

**CITY OF VINCENNES PARK AND RECREATION DISTRICT,  
KNOX COUNTY, INDIANA**

INFORMATION PROVIDED TO THE DEPARTMENT  
OF LOCAL GOVERNMENT FINANCE IN ACCORDANCE  
WITH INDIANA CODE 6-1.1-20-3.6(m) IN CONNECTION WITH THE  
2013/2014 RAINBOW BEACH PROJECT

Dated January 17, 2013

1. **The name of the political subdivision and the county or counties in which it levies a property tax.** The name of the political subdivision is the City of Vincennes Park and Recreation District, Knox County, Indiana (the "District"), and it levies property taxes in a portion of Knox County, Indiana.
2. **The cost per square foot of any buildings being constructed as part of the controlled project.** The 2013/2014 Rainbow Beach Project involves the complete reconstruction of the existing Rainbow Beach Pool and related facilities, which is the only municipal swimming facility operated in the geographical boundaries of Knox County, Indiana. Taking into account the square footage of all aquatic features, mechanical buildings, bathhouse, offices, picnic areas, concession facility and concrete deck, the estimated square foot cost of the 2013/2014 Rainbow Beach Project is estimated to be \$70.38 per square foot.
3. **The effect that approval of the controlled project would have on the political subdivision's property tax rate.** The estimated property tax rate effect of the controlled project would be \$0.0778 per \$100 of assessed valuation which is based on the current certified net assessed valuation of \$432,929,908. For this information, please see Exhibit A attached hereto.
4. **The maximum term of the bonds or lease.** The maximum term of any series of bonds will not exceed twenty years, and the maximum term of any corresponding lease or leases or amendment or amendments to one or more leases will not exceed twenty-one years.
5. **The maximum principal amount of the bonds or the maximum lease rental for the lease.** The maximum principal amount of the bonds will not exceed \$3,800,000, the maximum annual lease rental paid by the District is \$337,000 (which is net of any funds received by the District or any local building corporation from the United States of America as a result of the bonds being issued under one or more federal tax credit programs), and the maximum total lease rental paid by the District over the entire term of the lease or leases or amendment or amendments to one or more leases is \$6,578,000 (which is net of any funds received by the District or any local building corporation from the United States of America as a result of the bonds being issued under one or more federal tax credit programs).

6. **The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.** The estimated maximum interest rate that will be paid in connection with the bonds is 6.00% per annum, and based on this estimated maximum interest rate, the total interest cost is \$2,921,500 (which is net of any funds received by the District or any local building corporation from the United States of America as a result of the bonds being issued under one or more federal tax credit programs) and not taking into any funds of the District or any local building corporation being available for capitalized interest.
  
7. **The purpose of the bonds or lease.** The purpose of the bonds and lease are to finance the costs of the 2013/2014 Rainbow Beach Project as described in more detail in the resolution adopted by the City of Vincennes Park and Recreation Board and the resolution adopted by the Common Council of the City of Vincennes, Indiana, on January 14, 2013. A signed copy of each of these resolutions is attached hereto as Exhibit B. For more detailed information regarding these matters go to [www.rainbowbeachfamilyaquatic.com](http://www.rainbowbeachfamilyaquatic.com).

**EXHIBIT A**

**VINCENNES PARKS AND RECREATION BUILDING CORPORATION**  
Vincennes, Indiana

Proposed Rainbow Beach Project First Mortgage Bonds, Series 2013  
Estimated Sources and Uses of Funds

<u>Sources of Funds</u>	
Par Amount of Bonds	<u>\$ 3,800,000</u>
Total Sources of Funds	<u>\$ 3,800,000</u>
<u>Uses of Funds</u>	
Project Fund (1)	\$ 3,376,500
Capitalized Interest (2)	212,800
Total Underwriter's Discount (1%)	38,000
Costs of Issuance	
Bond Counsel	80,000
Financial Advisor	50,000
Bond Rating	30,000
Local Counsel	10,000
Trustee Fee	2,500
Rounding Amount	<u>200</u>
Total Uses of Funds	<u>\$ 3,800,000</u>

- (1) Provided by the Vincennes Department of Parks and Recreation.  
(2) For the period 1/15/2014 through and including 7/15/2014.

