

Tipton County Council Meeting

10/23/2015 4PM

Present: Jim Powell, Beth Roach, Jim Ashley, Jennifer Richey, Helen Tragesser, Jim Leffler, Denny Henderson

Others Present: Mike Baden, Stan Jones, Tom Mason, Lou Ann Millett, Alice L. Book, Tina Winn, Shannon Cassons, Phyllis Phifer, Mark Regnier, Jason Henderson, Brent Snow, Korey Henderson, Charles L. Bell, Ray Noble

The meeting was opened at by President Powell with the Pledge of Allegiance.

Adoption of the County Budget 2016 Ordinance CC2015-08

The Council took up the issue of the EDIT Fund budget for 2016. The budgeted amount was reduced to \$0.00 (Zero) and will have to be additionally appropriated after the first of the year. The Council members signed Ordinance CC2015-08.

Additional Appropriation Resolution CC2015-29

President Powell opened the public hearing for additional appropriations:
CEDIT, Kempton Sewer Project (1112.41074.000.0557) \$42,140.00
Local Emergency Planning Commission, Motor Vehicles (1152.44302.000.0000)
\$1,000.00
Statewide 911, Overtime (1222.12500.000.0000) \$10,000.00 and Utilities
(1222.35000.000.0000) \$2,000.00

Comments were received from the public and department heads.

Motion by Councilman Ashley to close the Public Hearing. Second by Councilwoman Tragesser. Motion carries.

The Council was given letters from the Tipton Municipal Utilities explaining the options for the Kempton sewer project and offering support for the project, and the Tipton County Economic Development Organization also offering support. Councilman Leffler spoke in opposition.

Rex Boyer of Tipton Municipal Utilities explained the importance of including the gravity sewer as part of the Kempton sewer project.

Council members Ashley, Roach, Henderson, Richey, and Tragesser spoke in support of the project after having received additional information and spoke of setting the County up for the future and as the best opportunity for the community.

Motion by Councilman Henderson to approve the additional appropriation request for the EDIT fund, in the amount of \$42,140.00. Second by Councilwoman Tragesser. Motion carries 5 to 1, with Councilman Leffler voting "nay".

Motion by Councilman Ashley to approve the additional appropriation request for the Local Emergency Planning Commission fund, in the amount of \$1,000.00. Second by Councilwoman Tragesser. Motion carries

Motion by Councilman Henderson to approve the additional appropriation requests for the Statewide 911 fund, in the amount of \$12,000.00. Second by Councilwoman Richey. Motion carries

ORDINANCE NO CC2015-10

ORDINANCE NO. CC2015-10

TIPTON COUNTY COUNCIL

AN ORDINANCE PLEDGING EDIT REVENUES TO

THE CITY OF TIPTON

WHEREAS, pursuant to IC 6-3.5-7 ("Act") the economic development income tax ("EDIT") has been imposed in Tipton County, Indiana ("County") through action of the County Council; and

WHEREAS, pursuant to the Act, the County is a recipient of a distributive share of the EDIT ("EDIT Revenues") and receives its EDIT Revenues monthly from the County Auditor; and

WHEREAS, the City of Tipton ("City") is undertaking a sewage works project and financing that will, in part, provide: (i) a means for the Town of Kempton ("Kempton") to complete a sewage collection system project that will provide for the transportation and treatment of the sewage collected by Kempton by the City; and (ii) will include a gravity sewer for the transportation of sewage that will open the east side of U.S. 31 for development in the near future (collectively, the "Project"); and

WHEREAS, the City has determined to issue bonds to finance the Project to the Indiana State Revolving Loan Fund Program ("SRF Program"); and

WHEREAS, the SRF Program has provided a financing plan to the City to make the Project economically feasible for the City and Kempton; and

WHEREAS, constructing the gravity sewer in conjunction with the Project will be more cost effective than constructing it as a stand-alone project at a later date, thus providing an economic benefit to the County; and

WHEREAS, the County Council has received a request from the City to provide (i) a pledge of \$28,000 of the EDIT Revenues annually to the City to use for the payment of debt service on the City's bonds, and (ii) a one time deposit of \$28,140 of EDIT Revenues for funding of the debt service reserve securing the City's bonds; and

WHEREAS, the estimated total cost of financing the Project and issuance expenses is now estimated not to exceed \$4,000,000 and the City intends to issue bonds in amount not to exceed \$4,000,000; and

WHEREAS, the County has previously issued its Economic Development Income Tax Revenue Bonds, Series 2008 ("2008 Bonds"), which 2008 Bonds constitute a first charge against the EDIT Revenues; and

WHEREAS, the ordinance authorizing the issuance of the 2008 Bonds permits the future pledge of EDIT Revenues ranking on a parity with the 2008 Bonds provided certain conditions can be met, and the County finds, based on reports provided by the County's financial advisor, that the County will meet the conditions for the issuance of Parity Obligations (as defined in the ordinance authorizing the 2008 Bonds) and that, accordingly, the pledge of EDIT Revenues authorized herein shall rank on a parity with the pledge of EDIT Revenues to the payment of the 2008 Bonds; and

WHEREAS, the total indebtedness of the County, including the amount of the pledge authorized by this ordinance and the 2008 Bonds (assuming all such indebtedness constitutes debt in the constitutional sense under the Indiana Constitution), does not exceed any constitutional or statutory limitation on indebtedness and this pledge does not purport to create an obligation in violation of any statutory or constitutional limitation to which the County is subject;

WHEREAS, other than the 2008 Bonds, there are no other outstanding obligations of the County payable from EDIT Revenues;

WHEREAS, the County shall retain the right to enter into additional obligations payable from EDIT Revenues;

