

BE IT REMEMBERED THE HENRY COUNTY COUNCIL OF HENRY COUNTY, INDIANA, met via Zoom teleconferencing in lieu of the Courthouse Circuit Courtroom, in the City of New Castle, Indiana on April 23, 2020 at 6:00 p.m. with the following members present: Betsy Mills, Chad Malicoat, Clay Morgan, Harold Griffin, Kenon Gray, Peggy Stefandel, Susan Huhn, Debra Walker, Henry County Auditor, and County Attorney Joel Harvey.

The meeting was opened with the Prayer given by Clay Morgan and the Pledge led by Kenon Gray.

Shaun DuFault gave a Chamber update.

Corey Murphy gave an EDC update. There will be a Webinar on Tuesday, April 28, 2020 at 2:00 p.m. to help retailers open safely when the stores start opening again.

The RDC has a revolving loan fund that helps out small local businesses. The applications are looked at by a committee that's member are John Madison, Bill Atchison, Steve Pfenninger, Mort Switzer and Michelle Back. Corey would like for the county to contribute to the fund using the Food & Beverage Tax, he feels this would be a great way to use the money. Chad Malicoat asked if the Food & Beverage money would be used as a loan or a grant. He feels that making it a grant would help businesses out by not having to pay the money back. They have currently funded 4 loans at this time. New Castle has allocated \$28,000.00 to this fund. Kenon Gray recommends that we do not allocate any more monies until we see what the future is going to hold.

A motion was made by Chad Malicoat and second by Clay Morgan to allow New Castle Main Street to alter the purpose of their original grant of the Food & Beverage monies and to waive the 20% match. Motion carried unanimously.

A motion was made by Kenon Gray and seconded by Peggy Stefandel to give \$20,000.00 of Food & Beverage monies to the RDC Revolving Loan Fund and if more money is needed at a later date he can make another request. Motion carried unanimously.

The County Council moves to adopt a policy authorizing the expenditure of revenues received from the local Food and Beverage Tax to assist with funding the Economic Development Corporation's revolving loan fund program. The County Council finds that the expenditure of revenues from the Food and Beverage Tax is necessary to assist local businesses that have experienced economic losses due to the outbreak of the COVID-19 virus, that the use of the revenues from the Food and Beverage Tax is the most appropriate source of funds for contribution to the Economic Development Corporation's revolving loan fund program due to the Food and Beverage Tax revenues being intended for local economic development, and that the President of the County Council is authorized to execute instruments necessary to evidence the transfer and memorialize the adopted policy. Motion made by Chad Malicoat and seconded by Kenon Gray. Motion carried unanimously.

Susan Huhn discussed the budget issues and the shortfall we are anticipating with this year's taxes. The council discussed at their work session about interlocal loans and would like to work with department heads regarding this. Susan Huhn has spoken with Steve Rust, Surveyor about a possible interlocal loan from the General Drain Maintenance and he has requested that he speak with his board to make sure there are no big projects that are needed done. Clay Morgan stated that we could also use the Ambulance Fund if we need to. Kenon Gray spoke with Joe Wiley, Highway Administrator and he said that he was holding off on any projects to wait and see if the county is needed to borrow from the Cum Bridge Fund.

A motion was made by Chad Malicoat and seconded by Betsy Mills to approve Ordinance 2020-1. Motion carried unanimously.

#### ORDINANCE NO. 2020-1

An Ordinance of Henry County, Indiana, authorizing the issuance and sale of tax anticipation warrants of said County for the purposes set forth herein and the costs of issuance of tax anticipation warrants therefor

WHEREAS, the Auditor and the County Council of Henry County, Indiana ("County") now find that an emergency exists for the borrowing of money with which to meet the expenses of said County that will be incurred in 2020 to be paid from the General Fund, Health Fund, Memorial Park Fund, County Debt Payment Fund and 2019 GO Bond Fund of said County, which expenses must be met prior to the receipt of the December settlement and distribution of taxes for the year 2020; and

WHEREAS, the Auditor has presented to the County Council a recommendation that a temporary loan be made for the General Fund, Health Fund, Memorial Park Fund, County Debt Payment Fund and 2019 GO Bond Fund in the amounts and subject to the terms hereinafter set forth:

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the County Council of the Henry County, Indiana, that a temporary loan be made for and on behalf of the following funds:

- A. General Fund in the maximum amount of \$2,860,000;
- B. Health Fund in the maximum amount of \$210,000;
- C. Memorial Park Fund in the maximum amount of \$75,000;
- D. County Debt Payment Fund in the maximum amount of \$145,000; and
- E. 2019 GO Bond Fund in the maximum amount of \$210,000.

That the proceeds of each loan when drawn shall be placed in the respective funds of said County. The loan for each fund shall be used for meeting expenses of the County included in the regular budget and appropriations adopted for the year 2020, which expenses must be met prior to the receipt of the December settlement and distribution of taxes for the year 2020.