**VINCENNES PARKS AND RECREATION BUILDING CORPORATION**  
Vincennes, Indiana

Proposed Rainbow Beach Project First Mortgage Bonds, Series 2013  
Estimated Amortization and Lease Payment Schedule

Lease Payment Date	Bond Payment Date	Principal	Coupon(1)	Interest	Period Total	Capitalized Interest	Net Debt Service	Annual Debt Service	Rounded (2)	Semi-Annual Lease Payments	Vincennes City Pay 2012 Net Assessed Valuation (3)	Tax Rate (4)
1/15/14	1/15/14	\$ 105,000	6.00 %	\$ 98,800	\$ 98,800	\$ 98,800	\$ 219,000	\$ 219,000	\$ 222,000	\$ 222,000	\$ 432,929,908	\$ 0.0513
7/15/15	7/15/15			114,000	114,000	114,000				167,500	432,929,908	
1/15/16	1/15/16	110,000	6.00	110,850	219,000	110,850	220,850	331,700	335,000	167,500	432,929,908	0.0774
7/15/16	7/15/16			107,550	110,850	110,850	107,550	330,100	334,000	167,000	432,929,908	0.0771
1/15/17	1/15/17	115,000	6.00	107,550	222,550	222,550	229,100	333,200	337,000	167,000	432,929,908	0.0778 (5)
7/15/17	7/15/17			104,100	222,550	222,550	104,100	330,700	334,000	167,000	432,929,908	0.0771
1/15/18	1/15/18	125,000	6.00	104,100	229,100	229,100	229,100	332,900	336,000	168,500	432,929,908	0.0776
7/15/18	7/15/18			100,350	229,100	229,100	100,350	329,500	333,000	167,000	432,929,908	0.0769
1/15/19	1/15/19	130,000	6.00	100,350	230,350	230,350	230,350	330,800	334,000	167,000	432,929,908	0.0771
7/15/19	7/15/19			96,450	230,350	230,350	96,450	331,500	335,000	167,500	432,929,908	0.0774
1/15/20	1/15/20	140,000	6.00	96,450	236,450	236,450	236,450	331,100	335,000	167,500	432,929,908	0.0774
7/15/20	7/15/20			92,250	236,450	236,450	92,250	330,000	333,000	166,500	432,929,908	0.0769
1/15/21	1/15/21	145,000	6.00	92,250	237,250	237,250	237,250	331,600	335,000	167,000	432,929,908	0.0771
7/15/21	7/15/21			87,900	237,250	237,250	87,900	331,100	335,000	167,500	432,929,908	0.0774
1/15/22	1/15/22	155,000	6.00	87,900	242,900	242,900	242,900	330,000	333,000	166,500	432,929,908	0.0769
7/15/22	7/15/22			83,250	242,900	242,900	83,250	331,100	335,000	167,000	432,929,908	0.0771
1/15/23	1/15/23	165,000	6.00	83,250	248,250	248,250	248,250	331,500	335,000	167,500	432,929,908	0.0774
7/15/23	7/15/23			78,300	248,250	248,250	78,300	331,600	335,000	167,500	432,929,908	0.0774
1/15/24	1/15/24	175,000	6.00	78,300	253,300	253,300	253,300	331,100	335,000	167,500	432,929,908	0.0774
7/15/24	7/15/24			73,050	253,300	253,300	73,050	330,000	333,000	166,500	432,929,908	0.0769
1/15/25	1/15/25	185,000	6.00	73,050	258,050	258,050	258,050	333,300	337,000	168,500	432,929,908	0.0778
7/15/25	7/15/25			67,500	258,050	258,050	67,500	330,000	333,000	166,500	432,929,908	0.0769
1/15/26	1/15/26	195,000	6.00	67,500	262,500	262,500	262,500	333,300	337,000	167,000	432,929,908	0.0778
7/15/26	7/15/26			61,650	262,500	262,500	61,650	330,000	333,000	166,500	432,929,908	0.0769
1/15/27	1/15/27	210,000	6.00	61,650	271,650	271,650	271,650	333,300	337,000	168,500	432,929,908	0.0778
7/15/27	7/15/27			55,350	271,650	271,650	55,350	330,000	333,000	166,500	432,929,908	0.0769
1/15/28	1/15/28	220,000	6.00	55,350	275,350	275,350	275,350	334,000	336,000	167,000	432,929,908	0.0778
7/15/28	7/15/28			48,750	275,350	275,350	48,750	330,000	333,000	166,500	432,929,908	0.0769
1/15/29	1/15/29	235,000	6.00	48,750	283,750	283,750	283,750	332,500	336,000	168,000	432,929,908	0.0776
7/15/29	7/15/29			41,700	283,750	283,750	41,700	328,400	332,000	166,000	432,929,908	0.0767
1/15/30	1/15/30	245,000	6.00	41,700	286,700	286,700	286,700	328,700	332,000	166,000	432,929,908	0.0767
7/15/30	7/15/30			34,350	286,700	286,700	34,350	333,100	332,000	166,000	432,929,908	0.0767
1/15/31	1/15/31	260,000	6.00	34,350	294,350	294,350	294,350	333,100	337,000	168,500	432,929,908	0.0778
7/15/31	7/15/31			26,550	294,350	294,350	26,550	331,300	335,000	167,500	432,929,908	0.0774
1/15/32	1/15/32	280,000	6.00	26,550	306,550	306,550	306,550	331,300	335,000	167,500	432,929,908	0.0774
7/15/32	7/15/32			18,150	306,550	306,550	18,150	328,600	332,000	166,000	432,929,908	0.0767
1/15/33	1/15/33	295,000	6.00	18,150	313,150	313,150	313,150	328,600	332,000	166,000	432,929,908	0.0767
7/15/33	7/15/33			9,300	313,150	313,150	9,300	328,600	332,000	166,000	432,929,908	0.0767
1/15/34	1/15/34	310,000	6.00	9,300	319,300	319,300	319,300	328,600	332,000	166,000	432,929,908	0.0767
	Totals	\$ 3,800,000		\$ 2,921,500	\$ 6,721,500	\$ 212,800	\$ 6,508,700	\$ 6,508,700	\$ 6,578,000	\$ 6,578,000		\$ 0.0778 (5)

