

## RESOLUTION 2020-7

### **RESOLUTION OF THE BOARD OF COMMISSIONERS OF DAVIESS COUNTY APPROVING THE ISSUANCE OF REFUNDING BONDS OF THE DAVIESS COUNTY HOSPITAL ASSOCIATION, APPROVING A FIRST AMENDMENT TO LEASE AND TAKING CERTAIN OTHER ACTIONS RELATED THERETO**

WHEREAS, Daviess County, Indiana (the "County") has heretofore entered into a Lease, dated March 15, 2011 (the "Original Lease") by and among the County, The Board of Trustees of Daviess County Hospital (the "Board" or the "Hospital") and the Daviess County Hospital Association (the "Association"); and

WHEREAS, pursuant to a Trust Indenture dated as of May 1, 2011 (the "2011 Indenture") between the Association and U.S. Bank National Association, as trustee (the "Trustee"), the Association issued its Lease Rental Revenue Bonds, Series 2011, in an aggregate principal amount equal to \$20,135,000 (the "2011 Bonds"), the proceeds of which were used to provide funds to finance or reimburse the Hospital for all or a portion of: (i) the acquisition, construction, renovation, and/or equipping of certain improvements owned or to be acquired by the Hospital, (ii) funding a debt service reserve fund for the Bonds, and (iii) paying all or a portion of the costs of issuance and incidental expenses incurred in connection with the issuance of the Bonds; and

WHEREAS, the Association has or is expected to adopt a resolution approving the issuance of its Lease Rental Revenue Refunding Bonds, Series 2020, in an aggregate principal amount not to exceed \$12,500,000 (the "2020 Bonds"), pursuant to the terms and conditions established in the 2011 Indenture as supplemented and amended by a First Supplemental Trust Indenture to be dated the first day of the month in which the 2020 Bonds are issued (the "2020 Supplemental Indenture") (the 2011 Indenture as supplemented by the 2020 Supplemental Indenture, the "Indenture"), by and between the Association and the Trustee, the proceeds of which will be used to provide, together with other funds available under the 2011 Indenture, for: (i) the current refunding of the 2011 Bonds now outstanding in an aggregate principal amount equal to \$12,610,000 (the "Refunding"), (ii) the payment all or a portion of the costs of issuance and incidental expenses incurred in connection with the issuance of the 2020 Bonds and (iii) the funding of a debt service reserve fund; and

WHEREAS, the County now desires to approve the issuance of the 2020 Bonds by the Association and the Refunding in order to effect a savings to the Association, the Hospital and the County by reason of a corresponding reduction in the lease rental payments to be made under the Lease; and

WHEREAS, the County and the Board fully expects that the lease rentals under the Lease will be paid by the Hospital from the net revenues of the Hospital (the "Net Revenues"); and

WHEREAS, as additional security for the payment of lease rentals under the Lease, and in accordance with the 2011 Bonds, such lease rentals shall also be payable from *ad valorem* property taxes to be levied on all taxable property in the County, to the extent the Net Revenues are insufficient to pay such lease rentals; and

WHEREAS, it is necessary to execute and deliver a corresponding amendment to the Tax Support Agreement, to be dated the date of issuance of the 2020 Bonds (the “Amendment to Tax Support Agreement”) between the Board and the County; and

WHEREAS, the County desires to approve (i) the issuance and sale of the 2020 Bonds; (ii) the Refunding and (iii) and the execution and delivery of documents related thereto.

NOW THEREFORE, BE IT RESOLVED by The Board of Commissioners of Daviess County as follows:

Section 1. The County hereby approves the issuance of the 2020 Bonds for the purpose set forth in this Resolution and wishes to reduce the payments by the Hospital and Association, and thereby reduce the corresponding risk to the County. The 2020 Bonds shall be issued in an amount not to exceed \$12,500,000, shall bear interest at a rate or rates not exceeding 4.00% per annum and shall mature on a date not later than January 15, 2029 (which is the final maturity date of the 2011 Bonds). The 2020 Bonds shall be issued in accordance with and will be secured by the Indenture.

Section 2. The First Amendment to Lease in substantially the form presented to this meeting be, and hereby is ratified and approved. The President of the Commissioners or its designee is authorized to execute and deliver the First Amendment to Lease, with such changes to the form thereof as such officer deems necessary or advisable, in the name and on behalf of the County, and the County Auditor be, and hereby is, authorized to attest such execution and delivery.

Section 3. Following the sale of the 2020 Bonds, a Second Addendum to the Lease, by and among the Association, the County, and the Board (the “Second Addendum”), substantially in the form of Exhibit B to the Original Lease, be, and hereby is, ratified and approved. The President of the Commissioners or its designee is authorized and directed to execute and deliver the Addendum, with such changes to the form thereof as such officer deems necessary or advisable, in the name and on behalf of the County, and any the County Auditor be, and hereby is, authorized and directed to attest such execution and delivery.

Section 4. The Amendment to Tax Support Agreement in substantially the form presented to this meeting be, and hereby is ratified and approved. The President of the Commissioners or its designee is authorized to execute and deliver the Amendment Tax Support Agreement, with such changes to the form thereof as such officer deems necessary or advisable, in the name and on behalf of the County and the County Auditor be, and hereby is, authorized to attest such execution and delivery.

Section 5. The sale of the 2020 Bonds to one or more financial institutions as approved by the Association and the CFO of the Hospital is hereby approved. The President of the Commissioners or its designee is authorized to execute and deliver any bond purchase agreement, continuing covenants agreement or any other document or instrument necessary to effect such purchase, in such form as such officer deems necessary or advisable, in the name and on behalf of the County, and the County Auditor be, and hereby is, authorized to attest such execution and delivery.

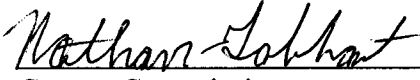
Section 6. The County hereby authorizes the Refunding. The President of the Commissioners or its designee is authorized to execute and deliver any documents which they deem necessary or desirable to effect the Refunding including, but not limited to, any redemption notices, public postings, escrow agreements, in the name and on behalf of the County, and the County Auditor be, and hereby is, authorized to attest such execution and delivery.

Section 7. The President of the Commissioners or its designee is authorized and directed to take any action and execute any documents, agreements and certificates as such member or officer deems necessary and desirable to effectuate the foregoing resolutions, and any such actions, documents, agreements and certificates heretofore taken or executed be, and hereby are, ratified and approved.

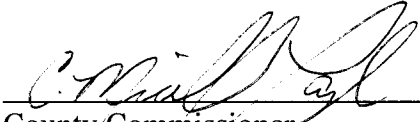
Section 8. This Resolution shall be in full force and effect immediately upon adoption.

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The foregoing is a true copy of a Resolution adopted by The Board of Commissioners of Daviess County on October 27, 2020.

  
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County Commissioner

  
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County Commissioner

  
\_\_\_\_\_  
County Commissioner

Attest:

  
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Daviess County Auditor