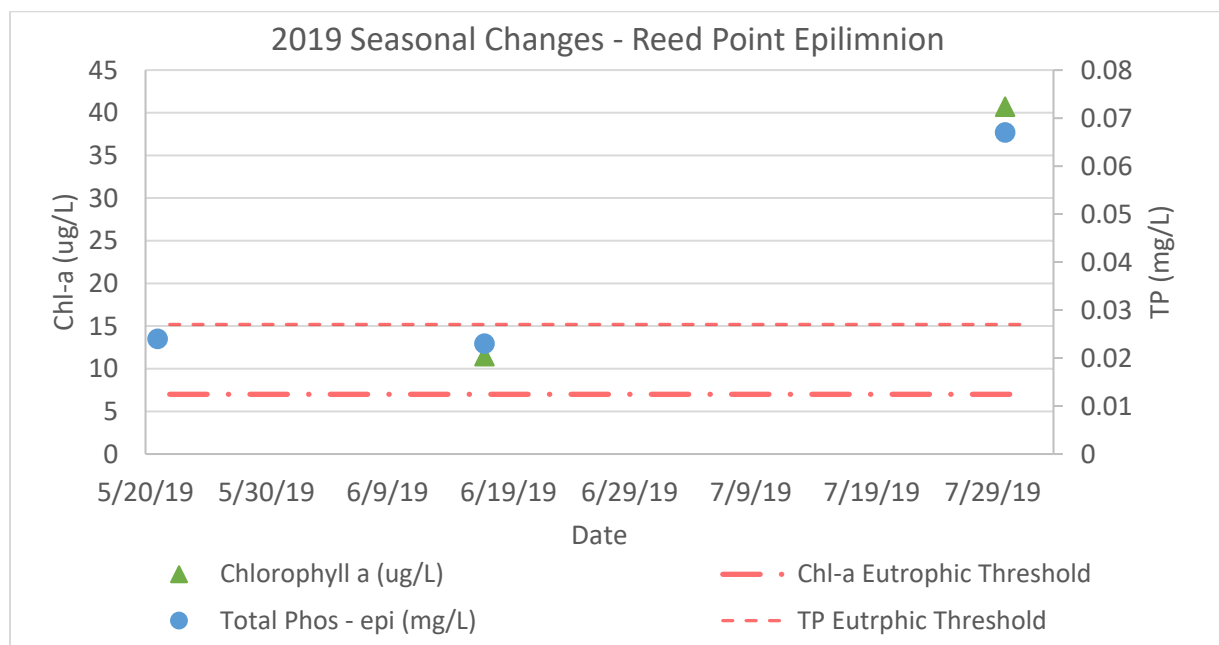


Figure 6. Seasonal changes in total phosphorus and chlorophyll-*a* in the surface waters (epilimnion) at Reed Point in Lake Lemon in 2019.

Beach and Tributary Samples IU collected turbidity and *E. coli* samples around the Lake Lemon watershed in 2019 (Tables 4 and 5). The state standard for full body contact and recreation is 200 colonies per 100mls.

Table 4. Tributary Turbidity and *E. coli* for 2019.

	<i>E. coli</i> (#/100 mls)	<i>E. coli</i> (#/100 mls)	<i>E. coli</i> (#/100 mls)	Turbidity (NTU)	Turbidity (NTU)	Turbidity (NTU)
	5/21/19	7/1/19	7/30/19	5/21/19	7/1/19	7/30/19
Chitwood #1	--	9,000	270	--	23.3	24.6
Chitwood #2	--	9,200	140	--	18.9	16
Chitwood Channel	--	2,560	540	--	21.1	29.1
Chitwood Stream	--	1,500	TNTC	--	26.4	72.8
Beanblossom Creek	2,500	--	190	--	--	10.2
Bear Creek	3,000	510	400	--	12	6.78
Knobb Creek	13,500	1,640	6,400	--	9.83	17.8
Possom Trot	--	530	150	--	13.7	14.9
Shuffle Creek	--	200	--	--	8.14	--

Table 5. Beach Turbidity and *E. coli* for 2019.

Lake Lemon Beach	<i>E. coli</i> (#/100 mls)	Turbidity (NTU)
7/8/19	80	14.4
7/15/19	180	--
7/22/19	80	--
7/30/19	100	11.5
8/5/19	0	--
8/14/19	2	--
8/23/19	310	--

Trophic State. The trophic state of a lake helps characterize the level of productivity and the expected life that may exist in a lake. The overall classifications of lakes can help with comparison across lakes as well as from year to year. We use Carlson's Trophic State as it was developed based on lakes similar to those in Indiana.

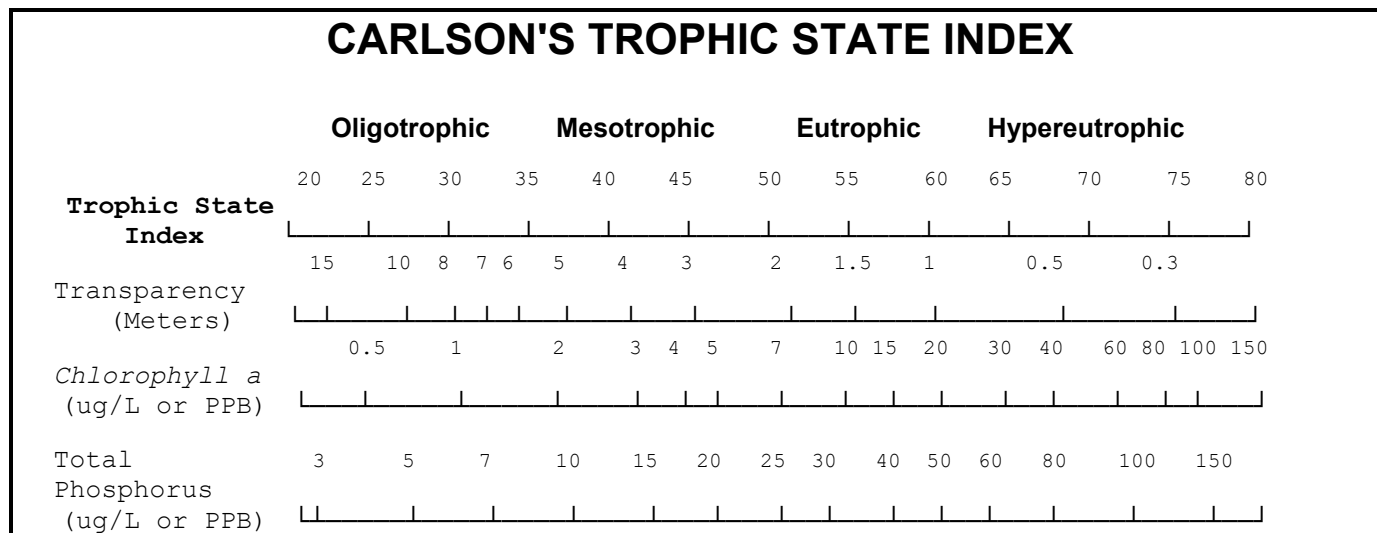


Figure 10. Carlson's trophic state index.

Table 6. Characteristics of trophic state categories.

Classification	Transparency	Nutrients	Algae	D.O.	Fish
<i>Oligotrophic</i>	clear	Low TP < 6 µg/L	few algae	Hypo has D.O.	can support salmonids (trout and salmon)
<i>Mesotrophic</i>	Less clear	Moderate TP 10-30 µg/L	healthy populations of algae	Less D.O. in hypo	lack of salmonids
<i>Eutrophic</i>	transparency <2 meters	High TP > 35 µg/L	abundant algae and weeds	No D.O. in the hypo during the summer	Warmwater fisheries only. Bass may dominate.
<i>Hypereutrophic</i>	transparency <1 meter	extremely high TP > 80 µg/L	thick algal scum Dense weeds	No D.O. in the hypo during the summer	Rough dominate. Summer fish kills possible.

We use Riddle Point Carlson TSI scores to look at the historic trend for Lake Lemon demonstrating that the lake is generally characterized as eutrophic. Figures 11-13 illustrate the Carlson TSI historic trends for Secchi disk, total phosphorus, and chlorophyll-*a*. Overall, a pattern of seasonal variation of lower scores (less eutrophic) in the spring and increasing trophic state to eutrophic/hypereutrophic status by late summer.

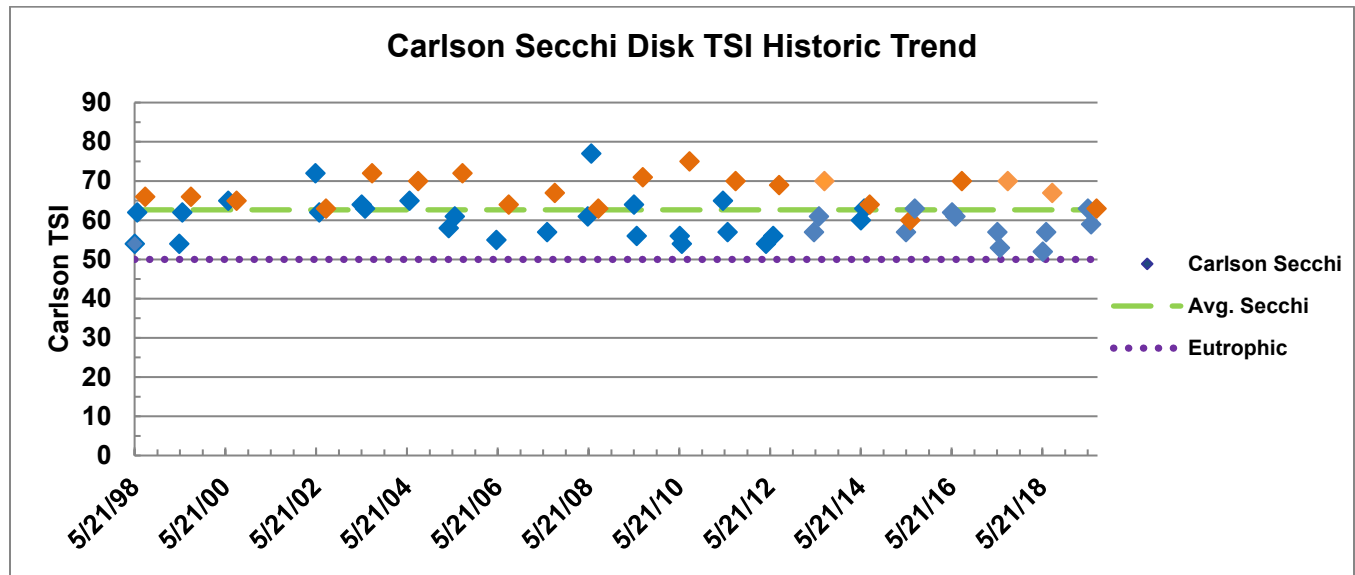


Figure 11. The 21-year historic trend for Carlson Secchi disk TSI scores. Orange represents the August samples. The green dashed line illustrates the 21-year mean. The purple dotted line illustrates eutrophic status for the Carlson TSI.

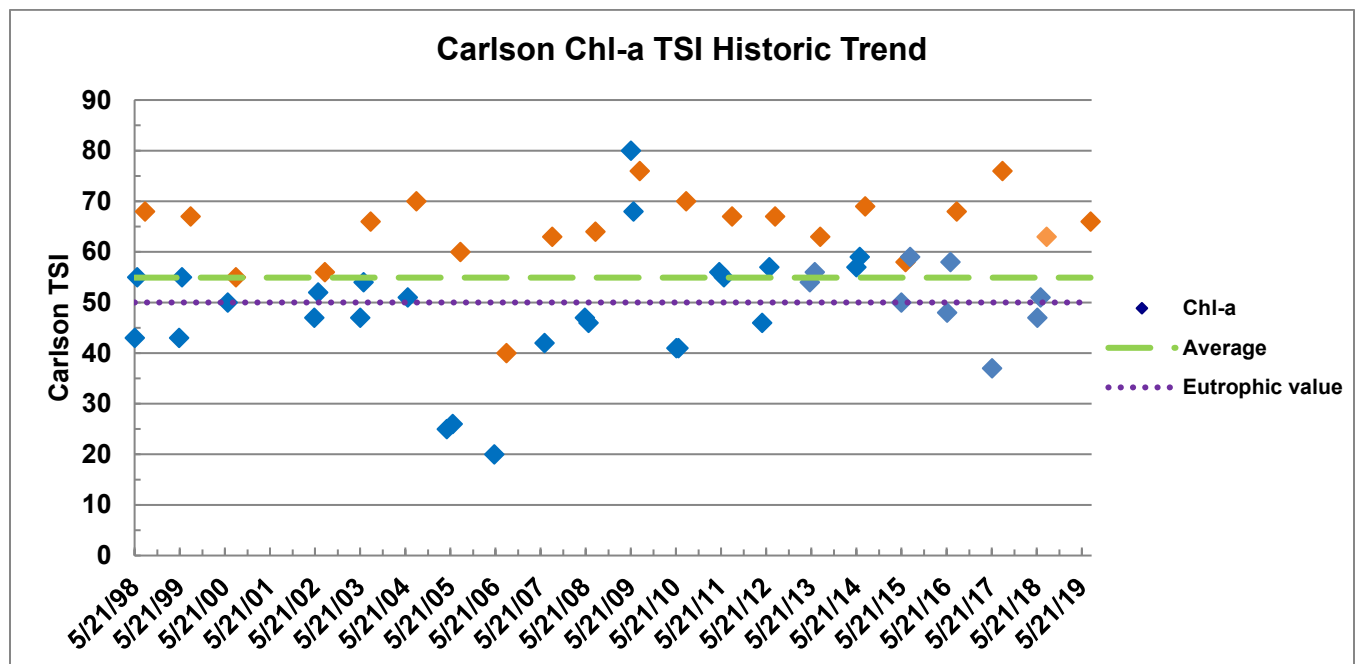


Figure 12. The 21-year historic trend for Carlson chlorophyll-*a* TSI scores. Most August samples, shown in orange, score above the mean for eutrophic status. The 21-year mean is just above the Carlson TSI eutrophic status score of 50 (purple dotted line).

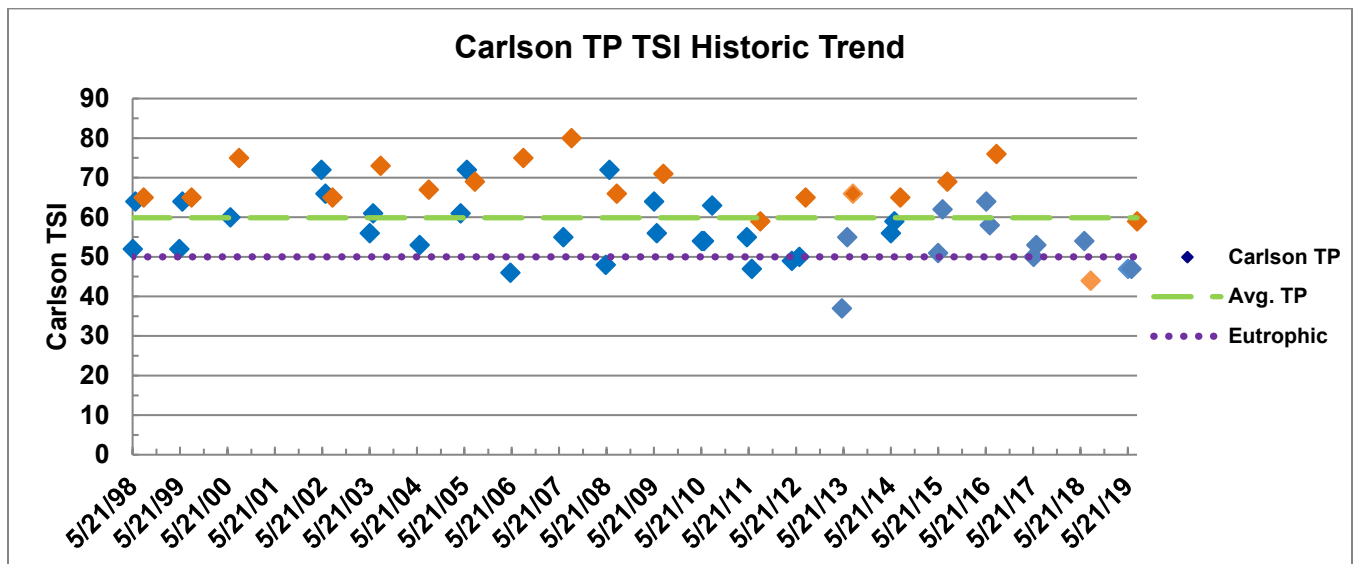


Figure 13. The 21-year historic trend for Carlson total phosphorus TSI scores. All August samples, shown in orange, score above the mean for eutrophic status save for one in 2018. The green dashed line illustrates the 21-year mean. The purple dotted line illustrates eutrophic status for the Carlson TSI.

Continuing the monitoring for toxin producing algae from 2018, the May and June samples still remained below the 100,000 cells/mL threshold for recreation advisories. The late July sample did exceed this threshold at approximately 176,000 cells/mL with over 50% of these cells under the harmful algal bloom grouping. We have started contracting Phycotech to analyze phytoplankton for us. We will be sending lake samples to them in 2020. We will send the reports to the Lake Manager post analysis. We hope this will provide a quick turnaround for management decisions.

Lake Lemon Water Monitoring Conclusions and Recommendations

Further conclusions and recommendations are pending discussion with Lake Manager and Board of Directors.

Lake Lemon Conservancy District
Board Meeting Agenda Item

Presenter	Mike Blackwell, Treasurer
Action Requested	Review
Item/Subject	May 2020 Financial Update
Dollar Amount	N/A
Meeting Date	June 24th, 2020
Summary	Financial report showing end of May 2020 Balance sheet, Income, Expense, 2019 comparison, and reconciliation data.
Staff Recommendation	N/A

LAKE LEMON CONSERVANCY

FINANCIAL STATEMENTS

For the Period Ending

January 1, 2020 thru May 31, 2020
(UNAUDITED)

Watkins Accounting
113 E. 19th Street
Bloomington, IN 47408

LAKE LEMON CONSERVANCY

I have prepared the financial statements for LAKE LEMON CONSERVANCY as of May 31, 2020 on the basis used in the preparation of its federal income tax returns. The tax returns are prepared on the accrual basis when appropriate.

The following are the company's significant accounting policies under this basis:

Income Tax. No provision or liability for income taxes has been included in the financial statements.

Provision for Doubtful Accounts. No provision for doubtful accounts is made. The company follows the practice of charging off all accounts deemed uncollectible directly to expense.

Property and Equipment. Property and equipment, as well as liabilities pertaining thereto, are recorded at cost as determined for income tax purposes.

Shirley Watkins, CPA
June 3, 2020

LAKE LEMON CONSERVANCY
Balance Sheet
As of May 31, 2020

	<u>May 31, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · Peoples State Bank	330,450.34
1010 · Petty Cash	100.00
1020 · Change Fund	200.00
1030 · CD's General Fund	35,000.00
1040 · CD's Cumulative Maint Fund	107,014.71
1050 · Savings Account	5,949.28
Total Checking/Savings	<u>478,714.33</u>
Total Current Assets	478,714.33
Fixed Assets	
1500 · Land @ South Shore Dr	102,755.00
1510 · Trucks	132,761.25
1520 · Other Asset	12,093.11
1550 · Boats	354,750.00
1680 · Other Fixed Assets	465,734.79
Total Fixed Assets	<u>1,068,094.15</u>
TOTAL ASSETS	<u>1,546,808.48</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2010 · FICA & Federal Taxes Payable	3,589.14
2020 · State & Co. Withholding Payable	1,133.10
Total Other Current Liabilities	<u>4,722.24</u>
Total Current Liabilities	4,722.24
Long Term Liabilities	
2800 · Long Term Notes-Net of Current	235,000.00
Total Long Term Liabilities	<u>235,000.00</u>
Total Liabilities	239,722.24
Equity	
3000 · Opening Balance Equity	101,373.66
3040 · General Fund	503,214.77
3060 · Cumulative Maintenance Fund	101,942.92
3200 · Retained Earnings	651,067.21
Net Income	-50,512.32
Total Equity	<u>1,307,086.24</u>
TOTAL LIABILITIES & EQUITY	<u>1,546,808.48</u>

LAKE LEMON CONSERVANCY

Profit & Loss YTD Comparison

May 2020

	May 20	Jan - May 20
Income		
4000 · Watercraft Permits	58,530.00	65,691.00
4010 · Launch Fees	8,160.00	8,915.00
4020 · Marina & Club Fees	0.00	1,500.00
4030 · Sublease & Access Fees	3,685.00	21,655.00
4060 · Interest	0.00	440.06
4070 · Grants & Donations	835.00	835.00
4080 · Fishing Tournament	0.00	1,000.00
4090 · Park Reservations	125.00	125.00
4100 · Park Admission Fees	3,196.00	3,196.00
4130 · Dredging/Rip-Rap Income	21,500.00	21,500.00
Total Income	96,031.00	124,857.06
Expense		
6000 · Manager	5,230.76	26,153.80
6001 · Operations Supervisor	2,773.08	13,865.40
6002 · Equipment Operations Supervisor	3,076.92	15,384.60
6010 · FICA	1,055.07	4,736.62
6020 · State Unemployment Tax	0.00	36.08
6025 · Merchant Fees	222.93	389.78
6030 · Retirement	1,573.52	7,867.60
6040 · Health Insurance	570.94	2,353.99
6070 · Gate Attendant	1,480.50	1,785.00
6111 · Dredger	0.00	450.00
6112 · Dredger (Other)	0.00	435.00
6113 · Assistant Dredger	138.75	408.75
6114 · Assistant Dredger (Other)	490.25	2,388.50
6116 · Assistant Dredger (Private)	601.25	1,045.25
6120 · Season & Launch Permits	0.00	1,832.15
6130 · Daily Permits	0.00	130.65
6160 · Printer, Copier & Computer Supp	0.00	705.66
6170 · Miscellaneous-Other	0.00	12.33
6180 · Postage	0.00	225.05
6190 · General Business Supplies	0.00	195.84
6200 · Regular Gas	1,115.20	1,236.32
6210 · Diesel	1,001.00	1,001.00
6240 · Building & Grounds	1,600.20	3,645.70
6250 · Boat/Weed Harvester/Truck	0.00	86.10
6251 · Dredging Supplies	661.93	1,583.21
6252 · Rip Rap/Erosion Control	6,727.14	9,279.04
6300 · Accounting Services	450.00	2,250.00
6310 · Grass	1,810.00	2,250.00
6320 · Attorney	635.00	635.00
6330 · Consulting Engineer	3,426.00	17,472.59
6370 · Phone, LDT, Pager, E-Mail	283.45	1,417.79
6410 · Subscriptions	54.92	159.91
6430 · Ads	22.52	200.23
6450 · Insurance	0.00	25,277.75
6460 · Electric	320.95	1,936.75
6470 · Water	56.97	277.41
6480 · Trash	40.00	449.86
6490 · Port-O-Lets	358.77	1,038.77
6500 · Pump Holding Tank	0.00	200.00
6510 · Building & Grounds Expense	120.75	665.75
6520 · Boat	0.00	638.00
6530 · Truck	0.00	75.57
6541 · Dredging Equipment Maintenance	0.00	1,600.00
6542 · Equipment Rental	0.00	9,004.71
6560 · Water Testing	0.00	2,520.00
6600 · 6% Marina Permit Sales	541.80	541.80
6661 · Disposal Site Preparation	0.00	9,524.07
Total Expense	36,440.57	175,369.38
Net Income	59,590.43	-50,512.32

