WARRICK COUNTY COUNCIL RESOLUTION NO. 2018-03

A RESOLUTION OF THE WARRICK COUNTY COUNCIL MAKING A PRELIMINARY DETERMINATION TO ISSUE BONDS

WHEREAS, the Warrick County Council (the "Council"), as the fiscal body of Warrick County, Indiana (the "County") has given consideration to projects and improvements at certain County-owned facilities including without limitation: (i) renovations, improvements and upgrades to the existing County Courthouse and Judicial Center, as more particularly identified and described in the report from Energy Systems Group, Inc., dated February 8, 2018, including, but not limited to, certain structural, electrical, mechanical, plumbing, HVAC and technology equipping and improvement projects; (ii) renovations, improvements and upgrades to the County's existing historic jail; (iii) acquisition, improvement and equipping projects for the County Sheriff Department, including, without limitation, certain technology upgrades to the computer system and E911 system; and (iv) any other miscellaneous renovations, improvements or equipping projects related to the foregoing items (collectively, the "Project"); and

WHEREAS, in order to provide funds to pay the costs of the Project and any expenses incurred in connection with or on account of the issuance of the Bonds, including any capitalized interest, the Council has given consideration to borrowing money in the maximum principal amount not to exceed $7,400,000, with such indebtedness to be evidenced by issuance of notes, bonds or other obligations of the County (collectively, the "Bonds"); and

WHEREAS, pursuant to Indiana Code § 6-1.1-20-3.1, if the County proposes to impose property taxes to pay debt service or 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 two public hearings on a preliminary determination to proceed with any such project prior to the adoption of any resolution or ordinance making a preliminary determination to issue bonds or enter into a lease for such project; and

WHEREAS, after giving notice of public hearings in accordance with Indiana law, this Council conducted separate public hearings on February 22, 2018 and on March 1, 2018 concerning the Project at which times the Council received public input and all interested people were given the opportunity to present testimony and ask questions concerning the Project; and

WHEREAS, the Council, being duly advised, finds that it is in the best interests of the County and its citizens to authorize the issuance of the Bonds for the purpose of financing all or any portion of the Project, together with any expenses incurred in connection with or on account of the issuance of the Bonds, in order to better serve the residents of the County.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL, AS FOLLOWS:

Section 1. The Council hereby makes a preliminary determination that there is a need to construct the Project. Accordingly, the Council hereby makes a preliminary determination to borrow moneys and issue the Bonds for the purpose of financing the Project, in order to better serve the residents of the County. The Bonds shall be payable from ad valorem property taxes to be levied and collected on all taxable property within the County.

The total maximum original aggregate principal amount of the Bonds will not exceed $7,400,000. The Bonds will have a maximum term not to exceed ten (10) years. Based on maximum interest rates that would be paid in connection with the Bonds of four percent (4.00%) per annum and assuming the Bonds are amortized over a maximum term of ten (10) years, the total estimated interest cost associated therewith, not excluding any funds of the County used to pay capitalized interest, will not exceed $1,675,456.

The County's certified total debt service fund tax levy for 2017 pay 2018 (which is the most recent certified tax levy) is $0.00, and the County's debt service fund tax rate for 2017 pay 2018 (which is the most recent certified tax rate) is $0.00 per $100 of assessed value. Assuming the Bonds are amortized over a term of approximately five and one-half (5.5) years, the estimated increase to the County's debt service levy and rate is expected to be $1,484,635 and $0.0501 per $100 of assessed value, respectively, in 2018 pay 2019 as a result of the payment of debt service on the Bonds. The percent of the County's current annual debt service/lease payments and estimated maximum annual debt service/lease payments after the issuance of the Bonds compared to the net assessed value of taxable property within the County is approximately five one-hundredths of one percent (0.05%). The percent of the County's outstanding long term debt, plus with the outstanding long term debt of other taxing units that include any of the territory of the County, compared to the net assessed value of taxable property within the County is approximately two and one-tenth of one percent (2.10%). The estimated amount of the County's debt service levy and tax rate that will result during the following ten (10) years if the County issues the Bonds after considering any changes that will occur to the debt service levy and rate during such period as a result of any outstanding bonds or lease obligations that will mature or terminate during such period is as depicted at each of the public hearings.

Section 2. A notice of the foregoing preliminary determination to issue the Bonds shall be given by the County in accordance with Indiana Code § 6-1.1-20-3.1.

Section 3. The foregoing preliminary determination to issue the Bonds shall constitute a preliminary decision to issue bonds of the County for purposes of Indiana Code § 6-1.1-20-5, and notice of such preliminary decision shall be published and posted in accordance with Indiana Code § 6-1.1-20-5.

Section 4. This resolution shall be in full force and effect from and after its adoption and compliance with the procedures required by law.

DULY PASSED and ADOPTED on this 1 day of March, 2018, by the Warrick County Council, as fiscal body of Warrick County, Indiana, by a vote of 7 in favor, 0 opposed, and 0 abstaining.

WARRICK COUNTY COUNCIL

Gary Meyer, D.D.S., President

Greg Richmond, Vice President

Charles R. Christmas

David Hachmeister

Paul Rudolph

Brad Overton

Ted Metzger

ATTEST:

Deborah K. Stevens, Auditor
Warrick County, Indiana

DMS 11615425v2