

Bond Case Briefs

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SCHOOL FINANCE - INDIANA

Performance Services, Inc. v. Randolph Eastern School Corporation

Supreme Court of Indiana - June 28, 2023 - N.E.3d - 2023 WL 4226265

School corporation brought declaratory judgment action seeking to void contract it entered into with wind turbine operator, and operator filed counterclaims for breach of contract and suit on account.

School corporation filed motion for summary judgment, and operator filed motion for partial summary judgment on its counterclaims. After a hearing, the Circuit Court granted school corporation's motion for summary judgment and denied operator's cross-motion for summary judgment. Operator appealed.

On petition to transfer, the Supreme Court held that contract constituted illegal investment by a school corporation under Home Rule Act and Public Investment Act and was void and unenforceable.

Contract in which school corporation agreed to make payments to wind turbine operator constituted illegal investment by a school corporation under Home Rule Act and Public Investment Act and was void and unenforceable, though operator argued school corporation agreed to make payments in exchange for tangible benefit of access to turbine and its data for educational purposes and did not "invest" any money; school corporation committed money to operator that it would use to sell power and renewable energy credits and then convert those sales into financial benefits for school corporation, tangible benefit of access to turbine did not preclude contract from constituting investment, and school corporation committed money both in exchange for access and in hopes of obtaining financial return.