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06/03/20

Accrual Basis

LAKE LEMON CONSERVANCY

Profit & Loss Prev Year Comparison

January through May 2020

	Jan - May 20	Jan - May 19	\$ Change	% Change
Income				
4000 · Watercraft Permits	65,691.00	61,715.00	3,976.00	6.4%
4010 · Launch Fees	8,915.00	10,233.00	-1,318.00	-12.9%
4020 · Marina & Club Fees	1,500.00	1,500.00	0.00	0.0%
4030 · Sublease & Access Fees	21,655.00	21,635.00	20.00	0.1%
4060 · Interest	440.06	436.34	3.72	0.9%
4070 · Grants & Donations	835.00	0.00	835.00	100.0%
4080 · Fishing Tournament	1,000.00	850.00	150.00	17.7%
4090 · Park Reservations	125.00	875.00	-750.00	-85.7%
4100 · Park Admission Fees	3,196.00	7,960.00	-4,764.00	-59.9%
4130 · Dredging/Rip-Rap Income	21,500.00	0.00	21,500.00	100.0%
Total Income	124,857.06	105,204.34	19,652.72	18.7%
Expense				
6000 · Manager	26,153.80	25,307.70	846.10	3.3%
6001 · Operations Supervisor	13,865.40	13,076.90	788.50	6.0%
6002 · Equipment Operations Supervisor	15,384.60	0.00	15,384.60	100.0%
6010 · FICA	4,736.62	4,619.35	117.27	2.5%
6020 · State Unemployment Tax	36.08	19.25	16.83	87.4%
6025 · Merchant Fees	389.78	206.73	183.05	88.6%
6030 · Retirement	7,867.60	5,450.60	2,417.00	44.3%
6040 · Health Insurance	2,353.99	0.00	2,353.99	100.0%
6070 · Gate Attendant	1,785.00	3,749.26	-1,964.26	-52.4%
6110 · Lake Biologist	0.00	458.00	-458.00	-100.0%
6111 · Dredger	450.00	3,074.00	-2,624.00	-85.4%
6112 · Dredger (Other)	435.00	9,847.48	-9,412.48	-95.6%
6113 · Assistant Dredger	408.75	1,512.00	-1,103.25	-73.0%
6114 · Assistant Dredger (Other)	2,388.50	3,170.25	-781.75	-24.7%
6115 · Dredger (Private)	0.00	116.00	-116.00	-100.0%
6116 · Assistant Dredger (Private)	1,045.25	72.00	973.25	1,351.7%
6120 · Season & Launch Permits	1,832.15	1,883.39	-51.24	-2.7%
6130 · Daily Permits	130.65	270.00	-139.35	-51.6%
6140 · Receipt/Tickets Books	0.00	350.50	-350.50	-100.0%
6160 · Printer, Copier & Computer Supp	705.66	828.20	-122.54	-14.8%
6170 · Miscellaneous-Other	12.33	310.47	-298.14	-96.0%
6180 · Postage	225.05	255.00	-29.95	-11.8%
6190 · General Business Supplies	195.84	296.12	-100.28	-33.9%
6200 · Regular Gas	1,236.32	2,162.16	-925.84	-42.8%
6210 · Diesel	1,001.00	4,151.78	-3,150.78	-75.9%
6240 · Building & Grounds	3,645.70	444.08	3,201.62	721.0%
6250 · Boat/Weed Harvester/Truck	86.10	305.69	-219.59	-71.8%
6251 · Dredging Supplies	1,583.21	6,112.38	-4,529.17	-74.1%
6252 · Rip Rap/Erosion Control	9,279.04	1,168.46	8,110.58	694.1%
6290 · Signs & Nautical Markers	0.00	1,995.97	-1,995.97	-100.0%
6300 · Accounting Services	2,250.00	1,800.00	450.00	25.0%
6310 · Grass	2,250.00	1,760.00	490.00	27.8%
6320 · Attorney	635.00	240.00	395.00	164.6%
6330 · Consulting Engineer	17,472.59	3,793.25	13,679.34	360.6%
6350 · Other Prof/Secretarial Service	0.00	500.00	-500.00	-100.0%
6370 · Phone, LDT, Pager, E-Mail	1,417.79	1,373.60	44.19	3.2%
6390 · Hotel	0.00	396.50	-396.50	-100.0%
6400 · Meals	0.00	52.00	-52.00	-100.0%
6410 · Subscriptions	159.91	210.00	-50.09	-23.9%
6430 · Ads	200.23	43.03	157.20	365.3%
6440 · Other	0.00	158.40	-158.40	-100.0%
6450 · Insurance	25,277.75	29,536.75	-4,259.00	-14.4%
6460 · Electric	1,936.75	2,151.75	-215.00	-10.0%
6470 · Water	277.41	275.55	1.86	0.7%
6480 · Trash	449.86	268.17	181.69	67.8%
6490 · Port-O-Lets	1,038.77	1,859.00	-820.23	-44.1%
6500 · Pump Holding Tank	200.00	300.00	-100.00	-33.3%
6510 · Building & Grounds Expense	665.75	3,814.00	-3,148.25	-82.5%
6520 · Boat	638.00	322.77	315.23	97.7%
6530 · Truck	75.57	499.43	-423.86	-84.9%
6541 · Dredging Equipment Maintenance	1,600.00	5,011.58	-3,411.58	-68.1%
6542 · Equipment Rental	9,004.71	0.00	9,004.71	100.0%

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Accrual Basis

LAKE LEMON CONSERVANCY
Profit & Loss Prev Year Comparison
January through May 2020

	Jan - May 20	Jan - May 19	\$ Change	% Change
6560 · Water Testing	2,520.00	45.00	2,475.00	5,500.0%
6600 · 6% MarinaPermit Sales	541.80	378.12	163.68	43.3%
6620 · Dam/Spillway Inspection	0.00	5,343.22	-5,343.22	-100.0%
6630 · Spillway Repairs	0.00	550.00	-550.00	-100.0%
6661 · Disposal Site Preparation	9,524.07	12,942.53	-3,418.46	-26.4%
Total Expense	175,369.38	164,838.37	10,531.01	6.4%
Net Income	<u>-50,512.32</u>	<u>-59,634.03</u>	<u>9,121.71</u>	<u>15.3%</u>

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Accrual Basis

LAKE LEMON CONSERVANCY
Profit & Loss Budget vs. Actual
 January through May 2020

	Jan - May 20	Budget	\$ Over Budget	% of Budget
Income				
4000 · Watercraft Permits	65,691.00	115,000.00	-49,309.00	57.1%
4010 · Launch Fees	8,915.00	21,000.00	-12,085.00	42.5%
4020 · Marina & Club Fees	1,500.00	9,000.00	-7,500.00	16.7%
4030 · Sublease & Access Fees	21,655.00	27,000.00	-5,345.00	80.2%
4040 · Property Tax - Brown Co.	0.00	82,420.00	-82,420.00	0.0%
4050 · Property Tax -Monroe Co.	0.00	234,580.00	-234,580.00	0.0%
4060 · Interest	440.06	1,250.00	-809.94	35.2%
4070 · Grants & Donations	835.00	12,000.00	-11,165.00	7.0%
4071 · Community Foundation	0.00	0.00	0.00	0.0%
4080 · Fishing Tournament	1,000.00	1,500.00	-500.00	66.7%
4090 · Park Reservations	125.00	4,000.00	-3,875.00	3.1%
4100 · Park Admisioin Fees	3,196.00	44,000.00	-40,804.00	7.3%
4110 · Concessions	0.00	0.00	0.00	0.0%
4120 · Other Income	0.00	0.00	0.00	0.0%
4130 · Dredging/Rip-Rap Income	21,500.00	30,000.00	-8,500.00	71.7%
4140 · Dredging Equipment Loan Proceed	0.00	1,200,000.00	-1,200,000.00	0.0%
Total Income	124,857.06	1,781,750.00	-1,656,892.94	7.0%
Expense				
6000 · Manager	26,153.80	62,000.00	-35,846.20	42.2%
6001 · Operations Supervisor	13,865.40	36,050.00	-22,184.60	38.5%
6002 · Equipment Operations Supervisor	15,384.60	40,000.00	-24,615.40	38.5%
6010 · FICA	4,736.62	13,700.00	-8,963.38	34.6%
6020 · State Unemployment Tax	36.08	800.00	-763.92	4.5%
6025 · Merchant Fees	389.78	1,200.00	-810.22	32.5%
6030 · Retirement	7,867.60	15,200.00	-7,332.40	51.8%
6040 · Health Insurance	2,353.99	15,000.00	-12,646.01	15.7%
6050 · Life Insurance	0.00	0.00	0.00	0.0%
6070 · Gate Attendant	1,785.00	22,000.00	-20,215.00	8.1%
6100 · Lake Patrol	0.00	2,000.00	-2,000.00	0.0%
6110 · Lake Biologist	0.00	0.00	0.00	0.0%
6111 · Dredger	450.00	0.00	450.00	100.0%
6112 · Dredger (Other)	435.00	0.00	435.00	100.0%
6113 · Assistant Dredger	408.75	12,000.00	-11,591.25	3.4%
6114 · Assistant Dredger (Other)	2,388.50	6,000.00	-3,611.50	39.8%
6115 · Dredger (Private)	0.00	0.00	0.00	0.0%
6116 · Assistant Dredger (Private)	1,045.25	2,000.00	-954.75	52.3%
6120 · Season & Launch Permits	1,832.15	2,000.00	-167.85	91.6%
6130 · Daily Permits	130.65	400.00	-269.35	32.7%
6140 · Receipt/Tickets Books	0.00	400.00	-400.00	0.0%
6150 · Checks	0.00	200.00	-200.00	0.0%
6160 · Printer, Copier & Computer Supp	705.66	800.00	-94.34	88.2%
6170 · Miscellaneous-Other	12.33	1,300.00	-1,287.67	0.9%
6180 · Postage	225.05	750.00	-524.95	30.0%
6185 · Receipt Books	0.00	0.00	0.00	0.0%
6190 · General Business Supplies	195.84	750.00	-554.16	26.1%

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Accrual Basis

LAKE LEMON CONSERVANCY
Profit & Loss Budget vs. Actual
 January through May 2020

	Jan - May 20	Budget	\$ Over Budget	% of Budget
6200 · Regular Gas	1,236.32	7,000.00	-5,763.68	17.7%
6210 · Diesel	1,001.00	9,000.00	-7,999.00	11.1%
6220 · Janitorial Supplies	0.00	0.00	0.00	0.0%
6230 · Medical Supplies	0.00	0.00	0.00	0.0%
6240 · Building & Grounds	3,645.70	6,000.00	-2,354.30	60.8%
6250 · Boat/Weed Harvester/Truck	86.10	1,500.00	-1,413.90	5.7%
6251 · Dredging Supplies	1,583.21	12,000.00	-10,416.79	13.2%
6252 · Rip Rap/Erosion Control	9,279.04	15,000.00	-5,720.96	61.9%
6260 · Uniforms	0.00	600.00	-600.00	0.0%
6270 · Boat Equipment	0.00	0.00	0.00	0.0%
6280 · Radio/Communication Equipment	0.00	0.00	0.00	0.0%
6290 · Signs & Nautical Markers	0.00	3,000.00	-3,000.00	0.0%
6300 · Accounting Services	2,250.00	5,400.00	-3,150.00	41.7%
6310 · Grass	2,250.00	15,000.00	-12,750.00	15.0%
6320 · Attorney	635.00	4,000.00	-3,365.00	15.9%
6325 · Fish Managment Survey	0.00	0.00	0.00	0.0%
6330 · Consulting Engineer	17,472.59	50,000.00	-32,527.41	34.9%
6350 · Other Prof/Secretarial Service	0.00	1,000.00	-1,000.00	0.0%
6370 · Phone, LDT, Pager, E-Mail	1,417.79	3,000.00	-1,582.21	47.3%
6380 · Travel	0.00	0.00	0.00	0.0%
6390 · Hotel	0.00	300.00	-300.00	0.0%
6400 · Meals	0.00	150.00	-150.00	0.0%
6410 · Subscriptions	159.91	800.00	-640.09	20.0%
6420 · Newsletter	0.00	600.00	-600.00	0.0%
6430 · Ads	200.23	500.00	-299.77	40.0%
6440 · Other	0.00	1,500.00	-1,500.00	0.0%
6441 · Event Planning	0.00	1,500.00	-1,500.00	0.0%
6450 · Insurance	25,277.75	45,000.00	-19,722.25	56.2%
6460 · Electric	1,936.75	5,000.00	-3,063.25	38.7%
6470 · Water	277.41	750.00	-472.59	37.0%
6480 · Trash	449.86	1,500.00	-1,050.14	30.0%
6490 · Port-O-Lets	1,038.77	2,000.00	-961.23	51.9%
6500 · Pump Holding Tank	200.00	800.00	-600.00	25.0%
6510 · Building & Grounds Expense	665.75	10,000.00	-9,334.25	6.7%
6520 · Boat	638.00	2,000.00	-1,362.00	31.9%
6530 · Truck	75.57	1,000.00	-924.43	7.6%
6540 · Sluice Gate Inspection	0.00	0.00	0.00	0.0%
6541 · Dredging Equipment Maintenance	1,600.00	10,000.00	-8,400.00	16.0%
6542 · Equipment Rental	9,004.71	7,500.00	1,504.71	120.1%
6560 · Water Testing	2,520.00	6,500.00	-3,980.00	38.8%
6570 · Lake Weed Treatment	0.00	50,000.00	-50,000.00	0.0%
6580 · Erosion Control/Matching Fund	0.00	0.00	0.00	0.0%
6590 · Contingency Funds 10%	0.00	5,000.00	-5,000.00	0.0%
6600 · 6% MarinaPermit Sales	541.80	2,300.00	-1,758.20	23.6%
6610 · Cumulative Maintenance Fund	0.00	7,500.00	-7,500.00	0.0%
6620 · Dam/Spillway Inspection	0.00	0.00	0.00	0.0%
6630 · Spillway Repairs	0.00	5,000.00	-5,000.00	0.0%

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06/03/20

Accrual Basis

LAKE LEMON CONSERVANCY
Profit & Loss Budget vs. Actual
 January through May 2020

	Jan - May 20	Budget	\$ Over Budget	% of Budget
6640 · Soil Testing IDEM	0.00	0.00	0.00	0.0%
6650 · Dredge Matching Fund	0.00	0.00	0.00	0.0%
6661 · Disposal Site Preparation	9,524.07	15,000.00	-5,475.93	63.5%
6662 · Debt Service-Dredging Loan	0.00	67,000.00	-67,000.00	0.0%
6663 · Barge Assembly	0.00	0.00	0.00	0.0%
6670 · Debt Service (Dredging Equip.)	0.00	0.00	0.00	0.0%
6680 · Other Services and Charges	0.00	1,500.00	-1,500.00	0.0%
6681 · Fireworks	0.00	8,000.00	-8,000.00	0.0%
6682 · Ramp Repairs	0.00	2,000.00	-2,000.00	0.0%
6690 · Office Equipment	0.00	0.00	0.00	0.0%
6700 · Computer Equipment	0.00	0.00	0.00	0.0%
6701 · Barge	0.00	0.00	0.00	0.0%
6702 · Push Boat/Motors	0.00	0.00	0.00	0.0%
6703 · Excavator	0.00	0.00	0.00	0.0%
6704 · Off Road Truck	0.00	200,000.00	-200,000.00	0.0%
6705 · Utility Truck	0.00	0.00	0.00	0.0%
6706 · Bulldozer	0.00	0.00	0.00	0.0%
6710 · Boat Dock	0.00	0.00	0.00	0.0%
6720 · Utility Vehicle	0.00	0.00	0.00	0.0%
6730 · Patrol Boat	0.00	0.00	0.00	0.0%
6740 · Work Boat (Pontoon)	0.00	0.00	0.00	0.0%
6750 · Sediment Mitigation	0.00	950,000.00	-950,000.00	0.0%
6770 · LLC'D Pick-up Truck	0.00	0.00	0.00	0.0%
6780 · Gatehouse	0.00	30,000.00	-30,000.00	0.0%
Total Expense	175,369.38	1,807,750.00	-1,632,380.62	9.7%
Net Income	-50,512.32	-26,000.00	-24,512.32	194.3%

LAKE LEMON CONSERVANCY

Reconciliation Detail

1000 - Peoples State Bank, Period Ending 05/31/2020

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						264,634.24
Cleared Transactions						
Checks and Payments - 26 items						
Check	4/27/2020	4975	JOHN NAYLOR TR...	X	-1,261.26	-1,261.26
Check	4/27/2020	4974	YOUNG TRUCKIN...	X	-735.72	-1,996.98
Check	4/27/2020	4971	VISA	X	-580.41	-2,577.39
Check	4/27/2020	4973	PAUL YOUNG PLU...	X	-545.00	-3,122.39
Check	4/27/2020	4972	SCI REMC	X	-321.00	-3,443.39
Check	5/1/2020	4976	AMBETTER FROM ...	X	-285.47	-3,728.86
Check	5/4/2020	4978	LOWE'S COMPANI...	X	-415.80	-4,144.66
Check	5/4/2020	4977	B & B WATER CORP	X	-56.97	-4,201.63
Check	5/4/2020	4979	WRIGHT-HENNEPI...	X	-22.95	-4,224.58
Check	5/8/2020	4981	INDIANA STATE C...	X	-270.00	-4,494.58
Check	5/11/2020	4987	JOHN NAYLOR TR...	X	-2,534.49	-7,029.07
Check	5/11/2020	4989	WHITE RIVER CO...	X	-2,116.20	-9,145.27
Check	5/11/2020	4991	EVERYWHERE SI...	X	-600.00	-9,745.27
Check	5/11/2020	4990	LAKE LEMON MAR...	X	-541.80	-10,287.07
Check	5/11/2020	4992	WATKINS ACCOU...	X	-450.00	-10,737.07
Check	5/11/2020	4995	REPUBLIC SERVI...	X	-188.77	-10,925.84
Check	5/11/2020	4994	IZZY'S RENTAL	X	-170.00	-11,095.84
Check	5/11/2020	4993	PAUL YOUNG PLU...	X	-120.75	-11,216.59
Check	5/11/2020	4988	INDIANA DEPT. O...	X	-5.00	-11,221.59
Check	5/15/2020	4996	CARMIN PARKER ...	X	-635.00	-11,856.59
Check	5/18/2020	4997	CHRISTOPHER B ...	X	-3,426.00	-15,282.59
Check	5/18/2020	4998	N. ANDERSON EX...	X	-1,810.00	-17,092.59
Check	5/18/2020	4999	COMCAST CABLE	X	-283.45	-17,376.04
Check	5/27/2020	5001	INDIANA STATE C...	X	-270.00	-17,646.04
General Journal	5/31/2020			X	-231,760.07	-249,406.11
General Journal	5/31/2020			X	-9,626.44	-259,032.55
Total Checks and Payments					-259,032.55	-259,032.55
Deposits and Credits - 11 items						
General Journal	4/30/2020			X	230.00	230.00
General Journal	5/4/2020			X	15,834.00	16,064.00
General Journal	5/8/2020			X	2,686.00	18,750.00
General Journal	5/8/2020			X	9,030.00	27,780.00
General Journal	5/11/2020			X	4,184.00	31,964.00
General Journal	5/18/2020			X	5,175.00	37,139.00
General Journal	5/18/2020			X	5,441.00	42,580.00
General Journal	5/22/2020			X	2,924.00	45,504.00
General Journal	5/26/2020			X	12,921.00	58,425.00
General Journal	5/28/2020			X	14,379.00	72,804.00
General Journal	5/31/2020			X	235,000.00	307,804.00
Total Deposits and Credits					307,804.00	307,804.00
Total Cleared Transactions					48,771.45	48,771.45
Cleared Balance					48,771.45	313,405.69
Uncleared Transactions						
Checks and Payments - 11 items						
Check	4/17/2020	4962	YOUNG TRUCKIN...		-277.46	-277.46
Check	5/4/2020	4980	MONROE CO HEA...		-75.00	-352.46
Check	5/18/2020	5000	HOOSIER TIMES P...		-22.52	-374.98
Check	5/26/2020	5008	JOHN NAYLOR TR...		-4,192.65	-4,567.63
Check	5/26/2020	5003	VISA		-1,031.63	-5,599.26
Check	5/26/2020	5004	SCI REMC		-298.00	-5,897.26
Check	5/26/2020	5009	AMBETTER FROM ...		-285.47	-6,182.73
Check	5/26/2020	5002	GRAINGER		-130.77	-6,313.50
Check	5/26/2020	5007	KNIGHT'S TRASH ...		-40.00	-6,353.50
Check	5/26/2020	5005	INDIANA OXYGEN		-36.37	-6,389.87
Check	5/26/2020	5006	BLOOMINGTON H...		-22.48	-6,412.35
Total Checks and Payments					-6,412.35	-6,412.35
Deposits and Credits - 3 items						
General Journal	5/28/2020				194.00	194.00
General Journal	5/31/2020				7,903.00	8,097.00
General Journal	5/31/2020				15,360.00	23,457.00

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06/04/20

LAKE LEMON CONSERVANCY

Reconciliation Detail

1000 - Peoples State Bank, Period Ending 05/31/2020

Type	Date	Num	Name	Clr	Amount	Balance
Total Deposits and Credits					23,457.00	23,457.00
Total Uncleared Transactions					17,044.65	17,044.65
Register Balance as of 05/31/2020					65,816.10	330,450.34
New Transactions						
Checks and Payments - 5 items						
Check	6/1/2020	5010	JOHN NAYLOR TR...		-4,635.64	-4,635.64
Check	6/1/2020	5013	KENNETH CLARK		-1,000.00	-5,635.64
Check	6/1/2020	5012	SCHELL MARINA, ...		-921.60	-6,557.24
Check	6/1/2020	5011	KLEINDORFER HA...		-601.64	-7,158.88
Check	6/3/2020	5015	US POST MASTER		-110.00	-7,268.88
Total Checks and Payments					-7,268.88	-7,268.88
Total New Transactions					-7,268.88	-7,268.88
Ending Balance					58,547.22	323,181.46

Lake Lemon Conservancy District
Board Meeting Agenda Item

Presenter	Mike Blackwell, Treasurer
Action Requested	Approval
Item/Subject	May Report of Claims: Approval of Vouchers
Dollar Amount	\$29,963.98
Meeting Date	June 24th, 2020
Summary	Report showing check detail and payroll expenditures for May 2020
Staff Recommendation	Approval of May 2020 Report of Claims

Date: June 24, 2020

ALLOWANCE OF VOUCHERS

Mike Blackwell
Treasurer

(Report of Claims- May 2020)

(IC 5-11-10-2 permits the governing body to sign the Accounts Payable Voucher Register in lieu of signing each claim the governing body is allowing.) We have examined the vouchers listed on the foregoing accounts payable voucher register and payroll journal, consisting of 6 pages, and except for vouchers not allowed as shown on the Register such vouchers are allowed in the total of \$29,963.98