(1) Assumes maximum interest rate of 6%.  
(2) Rounded to the nearest \$1,000 plus \$5,000.  
(3) Source: Pay 2012 Knox County Abstract.  
(4) Per \$100 assessed valuation  
(5) Maximum tax rate per \$100 assessed valuation over the life of the lease.

**VINCENNES PARKS AND RECREATION BUILDING CORPORATION**  
 Vincennes, Indiana

Proposed Rainbow Beach Project First Mortgage Bonds, Series 2013  
 Tax Impact Analysis

	\$ 75,000	\$ 100,000	\$ 150,000	\$ 200,000
Gross Assessed Value (GAV) of Home	\$ 75,000	\$ 100,000	\$ 150,000	\$ 200,000
Less Deductions:				
Lesser of 60% of GAV or \$45,000	(45,000)	(45,000)	(45,000)	(45,000)
35% of Remaining GAV	(10,500)	(19,250)	(36,750)	(54,250)
Mortgage Deduction	(3,000)	(3,000)	(3,000)	(3,000)
Net Assessed Value (NAV)	\$ 16,500	\$ 32,750	\$ 65,250	\$ 97,750
Estimated Tax Rate (1)	\$ 0.0778	\$ 0.0778	\$ 0.0778	\$ 0.0778
Estimated Annual Tax Payment	\$ 12.84	\$ 25.48	\$ 50.76	\$ 76.05

(1) Assumes maximum tax rate.

