

FILED

NOV. 25, 2019

CITY CLERK

RESOLUTION NO. 21, 2019

A RESOLUTION AUTHORIZING A TEMPORARY LOAN FROM THE TERRE HAUTE SANITARY DISTRICT OPERATING FUND TO THE TERRE HAUTE SANITARY DISTRICT BOND FUND AND THE EXTENSION OF A CURRENT TEMPORARY LOAN OF SAID BOND FUND

WHEREAS, the Common Council of the City of Terre Haute, Indiana (the "Council" and the "City", respectively) has been advised by representatives of the Terre Haute Sanitary District (the "Sanitary District") that for cash flow purposes a need exists for (i) the transfer of not to exceed \$500,000 from the Sanitary District's wastewater utility operating fund (0620) (the "Operating Fund") to the Sanitary District's bond fund (330) (the "Bond Fund") (such transfer, herein the "New Loan") to be used by the Sanitary District to fund a portion of its January 1, 2020 debt service payment on its Sanitary District Bonds Series 2018 (the "2018 Bonds") and (ii) the extension of the current temporary loan from the Operating Fund to the Bond Fund, as approved by Resolution No. 4, 2019 adopted by the Council on May 13, 2019, to June 30, 2020 (the "Current Loan"); and

WHEREAS, the Council has been further advised that there are sufficient funds on hand in the Operating Fund to make the New Loan and extend the Current Loan without adversely affecting the operations of the Sanitary District and that an emergency exists necessitating the extension of the Current Loan as a result of anticipated insufficient proceeds from the debt service levy for the Bond Fund to repay the Current Loan in 2019; and

WHEREAS, the Council is the body charged with approving the budget of the Sanitary District and pursuant to Indiana Code 36-1-8-4 is authorized to approve fund transfers of the Sanitary District such as the New Loan and extension of the Current Loan for cash flow purposes;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Terre Haute, Indiana that:

Section 1. The Sanitary District is hereby authorized to effect the New Loan, which is hereby approved, by making a transfer of not to exceed \$500,000 from the Operating Fund to the Bond Fund to be used by the Sanitary District to fund a portion of its January 1, 2020 debt service payment on its 2018 Bonds. The New Loan shall bear interest at the rate of 0.0% per annum. The Sanitary District shall repay the New Loan from the Bond Fund to the Operating Fund by December 31, 2020, unless subsequently extended in accordance with Indiana Code 36-1-8-4(b).

Section 2. The Council hereby approves the extension of the Current Loan to June 30, 2020. An emergency exists for the extension of the Current Loan as a result of anticipated insufficient proceeds from the debt service levy for the Bond Fund to repay the Current Loan in 2018.

Section 3. The Controller of the City is hereby authorized to carry out all actions necessary and appropriate consistent with this resolution to effectuate the New Loan and

extension of the Current Loan, including filing a copy of this resolution with the Indiana State Board of Accounts.

Section 4. All resolutions or parts of resolutions in conflict with the provisions of this resolution are hereby repealed.

Section 5. This resolution shall be in full force and effect from and after its passage by the Council and approval of the Mayor of the City as required by law.

Introduced by: O. Earl Elliott O. Earl Elliott, Councilman

Passed in open Council this 12TH day of DECEMBER, 2019.

COMMON COUNCIL, CITY OF
TERRE HAUTE, INDIANA

Martha Crossen
Martha Crossen, President

ATTEST:

Michelle L. Edwards
Michelle L. Edwards, City Clerk

Presented by me to the Mayor of the City of Terre Haute, Indiana, on the 13TH day of DECEMBER, 2019, at the hour of 09:10 m.

Michelle L. Edwards
Michelle L. Edwards, City Clerk

This resolution approved and signed by me, the Mayor of the City of Terre Haute, Indiana, on the 13TH day of DECEMBER, 2018, at the hour of 10:00 AM.

Duke A. Bennett
Duke A. Bennett, Mayor

ATTEST:

Michelle L. Edwards
Michelle L. Edwards, City Clerk

Memo

To: Mayor Duke Bennett

From: Leslie Ellis, City Controller

Date: November 22, 2019

Re: Request for Temporary Loan from the Wastewater Utility Fund (0620) to the Sanitary District Bond Fund (0330)

Due to Circuit Breaker losses in the Sanitary District Bond Fund, a Temporary Loan is needed from the Wastewater Utility Fund to the Sanitary District Bond Fund in order make the bond payment due on January 1, 2020. The Sanitary District has previously issued a Temporary Loan for this same cash flow purpose.

Please contact me with any questions.

Thank you.