Dated this 24th Day of June 2020

Signature of Governing Board

PAM DUGAN, CHAIRMAN

MARY JANE BROWN, VICE-CHAIR

MIKE BLACKWELL, TREASURER

MICHAEL KLITZING, Sub-Area I

DEBRA LADYMAN, Sub-Area II

LORA SCHELL, Sub-Area IV

LES WADZINSKI, Sub-Area V

11:01 AM

06/04/20

LAKE LEMON CONSERVANCY
Check Detail
May 2020

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Check	4976	5/1/2020	AMBETTER FROM MHS		1000 · Peoples Sta...		-285.47
					6040 · Health Insur...	-285.47	285.47
TOTAL						-285.47	285.47
Check	4977	5/4/2020	B & B WATER CORP		1000 · Peoples Sta...		-56.97
					6470 · Water	-56.97	56.97
TOTAL						-56.97	56.97
Check	4978	5/4/2020	LOWE'S COMPANIES, INC.		1000 · Peoples Sta...		-415.80
				Park Ballard's	6240 · Building & G...	-415.80	415.80
TOTAL						-415.80	415.80
Check	4979	5/4/2020	WRIGHT-HENNEPIN COOPERATIVE ELECTRIC		1000 · Peoples Sta...		-22.95
					6460 · Electric	-22.95	22.95
TOTAL						-22.95	22.95
Check	4980	5/4/2020	MONROE CO HEALTH DEPT		1000 · Peoples Sta...		-75.00
				Beach Permit Application	6410 · Subscriptions	-75.00	75.00
TOTAL						-75.00	75.00
Check	4981	5/8/2020	INDIANA STATE CENTRAL COLLECTIONS UNIT		1000 · Peoples Sta...		-270.00
					2040 · CHILD SUP...	-270.00	270.00
TOTAL						-270.00	270.00
Check	4987	5/11/2020	JOHN NAYLOR TRUCKING		1000 · Peoples Sta...		-2,534.49
				Rip-Rap Stone	6252 · Rip Rap/Ero...	-2,534.49	2,534.49
TOTAL						-2,534.49	2,534.49
Check	4988	5/11/2020	INDIANA DEPT. OF NATURAL RESOURCES		1000 · Peoples Sta...		-5.00
				Vegetation Treatment Permit fee	6410 · Subscriptions	-5.00	5.00
TOTAL						-5.00	5.00

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06/04/20

LAKE LEMON CONSERVANCY
Check Detail
May 2020

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
Check	4989	5/11/2020	WHITE RIVER CO-OP		1000 · Peoples Sta...		-2,116.20
					6200 · Regular Gas	-1,115.20	1,115.20
					6210 · Diesel	-1,001.00	1,001.00
TOTAL						-2,116.20	2,116.20
Check	4990	5/11/2020	LAKE LEMON MARINA		1000 · Peoples Sta...		-541.80
					6600 · 6% MarinaP...	-541.80	541.80
TOTAL						-541.80	541.80
Check	4991	5/11/2020	EVERYWHERE SIGNS		1000 · Peoples Sta...		-600.00
				Codes of Conduct Signs	6240 · Building & G...	-600.00	600.00
TOTAL						-600.00	600.00
Check	4992	5/11/2020	WATKINS ACCOUNTING		1000 · Peoples Sta...		-450.00
					6300 · Accounting ...	-450.00	450.00
TOTAL						-450.00	450.00
Check	4993	5/11/2020	PAUL YOUNG PLUMBING, INC.		1000 · Peoples Sta...		-120.75
					6510 · Building & G...	-120.75	120.75
TOTAL						-120.75	120.75
Check	4994	5/11/2020	IZZY'S RENTAL		1000 · Peoples Sta...		-170.00
					6490 · Port-O-Lets	-170.00	170.00
TOTAL						-170.00	170.00
Check	4995	5/11/2020	REPUBLIC SERVICES #694		1000 · Peoples Sta...		-188.77
					6490 · Port-O-Lets	-188.77	188.77
TOTAL						-188.77	188.77
Check	4996	5/15/2020	CARMIN PARKER PC		1000 · Peoples Sta...		-635.00
				Truck Purchase Guidance	6320 · Attorney	-635.00	635.00

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06/04/20

LAKE LEMON CONSERVANCY
Check Detail
 May 2020

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
TOTAL						-635.00	635.00
Check	4997	5/18/2020	CHRISTOPHER B BURKE ENGINEERING LLC		1000 · Peoples Sta...		-3,426.00
					6330 · Consulting E...	-3,426.00	3,426.00
TOTAL						-3,426.00	3,426.00
Check	4998	5/18/2020	N. ANDERSON EXCAVATING & LAWN CARE LLC.		1000 · Peoples Sta...		-1,810.00
					6310 · Grass	-1,810.00	1,810.00
TOTAL						-1,810.00	1,810.00
Check	4999	5/18/2020	COMCAST CABLE		1000 · Peoples Sta...		-283.45
					6370 · Phone, LDT,...	-283.45	283.45
TOTAL						-283.45	283.45
Check	5000	5/18/2020	HOOSIER TIMES PROCESSING CENTER		1000 · Peoples Sta...		-22.52
				Legal Ads	6430 · Ads	-22.52	22.52
TOTAL						-22.52	22.52
Check	5001	5/27/2020	INDIANA STATE CENTRAL COLLECTIONS UNIT		1000 · Peoples Sta...		-270.00
					2040 · CHILD SUP...	-270.00	270.00
TOTAL						-270.00	270.00
Check	5002	5/26/2020	GRAINGER		1000 · Peoples Sta...		-130.77
				Barge winch equipment	6251 · Dredging Su...	-130.77	130.77
TOTAL						-130.77	130.77
Check	5003	5/26/2020	VISA		1000 · Peoples Sta...		-1,031.63
				Plexi Glass, Grease, Boat Battery	6251 · Dredging Su...	-494.79	494.79
				Straw, Seed, PPE, Bricks	6240 · Building & G...	-561.92	561.92
				Zoom	6410 · Subscriptions	-25.08	25.08
TOTAL						-1,031.63	1,031.63
Check	5004	5/26/2020	SCI REMC		1000 · Peoples Sta...		-298.00

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06/04/20

LAKE LEMON CONSERVANCY
Check Detail
 May 2020

Type	Num	Date	Name	Item	Account	Paid Amount	Original Amount
TOTAL					6460 · Electric	-298.00	298.00
						-298.00	298.00
Check	5005	5/26/2020	INDIANA OXYGEN		1000 · Peoples Sta...		-36.37
TOTAL					6251 · Dredging Su...	-36.37	36.37
						-36.37	36.37
Check	5006	5/26/2020	BLOOMINGTON HARDWARE		1000 · Peoples Sta...		-22.48
TOTAL					6240 · Building & G...	-22.48	22.48
						-22.48	22.48
Check	5007	5/26/2020	KNIGHT'S TRASH REMOVAL		1000 · Peoples Sta...		-40.00
TOTAL					6480 · Trash	-40.00	40.00
						-40.00	40.00
Check	5008	5/26/2020	JOHN NAYLOR TRUCKING		1000 · Peoples Sta...		-4,192.65
TOTAL				Rip-Rap Stone	6252 · Rip Rap/Ero...	-4,192.65	4,192.65
						-4,192.65	4,192.65
Check	5009	5/26/2020	AMBETTER FROM MHS		1000 · Peoples Sta...		-285.47
TOTAL					6040 · Health Insur...	-285.47	285.47
						-285.47	285.47

\$20,337.54

LAKE LEMON CONSERVANCY DISTRICT
Payroll Summary
May 2020

	Allender, Clinton L			Bode, Randall S			Brown, Andrew M			Casey, Adam W			Cran...
	Hours	Rate	May 20	Hours	Rate	May 20	Hours	Rate	May 20	Hours	Rate	May 20	Hours
Employee Wages, Taxes and Adjustments													
Gross Pay													
Salary-6000			0.00			0.00			0.00			5,230.76	
Salary-6001			0.00			0.00			0.00			0.00	
Salary-6002			3,076.92			0.00			0.00			0.00	
Reg. Pay-6070			0.00	59.5	11.00	654.50	46.5	10.00	465.00			0.00	38
Reg. Pay-6110			0.00			0.00			0.00			0.00	
Reg. Pay-6111		30.00	0.00			0.00			0.00			0.00	
Reg. Pay-6112		30.00	0.00			0.00			0.00			0.00	
Reg. Pay-6113			0.00			0.00			0.00			0.00	
Reg. Pay-6114		20.00	0.00			0.00			0.00			0.00	
Reg. Pay-6115		29.00	0.00			0.00			0.00			0.00	
Reg. Pay-6116		20.00	0.00			0.00			0.00			0.00	
Total Gross Pay			3,076.92	59.5		654.50	46.5		465.00			5,230.76	38
Deductions from Gross Pay													
Insurance			0.00			0.00			0.00			0.00	
Retirement			-92.30			0.00			0.00			-313.84	
Total Deductions from Gross Pay			-92.30			0.00			0.00			-313.84	
Adjusted Gross Pay			2,984.62	59.5		654.50	46.5		465.00			4,916.92	38
Taxes Withheld													
Federal Withholding			-318.00			-34.00			-17.00			-762.00	
Medicare Employee			-44.62			-9.49			-6.74			-75.85	
Social Security Employee			-190.77			-40.58			-28.83			-324.31	
IN - Withholding			-96.40			-21.14			-15.02			-158.82	
Law. Co.			-52.24			0.00			0.00			0.00	
Medicare Employee Addl Tax			0.00			0.00			0.00			0.00	
Monroe Co.			0.00			-8.80			-6.25			-53.84	
Total Taxes Withheld			-702.03			-114.01			-73.84			-1,374.82	
Deductions from Net Pay													
Child Support			-540.00			0.00			0.00			0.00	
Total Deductions from Net Pay			-540.00			0.00			0.00			0.00	
Net Pay			<u>1,742.59</u>	<u>59.5</u>		<u>540.49</u>	<u>46.5</u>		<u>391.16</u>			<u>3,542.10</u>	<u>38</u>
Employer Taxes and Contributions													
Federal Unemployment			0.00			3.92			2.79			0.00	
Medicare Company			44.62			9.49			6.74			75.85	
Social Security Company			190.77			40.58			28.83			324.31	
IN - Unemployment Company			0.00			3.27			2.33			0.00	
Total Employer Taxes and Contributions			<u>235.39</u>			<u>57.26</u>			<u>40.69</u>			<u>400.16</u>	

LAKE LEMON CONSERVANCY DISTRICT
Payroll Summary
May 2020

	Crandall, Alexa...		Edwards SR, Roger A		Snooks, Franklin A		TOTAL		
	Rate	May 20	Hours	Rate	May 20	Hours	Rate	May 20	Hours
Employee Wages, Taxes and Adjustments									
Gross Pay									
Salary-6000		0.00			0.00				5,230.76
Salary-6001		0.00			0.00				2,773.08
Salary-6002		0.00			0.00				3,076.92
Reg. Pay-6070	9.50	361.00			0.00				1,480.50
Reg. Pay-6110		0.00			0.00				0.00
Reg. Pay-6111		0.00			0.00				0.00
Reg. Pay-6112		0.00			0.00				0.00
Reg. Pay-6113		0.00	7.5	18.50	138.75				138.75
Reg. Pay-6114		0.00	26.5	18.50	490.25				490.25
Reg. Pay-6115		0.00			0.00				0.00
Reg. Pay-6116		0.00	32.5	18.50	601.25				601.25
Total Gross Pay		361.00	66.5		1,230.25				13,791.51
Deductions from Gross Pay									
Insurance		0.00			0.00				0.00
Retirement		0.00			0.00				-489.34
Total Deductions from Gross Pay		0.00			0.00				-489.34
Adjusted Gross Pay		361.00	66.5		1,230.25				13,302.17
Taxes Withheld									
Federal Withholding		-11.00			-55.00				-1,479.00
Medicare Employee		-5.24			-17.84				-199.99
Social Security Employee		-22.38			-76.28				-855.08
IN - Withholding		-11.66			-39.74				-429.66
Law. Co.		0.00			0.00				-52.24
Medicare Employee Addl Tax		0.00			0.00				0.00
Monroe Co.		-4.86			-16.55				-119.76
Total Taxes Withheld		-55.14			-205.41				-3,135.73
Deductions from Net Pay									
Child Support		0.00			0.00				-540.00
Total Deductions from Net Pay		0.00			0.00				-540.00
Net Pay		305.86	66.5		1,024.84				9,626.44
Employer Taxes and Contributions									
Federal Unemployment		2.16			7.39				16.26
Medicare Company		5.24			17.84				199.99
Social Security Company		22.38			76.28				855.08
IN - Unemployment Company		1.81			6.15				13.56
Total Employer Taxes and Contributions		31.59			107.66				1,084.89

Lake Lemon Conservancy District
Board Meeting Agenda Item

Presenter	Mike Blackwell, Treasurer
Action Requested	Review
Item/Subject	Introduction: 2021 Proposed Budget
Dollar Amount	N/A
Meeting Date	June 24, 2020
Summary	Introduction to the 2021 budget as proposed by the Budget Committee.
Staff Recommendation	Review and discussion

2021 Proposed Budget

Revenues

Account #	Description	2021 Budget	2020 Budget	2019 Budget	2019 Actual
4000	Watercraft Permits	115,000.00	115,000.00	115,000.00	112,874.06
4010	Launch Fees	21,000.00	21,000.00	21,000.00	24,104.00
4020	Marina & Club Fees	9,000.00	9,000.00	9,000.00	9,187.50
4030	Sublease Fees	27,000.00	27,000.00	27,000.00	26,245.00
4040	Property Tax - BC	87,420.00	82,420.00	82,420.00	77,774.29
4050	Property Tax - MC	249,580.00	234,580.00	234,580.00	241,353.21
4055	Cumulative Improvement Fund	\$45,000.00			
4060	Interest	1,250.00	1,250.00	1,250.00	4,728.39
4070	Grants & Donations	12,000.00	12,000.00	7,000.00	14,045.00
4071	Community Foundation		0.00		
4080	Fish Tournaments	1,500.00	1,500.00	1,500.00	900.00
4090	Park/Lake Reservations	4,000.00	4,000.00	4,000.00	2,400.00
4100	Park Admission Fees	45,000.00	44,000.00	40,000.00	51,695.00
4110	Concessions	0.00	0.00	1,000.00	
4120	Other	0.00	0.00	0.00	5.03
4130	Dredging/Rip-Rap Income	40,000.00	30,000.00	20,000.00	21,500.00
4140	Sediment Removal				
	Bond Loan Proceeds	1,000,000.00	1,200,000.00	1,000,000.00	0.00
	TOTAL	1,657,750.00	1,781,750.00	1,563,750.00	586,811.48

2021 Proposed Budget

Wages

Account #		2021 Budget	2020 Budget	2019 Budget	2019 Actual
Salaries & Benefits					
6000	District Manager	65000	62,000.00	59,800.00	65,800.00
6001	Park Operations Supervisor	37200	36,050.00	35,000.00	34,000.00
6002	Equipment Operations Supervisor	41200	40,000.00		
6010	FICA (7.65%--all staff)	14500	13,700.00	13,700.00	14,022.93
6020	SUTA (1.236% to 9.5K--all staff)	800.00	800.00	800.00	70.49
6030	PERF (14.2%)	18000	15,200.00	14,000.00	14,171.56
6040	Health Insurance	15,000.00	15,000.00	6,000.00	748.79
6050	Life Insurance	0	0.00	0.00	
	TOTAL	191,700.00	182,750.00	129,300.00	128,813.77
Hourly & Seasonal					
6070	Gate / Park Attendants (2000 hrs @ \$11.50/hr)	23000	22,000.00	21,000.00	23,198.91
6100	Lake Patrol (167 hrs @ \$12.00/hr)	2,000.00	2,000.00	4,800.00	633.00
6110	Lake Biologist (1600 hrs @ \$17.00/hr)	0	0.00	0.00	458.00
6111	Dredger (LLCD Dredging) (600 hrs @ \$39.00/hr)	0	0.00	23,400.00	23,705.50
6112	Dredger (Other) (375 hrs @ \$39.00/hr)	0	0.00	14,625.00	14,964.48
6113	Push Boat Operator (LLCD Dredging) (500 hrs @ \$19.00/hr)	9500	12,000.00	12,000.00	12,762.00
6114	Push Boat Operator (Other) (300 hrs @ \$19.00/hr)	5700	6,000.00	6,000.00	5,087.25
6115	Dredger (Private) (100 hrs @ \$39.00/hr)	0	0.00	3,900.00	1,653.00
6116	Push Boat Operator (Private) (263 hrs @ \$19.00/hr)	5000	2,000.00	2,000.00	1,044.00
	TOTAL	45,200.00	44,000.00	87,725.00	83,506.14
	GRAND TOTAL WAGES	236,900.00	226,750.00	217,025.00	212,319.91

2021 Proposed Budget

Supplies

Account #	Description	2021 Budget	2020 Budget	2019 Budget	2019 Actual
Office Supplies					
6025	Merchant Fees	1800	1200	1200	1,699.64
6120	Season & Launch Permits	2000	2000	2000	1,883.39
6130	Daily Permits	400	400	400	270.00
6140	Receipt/Ticket Books	400	400	400	350.50
6150	Checks	200	200	200	317.97
6160	Printer, Copier, Computer	1000	800	800	946.97
6170	Miscellaneous/Other	1300	1300	1300	1,009.49
6180	Postage	750	750	750	475.00
6185	Receipt Books	0	0	0	0.00
6190	General Business Supplies	750	750	750	691.93
	TOTAL	8,600.00	7,800.00	7,800.00	7,644.89
Operating Supplies					
6200	Regular Gas	9000	7000	6000	8,383.74
6210	Diesel, Oil, Grease	12000	9000	7000	11,954.93
6220	Janitorial	0	0	0	0.00
6230	Medical	0	0	0	0.00
	TOTAL	21,000.00	16,000.00	13,000.00	20,338.67
Repair & Maintenance Supplies					
6240	Building & Grounds	6000	6000	6000	2,784.13
6250	Boats, Trucks	1500	1500	1500	1,101.43
6251	Dredging Supplies	12000	12000	12000	16,761.61
6252	Rip Rap/ Erosion Control	18000	15000	15000	1,168.46
	TOTAL	37,500.00	34,500.00	34,500.00	21,815.63
Other Supplies					
6260	Uniforms	1000	600	200	0.00
6270	Boat Equipment	0	0	0	0.00
6280	Radios	0	0	1000	2,550.00
6290	Signs/Nautical Markers	5000	3000	2500	3,270.41
	TOTAL	6,000.00	3,600.00	3,700.00	5,820.41
	GRAND TOTAL SUPPLIES	73,100.00	61,900.00	59,000.00	55,619.60

2021 Proposed Budget

Services and Charges

Account #	Description	2021 Budget	2020 Budget	2019 Approved	2019 Actual
Professional Services					
6300	Accounting Services	6000	5400	5400	5,400.00
6310	Grass Mowing	10,860	15000	10560	10,560.00
6320	Attorney	4000	4000	4000	555.00
6325	Fish Management Survey	0	0	0	
6330	Consulting Services	\$50,000	\$50,000	\$50,000	72,128.81
6340	Professional Development	\$1,500			
	TOTAL	72,360.00	74,400.00	69,960.00	88,643.81
Communication/Transportation					
6350	Other Professional/Secretarial Services	1000	1000	1000	5,850.00
6370	Phone, LDT, Email, etc.	3500	3000	3000	3,425.54
6380	Travel	0	0	0	0.00
6390	Hotel	0	300	300	396.50
6400	Meals	200	150	150	52.00
6410	Subscriptions/Memberships	1400	800	800	1,191.25
	TOTAL	6,100.00	5,250.00	5,250.00	10,915.29
Printing/Advertising/Events					
6420	Newsletter	0	600	600	0.00
6430	Ads(legal notices)	500	500	500	140.14
6440	Other Printing	1200	1500	1500	802.37
6441	Event Planing	1500	1500	0	0.00
	TOTAL	3,200.00	4,100.00	2,600.00	942.51
Insurance					
6450	Insurance	50,000	45000	45000	48,262.85
	TOTAL	50,000.00	45,000.00	45,000.00	48,262.85
Utility Services					
6460	Electric	5000	5000	5000	4,618.45
6470	Water	750	750	750	1,130.72
6480	Trash	1800	1500	1500	1,798.25
6490	Port-o-lets	3000	2000	2000	4,165.25
6500	Pump Holding Tank	800	800	800	800.00
	TOTAL	11,350.00	10,050.00	10,050.00	12,512.67

2021 Proposed Budget

Services and Charges, Continued

Account #	Description	2020 Budget	2020 Budget	2019 Budget	2019 Actual
Repair & Maintenance					
6510	Building & Grounds/ADA	15000	10,000	15500	8,550.69
6520	Boats	2000	2000	2000	1,435.77
6530	Trucks	1000	1000	1000	525.04
6540	Sluice Gate Inspection	4500	0	0	0.00
6541	Dredging Equipment Repairs	10000	10000	10000	17,943.36
6542	Equipment Rental	7500	7500	5000	6,630.06
	TOTAL	40,000.00	30,500.00	33,500.00	35,084.92
Other Services & Charges					
6560	Water Testing	8000	6500	6500	5,623.00
6570	Lake Weed Treatment	50000	50000	50000	36,612.00
6590	Contingency Fund	10000	5000	5000	0.00
6600	6% Commission-Marina Sales	2300	2300	2300	2,086.08
6610	Cumulative Maintenance Fund	7500	7500	5000	5,000.00
6620	Dam/Spillway Inspection	5,000	0	5000	5,343.22
6630	Dam/Spillway Repairs	0	5000	0	550.00
6661	Disposal Site Preparation	20000	15000	10000	12,942.53
6662	Debt Service- Bond repayment	85000	67000	67,000.00	0.00
6663	Silt Container, Barge Assembly, Barge Mobilization	0	0	0	
6670	Interest Expense (Line of Credit)	0	0	0	0.00
6680	Other Services and Charges (Debris Removal)	2000	1500	1500	1,829.77
6681	Fireworks	8000	8000	6500	8,000.00
6682	Ramp Repairs	2000	2000	2000	0.00
	TOTAL	199,800.00	169,800.00	160,800.00	77,986.60
	GRAND TOTAL SERVICES AND CHARGES	382,810.00	339,100.00	327,160.00	274,348.65

2021 Proposed Budget

Capital and Summary

Account #	Description	2021 Budget	2020 Budget	2019 Budget	2019 Actual
Machinery and Equipment					
6690	Office Equipment	0	0	0	0
6700	Computer Equipment	0	0	0	0
6701	Barge	0	0	0	0
6702	Push Boat / Motors	0	0	0	0
6703	Excavator & Buckets	0	0	0	0
6704	Off Road Truck	0	200,000	0	0
6705	Utility Truck	0	0	0	0
6706	Bulldozer	0	0	0	0
6710	Boat Dock (2)	0	0	0	0
6720	Utility Vehicle	0	0	0	8100
6730	Patrol Boat	0	0	0	0
6740	Work Boat (Pontoon)	0	0	0	0
6750	Sediment Mitigation	950,000.00	950,000	950,000	102,755
	TOTAL	950000.00	1150000.00	950000.00	110855.00
Other Capital Outlays					
6730	Patrol Boat/Trailer	0	0	0	0
6770	LLCD Pick-up Truck	0	0	0	0
6780	Park improvement	45000	30000		0
	TOTAL	45000.00	30000.00	0.00	0.00
GRAND TOTAL CAPITAL EXPENDITURES		995000.00	1180000.00	950000.00	110855.00
TOTAL EXPENDITURES BUDGET		1,687,810.00	1,807,750.00	1,553,185.00	653,143.16
Excess Expenditures over Revenue					
SUMMA					
	Revenues	1,657,750.00	1,781,750.00	1,563,750.00	586,811.48
	Expenses	1,687,810.00	1,807,750.00	1,553,185.00	653,143.16
	Net	-30,060.00	-26,000.00	10,565.00	-66,331.68

Lake Lemon Conservancy District
Board Meeting Agenda Item

Presenter	Adam Casey, District Manager
Action Requested	Approval
Item/Subject	Sediment Management Project Bond Parameters Letter
Dollar Amount	N/A
Meeting Date	June 24th, 2020
Summary	Description of Financial Terms and parameters for inclusion in the bond documents authorizing the proposed Conservancy District Bonds of 2020
Staff Recommendation	Motion to Accept

June 16, 2020 (Revised)

Mr. Adam Casey
Lake Lemon Conservancy District
7599 North Tunnel Rd
Unionville, IN 47465

Ms. Patricia Zelmer
Ice Miller
One America Square, Suite 2900
Indianapolis, IN 46282

Re: Lake Lemon Conservancy District
Conservancy District Bonds of 2020

Dear Adam and Pattie:

The purpose of this letter is to provide the financial terms and parameters for inclusion in the bond documents authorizing the proposed Conservancy District Bonds of 2020 (the "Bonds"). Please allow for these bonds to be sold on the open market or to SRF.