**EXHIBIT B**

**RESOLUTION NO. 2013-1**

**RESOLUTION OF THE CITY OF VINCENNES PARK AND RECREATION  
BOARD MAKING A PRELIMINARY DETERMINATION TO ENTER INTO LEASE  
AND PROCEED WITH A REFERENDUM UNDER INDIANA  
CODE §6-1.1-20-3.8, AS AMENDED**

WHEREAS, the City of Vincennes Park and Recreation Board (the "Board"), being the governing body of the City of Vincennes Park and Recreation District, has given consideration to the reconstruction of the Rainbow Beach Pool facilities, which includes all or any portion of a new pool of at least 8,274 square feet with all or any portion of (a) a zero depth entry, eight lane-25 yard lap pool, (b) a slide well, (c) new chemical and filtration systems, piping and equipment, (d) lifeguard stands, (e) lane markers, (f) a new mechanical building, (g) a new concession area, (h) a new bathhouse, (i) a spray park, (j) a dive well area, with a three meter board and a one meter board, (k) one or more water slides, (l) a lilly pad walk, (m) a climbing wall, (n) a half-court basketball court, (o) a sand volleyball court, and (p) related equipment, lockers, fencing and furniture (collectively, the "2013/2014 Rainbow Beach Project"); and

WHEREAS, pursuant to Indiana Code §6-1.1-20-3.1, as amended, if the Board proposes to impose property taxes to pay lease rentals on any construction, renovation, improvement, remodeling, alteration or expansion project, which is not excluded under Indiana Code §6-1.1-20-1.1, it must conduct a public hearing on the preliminary determination to proceed with such project prior to the Board's adopting any resolution making a preliminary determination to enter into a lease; and

WHEREAS, notice of said hearing has been given in accordance with Indiana law; and

WHEREAS, interested people have been given the opportunity to present testimony and ask questions concerning the 2013/2014 Rainbow Beach Project, and this Board has heard public input at a public hearing held this date concerning the 2013/2014 Rainbow Beach Project; and

WHEREAS, the Board, being duly advised, finds that it is in the best interests of the District and its citizens for the purpose of financing all or any portion of the 2013/2014 Rainbow Beach Project and all costs related thereto to enter into negotiations with an Indiana nonprofit corporation comprised of local volunteers (the "Building Corporation") to acquire all or any portion of the any of the facilities operated or to be operated by the Board, and enter into a lease ( the "Lease") with the Building Corporation, as lessor, for all or any portion of the facilities operated or to be operated by the Board, in order to better serve the residents of the District, by allowing the Building Corporation to issue first mortgage bonds (the "Bonds"), which will not exceed an original aggregate principal amount of Three Million Eight Hundred Thousand Dollars (\$3,800,000); and

WHEREAS, the Board desires to have the 2013/2014 Rainbow Beach Project and the Lease subject to a referendum in accordance with Indiana Code §6-1.1-20-3.8, as amended; and

WHEREAS, the Board expects to pay for certain costs of the 2013/2014 Rainbow Beach Project or costs related to the 2013/2014 Rainbow Beach Project (collectively, the "Expenditures")



prior to the issuance of the Bonds, and to reimburse the Expenditures with proceeds received by the Board upon the issuance of the Bonds; and

WHEREAS, the Board desires to declare its intent to reimburse the Expenditures pursuant to Treas. Reg. § 1.150-2 and Indiana Code §5-1-14-6(c).

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF VINCENNES PARK AND RECREATION BOARD, AS FOLLOWS:

1. The Board hereby makes a preliminary determination that there exists a need for the 2013/2014 Rainbow Beach Project. Accordingly, the Board hereby makes a preliminary determination that to the extent permitted by law the Board will take all of the necessary steps to enter into the Lease with the Building Corporation pursuant to which the Building Corporation and the District will finance all or a portion of the 2013/2014 Rainbow Beach Project and all costs related thereto. The District and the Building Corporation will finance all or a portion of the 2013/2014 Rainbow Beach Project and all costs related thereto through one or more series of the Bonds. The Lease will have a term no longer than twenty-one (21) years commencing on the date the Building Corporation acquires the property subject to the Lease, and the Bonds will have a term no longer than twenty (20) years.