WHEREAS, the County desires to adopt this ordinance to finalize the pledge of the EDIT Revenues to the City in anticipation of the issuance of the bonds by the City to fund the Project;

NOW, THEREFORE, BE IT ORDAINED BY THE TIPTON COUNTY COUNCIL THAT:

Section 1. The County, in consideration of the City's desire to proceed with the Project, hereby pledges EDIT Revenues to the City, subject to Section 7 of this ordinance, on a parity with the payment of the 2008 Bonds, pursuant to the Act and IC 5-1-14-4, for the payment of debt service and the replenishment of a debt service reserve for bonds issued by the City for the Project in the annual amount of \$28,000, with equal semiannual installments, beginning on December 15, 2015 and continuing semiannually on each June 15 and December 15 until the December 15 or the June 15 which immediately precedes the final payment of the City's bonds. The City may choose to pay the EDIT Revenues annually to the City in the amount of \$28,000 on June 15 of each year after the December 15, 2015 installment is paid. A schedule of payments by the County to the City of its EDIT Revenues representing the pledge made under this ordinance is attached hereto as Exhibit A.

Section 2. The County shall appropriate and pay to the City from its EDIT Revenues now on hand the amount of \$28,140 to fund the debt service reserve securing the City's bonds. The EDIT Revenues deposited in the debt service reserve shall be used as provided in the ordinance adopted by

the City authorizing its bonds. Upon the final maturity or defeasance of the City's bonds, the EDIT Revenues in the amount of \$28,140 shall be returned to the County, unless otherwise agreed to by the County and the City.

Section 3. The total indebtedness of the County, including the amount of the pledge authorized by this ordinance and the 2008 Bonds (assuming all such indebtedness constitutes debt in the constitutional sense under the Indiana Constitution), does not exceed any constitutional or statutory limitation on indebtedness and this pledge does not purport to create an obligation in violation of any statutory or constitutional limitation to which the County is subject.

Section 4. The County further covenants that it will take no action to rescind or repeal EDIT or to take any action that would result in the County receiving a smaller distributive share of EDIT than the distributive share of EDIT to which it was entitled on the effective date of this ordinance. The County further covenants that it will take no action to rescind EDIT as long as the bonds of the City are outstanding

Section 5. Other than the 2008 Bonds, the County has not pledged or otherwise encumbered its EDIT Revenues, and there are no prior liens, encumbrances, or other restrictions on the EDIT Revenues or on the County's ability to pledge EDIT Revenues to the City.

Section 6. The County reserves the right to issue obligations, or enter into leases, payable from EDIT Revenues, or otherwise pledge the EDIT Revenues, on a parity with the pledge made to the City hereunder under the same conditions contained in Section 12 of the ordinance authorizing the 2008 Bonds.

Section 7. If the Project of the City is abandoned or otherwise no longer pursued by the City, the pledge of EDIT Revenues made by the County under this ordinance shall terminate.

Section 8. This ordinance shall be in full force and effect immediately upon its passage.

Adopted on this _____ day of _____, 2015, by a vote of _____ ayes and _____ nays.

TIPTON COUNTY COUNCIL

President

ATTEST:

Auditor

EXHIBIT A

SCHEDULE OF COUNTY EDIT PAYMENTS

| <u>Payment Date</u> | <u>Amount</u> |
|---------------------|---------------|
| 12/15/2015 | \$14,000.00 |
| 06/15/2016 | 28,000.00 |
| 12/15/2016 | |
| 06/15/2017 | 28,000.00 |
| 12/15/2017 | |
| 06/15/2018 | 28,000.00 |
| 12/15/2018 | |
| 06/15/2019 | 28,000.00 |
| 12/15/2019 | |
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| 06/15/2031 | 28,000.00 |
| 12/15/2031 | |
| 06/15/2032 | 28,000.00 |
| 12/15/2032 | |
| 06/15/2033 | 28,000.00 |
| 12/15/2033 | |
| 06/15/2034 | 28,000.00 |
| 12/15/2034 | |
| 06/15/2035 | 14,000.00 |

Motion by Councilman Henderson to Adopt on second reading. Second by Councilwoman Tragesser. Motion carries with a vote of 5 to 1, with Councilman Leffler voting "nay".

Minutes of September 15, 2015

Motion by Councilman Leffler to approve. Second by Councilwoman Tragesser. Motion carries.

Minutes of September 22, 2015

Motion by Councilman Ashley to approve. Second by Councilman Leffler. Motion carries.

Minutes of September 30, 2015

Motion by Councilman Leffler to approve. Second by Councilwoman Richey. Motion carries.

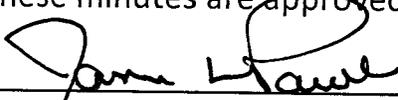
Minutes of October 13, 2015

Motion by Councilman Leffler to approve, with corrections. Second by Councilman Henderson. Motion carries.

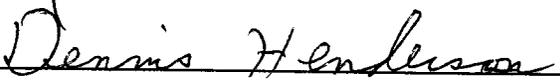
Rex Boyer thanked the Council.

Motion by Councilman Henderson to adjourn the meeting. Second by Councilman Ashley. Motion carries.

These minutes are approved this 17th day of November, 2015



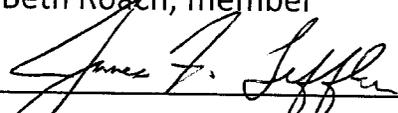
James L. Powell, President



Dennis Henderson, Vice President



Beth Roach, member



James F. Leffler, member


James D. Ashley, member


Helen Tragesser, member


Jennifer Richey, member

Attest:


Gregg A. Townsend, Tipton County Auditor
Secretary to the Tipton County Council

Respectfully submitted by Gregg A. Townsend