This letter and attached schedule provide information relative to the proposed issuance.

Bond Parameters

Bond Parameters

<i>Purpose</i>	The Bonds are being issued to finance the removal of sediment from Lake Lemon, related engineering costs, the purchase of a dump truck, and to pay issuance expenses).	
<i>Security</i>	Special Benefits Tax	
<i>Par Amount</i>	Maximum principal amount	\$1,200,000
<i>Project Costs</i>	Maximum total cost of project	\$1,200,000
<i>Interest Rate</i>	Maximum interest rate for tax-exempt bonds	5%
	Allow for taxable bonds	Yes
	Maximum interest rate for taxable bonds	5%
<i>Term</i>	Final maturity	No later than 20 years from date of issuance
	Maximum term	20 years (Anticipated term of nearly 20 years)
<i>Denomination</i>	Denomination of proposed bonds	\$5,000 or per SRF requirements
Payment Dates		
<i>Principal</i>	Principal payable First principal payment date	Semiannually on January 1 and July 1 July 1, 2021
<i>Interest</i>	Interest payable First interest payment date	Semiannually on January 1 and July 1 July 1, 2021

**Credit
Enhancement**

Rating will be requested	To be determined.
Anticipate applying for insurance	No
Allow purchaser the option of insurance	Yes

Sale Details

Bonds dated	The day of closing
Method of Sale	Allow for Competitive or Negotiated
Notice of Intent or Bond Sale Notice	Notice of Intent
Allow for electronic bidding	Yes
Interest in multiples of	1/8, 1/20, or 1/100 of 1%
Interest calculation based on	360-day year, twelve 30-day months
Award based on	Net Interest Cost or per SRF requirements
Require ascending coupons	Yes
Minimum bid / purchase price	99
Maximum net discount	1.0% of par
Good faith deposit required	Yes, 1% of par

Bank Qualified

The District does not expect to issue more than \$10 million in tax-exempt obligations that count against the \$10 million limit for this calendar year; therefore, the Bonds are designated as bank qualified.

Redemption

Authorize term bonds	Yes
Allow for optional redemption	Yes first call below or per SRF requirements
First call date	The Bonds are redeemable at the option of the District, but no sooner than five years after their date of issuance, and thereafter on any date, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the District, and by lot within a maturity, at face value plus accrued interest to the date fixed for redemption. The exact redemption dates shall be established by the District, with the advice of the District's municipal advisor, prior to the sale of the Bonds.

Mr. Adam Casey / Ms. Patricia Zelmer
Re: Lake Lemon Conservancy District
Conservancy District Bonds of 2020
June 16, 2020 (revised)
Page 3

**Post-Issuance
Compliance**

Continuing Disclosure It is anticipated that the issuance of the Bonds will result in post-issuance compliance responsibilities resulting from an SEC requirement that underwriters provide ongoing disclosure information to investors. To meet this requirement, any prospective underwriter will require the District to commit to providing the information needed to comply under a continuing disclosure agreement.

Large / Small Issuer It is anticipated that the District will be subject to small issuer requirements.

In compliance with continuing disclosure Does not apply

**Misc. General
Provisions**

Issue Price Determination	To be determined
Book entry	Optional
Registrar and paying agent	To be determined

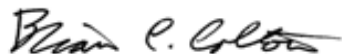
Risks / Special Considerations The outcome of this financing will rely on the market conditions at the time of the sale. Any projections included herein are estimates based on current market conditions.

Also, enclosed for your review is a copy of the illustrative amortization schedule.

If you have any questions or comments or need additional information, please do not hesitate to contact Doug Baldessari, or me.

Very truly yours,

BAKER TILLY MUNICIPAL ADVISORS, LLC



Brian C. Colton, Principal

Enclosure

LAKE LEMON CONSERVANCY DISTRICT

PRELIMINARY AMORTIZATION OF \$1,200,000 PRINCIPAL AMOUNT
OF CONSERVANCY DISTRICT BONDS OF 2020
Assumes Bonds dated October 29, 2020

Payment Date	Assumed Principal Outstanding*	Assumed Principal*	Assumed Interest Rate*	Assumed Interest	Assumed Total Debt Service	Assumed Fiscal Year Debt Service
			(1)			
07/01/21	\$1,200,000	\$15,000	3.20%	\$25,813	\$40,813	
01/01/22	1,185,000	25,000	3.20%	18,960	43,960	\$84,773
07/01/22	1,160,000	25,000	3.20%	18,560	43,560	
01/01/23	1,135,000	25,000	3.20%	18,160	43,160	86,720
07/01/23	1,110,000	25,000	3.20%	17,760	42,760	
01/01/24	1,085,000	25,000	3.20%	17,360	42,360	85,120
07/01/24	1,060,000	25,000	3.20%	16,960	41,960	
01/01/25	1,035,000	25,000	3.20%	16,560	41,560	83,520
07/01/25	1,010,000	25,000	3.20%	16,160	41,160	
01/01/26	985,000	30,000	3.20%	15,760	45,760	86,920
07/01/26	955,000	25,000	3.20%	15,280	40,280	
01/01/27	930,000	30,000	3.20%	14,880	44,880	85,160
07/01/27	900,000	25,000	3.20%	14,400	39,400	
01/01/28	875,000	30,000	3.20%	14,000	44,000	83,400
07/01/28	845,000	30,000	3.20%	13,520	43,520	
01/01/29	815,000	30,000	3.20%	13,040	43,040	86,560
07/01/29	785,000	30,000	3.20%	12,560	42,560	
01/01/30	755,000	30,000	3.20%	12,080	42,080	84,640
07/01/30	725,000	30,000	3.20%	11,600	41,600	
01/01/31	695,000	30,000	3.20%	11,120	41,120	82,720
07/01/31	665,000	30,000	3.20%	10,640	40,640	
01/01/32	635,000	35,000	3.20%	10,160	45,160	85,800
07/01/32	600,000	30,000	3.20%	9,600	39,600	
01/01/33	570,000	35,000	3.20%	9,120	44,120	83,720
07/01/33	535,000	35,000	3.20%	8,560	43,560	
01/01/34	500,000	35,000	3.20%	8,000	43,000	86,560
07/01/34	465,000	35,000	3.20%	7,440	42,440	
01/01/35	430,000	35,000	3.20%	6,880	41,880	84,320
07/01/35	395,000	35,000	3.20%	6,320	41,320	
01/01/36	360,000	40,000	3.20%	5,760	45,760	87,080
07/01/36	320,000	35,000	3.20%	5,120	40,120	
01/01/37	285,000	40,000	3.20%	4,560	44,560	84,680
07/01/37	245,000	40,000	3.20%	3,920	43,920	
01/01/38	205,000	40,000	3.20%	3,280	43,280	87,200
07/01/38	165,000	40,000	3.20%	2,640	42,640	
01/01/39	125,000	40,000	3.20%	2,000	42,000	84,640
07/01/39	85,000	40,000	3.20%	1,360	41,360	
01/01/40	45,000	45,000	3.20%	720	45,720	87,080
Totals		<u>\$1,200,000</u>		<u>\$420,613</u>	<u>\$1,620,613</u>	<u>\$1,620,613</u>

(1) We have prepared the interest rate assumptions using our evaluation of the underlying credit pledge to this financing and current market conditions. These factors are subject to change. Changes may result in the actual interest rates varying from the interest rates assumed for this analysis and that variance may be material. The tax status of the interest on the illustrative bonds will be determined through the final financing structure.

* Estimated, subject to change.

(Subject to the attached letter dated June 16, 2020)

Lake Lemon Conservancy District
Board Meeting Agenda Item

Presenter	Adam Casey, District Manager
Action Requested	Introduction
Item/Subject	Bonding Resolution Introduction
Dollar Amount	N/A
Meeting Date	June 24th, 2020
Summary	First Introduction of the 2020 Bonding Resolution
Staff Recommendation	Review

BOARD OF DIRECTORS
LAKE LEMON CONSERVANCY DISTRICT

BOND RESOLUTION NO. _____

WHEREAS, the Board of Directors of the Lemon Creek Conservancy District (the “Board”) is the governing body of the Lake Lemon Conservancy District (the “District”);

WHEREAS, the District has heretofore been established and operates pursuant to IC 14-33, as in effect on the issue date of the bonds authorized herein ("Act"); and

WHEREAS, the Board adopted Resolution No. 06-20-04 on June 2, 2020 to tentatively adopt the drawings, specifications and cost estimates for a sediment mitigation project as more fully described on Exhibit A attached hereto and incorporated herein by reference (“Project”); and

WHEREAS, the Board finds that plans, specifications and estimates have been prepared and filed by the engineers employed by the District for the construction of said Project; which plans, specifications and estimates have been or will be submitted to all governmental authorities having jurisdiction, particularly the Indiana Department of Environmental Management ("Department"), and have been or will be approved by the aforesaid governmental authorities and are incorporated herein by reference and open for inspection at the office of the District as required by law; and

WHEREAS, the District has will advertise for and receive bids for the Project; said bids will be subject to the District's determination to construct the Project and subject to the District obtaining funds to pay for the Project; that on the basis of engineering estimates, the cost of the Project, including estimated incidental expenses, is an amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000); and

WHEREAS, the Board finds that there are no funds on hand to apply on the cost of the Project, and that the entire cost of the Project will be funded with the issuance of Conservancy District Bonds, in one or more series and, if necessary, bond anticipation notes ("BANs") in an aggregate principal amount not to exceed \$1,200,000; and

WHEREAS, the Board has been advised that the total cost of the Project authorized herein will not exceed the lesser of: (i) \$5,000,000; or (ii) the greater of (a) one percent (1%) of the total gross assessed value of property within the District 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 IC 6-1.1-20-1.1; and

WHEREAS, the District desires to authorize the issuance of BANs hereunder, if necessary, in one or more series, and to authorize the refunding of the BANs, if issued; and

WHEREAS, the District may enter into one or more Financial Assistance Agreements, Funding Agreements and/or Financial Aid Agreements with the Indiana Finance Authority ("Authority") as part of one or more of its environmental programs including its wastewater loan fund program and/or supplemental assistance program established and existing pursuant to IC 5-1.2-1 through IC 5-1.2-4, IC 5-1.2-10 and IC 5-1.2-11 ("IFA Programs"), pertaining to the Project and the financing of the Project (hereinafter, each an "IFA Agreement") if the bonds or other obligations are sold to the IFA Programs; and

WHEREAS, the District may accept other forms of financial assistance, as and if available, from the IFA Programs; and

WHEREAS, the Board now finds that all conditions precedent to the adoption of an resolution authorizing the issuance of said bonds and BANs have been complied with in accordance with the provisions of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LAKE LEMON CONSERVANCY DISTRICT, THAT:

Section 1. Authorization of Project. The District proceed with the Project in accordance with the plans, specifications and cost estimates heretofore prepared and filed by consulting engineers employed by the District, which plans, specifications and cost estimates are now on file or will be subsequently placed on file in the office of the District, and are hereby adopted and approved, and by reference made a part of this resolution as fully as if the same were attached hereto and incorporated herein. The estimated cost of the Project is expected not to exceed \$1,200,000, plus investment earnings on the BAN and bond proceeds. The Project shall be completed in accordance with the plans and specifications heretofore mentioned, which Project is hereby approved. The Project shall be constructed and the BANs and bonds herein authorized shall be issued pursuant to and in accordance with the Act.

Section 2. Issuance of BANs and Bonds; Registrar and Paying Agent; Book-Entry Provisions. (a) The District shall issue, if necessary, its BANs for the purpose of procuring interim financing to apply on the cost of the Project. The District may issue its BANs, in one or more series, in an aggregate principal amount not to exceed One Million Two Hundred Thousand Dollars (\$1,200,000) to be designated "[Taxable] Conservancy District Bond Anticipation Notes of ____" (to be completed with the year in which issued and the appropriate series designation, if any). The BANs shall be sold at not less than 99% of their par value, shall be numbered consecutively from 1 upward, shall be in any multiples of One Thousand Dollars (\$1,000) as set forth in the hereinafter defined Note Purchase Agreement for the BANs or in denominations of One Dollar (\$1) each or integral multiples thereof, if sold to the Authority as part of its IFA Programs, shall be dated as of the date of delivery thereof, and shall bear interest at a rate not to

exceed 5% per annum (the exact rate or rates to be determined through negotiation with the purchaser of the BANs) payable upon maturity or redemption. The BANs will mature no later than five (5) years after their date of delivery. The BANs are subject to renewal or extension at an interest rate or rates not to exceed 5% per annum (the exact rate or rates to be negotiated with the purchaser of the BANs). The term of the BANs and all renewal BANs may not exceed five years from the date of delivery of the initial BANs. The BANs shall be registered in the name of the purchasers thereof.

The BANs shall be issued pursuant to IC 5-1.2-1 through IC 5-1.2-4, IC 5-1.2-10 and IC 5-1.2-11 if sold to the Authority, IC 5-1.5-8-6.1 if sold to the Indiana Bond Bank or pursuant to the Act if sold to a bank or savings association licensed to do business in Indiana. The District shall pledge to the payment of the principal of and interest on the BANs the proceeds from the issuance of bonds pursuant to and in the manner prescribed by the Act. The bonds will be payable out of a special benefits tax to be levied on all real property within the District.

(b) The District shall issue its Conservancy District Bonds, in one or more series, in the aggregate principal amount not to exceed \$1,200,000 to be designated "[Taxable] Conservancy District Bonds of _____," to be completed with the year in which issued and series designation, if any ("Bonds"), for the purpose of procuring funds to apply on the cost of the Project, refunding the BANs, if issued, and issuance costs.

The Bonds shall be issued and sold at a price not less than their par value if sold to the Authority as part of its IFA Programs or not less than 99% of their par value if sold to any other purchaser, shall be issued in fully registered form in denominations of One Dollar (\$1) each or integral multiples thereof, if sold to the Authority as part of its IFA Programs and in denominations of \$5,000 each or integral multiples thereof if sold to any other purchaser, numbered consecutively

from 1 up, originally dated as of the date of delivery and shall bear interest at a rate or rates not exceeding 5% per annum (the exact rate or rates to be determined through negotiation with the Authority, through its IFA Programs or as determined by bidding). Interest on the Bonds is payable semiannually on January 1 and July 1 in each year, commencing on the first January 1 or the first July 1 after the date of issuance of the Bonds, as determined by the Chairman, with the advice of the District's financial advisor. Principal shall be payable in lawful money of the United States of America, at the principal office of the Paying Agent (as hereinafter defined) and such Bonds shall mature semiannually on January 1 and July 1 or be subject to mandatory sinking fund redemption on January 1 and July 1 over a period ending no later than July 1, 2040, and in such amounts that will either (i) produce as level annual debt service as practicable taking into account the annual debt service on all series of Bonds issued hereunder, or (ii) if the Bonds are sold to the Authority as part of its IFA Programs, allow the District to meet the amortization requirements of the IFA Programs. If the Bonds are sold to the Authority as part of its IFA Programs, such debt service schedule shall be finalized and set forth in the IFA Agreement.

All or a portion of the Bonds may be issued as one or more term bonds, upon election of the purchaser thereof. Such term bonds shall have a stated maturity or maturities consistent with the maturity schedule determined in accordance with the preceding paragraph, on January 1 or July 1 on the dates as determined by the purchaser thereof, but in no event later than the final serial maturity 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 principal payment dates which are hereinafter determined in accordance with the above paragraph.

Interest on the Bonds and BANs shall be calculated according to a 360-day calendar year containing twelve 30-day months.

If any series of Bonds or BANs issued hereunder are not tax-exempt obligations as described in Section 16, the designated title for such Bonds and BANs shall include the word "Taxable" in such designation.

Notwithstanding anything contained herein, the District may accept any other forms of financial assistance, as and if available, from the IFA Programs (including without limitation any forgivable loans, grants or other assistance) whether available as an alternative to any Bond or BAN related provision otherwise provided for herein or as a supplement or addition thereto. Such financial assistance, if any, shall be provided in the IFA Agreement and the Bonds of each series of Bonds issued hereunder (including any modification made pursuant to the authorization in this paragraph to the form of Bonds otherwise contained herein).

(c) The Chairman and the Financial Clerk are hereby authorized to contract with a qualified financial institution to serve as Registrar and Paying Agent for the Bonds, which Registrar is hereby charged with the responsibility of authenticating the Bonds ("Registrar" or "Paying Agent"). The Financial Clerk is hereby authorized to enter into such agreements or understandings with such institution as will enable the institution to perform the services required of a Registrar and Paying Agent. The Financial Clerk is further authorized to pay such fees as the institution may charge for the services it provides as Registrar and Paying Agent, and such fees may be paid from the fund created hereunder to pay the principal of and interest on the Bonds and fiscal agency charges.

As to the BANs and as to the Bonds, if sold to the Authority as part of its IFA Programs or any other purchaser that does not object to such designation, the Financial Clerk may serve as

Registrar and Paying Agent and in that case is hereby charged with the duties of a Registrar and Paying Agent.

If the Bonds or BANs are sold to the Authority as part of its IFA Programs, the principal of and interest thereon shall be paid by wire transfer to such financial institution if and as directed by the Authority on the due date of such payment or, if such due date is a day when financial institutions are not open for business, on the business day immediately after such due date. So long as the Authority as part of its IFA Programs is the owner of the Bonds or BANs, such Bonds and BANs shall be presented for payment as directed by the Authority.

If such Bonds and BANs are not sold to the Authority as part of its IFA Programs or if wire transfer payment is not required, the principal and interest on the BANs and the principal of the Bonds shall be payable at the principal office of the Paying Agent and all payments of interest on the Bonds shall be paid by check mailed one business day prior to the interest payment date to the registered owners thereof, as of the fifteenth day of the month preceding each payment ("Record Date"), at the addresses as they appear on the registration books kept by the Registrar or at such other address as is provided to the Paying Agent in writing by such registered owner on or before such Record Date. If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. 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 Paying Agent shall be instructed to 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).

All payments on the Bonds and BANs shall be made in any coin or currency of the United States of America, which on the date of such payment, shall be legal tender for the payment of public and private debts.

Each Bond shall be transferable or exchangeable only upon the books of the District kept for that purpose at the principal office of the Registrar, by the registered owner thereof in person, or by its attorney duly authorized in writing, upon surrender of such Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount and of the same maturity shall be executed and delivered in the name of the transferee or transferees or the registered owner, as the case may be, in exchange therefor. The costs of such transfer or exchange shall be borne by the District. The District and the Registrar and Paying Agent for the Bonds may treat and consider the person in whose name such Bonds are registered as the absolute owner thereof for all purposes including for the purpose of receiving payment of, or on account of, the principal thereof and interest due thereon.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent upon giving 30 days' notice in writing to the District and by first class mail to each registered owner of the Bonds then outstanding, and such resignation will take effect at the end of such 30 day period or upon the earlier appointment of a successor registrar and paying agent by the District. Any such notice to the District may be served personally or sent by registered mail. The Registrar and Paying Agent may be removed at any time as Registrar and Paying Agent by the District, in which event the District may appoint a successor registrar and paying agent. The District shall notify each registered owner of the Bonds then outstanding by first class mail of the removal of

the Registrar and Paying Agent. Notices to the 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 books kept by the Registrar.

Upon the appointment of any successor registrar and paying agent by the District, the Financial Clerk is authorized and directed to enter into such agreements and understandings with such successor registrar and paying agent as will enable the institution to perform the services required of a registrar and paying agent for the Bonds. The Financial Clerk is further authorized to pay such fees as the successor registrar and paying agent may charge for the services it provides as registrar and paying agent and such fees may be paid from the fund created to pay the principal of and interest on the Bonds. Any predecessor registrar and paying agent shall deliver all of the Bonds and any cash or investments in its possession with respect thereto, together with the registration books, to the successor registrar and paying agent.

Interest on Bonds sold to the Authority as part of its IFA Programs shall be paid from the date or dates of payments made by the Authority as part of its purchase of the Bonds pursuant to the IFA Agreement. Interest on all other Bonds shall be payable from the interest payment date to which interest has been paid next preceding the authentication date of the Bonds unless the Bonds are authenticated after the Record Date and on or before such interest payment date in which case they shall bear interest from such interest payment date, or unless the Bonds are authenticated on or before the Record Date preceding the first interest payment date, in which case they shall bear interest from the original date until the principal shall be fully paid.

(d) The District has determined that it may be beneficial to the District to have the Bonds held by a central depository system pursuant to an agreement between the District and The Depository Trust Company, New York, New York ("Depository Trust Company") and have

transfers of the Bonds effected by book-entry on the books of the central depository system ("Book Entry System"). The Bonds may be initially issued in the form of a separate single authenticated fully registered bond for the aggregate principal amount of each separate maturity of the Bonds. In such case, upon initial issuance, the ownership of such Bonds shall be registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company.

With respect to the Bonds registered in the register kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, the District 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 the Depository Trust Company, CEDE & CO., 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 the Depository Trust Company, 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 the Depository Trust Company, 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 the Depository Trust Company shall receive an authenticated Bond evidencing an obligation of the District to make payments of the principal of and premium, if any, and interest on the Bonds pursuant to this resolution. The District and the Registrar and Paying Agent may treat as and deem the Depository Trust Company or CEDE & CO. 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 the Depository Trust Company, and all such payments shall be valid and effective fully to satisfy and discharge the District'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 the Depository Trust Company to the District of written notice to the effect that the Depository Trust Company has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions herein with respect to consents, the words "CEDE & CO." in this resolution shall refer to such new nominee of the Depository Trust Company. Notwithstanding any other provision hereof to the contrary, so long as any Bond is registered in the name of CEDE & CO., as nominee of the Depository Trust Company, 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 the Depository Trust Company as provided in a representation letter from the District to the Depository Trust Company.

Upon receipt by the District of written notice from the Depository Trust Company to the effect that the Depository Trust Company is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of the Depository Trust Company 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 District kept by the Registrar in the name of CEDE & CO., as nominee of the Depository Trust Company, but may be registered in whatever name or names the bondholders transferring or exchanging the Bonds shall designate, in accordance with the provisions of this resolution.