Based on estimated interest rates that will be paid in connection with the Bonds that produce a yield estimated not to exceed six percent (6.00%) per annum, the total interest cost associated therewith will not exceed \$2,921,500 (which amount is net of any funds received by the District or the Building Corporation from the United States of America as a result of any or all of the Bonds being issued under one or more federal tax credit programs) and not taking into account any funds of the District or the Building Corporation being available for capitalized interest. Including interest costs, the maximum annual lease rental to be paid by the District under the Lease is \$337,000 (which amount is net of any funds received by the District or the Building Corporation from the United States of America as a result of any or all of the Bonds being issued under one or more federal tax credit programs), and the total lease rental paid by the District over the term of the Lease is \$6,578,000 (which amount is net of any funds received by the District or the Building Corporation from the United States of America as a result of any or all of the Bonds being issued under one or more federal tax credit programs), not taking into account any funds of the District or the Building Corporation available for capitalized interest.

The District's certified total debt service fund tax levy (exempt and non-exempt) for 2012 pay 2013 (which is the most recent certified tax levy) is \$0 and the District's debt service fund tax rate (exempt and non-exempt) for 2012 pay 2013 (which is the most recent certified tax rate) is \$0.00 per \$100 of assessed value. The estimated total maximum debt service fund tax levy (exempt and non-exempt) for the District and the estimated total maximum debt service fund tax rate (exempt and non-exempt) for the District after the issuance of the Bonds are expected to be \$337,000 and \$0.0778 per \$100 of assessed value as a result of the payment of the lease rentals under the Lease. The percent of the District's outstanding long term debt payable by property taxes, together with the outstanding long term debt of other taxing units payable by property taxes that include any of the territory of the District as of December 31, 2012, and the Bonds, compared to the net assessed value of taxable property within the District is approximately eleven percent (11%).

2. The 2013/2014 Rainbow Beach Project and the Lease shall be subject to a referendum of the registered voters residing in the District to be held as a special election on the first Tuesday after the first Monday in May, 2013, in accordance with Indiana Code §6-1.1-20-3.8, as amended. The Board acknowledges and agrees that the District shall pay all of the costs incurred by Knox County in connection with holding such special election. In accordance with the foregoing determinations, the question recommended to be submitted by the Knox County Auditor to the registered voters at the election conducted under Indiana Code § 6-1.1-20-3.6, as amended, shall be as follows: "Shall the City of Vincennes Park and Recreation District enter into a lease to finance the 2013/2014 Rainbow Beach Project which includes all or any portion of a new pool of at least 8,274 square feet with all or any portion of (a) a zero depth entry, eight lane-25 yard lap pool, (b) a slide well, (c) new chemical and filtration systems, piping and equipment, (d) lifeguard stands, (e) lane markers, (f) a new mechanical building, (g) a new concession area, (h) a new bathhouse, (i) a spray park, (j) a dive well area, with a three meter board and a one meter board, (k) one or more water slides, (l) a lilly pad walk, (m) a climbing wall, (n) a half-court basketball court, (o) a sand volleyball court, and (p) related equipment, lockers, fencing and furniture, which is estimated to cost not more than \$3,800,000 and is estimated to increase the property tax rate for debt service by \$0.0778 per \$100 of assessed valuation disregarding the debt service fund tax rate for any other bond or lease payment obligations of the District?"

The Mayor of the City of Vincennes, Indiana (the "Mayor"), or his designee, and the President of the Common Council of the City of Vincennes, Indiana (the "Council President"), or her designee is authorized to make any and all changes or modifications to the form of the question recommended to the Knox County Auditor and the Knox County Election Board which the Mayor or his designee and the Council President or her designee deem necessary or desirable to convey the purposes and goals of the 2013/2014 Rainbow Beach Project and the intentions of the Board.

