

RESOLUTION NO. 2020-09
RESOLUTION OF THE BOARD OF COMMISSIONERS OF FLOYD
COUNTY, INDIANA REGARDING MATTERS RELATED TO THE
FLOYD COUNTY LEGACY FOUNDATION AND THE USE OF
AMOUNTS RECEIVED FROM THE FOUNDATION TO FINANCE
CAPITAL IMPROVEMENTS TO COUNTY-OWNED FACILITIES

WHEREAS, pursuant to IC 36-1-14-5 (the “Act”), the Floyd County Legacy Foundation (the “Legacy Foundation”) has previously been jointly created by the Floyd County Council (the “County Council”) and the Board of Commissioners of Floyd County, Indiana (the “Board of Commissioners”) for the purpose of holding all or a portion of the proceeds resulting from the same of the former Floyd Memorial Hospital (the “Hospital Sale Proceeds”) and as a resource to meet Floyd County’s (the “County”) current and future community needs; and

WHEREAS, following discussions with the County Council and studying various options for possible uses of the remaining balance of the Hospital Sale Proceeds, the Board of Commissioners now desires to use its best efforts to take all actions necessary to authorize and transfer an additional portion of the Hospital Sale Proceeds to the Legacy Foundation subject to the terms set forth herein; and

WHEREAS, the County previously issued its Bond Anticipation Note, Series 2018, dated August 16, 2018, in the aggregate principal amount of \$14,780,000 (the “2018 BAN”), for the purpose of providing interim construction financing for capital improvement and equipping projects at the Floyd County Jail (the “Jail Project”), pending the issuance of long-term bonds by, or on behalf of, the County to finance the costs of the Jail Project (the “2020 Bonds”); and

WHEREAS, following discussions with the County Council and studying various options regarding the terms and source of repayment of the proposed 2020 Bonds, the Board of Commissioners now desires to use its best efforts to take all actions necessary to authorize and approve the issuance of the 2020 Bonds to take advantage of favorable prevailing market interest rates, all subject to the terms set forth herein;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for Floyd County, Indiana, that:

Section 1. Additional Donation to Legacy Foundation. After investigation, the Board of Commissioners finds that it is in the best interests of the County and determines to use its best efforts to take such actions as necessary to approve the deposit of an additional \$28,000,000 from the Hospital Sale Proceeds into the Legacy Foundation on the condition that the governing charter or policies required by the Act pertaining to the Legacy Foundation be modified or adopted, through the adoption by the County Council and the Board of Commissioners of substantially identical ordinances, to reflect the following terms:

(a) that an annual rate of spending from the Foundation be set at 5%, and that the expenditures or transfers from the Foundation to meet the annual rate of spending be equally divided and annually appropriated as required by law between the Floyd County Commissioners

and the Floyd County Council to be used by each of the bodies to pay for lawful expenses or purposes for which money in any of the County's other funds may be used in the exercise of the County's powers, as each body deems appropriate for the County, including (i) paying the costs for any capital projects, facilitates or equipment owned or operated by, or on behalf of, the County, (ii) paying the principal of or interest on bonds or loans, lease rental payments under a lease agreement, installment purchase contracts or amounts due under other obligations issued or incurred by, or on behalf of, the County to finance the costs of capital projects, facilitates or equipment owned or operated by, or on behalf of, the County, or (iii) providing grants to meet community needs for the benefit of the County of a type which are not ordinarily funded or included in the County's annual budget or otherwise paid from other sources of public funds; and

(b) that the remaining Hospital Sale Proceeds be equally divided and appropriated as required by law between the Floyd County Commissioners and the Floyd County Council to be used by each of the bodies to pay for lawful expenses or purposes for which money in any of the County's other funds may be used in the exercise of the County's powers, as each body deems appropriate for the County.

Section 2. Terms of the 2020 Bonds. After investigation, the Board of Commissioners finds that it is in the best interests of the County and determines to use its best efforts to take such actions as necessary to approve the issuance of the 2020 Bonds subject to the following terms:

(a) the final maturity date of the 2020 Bonds shall be no later than fifteen (15) years following date of issuance thereof;

(b) the maximum principal amount of the 2020 Bonds shall not exceed \$16,080,000; provided, however, any remaining proceeds from the 2018 BAN shall be applied to the repayment thereof, and the maximum authorized principal amount of the 2020 Bonds shall be reduced by an amount equal to the remaining proceeds from the 2018 BAN

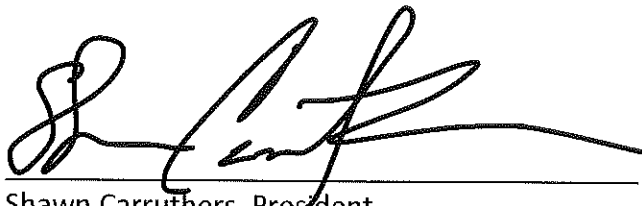
(c) the tax revenue received pursuant to the Floyd County Council Ordinance 2018-4 (IC 6-3.6-6-2.7) shall be designated as the primary source of payment of debt service on the 2020 Bonds.

Section 3. General. The Board of Commissioners are hereby authorized, empowered and directed, on behalf of the County, to take any action as the Board of Commissioners deem necessary or desirable to effectuate the foregoing resolution, and any actions heretofore made or taken be, and hereby are, ratified and approved.

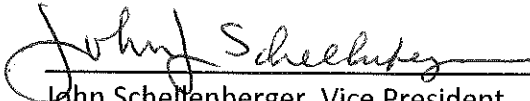
Section 4. Effective Date. This resolution shall be in full force and effect from and after the passage of resolutions by the Floyd County Commissioners and the Floyd County Council that reflect an agreement in principal of the format for the use of the hospital sale proceeds and the bonding of the jail improvements.

SO RESOLVED AND APPROVED THIS _____ DAY OF _____, 2020.

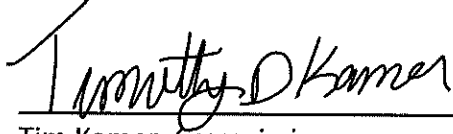
BOARD OF COMMISSIONERS OF



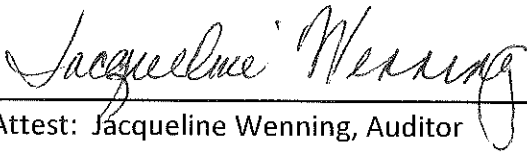
Shawn Carruthers, President



John Schellenberger, Vice President



Tim Kamer, Commissioner



Attest: Jacqueline Wenning, Auditor