If the District determines that it is in the best interest of the bondholders that they be able to obtain certificates for the fully registered Bonds, the District may notify the Depository Trust Company and the Registrar, whereupon the Depository Trust Company will notify the Beneficial Owners of the availability through the Depository Trust Company of certificates for the Bonds. In such event, the Registrar shall prepare, authenticate, transfer and exchange certificates for the bonds as requested by the Depository Trust Company and any Beneficial Owners in appropriate amounts, and whenever the Depository Trust Company requests the District and the Registrar to do so, the Registrar and the District will cooperate with the Depository Trust Company 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 Depository Trust Company 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 the Depository Trust Company, the Registrar shall cause the Bonds to be printed in blank in such number as the Registrar shall determine to be necessary or customary; provided, however, that the Registrar shall not be required to have such Bonds printed until it shall have received from the District 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 District or the Registrar with respect to any consent or other action to be taken by bondholders, the District or the Registrar, as the case may be, shall establish a record date for such consent or other action and give the Depository Trust Company 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 the Depository Trust Company or CEDE & CO. or any substitute nominee, the District and the Registrar and 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 the Depository Trust Company 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 Registrar and the Depository Trust Company, 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 District and the Registrar and Paying Agent shall for such purposes treat the Beneficial Owners as the bondholders. Along with any such certificate or representation, the Registrar may request the Depository Trust Company to deliver, or cause to be delivered, to the Registrar 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.

Section 3. Redemption of BANs and Bonds. (a) The BANs are prepayable by the District, in whole or in part, on any date, upon 20 days' notice to the owner of the BANs, without any premium.

(b) For any Bonds sold to the Authority as part of its IFA Programs, such Bonds are redeemable at the option of the District, but no sooner than ten (10) years after their date of delivery, and thereafter on any date, on sixty (60) days' notice, in whole or in part, in inverse order of maturity, and by lot within a maturity, at face value together with a premium no greater than 2%, plus accrued interest to the date fixed for redemption; provided however if the Bonds are sold to the IFA Programs and registered in the name of the Authority, the Bonds shall not be redeemable at the option of the District unless and until consented to by the Authority. The exact redemption

dates and premiums shall be established by the Chairman, with the advice of the District's financial advisor, prior to the sale of the Bonds.

For any Bonds not sold to the Authority as part of its IFA Programs, the Bonds are redeemable at the option of the District on any date no sooner than five (5) years after their date of delivery, on thirty (30) days' notice, in whole or in part, in the order of maturity as determined by the District and by lot within a maturity, at face value, together with a premium no greater than 2%, plus in each case accrued interest to the date fixed for redemption. The exact redemption features shall be determined by the Chairman, with the advice of the District's financial advisor prior to the sale of the Bonds.

(c) If any Bond is issued as a term bond, the Paying Agent shall credit against the mandatory sinking fund requirement for the Bonds maturing as term bonds, and corresponding mandatory redemption obligation, in the order determined by the District, any Bonds maturing as term bonds which have previously been redeemed (otherwise 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 Bond maturing as a 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.

Each authorized denomination shall be considered a separate bond for purposes of optional and mandatory redemption. If less than an entire maturity is called for redemption, the Bonds to be called for redemption shall be selected by lot by the Registrar. If some Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.

(d) Notice of redemption shall be given not less than sixty (60) days, if the Bonds are sold to the Authority as part of its IFA Programs, and thirty (30) days, if the Bonds are sold to another purchaser, prior to the date fixed for redemption unless such redemption notice is waived by the owner of the Bond or Bonds redeemed. Such notice shall be mailed to the address of the registered owner as shown on the registration record of the District as of the date which is sixty-five (65) days if the Bonds are sold to the Authority as part of its IFA Programs, and forty-five (45) days if the Bonds are sold to another purchaser, prior to such redemption date. 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 District. Interest on the Bonds so called for redemption shall cease on the redemption date fixed in such notice if sufficient funds are available at the place of redemption to pay the redemption price on the date so named.

Section 4. Execution of Bonds and BANs. The BANs and Bonds shall be signed in the name of the District by the manual or facsimile signature of the Chairman and attested by the manual or facsimile signature of its Secretary, who shall affix the seal, if any, of the District to each of the BANs and Bonds manually or shall have the seal imprinted or impressed thereon by facsimile. These officials, by the signing of a Signature and No Litigation Certificate, shall adopt

The Bonds must be authenticated by an authorized officer of the Registrar.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Lake Lemon Conservancy District, or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

NO.

LAKE LEMON CONSERVANCY DISTRICT
CONSERVANCY DISTRICT BOND OF _____, SERIES _____

Interest Rate	Maturity Date	Original Date	Authentication Date	CUSIP
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PRINCIPAL SUM:

The Lake Lemon Conservancy District ("District"), in the Counties of Monroe and Brown, State of Indiana, for value received, hereby promises to pay to the Registered Owner (named above) or registered assigns, solely out of the special fund hereinafter referred to, the Principal Sum set forth above], or so much thereof as may be advanced from time to time and be outstanding as evidenced by the records of the registered owner making payment for this Bond, or its assigns, [on]the Maturity Date set forth above] **OR** [January 1 and July 1 on the dates and in the amounts as set forth on Exhibit A attached hereto] (unless this Bond be subject to and shall have been duly called for redemption and payment as provided for herein), and to pay interest hereon until the Principal Sum shall be fully paid at the rate per annum specified above from]the dates of payment made on this Bond] **OR** [the interest payment date to which interest has been paid next preceding

the Authentication Date of this Bond unless this Bond is authenticated after the fifteenth day of the month preceding an interest payment date and on or before such interest payment in which case it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before ____ 15, ____, in which case it shall bear interest from the Original Date, [which interest is payable semiannually on the first days of January and July of each year, beginning on _____, _____. Interest shall be calculated according to a 360-day calendar year containing twelve 30-day months.

[The principal of this Bond is payable at the principal office of _____ ("Registrar" or "Paying Agent"), in the _____ of _____, _____.] All payments of [principal and] interest on this Bond shall be paid by [check mailed one business day prior to the interest payment date] **OR** [wire transfer for deposit to a financial institution as directed by the Indiana Finance Authority ("Authority") on the due date or, if such due date is a day when financial institutions are not open for business, on the business day immediately after such due date] to the registered owner hereof, as of the fifteenth day of the month preceding such payment, at the address as it appears on the registration books kept by _____ ("Registrar" or "Paying Agent") in the _____ of _____, _____.] **OR** [the Registrar] or at such other address as is provided to the Paying Agent in writing by the registered owner. [If payment of principal or interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. 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 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).] All payments on the Bond shall be made in any coin or currency of the United States of America, which on the dates of such payment, shall be legal tender for the payment of public and private debts.

This bond is the obligation and indebtedness of the District, as a special taxing district. The District, acting through its Board of Directors, covenants that it will cause a special tax on all real property of the District for the payment of the principal of and the interest on this Bond to be levied, collected and applied for that purpose. This bond is negotiable, subject to registration provisions, pursuant to the laws of the State of Indiana.

This Bond is [the only] one of an authorized issue of Bonds of the District, [to be] [issued in series] of like date, tenor and effect, [except as to rates of interest], series designation, [and dates of maturity], in the total amount of _____ Dollars (\$ _____) ("Bonds"), numbered from 1 up, issued for the purpose of providing funds to be applied on the cost of the sediment mitigation project of the District, to refund interim notes issued in anticipation of the Bonds [and to pay issuance expenses, as authorized by a Bond Resolution adopted by the Board of Directors of the District on the ____ day of _____, 2020 ("Resolution")], and in strict compliance with the provisions of IC 14-33, as in effect on the issue date of the Bonds ("Act").

[Reference is hereby made to the IFA Agreement ("IFA Agreement") between the District and the Indiana Finance Authority ("Authority") concerning certain terms and covenants

pertaining to the project and the purchase of this Bond as part of the wastewater loan program and/or supplemental assistance program established and existing pursuant to IC 5-1.2-1 through IC 5-1.2-4, IC 5-1.2-10 and IC 5-1.2-11.]

Pursuant to the provisions of the Act and the Resolution, the principal of and interest on the Bonds are payable solely from the District's Bond Payment Fund (the "Bond Fund") to be provided from a special benefits tax to be levied on all of the taxable real property within the District.

The District has designated the Bonds as qualified tax-exempt obligations to qualify for the \$10,000,000 exception from the provisions of Section 265(b) of the Internal Revenue Code of 1986 relating to the disallowance of 100% of the deduction for interest expense allocable to tax-exempt obligations.

[The Bonds 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 District and The Depository Trust Company, or any substitute agreement, effecting such Book Entry System.]

[The Bonds of this issue maturing on _____ 1, 20____, and thereafter, are redeemable at the option of the District on _____ 1, 20____, or any date thereafter, on]sixty (60)[]thirty (30)[days' notice, in whole or in part,]in the order of maturity as determined by the District] **OR**]in inverse order of maturity[and by lot within a maturity, at face value together with the following premiums:

_____ % if redeemed on _____ 1, 20____ or thereafter
on or before _____ 1, 20____;
_____ % if redeemed on _____ 1, 20____ or thereafter
on or before _____ 1, 20____;
_____ % if redeemed on _____ 1, 20____, or thereafter
prior to maturity;

plus in each case accrued interest to the date fixed for redemption[; provided however if the Bonds are registered in the name of the Authority, the Bonds shall not be redeemable at the option of the District unless and until consented to by the Authority].

[The Bonds maturing on _____ 1, 20____ are subject to mandatory sinking fund redemption prior to maturity, at a redemption price equal to the principal amount thereof plus accrued interest, on the dates and in the amounts set forth below:

	<u>Term Bond</u>
<u>Date</u>	<u>Amount</u>

*

*Final Maturity[

Each]One Dollar (\$1)] **OR**]Five Thousand Dollar (\$5,000)] principal amount shall be considered a separate bond for purposes of optional]and mandatory] redemption. If less than an entire maturity is called for redemption, the Bonds to be called for redemption shall be selected by lot by the Registrar.]If some Bonds are to be redeemed by optional redemption and mandatory sinking fund redemption on the same date, the Registrar shall select by lot the Bonds for optional redemption before selecting the Bonds by lot for the mandatory sinking fund redemption.]

Notice of redemption shall be mailed to the address of the registered owner as shown on the registration record of the District, as of the date which is]sixty-five (65)]]forty-five (45)] days prior to such redemption date, not less than]sixty (60)]]thirty (30)] days prior to the date fixed for redemption. 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 District. Interest on the Bonds so called for redemption shall cease on the redemption date fixed in such notice, if sufficient funds are available at the place of redemption to pay the redemption price on the date so named.

If this Bond shall not be presented for payment or redemption on the date fixed therefor, the District may deposit in trust with its depository bank, an amount sufficient to pay such Bond or the redemption price, as the case may be, and thereafter the registered owner shall look only to the funds so deposited in trust with said bank for payment and the District shall have no further obligation or liability in respect thereto.

This Bond is transferable or exchangeable only upon the books of the District kept for that purpose at]the]]a principal corporate trust] office of the Registrar, by the registered owner hereof in person, or by its attorney duly authorized in writing, upon surrender of this Bond together with a written instrument of transfer or exchange satisfactory to the Registrar duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new fully registered Bond or Bonds in the same aggregate principal amount and of the same maturity, shall be executed and delivered in the name of the transferee or transferees or to the registered owner, as the case may be, in exchange therefor. The District, the Registrar and any paying agent for this Bond may treat and consider the person in whose name this Bond is registered as the absolute owner hereof for all purposes including for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon.

This Bond is subject to defeasance prior to redemption or payment as provided in the Resolution referred to herein. THE OWNER OF THIS BOND, BY THE ACCEPTANCE HEREOF, HEREBY AGREES TO ALL THE TERMS AND PROVISIONS CONTAINED IN THE RESOLUTION. The Resolution may be amended without the consent of the owners of the Bonds as provided in the Resolution.

The Bonds maturing in any one year are issuable only in fully registered form in the denomination of [\$1]]\$5,000] or any integral multiple thereof not exceeding the aggregate principal amount of the Bonds maturing in such year.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the preparation and complete execution, issuance and delivery of this Bond have been done and performed in regular and due form as provided by law.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by an authorized representative of the Registrar.

IN WITNESS WHEREOF, the Lake Lemon Conservancy District, in Monroe and Brown Counties, Indiana, has caused this Bond to be executed in its corporate name by the manual or facsimile signature of its Chairman, **[its corporate seal to be hereunto affixed, imprinted or impressed by any means]** and attested manually or by facsimile by its Secretary.

LAKE LEMON CONSERVANCY DISTRICT

[SEAL]

By: _____
Chairman, Board of Directors

Attest:

Secretary

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

It is hereby certified that this Bond is one of the Bonds described in the Resolution.

_____,
As Registrar

By: _____
Authorized Representative

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____, the within
Bond and all rights thereunder, and hereby irrevocably constitutes and

appoints _____, attorney, to transfer the within Bond in the books kept for the registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

EXHIBIT A

To be completed on a separate page

[End of Bond Form]

Section 6. Preparation and Sale of BANs and Bonds. (a) The Secretary is hereby authorized and directed to have the BANs and Bonds prepared, and the Chairman and Secretary are hereby authorized and directed to execute the BANs and Bonds in the form and manner herein provided. The Financial Clerk is hereby authorized and directed to deliver the BANs and Bonds to the respective purchasers thereof after sale made in accordance with the provisions of this resolution, provided that at the time of the delivery the Financial Clerk shall collect the full amount which the respective purchasers have agreed to pay therefor, which amount shall not be less than 99% of the par value of the BANs, not less than the par value of the Bonds if sold to the Authority as part of its IFA Programs and not less than 99% of the par value of the Bonds if sold to any other purchaser. The District may receive payment for the Bonds and the BANs in installments. The proceeds derived from the sale of the Bonds shall be and are hereby set aside for application on the cost of the Project hereinbefore referred to, the refunding of the BANs, if issued, and the expenses necessarily incurred in connection with the BANs and Bonds. The proper officers of the District are hereby directed to draw all proper and necessary warrants,

and to do whatever acts and things which may be necessary to carry out the provisions of this resolution.

(b) Distribution of an Official Statement (preliminary and final) prepared by Baker Tilly Municipal Advisors, LLC, on behalf of the District, is hereby approved and the Chairman or the Secretary are authorized and directed to execute the Official Statement on behalf of the District in a form consistent with this resolution. The Chairman or the Secretary are hereby authorized to designate the preliminary Official Statement as "nearly final" for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission ("Rule").

(c) If necessary to comply with the Rule, the District shall execute and deliver a form of Continuing Disclosure Undertaking ("Disclosure Undertaking"). The Chairman or the Secretary are hereby authorized and directed to complete and execute the Disclosure Undertaking on behalf of the District, if necessary to comply with the Rule. Notwithstanding any other provisions of this resolution, failure of the District to comply with the Disclosure Undertaking shall not be considered an event of default under the Bonds or this resolution.

Section 7. Sale of Bonds; Award of Bonds. If any series of Bonds are sold at a competitive sale, prior to the sale of any series of Bonds, the Financial Clerk shall cause to be published either: (i) a notice of bond sale in the newspapers which meet the requirements of IC 5-3-1, two times, at least one week apart, the first publication made at least fifteen (15) days before the date of the sale and the second publication being made at least three (3) days before the date of the sale; or (ii) a notice of intent to sell in the newspapers which meet the requirements of IC 5-3-1 and the *Indianapolis Business Journal*, all in accordance with IC 5-1-11 and IC 5-3-1. A notice of sale may also be published one time in the *Indianapolis Business Journal*, and a notice or summary notice may also be published in *The Bond Buyer* in New York, New York. The notice

shall state the character and amount of the Bonds, the maximum rate of interest thereon, the terms and conditions upon which bids will be received and the sale made, and such other information as the Financial Clerk and the attorneys employed by the District shall deem advisable and any summary notice may contain any information deemed so advisable. The notice will also state that the winning bidder will agree to assist the District in establishing the issue price of the Bonds under Treas. Reg. Section 1.148-1(f) ("Issue Price Regulation"). The criteria for establishing the issue price under the Issue Price Regulation shall be set forth in the preliminary Official Statement and/or bid form. The notice may provide, among other things, that the successful bidder shall be required to submit a certified or cashier's check in an amount equal to 1% of the principal amount of the Bonds described in the notice within twenty-four hours of the sale and that in the event the successful bidder shall fail or refuse to accept delivery of the Bonds and pay for the same as soon as the Bonds are ready for delivery, or at the time fixed in the notice of sale, then said check and the proceeds thereof shall be the property of the District and shall be considered as its liquidated damages on account of such default; that bidders for the Bonds will be required to name the rate or rates of interest which the Bonds are to bear, not exceeding the maximum rate hereinbefore fixed, and that such interest rate or rates shall be in multiples of one-eighth ($1/8$) or one-hundredth ($1/100$) of one percent (1%). The notice may provide that the rate bid on a maturity shall be equal to or greater than the rate bid on the immediately preceding maturity. No conditional bid or bid for less than 98% of the face amount of the Bonds will be considered. The opinion of Ice Miller LLP, bond counsel of Indianapolis, Indiana, approving the legality of the Bonds, will be furnished to the purchaser at the expense of the District.

The Bonds shall be awarded by the Financial Clerk to the best bidder who has submitted his bid in accordance with the terms of this resolution, IC 5-1-11 and the notice. The best bidder

will be the one who offers the lowest net interest cost to the District, to be determined by computing the total interest on all of the Bonds to their maturities, adding thereto the discount bid, if any, and deducting the premium bid, if any. The right to reject any and all bids shall be reserved. If an acceptable bid is not received on the date of sale, the sale may be continued from day to day thereafter without further advertisement for a period of thirty (30) days, during which time no bid which provides a higher net interest cost to the District than the best bid received at the time of the advertised sale will be considered.

As an alternative to public sale, the District may negotiate the sale of the Bonds to the Authority as part of its IFA Programs. The Chairman and the Secretary are hereby authorized to (i) submit an application to the Authority as part of its IFA Programs, (ii) execute a IFA Agreement with the Authority with terms conforming to this resolution and (iii) sell such Bonds upon such terms as are acceptable to the Chairman and the Secretary consistent with the terms of this resolution. The substantially final form of IFA Agreement attached hereto as Exhibit B and incorporated herein by reference is hereby approved by the Board, and the Chairman and Secretary are hereby authorized to execute and deliver the same, and to approve any changes in form or substance to the IFA Agreement, such approval to be conclusively evidenced by its execution.

Section 8. Financial Records and Accounts. (a) The District shall keep proper records and books of account, separate from all of its other records and accounts, in which complete and correct entries shall be made showing all monies received by the District and all disbursements made and all transactions relating to said Project. Copies of all such statements and reports, including audits prepared by the State Board of Accounts, shall be kept on file in the office of the District.

(a) If the BANs or Bonds are sold to the Authority as part of its IFA Programs, the District shall establish and maintain the books and other financial records of the Project (including the establishment of a separate account or subaccount for the Project) in accordance with (i) generally accepted governmental accounting standards for utilities, on a cash basis, and (ii) the rules, regulations and guidance of the State Board of Accounts.

Section 9. Use of Proceeds. At the time of the delivery of the Bonds, any premium shall be deposited the hereinafter defined Bond Fund and used to pay interest on the Bonds. The remaining proceeds from the sale of the Bonds, to the extent not used to refund BANs, and BAN proceeds shall be deposited in a bank or banks which are legally designated depositories for the funds of the District, in a special account or accounts to be designated as "Lake Lemon Conservancy District, Conservancy District Construction Account" ("Construction Account"). All funds deposited to the credit of the Bond Fund or Construction Account shall be deposited, held, secured or invested in accordance with the laws of the State of Indiana relating to the depositing, holding, securing or investing of public funds, including particularly IC 5-13, as amended and supplemented, and as applicable, pursuant to IC 5-1.2-1 through IC 5-1.2-4, IC 5-1.2-10 and IC 5-1.2-11. The funds in the Construction Account shall be expended only for the purpose of paying the cost of the Project, refunding the BANs, if issued, or as otherwise required by the Act or for the expenses of issuance of the Bonds or BANs. The cost of obtaining the services of Ice Miller LLP, the District's Attorney and Baker Tilly Municipal Advisors, LLC, shall be considered as a part of the cost of the Project on account of which the BANs and Bonds are issued. Any balance or balances remaining unexpended in such special account or accounts after completion of the Project, which are not required to meet unpaid obligations incurred in connection with such Project, shall either (1) be paid into the Bond Fund and used solely for the purposes of the Bond

Fund or (2) be used to reduce the rate of taxation in the District, all in accordance with IC 5-1-13, as amended and supplemented.

With respect to any Bonds sold to the Authority as part of its IFA Programs, to the extent that (a) the total principal amount of the Bonds is not paid by the purchaser or drawn down by the District, or (b) proceeds remain in the Construction Account and are not applied to the Project (or any modifications or additions thereto approved by the Department and the Authority), the District shall reduce the principal amounts of the Bond maturities to effect such reduction in a manner that will still achieve the annual debt service as described in Section 2(b) subject to and upon the terms set forth in the IFA Agreement.

Section 10. Pledge of Special Benefits Taxes; Tax Levy. In order to provide for the payment of the principal of and interest on the Bonds, there is hereby pledged and there shall be levied in each year upon all taxable real property in the District a special tax in an amount and in such manner sufficient to meet and pay the principal of and interest on the Bonds as the same become due.

Section 11. Bond Payment Fund. (a) There is hereby created a special fund designated "Bond Payment Fund" ("Bond Fund") for the payment of the principal of and interest on the Bonds, and the payment of any fiscal agency charges in connection with the payment of the Bonds. There shall be set aside and deposited in said Bond Fund, as available, and as hereinafter provided, a sufficient amount of the special benefits taxes to meet the requirements of (i) the principal of all then outstanding Bonds payable on the then next succeeding principal payment date and (ii) the interest on all then outstanding Bonds payable on the then next succeeding interest payment date. There shall similarly be credited to the Bond Fund any amount necessary to pay the bank fiscal agency charges for paying interest and principal on the Bonds as the same become payable. The

Board shall, from the sums deposited in the Bond Fund, remit promptly to the registered owner or to the bank fiscal agency sufficient moneys to pay the interest and principal on the due dates thereof together with the amount of bank fiscal agency charges.

(b) Accounts to be held in Trust. The Bond Fund and the Construction Account, may be held by a financial institution acceptable to the Authority as part of its IFA Programs, pursuant to terms acceptable to the Authority. If the Bond Fund is held in trust, the District shall transfer the special benefits tax to the financial institution holding such funds in trust which shall be instructed to pay the required payments in accordance with the payment schedules for the District's outstanding bonds. The financial institution selected to serve in this role may also serve as the Registrar and the Paying Agent for the Bonds. If the Construction Account is so held in trust, the District shall deposit the proceeds of the Bonds therein until such proceeds are applied consistent with this resolution and the IFA Agreement. The Chairman and the Secretary are hereby authorized to execute and deliver an agreement with a financial institution to reflect this trust arrangement for the Bond Fund and the Construction Account in the form of trust agreement as approved by the Chairman and the Secretary, consistent with the terms and provisions of this resolution.

Section 12. Maintenance of Accounts; Investments. The Bond Fund shall be deposited in and maintained as a separate banking account or accounts from all other accounts of the District. All moneys deposited in the accounts shall be deposited, held and secured as public funds in accordance with the public depository laws of the State of Indiana; provided that moneys therein may be invested in obligations in accordance with the applicable laws, including particularly IC 5-13, as amended or supplemented and as applicable, pursuant to IC 5-1.2-1 through IC 5-1.2-4, IC 5-1.2-10 and IC 5-1.2-11, and in the event of such investment the income therefrom shall

become a part of the funds invested and shall be used only as provided in this resolution. Nothing in this Section or elsewhere in this resolution shall be construed to require that separate bank accounts be established and maintained for the Funds and Accounts created by this resolution except that the Bond Fund and Construction Account shall be maintained as a separate bank account from the other Funds and Accounts of the District.