3. A notice of the preliminary determinations set forth in Section 1 and Section 2 of this Resolution shall be given in accordance with Indiana Code §6-1.1-20-3.1 and 3.8, as amended.

4. The Board hereby declares its official intent that to the extent permitted by law, to issue execute the Lease with the Building Corporation, and to request the Building Corporation to issue the Bonds in one or more series or issues, which Bonds will not exceed an original aggregate principal amount of approximately Three Million Eight Hundred Thousand Dollars (\$3,800,000), and to reimburse costs of the 2013/2014 Rainbow Beach Project consisting of the Expenditures from proceeds of the sale of such Bonds.

5. Any and all actions previously taken by any member of the Board or the Park Director in connection with the foregoing preliminary determinations, including, but not limited to, publication of the notice of the public hearing held in connection with such preliminary determinations, be, and hereby are, ratified and approved.



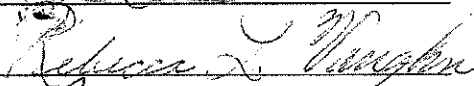
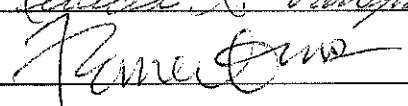
6. This Resolution shall be in full force and effect immediately upon adoption.

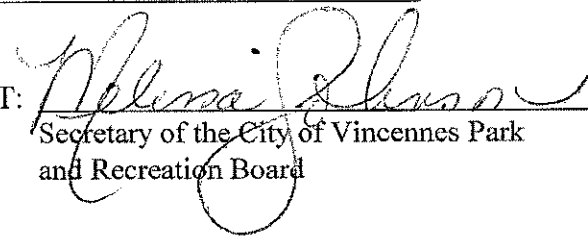
PASSED AND ADOPTED this 14<sup>th</sup> day of January, 2013.

CITY OF VINCENNES PARK AND RECREATION BOARD

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ATTEST:   
Secretary of the City of Vincennes Park  
and Recreation Board

**RESOLUTION NO. 1-2013**

**RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF VINCENNES,  
INDIANA, MAKING A PRELIMINARY DETERMINATION FOR THE CITY OF  
VINCENNES PARK AND RECREATION DISTRICT TO ENTER INTO LEASE AND  
PROCEED WITH A REFERENDUM UNDER INDIANA  
CODE §6-1.1-20-3.8, AS AMENDED**

WHEREAS, the City of Vincennes Park and Recreation Board (the "Board"), being the governing body of the City of Vincennes Park and Recreation District, has given consideration to the reconstruction of the Rainbow Beach Pool facilities, which includes all or any portion of a new pool of at least 8,274 square feet with all or any portion of (a) a zero depth entry, eight lane-25 yard lap pool, (b) a slide well, (c) new chemical and filtration systems, piping and equipment, (d) lifeguard stands, (e) lane markers, (f) a new mechanical building, (g) a new concession area, (h) a new bathhouse, (i) a spray park, (j) a dive well area, with a three meter board and a one meter board, (k) one or more water slides, (l) a lillypad walk, (m) a climbing wall, (n) a half-court basketball court, (o) a sand volleyball court, and (p) related equipment, lockers, fencing and furniture (collectively, the "2013/2014 Rainbow Beach Project"); and

WHEREAS, pursuant to Indiana Code §6-1.1-20-3.1, as amended, if the Board proposes to impose property taxes to pay lease rentals on any construction, renovation, improvement, remodeling, alteration or expansion project, which is not excluded under Indiana Code §6-1.1-20-1.1, it must conduct a public hearing on the preliminary determination to proceed with such project prior to the Board's adopting any resolution making a preliminary determination to enter into a lease; and

WHEREAS, notice of said hearing has been given in accordance with Indiana law; and

WHEREAS, interested people have been given the opportunity to present testimony and ask questions concerning the 2013/2014 Rainbow Beach Project, and this Board has heard public input at a public hearing held this date concerning the 2013/2014 Rainbow Beach Project; and