Such temporary loan shall be evidenced by warrants of the County ("Warrants") dated as of the date of delivery thereof, bearing interest at a rate not to exceed 2.5% per annum (the exact rate to be determined by bidding), which interest shall be payable at the time of the final payment of the principal of said Warrants and said Warrants shall mature on or prior to December 31, 2020.

The Warrants may be subject to optional redemption prior to maturity at the option of the County, at a price equal to the principal amount thereof plus accrued interest to the date of redemption, upon 10 days' written notice to the holder of the Warrants, such optional redemption provision to be determined at or prior to the sale of the Warrants.

Interest shall be calculated on a 360-day basis consisting of twelve 30-day months. A sufficient amount of the revenues of the County to be derived from the property tax levy for each respective fund is hereby appropriated and pledged for the payment of the principal amount of said Warrants to be issued for the respective funds herein at redemption or maturity on account of the taxes for the year 2019, collectible in the year 2020, and a sufficient amount of the revenues of the County to be derived from the property tax levy for each respective fund is hereby appropriated and pledged for the payment of interest on said Warrants at redemption or maturity. The Treasurer of said County is hereby authorized and directed to pay the principal amount of the Warrants from the revenues of such respective fund, and the interest on the warrants from the from revenues from the fund for which the Warrant was issued, upon the presentation thereof at redemption or maturity.

Said Warrants shall be signed by the Commissioners of the County and the seal of the County shall be affixed thereto and attested by the signature of the Auditor of the County.

Said Warrants shall be payable at the office of Treasurer of Henry County, Indiana. Said Warrants shall, on the face thereof, indicate that it is issued for the respective fund and payable out of the revenues of each respective fund.

Said Warrants shall be issued in substantially the following form, all blanks to be properly filled in prior to delivery, to-wit:

No. \_\_\_\_\_

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF HENRY

COUNTY OF HENRY, INDIANA

TEMPORARY LOAN WARRANT

\_\_\_\_\_ FUND

FOR VALUE RECEIVED, The County of Henry, Indiana, will pay to \_\_\_\_\_ at the office of the Treasurer, Henry County, Indiana, on December 31, 2020, [to the extent drawn hereunder the maximum] sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) with interest thereon, at the rate of \_\_\_% per annum, computed from the date of [issue][each draw to the date of repayment, calculated on a 360-day basis consisting of twelve 30-day months. [Draws upon this warrant shall be made upon five days' written notice and shall be noted upon this warrant. Multiple draws and repayments may be made under this warrant provided that the outstanding principal balance may at no time exceed \$\_\_\_\_\_.]

This warrant evidences a temporary loan aggregating Three Million Five Hundred Dollars (\$3,500,000) authorized by an Ordinance passed and adopted by the County Council of Henry County, Indiana on April 23, 2020, and in accordance with Indiana Code, Title 36, Article 2, Chapter 6, and all other acts amendatory thereof or supplemental thereto, for the purpose of procuring a temporary loan for the \_\_\_\_\_ Fund of said County.

This warrant is issued in anticipation of the tax levy made for the \_\_\_\_\_ Fund in the year 2019, collectible in the year 2020, which tax levy is now in the course of collection and to the payment of the principal amount and the interest thereon, of the revenues to be derived from the \_\_\_\_\_ Fund levy, a sufficient amount of the revenues to be derived from the \_\_\_\_\_ Fund levy has been and is hereby appropriated and pledged.

[This temporary loan warrant has been designated as a qualified obligation pursuant to Section 265(b)(3) of the Internal Revenue Code.]

It is hereby certified that in the execution of this warrant, all provisions of the Constitution and the Statutes of the State of Indiana relating thereto have been complied with, that the \_\_\_\_\_ Fund tax levy from the proceeds from which the principal amount of and interest thereon this warrant is payable, together with other revenues in that Fund, are valid and legal levies; and that said County will reserve a sufficient amount in the \_\_\_\_\_ Fund for the payment of the principal of and interest on these warrants.

IN WITNESS WHEREOF, the County of Henry, Indiana, has caused this warrant to be signed in its name by the Commissioners and attested by the Auditor as of the \_\_\_\_\_ day of June, 2020.

HENRY COUNTY, INDIANA

By: \_\_\_\_\_  
Commissioner  
Henry County, Indiana

By: \_\_\_\_\_  
Commissioner  
Henry County, Indiana

By: \_\_\_\_\_  
Commissioner  
Henry County, Indiana

Attest:

\_\_\_\_\_  
Auditor  
Henry County, Indiana

[Date

Amount Drawn or Repaid

Outstanding Balance]

\*\*\* End of Form of Warrant\*\*\*

The Auditor of the County is hereby authorized and directed to have said Warrants prepared in the form herein provided and the Auditor is hereby directed to solicit bids for the Warrants. The Warrants shall be awarded by the Auditor on the basis of net interest cost and other factors as may be deemed appropriate by the Auditor, upon the advice of the County's municipal advisor. Upon the letting of the loan by the Auditor to the bidder selected pursuant to the terms herein, the Commissioners and Auditor are hereby authorized and directed to execute the Warrants, and the Treasurer is hereby authorized and directed to deliver the executed Warrants, to the respective purchaser or purchasers thereof, upon payment by said purchaser or purchasers of the purchase price for such Warrants, together with the interest, if any, accruing from the date of such Warrants to the date of delivery.