Section 13. Defeasance of Bonds. If, when any of the Bonds issued hereunder shall have become due and payable in accordance with their terms or shall have been duly called for redemption or irrevocable instructions to call the Bonds or any portion thereof for redemption shall have been given, and the whole amount of the principal and the interest and the premium, if any, so due and payable upon all of the Bonds or any portion thereof and coupons then outstanding shall be paid; or (i) sufficient moneys, or (ii) direct 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, the principal of and the interest on which when due will provide sufficient moneys, shall be held in trust for such purpose, and provision shall also be made for paying all fees and expenses for the redemption, then and in that case the Bonds issued hereunder or any designated portion thereof shall no longer be deemed outstanding or entitled to the pledge of special taxes to be levied upon all real property in the District.

Section 14. Further Covenants of the District; Maintenance, Insurance, Pledge Not to Encumber, Subordinate Indebtedness, and Contract with Bondholders. For the purpose of further safeguarding the interests of the holders of the BANs and Bonds, it is specifically provided as follows:

(a) All contracts let by the District in connection with the construction of the Project shall be let after due advertisement as required by the laws of the State of Indiana, and all

contractors shall be required to furnish surety bonds in an amount equal to one hundred percent (100%) of the amount of such contracts, to insure the completion of said contracts in accordance with their terms, and such contractors shall also be required to carry such employer's liability and public liability insurance as are required under the laws of the State of Indiana in the case of public contracts, and shall be governed in all respects by the laws of the State of Indiana relating to public contracts.

(b) The Project shall be constructed under the supervision and subject to the approval of such competent engineer as shall be designated by the District. All estimates for work done or material furnished shall first be checked by the engineer and approved by the District.

(c) So long as any of the BANs or Bonds are outstanding, the District shall not sell, transfer, lease or otherwise encumber the District's property, or any portion thereof, or any interest therein, except only such machinery, equipment or other property as may be replaced, or shall no longer be necessary for use in connection with said District, provided that, if the Authority purchases the Bonds as part of its IFA Programs, so long as the Bonds are outstanding and owned by the Authority, the District shall obtain the prior written consent of the Authority.

(d) The provisions of this resolution shall constitute a contract by and between the District and the owners of the Bonds and BANs herein authorized, and after the issuance of the Bonds or BANs, this resolution shall not be repealed or amended in any respect which will adversely affect the rights of the owners of the Bonds or BANs nor shall the Board of Directors adopt any law, resolution or resolution which in any way adversely affects the rights of such owners so long as any of the Bonds, BANs or the interest thereon remain unpaid. Except for the changes set forth in Section 17(a)-(e), this resolution may be amended, however, without the consent of BAN or Bond owners, if the Board of Directors determines, in its sole discretion, that

such amendment would not adversely affect the owners of the BANs or Bonds; provided, however, that if the BANs or Bonds are sold to the Authority as part of its IFA Programs the District shall obtain the prior written consent of the Authority.

(e) The provisions of this resolution shall be construed to create a trust in the proceeds of the sale of the Bonds and BANs herein authorized for the uses and purposes herein set forth, and the owners of the Bonds and BANs shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this resolution and of the governing Act. The provisions of this resolution shall also be construed to create a trust in the portion of the special benefits tax herein directed to be set apart and paid into the Bond Fund for the uses and purposes of said fund as in this resolution set forth.

Section 15. Investment of Funds. (a) The Financial Clerk is hereby authorized to invest money pursuant to IC 5-1-14-3 and the provisions of this resolution (subject to applicable requirements of federal law to insure such yield is the then current market rate) to the extent necessary or advisable to preserve the exclusion from gross income of interest on the Bonds and BANs under federal law.

(b) The Financial Clerk shall keep full and accurate records of investment earnings and income from moneys held in the funds and accounts referenced herein. In order to comply with the provisions of the resolution, the Financial Clerk is hereby authorized and directed to employ consultants or attorneys from time to time to advise the District as to requirements of federal law to preserve the tax exclusion. The Financial Clerk may pay any fees as operation expenses of the District.

Section 16. Tax Covenants. In order to preserve the exclusion of interest on the Bonds and BANs from gross income for federal income tax purposes under Section 103 of the Internal

Revenue Code of 1986, as existing on the date of issuance of the Bonds or BANs, as the case may be ("Code") and as an inducement to purchasers of the Bonds and BANs, the District represents, covenants and agrees that:

(a) The Project will be available for use by members of the general public. Use by a member of the general public means use by natural persons not engaged in a trade or business. No person or entity other than the District or another state or local governmental unit will use more than 10% of the proceeds of the Bonds or BANs or property financed by the Bond or BAN proceeds other than as a member of the general public. No person or entity other than the District or another state or local governmental unit will own property financed by Bond or BAN proceeds or will have any actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract, arrangements such as take-or-pay or output contracts or any other type of arrangement that conveys other special legal entitlements and differentiates that person's or entity's use of such property from use by the general public, unless such uses in the aggregate relate to no more than 10% of the proceeds of the Bonds or BANs, as the case may be. If the District enters into a management contract for the Project, the terms of the contract will comply with IRS Revenue Procedure 2017-13, as it may be amended, supplemented or superseded for time to time, so that the contract will not give rise to private business use under the Code and the Regulations, unless such use in aggregate relates to no more than 10% of the proceeds of the Bonds or BANs, as the case may be.

(b) No more than 10% of the principal of or interest on the Bonds or BANs is (under the terms of the Bonds or BANs, this resolution or any underlying arrangement), directly or indirectly, secured by an interest in property used or to be used for any private business use or payments in respect of any private business use or payments in respect of such property or to be

derived from payments (whether or not to the District) in respect of such property or borrowed money used or to be used for a private business use.

(c) No more than 5% of the Bond or BAN proceeds will be loaned to any person or entity other than another state or local governmental unit. No more than 5% of the Bond or BAN 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 or BAN proceeds.

(d) The District reasonably expects, as of the date hereof, that the Bonds and BANs will not meet either the private business use test described in paragraph (a) and (b) above or the private loan test described in paragraph (c) above during the entire term of the Bonds or BANs, as the case may be.

(e) No more than 5% of the proceeds of the Bonds or BANs will be attributable to private business use as described in (a) and private security or payments described in (b) attributable to unrelated or disproportionate private business use. For this purpose, the private business use test is applied by taking into account only use that is not related to any government use of proceeds of the issue (Unrelated Use) and use that is related but disproportionate to any governmental use of those proceeds (Disproportionate Use).

(f) The District will not take any action nor fail to take any action with respect to the Bonds or BANs that would result in the loss of the exclusion from gross income for federal tax purposes on the Bonds or BANs pursuant to Section 103 of the Code, nor will the District act in any other manner which would adversely affect such exclusion. The District covenants and agrees not to enter into any contracts or arrangements which would cause the Bonds or BANs to be treated as private activity bonds under Section 141 of the Code.

(g) It shall be not an event of default under this resolution if the interest on any Bond or BAN is not excludable from gross income for federal tax purposes or otherwise pursuant to any provision of the Code which is not currently in effect and in existence on the date of issuance of the Bonds or BANs, as the case may be.

(h) These covenants are based solely on current law in effect and in existence on the date of delivery of such Bonds or BANs, as the case may be.

(i) The District represents that:

(i) The District is a governmental unit with general taxing powers, which powers include the power to impose taxes of general applicability that, when collected, may be used for the general purposes of the District;

(ii) The BANs and the Bonds are not private activity bonds as defined in Section 141 of the Code;

(iii) At least 95% of the net proceeds of the BANs and Bonds will be used for local governmental activities of the District or of a governmental unit, the jurisdiction of which is entirely within the jurisdiction of the District;

(iv) The aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the District and all units subordinate to the District, including on-behalf-of issuers and subordinate entities as those terms are defined in Regulations Section 1.148-8(c)(2), is not reasonably expected to exceed \$5,000,000 in calendar year 2020; and

(v) The District has not been formed or availed of to otherwise avoid the purposes of the \$5,000,000 size limitation.

Therefore, the District meets the requirements of Section 148(f)(4)(D) of the Code and will not have to rebate any arbitrage profits to the United States.

(j) The District represents that:

(1) The Bonds and the BANs are not private activity bonds as defined in Section 141 of the Code;

(2) The District hereby designates the Bonds and the BANs as qualified tax-exempt obligations for purposes of Section 265(b) of the Code;

(3) The reasonably anticipated amount of qualified tax-exempt obligations (including qualified 501(c)(3) obligations and tax-exempt leases but excluding other private activity bonds) which will be issued by the District, and all entities subordinate to the District during 2020 does not exceed \$10,000,000; and

(4) The District will not designate more than \$10,000,000 of qualified tax-exempt obligations during 2020.

Therefore, the Bonds and the BANs qualify for the exception in the Code from the disallowance of 100% of the deduction by financial institutions of interest expense allocable to newly acquired tax-exempt obligations.

Section 17. Amendments with Consent of Bondholders. Subject to the terms and provisions contained in this Section and Section 14)d), 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 issued pursuant to this resolution and 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 District of such resolution or resolutions supplemental hereto as shall be deemed necessary or desirable by the District for the purpose of modifying, altering, amending, adding to or rescinding in any particular any of the terms or provisions contained in this resolution, or in any supplemental resolution; provided, however, that if the Bonds or BANs are sold to the Authority

as part of its IFA Programs, the District shall obtain the prior written consent of the Authority; and provided, further, that nothing herein contained shall permit or be construed as permitting:

- (a) An extension of the maturity of the principal of or interest on any Bond issued pursuant to this resolution; or
- (b) A reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon; or
- (c) A preference or priority of any Bond or Bonds issued pursuant to this resolution over any other Bond or Bonds issued pursuant to the provisions of this resolution; or
- (d) A reduction in the aggregate principal amount of the Bonds required for consent to such supplemental resolution; or
- (e) The extension of mandatory sinking fund redemption dates, if any.

If the owners of not less than sixty-six and two-thirds percent (66 2/3%) in aggregate principal amount of the Bonds outstanding at the time of adoption of such supplemental resolution shall have consented to and approved the adoption thereof by written instrument to be maintained on file in the office of the Secretary of the District, no owner of any Bond issued pursuant to this resolution 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 District 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 District and all owners of Bonds issued pursuant to the provisions of this resolution 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 and obligations of the District and of the owners of the Bonds authorized by this resolution, and the terms and provisions of the Bonds and this resolution, or any supplemental resolution, may be modified or altered in any respect with the consent of the District and the consent of the owners of all the Bonds issued pursuant to this resolution then outstanding.

Section 18. Issuance of BANs. (a) The District, having satisfied all the statutory requirements for the issuance of its Bonds, may elect to issue its BAN or BANs pursuant to a Bond Anticipation Note Purchase Agreement ("Note Purchase Agreement") to be entered into between the District and the purchaser of the BAN or BANs. If the BANs are sold to the Authority as part of its IFA Programs, the IFA Agreement shall serve as the Note Purchase Agreement. The Board of Directors hereby authorizes the issuance and execution of the BAN or BANs in lieu of initially issuing Bonds to provide interim financing for the Project until permanent financing becomes available. It shall not be necessary for the District to repeat the procedures for the issuance of its Bonds, as the procedures followed before the issuance of the BAN or BANs are for all purposes sufficient to authorize the issuance of the Bonds and the use of the proceeds to repay the BAN or BANs.

(b) The Chairman and the Secretary are hereby authorized and directed to execute a Note Purchase Agreement or IFA Agreement (and any amendments made from time to time) in such form or substance as they shall approve acting upon the advice of counsel. The Chairman, the Financial Clerk and the Secretary may also take such other actions or deliver such other certificates as are necessary or desirable in connection with the issuance of the BANs or the Bonds

and the other documents needed for the financing as they deem necessary or desirable in connection therewith.

Section 19. Tax Exemption. Notwithstanding any other provisions of this resolution, the covenants and authorizations contained in this resolution ("Tax Sections") which are designed to preserve the exclusion of interest on the BANs and Bonds from gross income under federal law ("Tax Exemption") need not be complied with if the District receives an opinion of nationally recognized bond counsel that any Tax Sections are unnecessary to preserve the Tax Exemption.

Section 20. Conflicting Resolutions. All resolutions and parts of resolutions in conflict herewith are hereby repealed.

Section 21. Effective Date. This resolution shall be in full force and effect from and after its passage.

Adopted this _____ day of _____, 2020.

LAKE LEMON CONSERVANCY DISTRICT
BOARD OF DIRECTORS

ATTEST:

Secretary

EXHIBIT A

Project Description

Hydraulic dredging of Lake Lemon and disposal of sediment

Disposal site creation utilizing up to two hydraulic sluice settling ponds

Purchase of articulating dump truck

EXHIBIT B

(i) STATE OF INDIANA

WASTEWATER REVOLVING LOAN PROGRAM

FINANCIAL ASSISTANCE AGREEMENT made as of this ____ day of _____ 20__ by and between the Indiana Finance Authority (the "Finance Authority"), a body politic and corporate, not a state agency but an independent instrumentality of the State of Indiana (the "State") and the Lake Lemon Conservancy District (the "Participant"), a political subdivision as defined in I.C. 5-1.2-2-57 and existing under I.C. 14-33, witnesseth:

WHEREAS, the State's Wastewater Revolving Loan Program (the "Wastewater SRF Program") has been established in accordance with the federal Clean Water Act and the regulations promulgated thereunder, and pursuant to I.C. 5-1.2-10 (the "Wastewater SRF Act"), which Wastewater SRF Act also establishes the wastewater revolving loan fund (the "Wastewater SRF Fund"); and

WHEREAS, pursuant to the Wastewater SRF Act, the State was authorized to fund the Wastewater SRF Program with federal capitalization grants, together with required state matching funds therefor, and to operate the Wastewater SRF Program, and prior to May 15, 2005 so funded and operated the Wastewater SRF Program; and

WHEREAS, pursuant to Public Law 235 - 2005, by operation of law and effective May 15, 2005, the Finance Authority has become the successor to the State in all matters related to the Wastewater SRF Program (including use and acceptance of federal capitalization grants and required state matching funds and operation of the Wastewater SRF Program); and

WHEREAS, the Participant is a duly existing political subdivision of the State, lawfully empowered to undertake all transactions and execute all documents mentioned or contemplated herein; and

WHEREAS, the Participant has determined to undertake a wastewater treatment system project (as more fully described herein, the "Project") and to borrow money from the Wastewater SRF Program to construct and acquire the Project; and

WHEREAS, the Finance Authority and the Participant desire to set forth the terms of such financial assistance as hereinafter provided.

NOW THEREFORE, in consideration of the mutual covenants herein set forth, the Finance Authority and the Participant agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. The following terms shall, for all purposes of this Agreement, have the following meaning:

“Agency” shall mean the United States Environmental Protection Agency or its successor.

“Asset Management Program” means programs, plans and documentation (including a Fiscal Sustainability Plan) that demonstrates that the Participant has the financial, managerial, technical, and legal capability to operate and maintain its Treatment Works and which is consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act.

“Authorizing Instrument(s)” shall mean the separate trust indenture(s) of the Participant entered into with a corporate trustee or the detailed resolution(s) or ordinance(s) of the governing body of the Participant pursuant to which the Bonds are issued in accordance with State law.

“Authorized Representative” shall mean the Financial Clerk of the Participant or such other officer, official, or representative of the Participant duly authorized to act for and on behalf of the Participant as provided for herein.

“Bond” or **“Bonds”** shall mean the instrument(s) which evidence(s) the Loan, as authorized by the Authorizing Instrument and containing the terms set forth in Section 2.02 of this Agreement.

“Bond Fund” shall mean the separate and segregated fund or account established and created by the Participant pursuant to the Authorizing Instrument from which payment of the principal of and interest on the Bonds is required to be made by the Participant.

“Business Day” shall mean any day other than a Saturday, Sunday or State legal holiday or any other day on which financial institutions in the State are authorized by law to close and to remain closed.

“Clean Water Act” shall mean the Federal Water Pollution Control Act, 33 U.S.C. Sections 1251-1387, and other laws, regulations and guidance supplemental thereto (including the 2014 Appropriations Act and the Water Resources Reform and Development Act of 2014), as amended and supplemented from time to time.

“Code” shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, together with the regulations related thereto.

“Construction Fund” shall mean the separate and segregated fund or account established and created by the Participant pursuant to the Authorizing Instrument to receive proceeds of the

Bonds and from which Eligible Costs of the Project may be paid by the Participant.

“Credit Instrument” means a letter of credit, surety bond, liquidity facility, insurance policy or comparable instrument furnished by a Credit Provider that is used by the Participant to meet all or a portion of any debt service reserve requirement securing the Bonds or any other bonds payable from the revenues of the Treatment Works, which bonds are on a parity with the Bonds.

“Credit Provider” means a bank, insurance company, financial institution or other entity providing a Credit Instrument.

“Department” shall mean the Indiana Department of Environmental Management created under I.C. 13-13-1-1 or its successor.

“Deposit Agreement” shall mean an agreement between the Participant and the Deposit Agreement Counterparty in such form as from time to time determined by the Finance Authority pursuant to which (a) the Participant’s Bond Fund (including any reserve account established and created by the Participant pursuant to the Authorizing Instrument related thereto) shall be held by such Deposit Agreement Counterparty and available for payment of the Bonds and any other similar obligations of the Participant that are payable from the Bond Fund regardless whether they are on a parity basis, (b) such Deposit Agreement Counterparty serves as the paying agent for the Bonds and any other such similar obligations of the Participant that are payable from the Bond Fund, and (c) the Participant’s Construction Fund may be held by such Deposit Agreement Counterparty upon any Loan disbursement by the Finance Authority to it from time to time.

“Deposit Agreement Counterparty” shall mean the financial institution that enters into a Deposit Agreement with the Participant, which financial institution shall be approved by the Finance Authority and may be replaced by the Finance Authority from time to time.

“Director of Environmental Programs” shall mean the person designated by the Finance Authority as authorized to act as the Director of Environmental Programs (which designation includes such Director’s assumption of the duties previously assigned to the Wastewater SRF Program Representative and the Wastewater SRF Program Director) and where not limited, such person’s designee.

“Disbursement Agent” shall mean the party disbursing the Loan to or for the benefit of the Participant, which shall be the Trustee unless amounts are held in the Construction Fund, in which case the Disbursement Agent shall thereafter be the Deposit Agreement Counterparty as the party disbursing amounts that are held in the Construction Fund unless otherwise agreed by the Finance Authority.

“Disbursement Request” shall mean a request for a disbursement of the Loan made by an Authorized Representative in such form as the Finance Authority may from time to time prescribe.

“Eligible Cost” shall mean and include, whether incurred before or after the date of this Agreement, all costs which have been incurred and qualify for Financial Assistance, including engineering, financing and legal costs related thereto.

“Finance Authority” shall mean the Indiana Finance Authority, a body politic and corporate, not a state agency but an independent instrumentality of the State.

“Finance Authority Bonds” shall mean any Finance Authority State Revolving Fund Program Bonds or other similar obligations of the Finance Authority issued as a part of the Wastewater SRF Program within the meaning of the Wastewater SRF Indenture.

“Financial Assistance” shall mean the financial assistance authorized by the Clean Water Act, including the Loan.

“Fiscal Sustainability Plan” means in connection with a project that provides for the repair, replacement, or expansion of an existing Treatment Works, a plan that is consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act and includes (a) an inventory of critical assets that are a part of the Treatment Works, (b) an evaluation of the condition and performance of inventoried assets or asset groupings; (b) a certification that the Participant has evaluated and will be implementing water and energy conservation efforts as part of the plan; and (d) a plan for maintaining, repairing, and, as necessary, replacing the Treatment Works and a plan for funding such activities.

“Loan” shall mean the purchase of the Bonds by the Finance Authority to finance the planning, designing, constructing, renovating, improving and expanding of the Participant’s Treatment Works or refinance an existing debt obligation where such debt was incurred and building of such systems began after March 7, 1985, but does not mean the provision of other Financial Assistance.

“Loan Reduction Payment” shall mean in any circumstances where there is a balance (inclusive of Loan proceeds and any earnings) in the Construction Fund, any action causing such balance to be applied to a reduction in the maximum aggregate amount of the Loan outstanding other than pursuant to regularly scheduled principal payments or optional redemptions applicable to the Bonds. A Loan Reduction Payment shall not be applicable unless Loan amounts are held in the Construction Fund.

“Non-Use Close-out Date” shall mean that date which is the earlier of (a) the first date as of which the full amount of the Loan has been disbursed on a cumulative basis (which shall also be deemed to have occurred when and if such amounts have been deposited in the Participant’s Construction Fund) or (b) the date as of which the Participant binds itself that no further Loan disbursements will be made under this Agreement.

“Non-Use Fee” shall mean a fee in an amount determined by the Finance Authority

charged to compensate it for costs and expenses within the Wastewater SRF Program. Such amount shall be the greater of (A) the product of the undrawn balance of the Loan on each applicable Non-Use Assessment Date multiplied by one percent (1%) or (B) One Thousand Dollars (\$1,000). Such fee shall apply and be payable under Section 5.09 herein with respect to each Non-Use Assessment Date until the Non-Use Close-out Date shall occur. A Non-Use Fee shall not be applicable if the full amount of the Loan has been disbursed and deposited in the Participant's Construction Fund by the Non-Use Assessment Date.

"Non-Use Assessment Date" shall mean [_____] 1, 2022 and the first day of each sixth (6th) calendar month thereafter unless and until the Non-Use Close-out Date occurs in advance of any such Non-Use Assessment Date.

"Operation and Maintenance" shall mean the activities required to assure the continuing dependable and economic function of the Treatment Works, including maintaining compliance with National Pollutant Discharge Elimination System permits, as follows:

(1) Operation shall mean the control and management of the united processes and equipment which make up the Treatment Works, including financial and personnel management, records, reporting, laboratory control, process control, safety and emergency operation planning and operating activities.

(2) Maintenance shall mean the preservation of the functional integrity and efficiency of equipment and structures by implementing and maintaining systems of preventive and corrective maintenance, including replacements.

"Plans and Specifications" shall mean the detailed written descriptions of the work to be done in undertaking and completing the Project, including the written descriptions of the work to be performed and the drawings, cross-sections, profiles and the like which show the location, dimensions and details of the work to be performed.

"Preliminary Engineering Report" shall mean the information submitted by the Participant that is necessary for the Finance Authority to determine the technical, economic and environmental adequacy of the proposed Project.

"Project" shall mean the activities or tasks identified and described in Exhibit A to this Agreement, and incorporated herein, as amended or supplemented by the Participant and consented to by the Finance Authority, for which the Participant may expend the Loan.

"Purchase Account" shall mean the account by that name created by the Wastewater SRF Indenture and held as part of the Wastewater SRF Fund.

"SRF Policy Guidelines" shall mean guidance of general applicability (as from time to time published, amended and supplemented by the Finance Authority) pertaining to participants utilizing financial assistance in connection with their projects funded in whole or in part through

the Wastewater SRF Program.

“State” shall mean the State of Indiana.

“Substantial Completion of Construction” shall mean the day on which the Finance Authority (or if designated by the Finance Authority, the Department) determines that all but minor components of the Project have been built, all equipment is operational and the Project is capable of functioning as designed.

“System Development Charges” shall mean the proceeds and balances from any non-recurring charges such as tap fees, subsequent connector fees, capacity or contribution fees, and other similar one-time charges applicable to the Treatment Works that are available for deposit under the Authorizing Instrument.