WHEREAS, the Board, being duly advised, finds that it is in the best interests of the District and its citizens for the purpose of financing all or any portion of the 2013/2014 Rainbow Beach Project and all costs related thereto to enter into negotiations with an Indiana nonprofit corporation comprised of local volunteers (the "Building Corporation") to acquire all or any portion of the any of the facilities operated or to be operated by the Board, and enter into a lease ( the "Lease") with the Building Corporation, as lessor, for all or any portion of the facilities operated or to be operated by the Board, in order to better serve the residents of the District, by allowing the Building Corporation to issue first mortgage bonds (the "Bonds"), which will not exceed an original aggregate principal amount of Three Million Eight Hundred Thousand Dollars (\$3,800,000); and

WHEREAS, the Board desires to have the 2013/2014 Rainbow Beach Project and the Lease subject to a referendum in accordance with Indiana Code §6-1.1-20-3.8, as amended; and

WHEREAS, in accordance with Indiana Code §6-1.1-17-20.5, as amended, the District may not enter into the Lease unless it obtains the approval of the Common Council of the City of

Vincennes, Indiana (the "Council"); and

WHEREAS, the Council now desires to approve the entering into of the Lease and the lease rental payments thereunder, as required under Indiana Code §6-1.1-17-20.5, as amended; and

WHEREAS, in order for the 2013/2014 Rainbow Beach Project and the Lease to be subject to a referendum in accordance with Indiana Code §6-1.1-20-3.8, as amended, the Council must approve such actions and the proposed form of the question to be submitted by the Knox County Auditor to the registered voters at the election conducted under Indiana Code § 6-1.1-20-3.6, as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF VINCENNES, INDIANA, AS FOLLOWS:

1. The Council hereby makes a preliminary determination that there exists a need for the 2013/2014 Rainbow Beach Project and approves all of the preliminary determinations made in the resolution adopted by the Board on the date hereof. Accordingly, the Council hereby approves the Board to take all of the necessary steps to the extent permitted by law to enter into the Lease with the Building Corporation pursuant to which the Building Corporation and the District will finance all or a portion of the 2013/2014 Rainbow Beach Project and all costs related thereto. The District and the Building Corporation will finance all or a portion of the 2013/2014 Rainbow Beach Project and all costs related thereto through one or more series of the Bonds. The Lease will have a term no longer than twenty-one (21) years commencing on the date the Building Corporation acquires the property subject to the Lease, and the Bonds will have a term no longer than twenty (20) years.

Based on estimated interest rates that will be paid in connection with the Bonds that produce a yield estimated not to exceed six percent (6.00%) per annum, the total interest cost associated therewith will not exceed \$2,921,500 (which amount is net of any funds received by the District or the Building Corporation from the United States of America as a result of any or all of the Bonds being issued under one or more federal tax credit programs) and not taking into account any funds of the District or the Building Corporation being available for capitalized interest. Including interest costs, the maximum annual lease rental to be paid by the District under the Lease is \$337,000 (which amount is net of any funds received by the District or the Building Corporation from the United States of America as a result of any or all of the Bonds being issued under one or more federal tax credit programs), and the total lease rental paid by the District over the term of the Lease is \$6,578,000 (which amount is net of any funds received by the District or the Building Corporation from the United States of America as a result of any or all of the Bonds being issued under one or more federal tax credit programs), not taking into account any funds of the District or the Building Corporation available for capitalized interest.

The District's certified total debt service fund tax levy (exempt and non-exempt) for 2012 pay 2013 (which is the most recent certified tax levy) is \$0.00 and the District's debt service fund tax rate (exempt and non-exempt) for 2012 pay 2013 (which is the most recent certified tax rate) is \$0.00 per \$100 of assessed value. The estimated total maximum debt service fund tax levy (exempt and non-exempt) for the District and the estimated total maximum debt service fund tax rate (exempt and non-exempt) for the District after the issuance of the Bonds are expected to be \$337,000 and \$0.0778 per

\$100 of assessed value as a result of the payment of the lease rentals under the Lease. The percent of the District's outstanding long term debt payable by property taxes, together with the outstanding long term debt of other taxing units payable by property taxes that include any of the territory of the District as of December 31, 2012, and the Bonds, compared to the net assessed value of taxable property within the District is approximately eleven percent (11%).