The Warrants may be issued in the form of draw Warrants ("Draw Warrants"). Draws upon such Draw Warrants shall be made upon five days' written notice and shall be noted upon each such Draw Warrant. Multiple draws and repayments may be made under each such Draw Warrant by the Treasurer of the County, provided that the outstanding principal balance may at no time exceed the maximum principal amount approved for each such Warrant in this ordinance. The procedures regarding the advertising for and receipt of bids outlined above are applicable to the Draw Warrants, with the exception that the County must draw upon the delivery of the Draw Warrant in an amount as approved by bond counsel.

In the alternative, the County Council hereby authorizes the Auditor of the County to sell Warrants to the Indiana Bond Bank ("Bond Bank") upon the terms provided herein and as negotiated as part of the Bond Bank's Advance Funding Program (the "Bond Bank Warrant Program"). To the extent the application process and/or terms of the Bond Bank Warrant Program are inconsistent with the terms herein, the terms of the Bond Bank Warrant Program shall control.

In order to preserve the exclusion of interest on the Warrants from gross income for Federal income tax purposes for any such Warrants designated as tax-exempt, and as an inducement to purchasers of the Warrants, the County represents, covenants and agrees that:

(a) No person or entity, other than the County or another governmental unit, will use proceeds of the Warrants or property financed by the Warrant proceeds other than the County or another governmental unit will own property financed by Warrant proceeds or will have actual or beneficial use of such property pursuant to a lease, a management or incentive payment contract or to any other type or arrangement that differentiates that person's or entity's use of such property from the use by the public at large.

(b) No Warrant proceeds will be loaned to any entity or person. No Warrant 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 Warrant proceeds.

(c) The County will, to the extent necessary to preserve the exclusion of interest on the Warrants from gross income for federal income tax purposes, rebate all required arbitrage profits on warrant proceeds or other monies treated as Warrant proceeds to the federal government as provided in Section 148 of the Internal Revenue Code of 1986, and will set aside such monies in a Rebate Account to be held by the Auditor in trust for such purpose.

(d) The County will file an information report with the Internal Revenue Service as required by Section 149 of the Internal Revenue Code of 1986.

(e) The County will not take any action nor fail to take any action with respect to the Warrants that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the warrants pursuant to Section 103 of the Internal Revenue Code of 1986, as existing on the date of issuance of the Warrants, nor will the County act in any other manner which would adversely affect such exclusion.

Adopted April 23, 2020

HENRY COUNTY, INDIANA

By: \_\_\_\_\_

Presiding Officer, Henry County, Indiana

Attest:

\_\_\_\_\_  
Auditor, Henry County, Indiana

President Huhn opened up the floor for discussion with Department Heads regarding the letter that was sent out regarding how we can cut budgets to make up for the anticipated short fall. One office holder suggested to President Huhn was to have Council to look at all bills over a certain amount. Clay Morgan has talked with several Department Heads about how they can cut their budgets. Sheriff McCorkle stated that there was no way that he would be able to let any of employees furlough and with all the COVID-19 he is not going to be able to make any cuts from his budget. The Extension Office sent a letter today stating that will be able to give back their part time, postage and travel money out of this year's budget. Joe Bergacs and Judge Witham stated the only thing in their budgets to cut were salaries.

A motion was made by Clay Morgan and seconded by Kenon Gray to offer a voluntary furlough to employees. The county needs to furlough 30 employees over the next 12 weeks. Motion carried unanimously.

A motion was made by Kenon Gray and seconded by Clay Morgan to implement a hiring freeze for all departments excluding the Sheriff Department, 911 and EMS. Motion carried unanimously.

Angela Cox gave a COVID-19 update.

Kenon Gray gave a Stellar update.

Betsy Mills gave an update on the Coroner's Office. Coroner Hacker has taken a temporary job in Evansville for the next 90 days. This is a real concern seeing we are in the middle of a pandemic.

A motion was made by Clay Morgan and seconded by Chad Malicoat to send a letter to Coroner Hacker a letter from council asking for his voluntary resignation from his position. Motion carried unanimously.

Betsy Mills gave an update on Memorial Park

Chad Malicoat gave an update on the jail.

Next meeting will be held May 28, 2020.

A motion was made by Kenon Gray and seconded by Betsy Mills to adjourn. Motion carried unanimously.

\_\_\_\_\_  
Susan Huhn, President

\_\_\_\_\_  
Harold Griffin, Vice President

\_\_\_\_\_  
Kenon Gray

\_\_\_\_\_  
Chad Malicoat

\_\_\_\_\_  
Peggy Stefandel

\_\_\_\_\_  
Clay Morgan

\_\_\_\_\_  
Betsy Mills

ATTESTED:

\_\_\_\_\_  
Debra G. Walker, Henry County Auditor