“Treatment Works” shall mean any devices and systems used in the storage, treatment, recycling, and reclamation of municipal sewage or industrial wastes of a liquid nature to implement section 201 of the Clean Water Act, or necessary to recycle or reuse water at the most economical cost over the estimated life of the works, including intercepting sewers, outfall sewers, sewage collection systems, pumping, power, and other equipment, and their appurtenances; extensions, improvements, remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and acquisition of the land that will be an integral part of the treatment process (including land use for the storage of treated wastewater in land treatment systems prior to land application) or will be used for ultimate disposal of residues resulting from such treatment and acquisition of other land, and interests in land, that are necessary for construction.

“Trustee” shall mean The Bank of New York Mellon Trust Company, N.A., Indianapolis, Indiana, in its capacity as trustee or its successor under the Wastewater SRF Indenture.

“2014 Appropriations Act” shall mean the Consolidated Appropriations Act, 2014 (also known as H.R. 3457), and other laws, regulations and guidance supplemental thereto (including the Clean Water Act), as amended and supplemented from time to time.

“Wastewater SRF Fund” shall mean the wastewater revolving loan fund as established by I.C. 5-1.2-10-2.

“Wastewater SRF Indenture” shall mean the Seventh Amended and Restated Wastewater SRF Trust Indenture, dated as of September 1, 2019 between the Finance Authority (as successor by operation of law to the State in all matters related to the Wastewater SRF Program) and the Trustee, as amended and supplemented from time to time.

(End of Article I)

ARTICLE II

PURPOSE OF BORROWING AND LOAN TERMS

Section 2.01. Amount; Purpose. The Finance Authority agrees to Loan an amount not to exceed [] Dollars (\$[]) in aggregate principal amount to the Participant as Financial Assistance to pay for the Eligible Costs, as hereinafter described, of the Project on, and subject to, the terms and conditions contained herein. The Loan shall be used only to pay the following Eligible Costs: (a) eligible planning services for the production of a Preliminary Engineering Report ("Planning"), (b) eligible design services for the production of Plans and Specifications ("Design") and (c) eligible construction costs, including financing and legal costs ("Construction"). The Loan shall be funded solely from available proceeds of the Finance Authority Bonds contained in the Purchase Account or from other sources that the Finance Authority may, in its sole discretion, designate. The Loan is evidenced by the Bonds executed and delivered by the Participant contemporaneously herewith. The Bonds shall be in fully registered form, with the Finance Authority registered as the registered owner. So long as the Finance Authority is the registered owner, the principal of and redemption premium, if any, and interest on the Bonds shall be paid to the Trustee by a wire transfer referenced as follows: The Bank of New York, ABA 021 000 018, For Credit to 610026840C, Account Name: Lake Lemon Conservancy District, Attn: Derick Rush. The Participant agrees to undertake and complete the Project and to receive and expend the Loan proceeds in accordance with this Agreement.

Section 2.02. The Bonds.

(a) Until paid, the Bonds will bear interest at the per annum rate of [] percent ([]%). Such interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months, and be as provided in I.C. 5-1.2-10-15 and -20. Interest, if any, on the Bonds will be payable on January 1 and July 1 of each year, commencing [] 1, 20[]. The Bonds will be in the aggregate principal amount of [] Dollars (\$[]). Subject to Section 2.05 and 2.06 herein, the Bonds will mature on January 1 and July 1 of each of the years set forth in, and at the principal amount set opposite each such month and year set forth in the schedule contained in the attached Exhibit B to this Agreement (which is hereby incorporated by reference); provided, however, notwithstanding the foregoing or the terms of the Bonds to the contrary, no maturity of Bonds shall extend beyond the date which is thirty-five (35) years after the date of this Agreement. If the maturity date for any Bonds is beyond such date, unless otherwise agreed to, such Bonds, together with accrued and unpaid interest thereon, will be due and payable on such date.

(b) The Bonds will be subject to redemption by the Participant as provided in the Authorizing Instrument; provided however that in no event shall the Participant exercise any provision contained in the Authorizing Instrument or the Bonds permitting a redemption of the Bonds at the option of the Participant unless and until such has been consented by the Authority.

The Loan, and the Bonds evidencing it, will be subject to payment by the Participant as provided in this Agreement.

(c) The form and other terms of the Bonds will be in conformity with the Authorizing Instrument.

(d) The additional terms contained in the attached Exhibit D are applicable to this Loan (as and to the extent set forth in Exhibit D) to the same effect as if such were set forth in this section.

Section 2.03. Disbursement Conditions. Each of the following shall be a condition precedent to the disbursement of the Loan or any portion thereof (including from the Construction Fund):

(a) (1) With respect to procurement of professional services related to the Project to be paid from Loan proceeds, the Participant shall have complied with applicable State law and SRF Policy Guidelines. Additionally costs related Planning and Design shall only be Eligible Costs upon compliance with paragraph A of the attached Exhibit D. (2) With respect to procurement of all other goods and services related to the Project to be paid from Loan proceeds, the Participant shall have complied with I.C. 36-1-12 and SRF Policy Guidelines.

(b) No representation, warranty or covenant of the Participant contained in this Agreement or in any paper executed and delivered in connection with the transactions contemplated by this Agreement shall be false or inaccurate in any material respect.

(c) The Participant shall undertake and faithfully perform each of its obligations, agreements and covenants contained in this Agreement, the Authorizing Instrument and the Bonds.

(d) There shall be available to the Finance Authority uncommitted funds in an amount sufficient to satisfy the Finance Authority's obligations hereunder from the proceeds of Finance Authority Bonds in the Purchase Account or from other sources that the Finance Authority may, in its sole discretion, designate; provided however, once Loan proceeds have been deposited in the Construction Fund, such condition shall be deemed satisfied.

(e) The Participant shall have undertaken all actions necessary to comply with and satisfy the conditions and requirements for a Loan secured with money made available from the Wastewater SRF Fund as set forth in federal and State statutes, rules and regulations, including I.C. 5-1.2-10, SRF Policy Guidelines, the Clean Water Act and 40 C.F.R. Part 35.

(f) Prior to making any Loan disbursement to pay any Construction costs, the

Project shall have been approved by the State's Historical Preservation Officer in a manner consistent with the policies and practices of the Wastewater SRF Program (the "Historical Preservation Approval"). Notwithstanding any provision of this Agreement to the contrary, in the event a Historical Preservation Approval has not been given within four (4) months after the date of this Agreement, the Finance Authority may, in its sole discretion, (i) reduce the aggregate amount of the Loan to the amount then disbursed and outstanding under this Agreement and (ii) if any amounts are held in the Construction Fund, require a Loan Reduction Payment pursuant to Section 2.06 herein as if it were a date that was three (3) years after the dated date of the Bonds. Upon giving notice to the Participant of such action, no further Loan disbursement (including from the Construction Fund) may be made under this Agreement unless consented to by the Finance Authority.

(g) In the event the Bonds are payable from rates and charges of the Treatment Works and if requested by the Finance Authority, the Participant shall provide evidence satisfactory to the Finance Authority demonstrating that such rates and charges are at a level adequate to produce and maintain sufficient net revenue after providing for the proper Operation and Maintenance of the Treatment Works, on a proforma basis consistent with SRF Policy Guidelines, to provide 1.25x coverage on all obligations of the Treatment Works (including the Bonds).

Section 2.04. Disbursement Procedures. Loan proceeds (including any held from time to time in the Construction Fund) shall be disbursed to the Participant by the Disbursement Agent for actual Eligible Costs incurred with respect to the Project. The Finance Authority may, in its discretion, cause Loan disbursements to be made (a) directly to the person or entity identified in the Disbursement Request to whom payment is due, or (b) if advised in writing by the Participant that I.C. 36-1-12-14 or a similar law applies to the Project, to the Participant for purposes of collecting retainage, or some combination thereof. Any Loan proceeds in excess of the amount subject to retainage controlled by the Participant will be immediately remitted to the person or entity to whom payment is due, no later than three (3) Business Days after receipt or the date such Loan proceeds are no longer subject to retainage. The Finance Authority may, in its discretion, cause Loan disbursements to be made from time to time, in whole or in part, to the Participant's Construction Fund for disbursement consistent with this Agreement. Loan disbursements shall not be made more frequently than monthly and shall only be made following the submission of a Disbursement Request to the Finance Authority. Disbursement Requests shall be approved by the Director of Environmental Programs prior to submission to the Disbursement Agent for a Loan disbursement. Disbursement Requests shall be numbered sequentially, beginning with the number 1.

Section 2.05. Effect of Disbursements. Loan disbursements made to or for the benefit of the Participant shall be deemed to be a purchase of the Bonds in such amounts and with such maturities as achieves as level debt service as practicable, and with no maturity longer than the original maturity schedule; provided that any principal payments originally scheduled under Section 2.02 herein as being due prior to one year after Substantial Completion of Construction shall first be deemed to be a purchase of the Bonds in order of maturity. The deposit of Loan

proceeds in the Construction Fund shall be deemed to be a purchase of the Bonds. Interest on the Loan commences on disbursement of the Loan to or for the benefit of the Participant (including any amounts disbursed to the Construction Fund) by the Finance Authority and the Bonds shall be deemed to be purchased in the full amount thereof. Each disbursement (including any amounts disbursed from the Construction Fund) shall be made pursuant to a Disbursement Request. In the event any Loan disbursement (including any amounts disbursed from the Construction Fund) shall be made in excess of Eligible Costs, such excess disbursements shall be immediately paid by the Participant to the Disbursement Agent (and if made from any amounts held in the Construction Fund, shall be immediately deposited by the Participant into such Construction Fund) and thereafter may, subject to the terms and conditions set forth in this Agreement, be applied thereafter to pay Eligible Costs of the Project by the Participant.

Section 2.06. Acknowledgment of Amount of Loan; Final Disbursement. (a) Within 30 days after any request by the Finance Authority from time to time, the Participant shall execute and deliver to the Finance Authority an acknowledgment in the form prescribed by the Finance Authority which acknowledges the outstanding principal of and interest on the Bonds. Unless the Finance Authority consents in writing, no Loan disbursement shall be made more than one year after Substantial Completion of Construction. After Substantial Completion of Construction, upon the request of the Finance Authority, the Participant shall replace, at its expense, the Bonds with substitutes issued pursuant to the Authorizing Instrument to evidence the outstanding principal under the Loan.

(b) In the event there remains a balance (inclusive of Loan proceeds and any earnings) in the Construction Fund on the date that is the earlier of (i) one year after Substantial Completion of Construction or (ii) three (3) years after the dated date of the Bonds (or in either such circumstance, such later date as the Finance Authority may approve in its discretion), the Participant agrees to make a Loan Reduction Payment, to the Finance Authority within 10 days after any Finance Authority written demand. Any Loan Reduction Payment shall be applied to pay principal in such amounts and with such maturities as achieves as level debt service as practicable consistent with methodology prescribed in the Authorizing Instrument and as originally applied to the Bonds, and with no maturity longer than the original maturity schedule; provided that any principal payments originally scheduled under Section 2.02 herein as being due prior to the Loan Reduction Payment shall be unaffected by such payment. If the Authorizing Instrument permits the Participant to apply Bond proceeds to pay interest accruing on or before Substantial Completion of Construction, the Participant may seek to reimburse itself for such interest costs it has paid pursuant to a Disbursement Request provided. If the Participant fails to make such Loan Reduction Payment by such date, the Finance Authority and Deposit Agreement Counterparty are authorized to cause any balance held in the Construction Fund to be so applied without further direction and authorization from the Participant. Notwithstanding the foregoing, if requested by the Finance Authority, in lieu of the Participant making a Loan Reduction Payment, the Finance Authority may in its discretion require the Participant to hold any remaining balance (inclusive of Loan proceeds and any earnings) in the Construction Fund until such amounts may be applied on the first optional redemption date applicable to the Bonds, and upon any such request, the Participant agrees to cause such amounts to be so held and applied

on such date.

(End of Article II)

ARTICLE III

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PARTICIPANT

Section 3.01. Planning, Design and Construction Covenants. The Participant hereby covenants and agrees with the Finance Authority that the Participant will:

(a) Provide information as requested by the Finance Authority to determine the need for, or to complete any necessary, environmental review or analysis.

(b) Comply with the procurement procedures and affirmative action requirements contained in SRF Policy Guidelines in the Planning, Design and Construction of the Project to the extent that such are to be paid from Loan proceeds.

(c) With respect to prime and first tier contract awards, report minority and women business enterprise utilization in the Planning, Design and Construction of the Project, to the extent that such are to be paid from Loan proceeds, by executing and delivering Agency Form SF 5700-52 to the Finance Authority whenever any agreements or subagreements are awarded. (These reports must be submitted on regular reporting cycles consistent with SRF Policy Guidelines commencing after such agreement or subagreement is awarded.)

(d) Comply with all applicable federal, State and local statutes, rules and regulations relating to the acquisition and construction of the Treatment Works.

(e) In the event Construction is to be paid from Loan proceeds, prior to an award of any contract for Construction of the Project, obtain a construction permit from the Department and receive the written approval of the Finance Authority of the Preliminary Engineering Report.

(f) Obtain the property rights necessary to construct the Treatment Works and, in procuring any such rights comply with federal and State law.

(g) In the event Construction is to be paid from Loan proceeds, comply with the federal Davis-Bacon Act, codified at 40 U.S.C. 276a-276a-5 unless separately waived by the Finance Authority.

(h) In the event Construction is to be paid from Loan proceeds, execute and deliver to the Finance Authority Agency Form 4700-4 ("Pre-award Compliance Review Report for Wastewater Treatment Construction Grants") and such other forms as may be required by the Clean Water Act or SRF Policy Guidelines.

(i) In the event Construction is to be paid from Loan proceeds, follow guidance

issued by the Finance Authority in procuring contracts for Construction, including (1) submission to the Finance Authority of Project change orders, (2) obtaining approval from the Director of Environmental Programs of any Project change order which significantly changes the scope or Design of the Project or, when taking into account other change orders and contracts, are reasonably expected to result in expenditures in an amount greater than the Loan, (3) receiving approval from the Director of Environmental Programs prior to the award of any contract for Construction and (4) receiving authorization from the Director of Environmental Programs prior to initiating procurement of Construction of the Project.

(j) In the event Construction is to be paid from Loan proceeds, before awarding Construction contracts, receive approval of the Director of Environmental Programs for the user charge system (including any use ordinance and interlocal agreement) associated with the Project.

(k) In the event Construction is to be paid from Loan proceeds, cause the Project to be constructed in accordance with the Preliminary Engineering Report and Plans and Specifications, using approved contract papers.

(l) Permit the Finance Authority and its agents to inspect from time to time (1) the Project, (2) the Treatment Works and (3) the books and other financial records of the Treatment Works, including the inspections described in SRF Policy Guidelines. Construction contracts shall provide that the Finance Authority or its agents will have access to the Project and the work related thereto and that the Participant's contractor will provide proper facilities for such access and inspection. All files and records pertaining to the Project shall be retained by the Participant for at least six years after Substantial Completion of Construction.

(m) Upon Substantial Completion of Construction and when requested by the Finance Authority, provide audited reports to the Finance Authority to permit the Finance Authority to determine that the Loan proceeds have been used in compliance with this Agreement.

(n) In the event Construction is to be paid from Loan proceeds, within one year of Substantial Completion of Construction, consistent with SRF Policy Guidelines, certify to the Finance Authority that the Project meets performance standards, or if not met, (1) submit to the Finance Authority (or if directed by the Finance Authority, to the Department) a corrective action plan and (2) promptly and diligently undertake any corrective action necessary to bring the Project into compliance with such standards.

(o) In the event Construction is to be paid from Loan proceeds, within one year of Substantial Completion of Construction, provide as-built plans for the Project to the Finance Authority (or if directed by the Finance Authority, to the Department).

Section 3.02. General Covenants. The Participant hereby covenants and agrees with the Finance Authority that the Participant will:

(a) Comply with all applicable federal, State and local statutes, rules and regulations relating to Operation and Maintenance.

(b) (1) Own, operate and maintain the Project and the Treatment Works for their useful life, or cause them to be operated and maintained for their useful life; (2) at all times maintain the Treatment Works in good condition and operate it in an efficient manner and at a reasonable cost; and (3) not sell, transfer, lease or otherwise encumber the Treatment Works or any portion thereof or any interest therein without the prior written consent of the Finance Authority.

(c) Obtain and maintain the property rights necessary to operate and maintain the Treatment Works, and in procuring any such rights, comply with federal and State law.

(d) Acquire and maintain insurance coverage acceptable to the Finance Authority, including fidelity bonds, to protect the Treatment Works and its operations. All insurance shall be placed with responsible insurance companies qualified to do business under State law. Insurance proceeds and condemnation awards shall be used to replace or repair the Treatment Works unless the Finance Authority consents to a different use of such proceeds or awards.

(e) Establish and maintain the books and other financial records of the Project (including the establishment of a separate account or subaccount for the Project) in accordance with (1) generally accepted governmental accounting principles, as promulgated by the Government Accounting Standards Board (including GASB No. 34 standards relating to the reporting of infrastructure) and (2) the rules, regulations and guidance of the State Board of Accounts.

(f) Provide to the Finance Authority such periodic financial and environmental reports as it may request from time to time, including (1) annual operating and capital budgets and (2) such other information requested or required of the Finance Authority or the Participant by the Agency.

(g) Provide to the Finance Authority audited financial statements of the Participant inclusive of the activities of the Treatment Works, commencing with financial statements for a calendar year period that ends not more than two (2) years after the date of this Agreement (and for each calendar year period that ends every two (2) years

thereafter until the Loan has been repaid), which audit (i) shall have been performed by the Indiana State Board of Accounts or by an independent public accountant and (ii) shall be submitted to the Finance Authority no later than nine (9) months following the end of the calendar year period to which such audit pertains.

(h) Develop, certify, implement and maintain an Asset Management Program (including a Fiscal Sustainability Plan) of the Participant that meets SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act. The Participant acknowledges that its agreement to develop, certify, implement and maintain an Asset Management Program (including a Fiscal Sustainability Plan) as provided in this subsection was a condition of the Loan. Unless the Participant's Asset Management Program (including a Fiscal Sustainability Plan) was certified prior to the date of this Agreement, the Participant agrees to submit a certification (on and in a form as provided by the Finance Authority) related to the Participant's Asset Management Program (including a Fiscal Sustainability Plan) prior to submitting its request for a final Loan disbursement related to the Project. Over the term of the Loan, the Participant further agrees to continue to update, implement and maintain the Participant's Asset Management Program (including a Fiscal Sustainability Plan) to assure it has the financial, managerial, technical, and legal capability to operate and maintain its Treatment Works consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act.

(i) Provide notice to the Finance Authority under the circumstances contemplated, and undertake inspections as required, by SRF Policy Guidelines.

(j) (1) Establish and maintain just and equitable rates and charges for the use of and the service rendered by the Treatment Works, to be paid by the owner of each and every lot, parcel of real estate or building that is connected with and uses the Treatment Works, or that in any way uses or is served by the Treatment Works, (2) establish, adjust and maintain rates and charges at a level adequate to produce and maintain sufficient revenue (when determined including user and other charges, fees, income or revenues available to the Participant, provided that to the extent permitted by law System Development Charges shall be excluded when determining if such are sufficient) to provide for the proper Operation and Maintenance of the Treatment Works, to comply with and satisfy all covenants contained herein and to pay all obligations of the Treatment Works and of the Participant with respect thereto, and (3) if and to the extent Bonds are payable from property taxes, levy each year a special ad valorem tax upon all property located in the boundaries of the Participant, to pay all obligations of the Participant with respect thereto.

(k) If the Bonds are payable from the revenues of the Treatment Works, not borrow any money, enter into any contract or agreement or incur any other liabilities in connection with the Treatment Works without the prior written consent of the Finance Authority if such undertaking would involve, commit or use the revenues of the

Treatment Works; provided that the Participant may authorize and issue additional obligations, payable out of the revenues of its Treatment Works, ranking on a parity with the Bonds for the purpose of financing the cost of future additions, extensions and improvements to the Treatment Works, or to refund obligations of the Treatment Works, subject to the conditions, if any, in the Authorizing Instrument.

(l) Comply with the Civil Rights Act of 1964, as amended, 42 U.S.C. Section 2000d et seq., the Age Discrimination Act, as amended, Public Law 94-135, Section 504 of the Rehabilitation Act of 1973, as amended (including Executive Orders 11914 and 11250), 29 U.S.C. Section 794, Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Public Law 92-500, Executive Order 11246 regarding equal employment opportunity, and Executive Orders 11625 and 12138.

(m) Undertake all actions necessary to investigate all potential, material claims which the Participant may have against other persons with respect to the Treatment Works and the Project and take whatever action is necessary or appropriate to (1) recover on any actionable, material claims related to the Project or the Planning, Design or Construction thereof, (2) meet applicable Project performance standards and (3) otherwise operate the Treatment Works in accordance with applicable federal, State and local law.

(n) Not modify, alter, amend, add to or rescind any provision of the Authorizing Instrument without the prior written consent of the Finance Authority.

(o) In the event the Participant adopts an ordinance or resolution to refund the Bonds, within 5 days of the adoption of the ordinance or resolution, provide written notice to the Finance Authority of the refunding. Any refunding of the Bonds shall only be undertaken by the Participant with the prior written consent of the Finance Authority.

(p) In any year in which total expenditures of Federal financial assistance received from all sources exceeds \$750,000 the Participant shall comply with the Federal Single Audit Act (SAA) of 1984, as amended by the Federal Single Audit Act Amendments of 1996 (see 2 CFR 200 Subpart F) and have an audit of their use of Federal financial assistance. The Participant agrees to provide the Finance Authority with a copy of the SAA audit within 9 months of the audit period.

(q) Inform the Finance Authority of any findings and recommendations pertaining to the SRF program contained in an audit of 2 CFR 200 Subpart F (a/k/a "Super Circular") matters in which SRF Federal financial assistance was less than \$750,000.

(r) Initiate within 6 months of the audit period corrective actions for those audit reports with findings and recommendations that impact the SRF financial assistance.

(s) Notwithstanding anything in the Authorizing Instrument related to the Bonds (or in any authorizing instrument related to any other outstanding bonds payable from the revenues of the Treatment Works which are on a parity with the Bonds) to the contrary, in the event any Credit Provider that has provided a Credit Instrument fails to be rated on a long term basis at least "A-/A3" by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, and Moody's Investors Service, Inc., and their successors (such Credit Instrument, a "Disqualified Instrument"), within 12 months of such failure (or pursuant to such other schedule as may be approved by the Finance Authority), the Participant shall cause cash (or a replacement Credit Instrument from a Credit Provider that is rated on a long term basis at least "AA-/Aa3" by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, and Moody's Investors Service, Inc., and their successors)(or some combination thereof) in an aggregate amount equal to the stated credit available under the Disqualified Instrument(s) to be deposited in the related reserve account(s) in lieu of such Disqualified Instrument(s). No Disqualified Instrument shall be included as part of the reserve balance which satisfies any such reserve requirement under any such authorizing instrument. Nothing in this subsection shall waive or modify additional requirements contained in any such authorizing instrument (including the Authorizing Instrument related to the Bonds); the provisions of this subsection and any such authorizing instrument (including the Authorizing Instrument related to the Bonds) shall both be required to be met. Unless and until notice shall be given by the Finance Authority to the Participant, a surety policy issued by MBIA Insurance Corporation or Financial Guaranty Insurance Company that has been reinsured by National Public Finance Guarantee Corporation (formerly known as MBIA Insurance Corp. of Illinois) shall not be treated as a Disqualified Instrument.