2. The 2013/2014 Rainbow Beach Project and the Lease shall be subject to a referendum of the registered voters residing in the District to be held as a special election on the first Tuesday after the first Monday in May, 2013, in accordance with Indiana Code §6-1.1-20-3.8, as amended. The Council acknowledges and agrees that the District shall pay all of the costs incurred by Knox County in connection with holding such special election. In accordance with the foregoing determinations, the question recommended to be submitted by the Knox County Auditor to the registered voters at the election conducted under Indiana Code § 6-1.1-20-3.6, as amended, shall be as follows: "Shall the City of Vincennes Park and Recreation District enter into a lease to finance the 2013/2014 Rainbow Beach Project which includes all or any portion of a new pool of at least 8,274 square feet with all or any portion of (a) a zero depth entry, eight lane-25 yard lap pool, (b) a slide well, (c) new chemical and filtration systems, piping and equipment, (d) lifeguard stands, (e) lane markers, (f) a new mechanical building, (g) a new concession area, (h) a new bathhouse, (i) a spray park, (j) a dive well area, with a three meter board and a one meter board, (k) one or more water slides, (l) a lilly pad walk, (m) a climbing wall, (n) a half-court basketball court, (o) a sand volleyball court, and (p) related equipment, lockers, fencing and furniture, which is estimated to cost not more than \$3,800,000 and is estimated to increase the property tax rate for debt service by \$0.0778 per \$100 of assessed valuation disregarding the debt service fund tax rate for any other bond or lease payment obligations of the District?"

The Mayor of the City of Vincennes, Indiana (the "Mayor"), or his designee, and the President of the Council (the "Council President"), or her designee is authorized to make any and all changes or modifications to the form of the question recommended to the Knox County Auditor and the Knox County Election Board which the Mayor or his designee and the Council President or her designee deem necessary or desirable to convey the purposes and goals of the 2013/2014 Rainbow Beach Project and the intentions of the Board.

3. A notice of the preliminary determinations set forth in Section 1 and Section 2 of this Resolution shall be given in accordance with Indiana Code §6-1.1-20-3.1 and 3.8, as amended.

4. Any and all actions previously taken by any member of the Council in connection with the foregoing preliminary determinations, including, but not limited to, publication of the notice of the public hearing held in connection with such preliminary determinations, be, and hereby are, ratified and approved.

5. This Resolution shall be in full force and effect immediately upon adoption.

The foregoing was passed by the Common Council this 14<sup>th</sup> day of January, 2013 at 6:00 p.m.

ATTEST:

[Signature]  
Clerk of the Common Council

[Signature]  
President

Presented by me to the Mayor this 14<sup>th</sup> day of January, 2013 at 6:30 p.m.

[Signature]  
Clerk of the Common Council

Approved and signed by me this 14<sup>th</sup> day of January, 2013.

[Signature]  
Joe Yochum, Mayor

STATE OF INDIANA, KNOX COUNTY )  
 ) SS:  
CITY OF VINCENNES )

I, David Culp Clerk of the Common Council of the City of Vincennes, Knox County, Indiana, do hereby certify the above and foregoing is a full, true, and complete copy of Resolution -2013 passed by the Common Council on the 14<sup>th</sup> day of January, 2013, by a vote of 7 YEAS and 0 NAYS, which was signed by the Mayor on the 14<sup>th</sup> day of January, 2013, and now remains on file and on record in my office.

WITNESS my hand and the official seal of the City of Vincennes, Indiana, this 14<sup>th</sup> day of January 2013.

[Signature]  
Clerk of the Common Council

(SEAL)