

ORDINANCE NO. 2019-12

AN ORDINANCE PLEDGING GENERAL REVENUES AND CERTAIN COUNTY LOCAL INCOME TAX REVENUES TO BONDS OF THE CASS COUNTY GOVERNMENT BUILDING CORPORATION

WHEREAS, the Board of Commissioners ("Board") of Cass County, Indiana ("County") has determined that providing for the renovation and expansion of a County jail facility, together with all necessary appurtenances, related improvements and equipment ("Project") by the Cass County Government Building Corporation ("Corporation") and the leasing of the same to the County is in the public interest of the citizens of the County;

WHEREAS, the County Council desires to pledge any legally available revenues of the County pursuant to IC 5-1-14-4 ("General Revenues") to the payment of lease rental payments due under the Lease Agreement between the County and the Corporation ("Lease");

WHEREAS, the County Council has imposed a tax rate for correctional facilities and rehabilitation facilities in the County of two tenths of one percent (0.2%) ("Jail LIT Rate"), all of which is to be distributed to the County pursuant IC 6-3.6-6-2.7 ("Jail LIT");

WHEREAS, the County Council has determined to pledge General Revenues and Jail LIT to the payment of lease rentals under the Lease; and

WHEREAS, the estimated total cost of financing the Project, including issuance expenses, is now estimated not to exceed \$24,000,000 plus investment earnings on the bond proceeds;

NOW, THEREFORE, BE IT ORDAINED BY THE CASS COUNTY COUNCIL, THAT

Section 1. In consideration of the Board's desire to proceed with the financing of the Project, the County Council hereby pledges General Revenues and Jail LIT for the payment of lease rentals due under the Lease.

Section 2. The County Council further covenants that it will take no action to rescind or repeal the Jail LIT Rate or to take any action that would result in the County receiving a smaller distributive share of the Jail LIT Rate than the distributive share of the Jail LIT Rate to which it was entitled on the effective date of this ordinance. The County Council further covenants that it will take no action to rescind the Jail LIT Rate or reduce the Jail LIT Rate as long as lease rentals are payable under the Lease.

Section 3. The County has not pledged or otherwise encumbered its Jail LIT, and there are no prior liens, encumbrances or other restrictions on the Jail LIT or on the County's ability to pledge Jail LIT to the payment of lease rentals.

Section 4. The County reserves the right to enter into leases or issue other obligations entitled to the pledge of the Jail LIT on a parity with the Lease in accordance with the requirements set forth below ("Jail LIT Parity Obligations") for the purpose of raising money for future projects of the County authorized under the Jail LIT statute. The authorization and issuance of Jail LIT Parity Obligations shall be subject to the following conditions precedent:

(a) All rental payments due under the Lease and all payments on any Jail LIT Parity Obligations shall be current to date in accordance with the terms thereof, with no payment in arrears;

(b) The County and the Corporation shall have received a certificate prepared by an independent, qualified accountant or feasibility consultant ("Certifier") certifying the amount of the Jail LIT estimated to be received in each succeeding year, adjusted as provided, below, shall be at least equal to one hundred thirty-five percent (135%) of the lease rental and debt service requirements with respect to the outstanding Lease and the

proposed Jail LIT Parity Obligations, for each respective year during the term of the outstanding Lease and Jail LIT Parity Obligations. In calculating this coverage, the Certifier may take into account any increase in the Jail LIT which has been approved by the County but which has not yet been collected or distributed to the County. The County shall approve and confirm the figures and estimates set forth in the above-described certificate in any resolution or ordinance authorizing the Jail LIT Parity Obligations.

(c) Payments of any Jail LIT Parity Obligations or junior obligations shall be payable semiannually on June 30 and December 30. The terms and conditions of any Jail LIT Parity Obligations shall be set forth in the resolution or ordinance authorizing such Jail LIT Parity Obligations.

Section 5. This ordinance shall be in full force and effect immediately upon its passage.

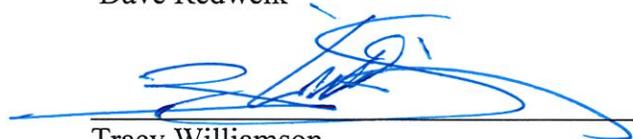
Dated this 13th day of December, 2019.

CASS COUNTY COUNCIL

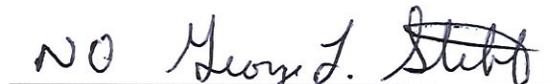

Mike Stajduhar, President


Dave Redweik


Brian Reed


Tracy Williamson


Bruce Ide

~~NO~~ 
George Stebbins


Grover Bishop

ATTEST: 
Cheryl Alcorn, Cass County Auditor