(t) (i) comply with Title 40 CFR Part 34 (New Restrictions on Lobbying) and the Byrd Anti-Lobbying Amendment ("Lobbying Restrictions"); (ii) provide certifications and disclosures related to Lobbying Restrictions in a form and manner as may from time to time be required by SRF Policy Guidelines or the Clean Water Act including without limitation the Lobbying Restrictions; and (iii) pay any applicable civil penalty required by the Lobbying Restrictions as may be applicable to making a prohibited expenditure under Title 40 CFR Part 34, or failure to file any required certification or lobbying disclosures. The Participant understands and acknowledges that pursuant to such Lobbying Restrictions, the making of any such prohibited expenditure, or any such failure to file or disclose, is subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.

(u) Comply with all federal requirements applicable to the Loan (including those imposed by the 2014 Appropriations Act and related SRF Policy Guidelines) which the Participant understands includes, among other, requirements that all of the iron and steel products used in the Project are to be produced in the United States ("American Iron and Steel Requirement") unless (i) the Participant has requested and obtained a waiver from the Agency pertaining to the Project or (ii) the Finance Authority has otherwise advised the Participant in writing that the American Iron and Steel Requirement is not applicable to the Project.

(v) Comply with all record keeping and reporting requirements under the Clean Water Act, including any reports required by a Federal agency or the Finance Authority such as performance indicators of program deliverables, information on costs and project progress. The Participant understands that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities and (ii) failure to comply with the Clean Water Act and this Agreement may be a default hereunder that results in a repayment of the Loan in advance of the maturity of the Bonds and/or other remedial actions.

(w) Whenever from time to time requested by the Finance Authority, submit evidence satisfactory to the Finance Authority demonstrating that the Participant's rates and charges are at a level adequate to produce and maintain sufficient net revenue after providing for the proper Operation and Maintenance of the Treatment Works, on a proforma basis consistent with SRF Policy Guidelines, to provide 1.25x coverage on all obligations of the Treatment Works (including the Bonds) and, in the event the Participant's rates and charges are insufficient to demonstrate such coverage, then to the extent permitted by law annually enact an increase in its rates and charges reasonably designed to be consistent with SRF Policy Guidelines regarding such coverage.

(x) Notwithstanding any provision of the Authorization Instrument to the contrary, not make any payment in lieu of property taxes from any account of the Treatment Works (i) if the Finance Authority provides notice to the Participant that the Finance Authority has determined in its reasonable discretion that such a transfer adversely affects the Finance Authority and (ii) more frequently than semiannually if the Authority provides notice to the Participant so requiring such a limitation on frequency.

(y) Comply with all requirements of this Agreement applicable to the Loan (including those imposed by the attached Exhibit D).

Section 3.03. Representations and Warranties of the Participant. After due investigation and inquiry, the Participant hereby represents and warrants to the Finance Authority that:

(a) The Participant is duly organized and existing under State law, and constitutes a "political subdivision" within the meaning of I.C. 5-1.2-2-57) and a "participant" within the meaning of I.C. 5-1.2-2-54. The Project and the Treatment Works are subject to I.C. 14-33.

(b) The Participant has full power and authority to adopt the Authorizing Instrument, enter into this Agreement and issue the Bonds and perform its obligations hereunder and thereunder.

(c) By all required action, the Participant has duly adopted the Authorizing

Instrument and authorized the execution and delivery of this Agreement, the Bonds and all other papers delivered in connection herewith.

(d) Neither the execution of, nor the consummation of the transaction contemplated by, this Agreement nor the compliance with the terms and conditions of any other paper referred to herein, shall conflict with, result in a breach of or constitute a default under, any indenture, mortgage, lease, agreement or instrument to which the Participant is a party or by which the Participant or its property, including the Treatment Works, is bound or any law, regulation, order, writ, injunction or decree of any court or governmental agency or instrumentality having jurisdiction.

(e) There is no litigation pending or, to the knowledge of the Participant, upon investigation, threatened that (1) challenges or questions the validity or binding effect of this Agreement, the Authorizing Instrument or the Bonds or the authority or ability of the Participant to execute and deliver this Agreement or the Bonds and perform its obligations hereunder or thereunder or (2) would, if adversely determined, have a significant adverse effect on the ability of the Participant to meet its obligations under this Agreement, the Authorizing Instrument or the Bonds.

(f) The Participant has not at any time failed to pay when due interest or principal on, and it is not now in default under, any warrant or other evidence of obligation or indebtedness of the Participant.

(g) All information furnished by the Participant to the Finance Authority or any of the persons representing the Finance Authority in connection with the Loan or the Project is accurate and complete in all material respects including compliance with the obligations, requirements and undertakings imposed upon the Participant pursuant to this Agreement.

(h) The Participant has taken or will take all proceedings required by law to enable it to issue and sell the Bonds as contemplated by this Agreement.

(i) For any outstanding bonds payable from the revenues of the Treatment Works which are on a parity with the Bonds, each Credit Provider, if any, that has provided a Credit Instrument is at least rated on a long term basis "A-/A3" long term by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies and Moody's Investors Service, Inc., and their successors, except as represented and set forth in Exhibit C attached thereto (and with respect to which true, accurate and complete copies of each such Credit Instrument have been delivered to the Finance Authority).

Each of the foregoing representations and warranties will be deemed to have been made by the Participant as of the date of this Agreement and as of the date of any disbursement of Loan proceeds (including from the Construction Fund). Each of the foregoing representations and warranties shall survive the Loan disbursements regardless of any investigation or

investigations the Finance Authority may have undertaken.

Section 3.04. Covenants Regarding Assignment. The Participant acknowledges that the Finance Authority may pledge, sell or assign the Bonds or cause the Bonds to be pledged, sold or assigned, and certain of its rights related thereto, as permitted pursuant to Section 5.02 herein. The Participant covenants and agrees to cooperate with and assist in, at its expense, any such assignment. Within 30 days following a request by the Finance Authority, the Participant covenants and agrees with the Finance Authority that the Participant will, at its expense, furnish any information, financial or otherwise, with respect to the Participant, this Agreement, the Authorizing Instrument and the Bonds and the Treatment Works as the Finance Authority reasonably requests in writing to facilitate the sale or assignment of the Bonds.

Section 3.05. Nature of Information. All information furnished by the Participant to the Finance Authority or any person representing the Finance Authority in connection with the Loan or the Project may be furnished to any other person the Finance Authority, in its judgment, deems necessary or desirable in its operation and administration of the Wastewater SRF Program.

Section 3.06. Tax Covenants. The Participant hereby covenants that it will not take, or cause or permit to be taken by it or by any party under its control, or fail to take or cause to permit to be taken by it or by any party under its control, any action 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. The Participant further covenants that it will not do any act or thing that would cause the Bonds to be “private activity bonds” within the meaning of Section 141 of the Code or “arbitrage bonds” within the meaning of Section 148 of the Code. In furtherance and not in limitation of the foregoing, the Participant shall take all action necessary and appropriate to comply with the arbitrage rebate requirements under Section 148 of the Code to the extent applicable to the Participant or the Bonds, including accounting for and making provision for the payment of any and all amounts that may be required to be paid to the United States of America from time to time pursuant to Section 148 of the Code.

Section 3.07. Non-Discrimination Covenant. Pursuant to and with the force and effect set forth in I.C. 22-9-1-10, the Participant hereby covenants that the Participant, and its contractor and subcontractor for the Project, shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to the hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, sex, disability, national origin or ancestry.

(End of Article III)

ARTICLE IV

DEFAULTS

Section 4.01. Remedies. The Finance Authority's obligation to make a disbursement under the Loan to the Participant hereunder may be terminated at the option of the Finance Authority, without giving any prior notice to the Participant, in the event: (a) the Participant fails to undertake or perform in a timely manner any of its agreements, covenants, terms or conditions set forth herein or in any paper entered into or delivered in connection herewith (including the Authorizing Instrument); or (b) any representation or warranty made by the Participant as set forth herein or in any paper entered into or delivered in connection herewith is materially false or misleading. Any such event shall constitute an event of default and in addition to any other remedies at law or in equity, the Finance Authority may (x) require a Loan Reduction Payment pursuant to Section 2.06 herein as if it were a date that was three (3) years after the dated date of the Bonds, (y) in the event a Deposit Agreement has not previously been entered into related to the Participant's Bond Fund (including any related reserve), require the Participant to enter into a Deposit Agreement (or to modify any such previously entered Deposit Agreement) and the Participant shall enter into (or modify) such an agreement within 5 days after any such demand and (z) without giving any prior notice, declare the entire outstanding principal amount of the Loan, together with accrued interest thereon, immediately due and payable.

Section 4.02. Effect of Default. Failure on the part of the Finance Authority in any instance or under any circumstance to observe or perform fully any obligation assumed by or imposed upon the Finance Authority by this Agreement or by law shall not make the Finance Authority liable in damages to the Participant or relieve the Participant from paying any Bond or fully performing any other obligation required of it under this Agreement or the Authorizing Instrument; provided, however, that the Participant may have and pursue any and all other remedies provided by law for compelling performance by the Finance Authority of such obligation assumed by or imposed upon the Finance Authority. The obligations of the Finance Authority hereunder do not create a debt or a liability of the Finance Authority or the State under the constitution of the State or a pledge of the faith or credit of the Finance Authority or the State and do not directly, indirectly or contingently, obligate the Finance Authority or the State to levy any form of taxation for the payment thereof or to make any appropriation for their payment. Neither the Finance Authority or the State, nor any agent, attorney, member or employee of the Finance Authority or the State shall in any event be liable for damages, if any, for the nonperformance of any obligation or agreement of any kind whatsoever set forth in this Agreement.

(End of Article IV)

ARTICLE V

MISCELLANEOUS

Section 5.01. Citations. Any reference to a part, provision, section or other reference description of a federal or State statute, rule or regulation contained herein shall include any amendments, replacements or supplements to such statutes, rules or regulation as may be made effective from time to time. Any reference to a Loan disbursement shall include any disbursement from the Construction Fund. Any use of the term “including” herein shall not be a limitation as to any provision herein contained but shall mean and include, without limitation, the specific matters so referenced.

Section 5.02. Assignment. Neither this Agreement, nor the Loan or the proceeds thereof may be assigned by the Participant without the prior written consent of the Finance Authority and any attempt at such an assignment without such consent shall be void. The Finance Authority may at its option sell or assign all or a portion of its rights and obligations under this Agreement, the Authorizing Instrument, and the Bonds to an agency of the State or to a separate body corporate and politic of the State or to a trustee under trust instrument to which the Finance Authority, the State or any assignee is a beneficiary or party. The Finance Authority may at its option pledge or assign all or a portion of its rights under this Agreement, the Authorizing Instrument, and the Bonds to any person. The Participant hereby consents to any such pledge or assignment by the Finance Authority. This Agreement shall be binding upon and inure to the benefit of any permitted secured party, successor and assign.

Section 5.03. No Waiver. Neither the failure of the Finance Authority nor the delay of the Finance Authority to exercise any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other further exercise of any other right, power or privilege.

Section 5.04. Modifications. No change or modification of this Agreement shall be valid unless the same is in writing and signed by the parties hereto.

Section 5.05. Entire Agreement. This Agreement contains the entire agreement between the parties hereto and there are no promises, agreements, conditions, undertakings, warranties and representations, either written or oral, expressed or implied between the parties hereto other than as herein set forth or as may be made in the Authorizing Instrument and the other papers delivered in connection herewith. In the event there is a conflict between the terms of this Agreement and the Authorizing Instrument, the terms of this Agreement shall control. It is expressly understood and agreed that except as otherwise provided herein this Agreement represents an integration of any and all prior and contemporaneous promises, agreements, conditions, undertakings, warranties and representations between the parties hereto.

Section 5.06. Execution of Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be executed by the Finance Authority and the

Participant, and all of which shall be regarded for all purposes as one original and shall constitute one and the same instrument.

Section 5.07. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Agreement on the part of the Finance Authority or the Participant to be performed shall be deemed by a court of competent jurisdiction to be contrary to law or cause the Bonds to be invalid as determined by a court of competent jurisdiction, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements and waived and shall in no way affect the validity of the other provisions of this Agreement.

Section 5.08. Notices. All notices hereunder shall be sufficiently given for all purposes hereunder if in writing and delivered personally or sent or transmitted to the appropriate destination as set forth below in the manner provided for herein. Notice to the Finance Authority shall be addressed to:

Indiana Finance Authority
SRF Programs
100 North Senate, Room 1275

Indianapolis, Indiana 46204
Attention: Director of Environmental Programs

or at such other address(es) or number(s) and to the attention of such other person(s) as the Finance Authority may designate by notice to the Participant. Notices to the Participant shall be addressed to:

7599 North Tunnel Road
Unionville, Indiana 47468
Attention: Financial Clerk

or at such other address(es) or number(s) and to the attention of such other person(s) as the Participant may designate by notice to the Finance Authority. Any notice hereunder shall be deemed to have been served or given as of (a) the date such notice is personally delivered, (b) three (3) Business Days after it is mailed U.S. mail, First Class postage prepaid, (c) one (1) Business Day after it is sent on such terms by Federal Express or similar next-day courier, or (d) the same day as it is sent by facsimile transmission with telephonic confirmation of receipt by the person to whom it is sent.

Section 5.09. Expenses. The Participant covenants and agrees to pay (a) the fees, costs and expenses in connection with making the Loan, including issuing the Bonds and providing the necessary certificates, documents and opinions required to be delivered therewith; (b) the fees, costs and expenses in connection with making and administering the Loan; (c) the costs and expenses of complying with its covenants made herein; and (d) any and all costs and expenses, including attorneys' fees, incurred by the Finance Authority in connection with the enforcement of this Agreement, the Authorizing Instrument and the Bonds in the event of the breach by the Participant of or a default under this Agreement, the Authorizing Instrument or the Bonds. Notwithstanding clause (b) above, the Participant shall not be obligated to pay any of the fees, costs and expenses in connection with administering the Loan except as follows: (1) the Finance Authority may request and the Participant shall promptly pay (no later than the date first above written), a closing fee in connection with the Loan in an amount determined by the Finance Authority, but not exceeding \$1,000, which may not be paid from a Loan disbursement; (2) the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), an annual administrative fee in connection with the Loan in an amount determined by the Finance Authority, but not exceeding \$1,000, which may not be paid from a Loan disbursement; (3) the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a Non-Use Fee in connection with the Loan, which may not be paid from a Loan disbursement; (4) for so long as the Finance Authority is the registered owner of the Bonds, at the direction of the Finance Authority, the interest rate on the Bonds may be adjusted to lower the interest rate on the Bonds, and the difference between the amount payable as the original rate on the Bonds and the lower rate shall be deemed an additional administrative fee in connection with the Wastewater SRF Program; and (5) the Participant shall only be obligated to pay fees, costs and expenses of the Finance Authority's counsel and financial advisers in connection with making the Loan up to \$10,000, which may be paid from a Loan disbursement.

Section 5.10. Applicable Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Indiana.

Section 5.11. Term. This Agreement shall terminate at such time as the Participant has fully met and discharged all of its obligations hereunder, which term may extend beyond the final payment of the Bonds or provision for the payment of the Bonds pursuant to the Authorizing Instrument.

Section 5.12. Non-Collusion. The undersigned attests, subject to the penalties of perjury, that he/she is an authorized officer or representative of the Participant, that he/she has not, nor has any other officer or representative of the Participant, directly or indirectly, to the best of the undersigned's knowledge, entered into or offered to enter into any combination, collusion or agreement to receive pay, and that the undersigned has not received or paid any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face of the agreement or is a payment to lawyers, accountants and engineers by the Participant related to customary services rendered in connection with the Loan.

Section 5.13. Federal Award Information. The CFDA Number for the Finance Authority's Wastewater SRF Program (also known as the Clean Water SRF Loan Program) is 66.458 and the Federal Agency & Program Name is "US Environmental Protection Agency Capitalization Grant for Clean Water State Revolving Funds."

(End of Article V)

[THE REMAINDER OF THIS PAGE HAS
BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers or officials, all as of the date first above written.

LAKE LEMON CONSERVANCY DISTRICT

(ii)

INDIANA FINANCE AUTHORITY

“Participant”

“Finance Authority”

By: _____

By: _____

Printed: _____

James P. McGoff

Title: _____

Director of Environmental Programs

Attested by Finance Authority Staff:

Attest: _____

By: _____

(Signature Page to Financial Assistance Agreement)

EXHIBIT A

Project Description

The Project consists of the following improvements to the Participant's Treatment Works:

- [To come from approved PER]

[The Project contains components that are GPR Projects, which GPR Projects Expenditures have been determined and are expected as of the date of this Agreement to be in the amount as set forth in the Participant's business case or categorical exclusion which is posted at www.srf.in.gov.]

The Project is more fully described in, and shall be in accordance with, the Preliminary Engineering Report and the Plans and Specifications approved by the Finance Authority (or if designated by the Finance Authority, the Department).

[End of Exhibit A]

EXHIBIT B
Principal Payment Schedule for the Bonds

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Principal Amount</u>
01/01/2021	\$	07/01/2038	\$
07/01/2021		01/01/2039	
01/01/2022		07/01/2039	
07/01/2022		01/01/2040	
01/01/2023		07/01/2040	
07/01/2023		01/01/2041	
01/01/2024		07/01/2041	
07/01/2024		01/01/2042	
01/01/2025		07/01/2042	
07/01/2025		01/01/2043	
01/01/2026		07/01/2043	
07/01/2026		01/01/2044	
01/01/2027		07/01/2044	
07/01/2027		01/01/2045	
01/01/2028		07/01/2045	
07/01/2028		01/01/2046	
01/01/2029		07/01/2046	
07/01/2029		01/01/2047	
01/01/2030		07/01/2047	
07/01/2030		01/01/2048	
01/01/2031		07/01/2048	
07/01/2031		01/01/2049	
01/01/2032		07/01/2049	
07/01/2032		01/01/2050	
01/01/2033		07/01/2050	
07/01/2033		01/01/2051	
01/01/2034		07/01/2051	
07/01/2034		01/01/2052	
01/01/2035		07/01/2052	
07/01/2035		01/01/2053	
01/01/2036		07/01/2053	
07/01/2036		01/01/2054	
01/01/2037		07/01/2054	
07/01/2037		01/01/2055	
01/01/2038		07/01/2055	
		TOTAL	\$

[End of Exhibit B]

EXHIBIT C
Credit Instrument

Credit Providers rated on a long term basis lower than "A-/A3" long term by Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies and Moody's Investors Service, Inc. are:

- None.

[End of Exhibit C]

Exhibit D
Additional Terms

- A. *The following additional terms in this Paragraph A (related to costs of Planning or Design being treated as Eligible Costs under this Agreement and the related defined terms) are [NOT] applicable to the Loan:*

“Equivalency Project” shall mean a project designated by the Finance Authority as an “equivalency project” under the Clean Water Act related to the “US Environmental Protection Agency Capitalization Grant for Clean Water State Revolving Funds” for the federal fiscal year ending September 30, 2019 (or such later federal fiscal year as the Finance Authority may otherwise designate).

“A/E Services” shall mean professional services related to the Planning or Design of the Project including for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services.

The Participant understands and acknowledges that the Project has been designated as an Equivalency Project and is required to meet the related applicable requirements of the Clean Water Act which among other requirements requires that for costs of Planning or Design (including costs for A/E Services) to be treated as Eligible Costs under this Agreement, such services (and the related contract) are required to be negotiated in the same manner as a contract for architectural and engineering services as negotiated under chapter 11 of title 40, United States Code (as amended). In connection with any request for disbursement of the Loan that is submitted by the Participant to the Finance Authority to provide for the payment of any costs of Planning or Design (including costs for A/E Services), the Participant represents and warrants that such costs relate only to services provided under a contract negotiated in the same manner as a contract for architectural and engineering services as negotiated under chapter 11 of title 40, United States Code (as amended).

- B. *The following additional terms in this Paragraph B (related to GPR Projects and the related defined terms) are [NOT] applicable to the Loan.*

“GPR Projects” shall mean Project components that meet the requirement of the “Green Project Reserve (GPR) Sustainability Incentive Program” consistent with SRF Policy Guidelines including applicable requirements of the Wastewater SRF Act.

“GPR Projects Adjustment Fee” shall mean an amount which would equal the gross additional interest that would have accrued on the Bonds from the date of this Agreement through their scheduled final maturity, had such Bonds been issued at an interest rate

determined under the Wastewater SRF Program's interest rate policies and practices using the final, actual GPR Projects Expenditures (rather than the GPR Projects Business Case Amount), all as determined by the Finance Authority.

"GPR Projects Business Case Amount" shall mean the amount referenced in the Participant's business case related to GPR Projects as was set in the Participant's Preliminary Engineering Report (or categorical exclusion) posted at www.srf.in.gov, uses of funds information submitted to the Finance Authority after the Project was bid or some other submitted information that was used by the Finance Authority prior to the date of this Agreement to set a special interest rate under the Wastewater SRF Program's interest rate policies and practices applicable to the Bonds.

"GPR Projects Expenditures" shall mean those costs and expenses incurred by the Participant that are part of the Project which are GPR Projects in nature (within the meaning of the Wastewater SRF Act) as determined by the Finance Authority, in order for the Bonds to receive special interest rate treatment under the Wastewater SRF Program's interest rate policies and practices.

The Participant understands and acknowledges that a special interest rate has been applied to the Bonds as a result of a portion of the Project having been identified by the Participant as being a GPR Projects project. In the event GPR Projects Expenditures are hereafter determined by the Finance Authority to be less than the GPR Projects Business Case Amount, then the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a GPR Projects Adjustment Fee in connection with the Loan. The Participant shall certify to the Finance Authority those Loan disbursements it represents to be its GPR Projects Expenditures when and as required by SRF Policy Guidelines. The Participant understands and acknowledges that it is required to submit a business case or categorical exclusion documenting the GPR Projects and the GPR Projects Business Case Amount prior to loan closing or if a request is made pursuant to Section 3.02(f) of this Agreement.

- C. *The following additional terms in this Paragraph C (related to Non-point Source Projects and the related defined terms) are [NOT] applicable to the Loan:*

"Non-point Source Adjustment Fee" shall mean an amount which would equal the gross additional interest that would have accrued on the Bonds from the date of this Agreement through their scheduled final maturity, had such Bonds been issued at an interest rate determined under the Wastewater SRF Program's interest rate policies and practices using the final, actual Non-point Source Expenditures (rather than the amount referenced in the Participant's post-bid and other documents submitted to the Finance Authority), all as determined by the Finance Authority.

“Non-point Source Expenditures” shall mean those costs and expenses incurred by the Participant that are Non-point Source Projects in order for the Bonds to receive special interest rate treatment under the Wastewater SRF Program’s interest rate policies and practices.

“Non-point Source Projects Amount” shall mean the amount referenced in the Participant’s post-bid and other documents submitted to the Finance Authority prior to the date of this Agreement to set a special interest rate under the Wastewater SRF Program’s interest rate policies and practices applicable to the Bonds

“Non-point Source Projects” shall mean Project components that meet the requirement of SRF Policy Guidelines and the Wastewater SRF Act to be non-point source in nature as determined by the Finance Authority.

The Participant understands and acknowledges that a special interest rate has been applied to the Bonds as a result of a portion of the Project having been identified by the Participant as being a non-point source project. In the event Non-point Source Expenditures are hereafter determined by the Finance Authority to be less than the Non-point Source Projects Amount, then the Finance Authority may request and the Participant shall promptly pay (no later than thirty (30) days after any request), a Non-point Source Adjustment Fee in connection with the Loan. The Participant shall certify to the Finance Authority those Loan disbursements it represents to be its Non-point Source Expenditures when and as requested by SRF Policy Guidelines.

[End of Exhibit D]