

ORDINANCE NO. 3448

AN ORDINANCE AUTHORIZING THE CITY OF NEW CASTLE, INDIANA, TO MAKE TEMPORARY LOANS TO MEET CURRENT OPERATING EXPENSES FOR THE USE OF THE GENERAL FUND OF THE ISSUER, IN ANTICIPATION OF AND NOT IN EXCESS OF CURRENT TAXES LEVIED IN THE YEAR 2004, AND COLLECTABLE IN THE YEAR 2005; AUTHORIZING THE ISSUANCE OF TEMPORARY LOAN TAX ANTICIPATION TIME WARRANTS TO EVIDENCE SUCH LOANS AND THE SALE OF SUCH WARRANTS TO A LENDER AND APPROPRIATING AND PLEDGING THE TAXES TO BE RECEIVED IN SUCH FUNDS TO THE PUNCTUAL PAYMENT OF SUCH WARRANTS INCLUDING THE INTEREST THERE.

WHEREAS, Indiana Code 36-4-6-20 permits municipalities to engage in temporary or short-term loans in anticipation of current revenues, and

WHEREAS, the Clerk-Treasurer (the "Clerk-Treasurer") of the City of New Castle, Indiana (the "Issuer"), has represented and the Common Council of the Issuer (the "Common Council") now finds that there will be insufficient amounts of moneys in the General Fund of the Issuer (the "Fund") to meet the current operating expenses of the Issuer payable from such Fund during the fiscal year ending December 31, 2005, and prior to the respective December settlement and distribution of taxes levied for such Fund, and

WHEREAS, the Common Council now finds that temporary loans for the Fund for such purposes should be made and that temporary loan tax anticipation time warrants evidencing such loans should be issued and sold, subject to the terms and conditions set forth herein and in accordance with the provisions of Indiana law, and

WHEREAS, a necessity exists for the making of temporary loans evidenced by temporary loan tax anticipation time warrants for the Fund in anticipation of the receipt of current revenues for such Fund levied and in the course of collection for the year 2005 and the Common Council hereby authorizes the making of temporary loans to procure the amounts necessary, in combination with other available amounts, to meet such current operating expenses for the Fund and to pay necessary costs incurred in connection with the issuance and sale of temporary loan tax anticipation time warrants to evidence such temporary loans, and

WHEREAS, the Issuer has not previously issued temporary loan tax anticipation time warrants payable from 2005 tax revenues with respect to the Fund.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF NEW CASTLE, INDIANA:

Section 1. It is hereby found and declared that an emergency exists for the borrowing of money and therefore the Issuer is hereby authorized to make temporary loans to meet current running expenses pursuant to the provisions of Indiana Code 36-4-6 for the use and benefit of the Fund of the Issuer in anticipation of current tax revenues actually levied and in the course of collection for the Fund for the year 2005, which loans shall be evidenced by temporary loan tax anticipation time warrants of the Issuer (the

<u>Fund</u>	<u>Principal Amount Maturing 12-31-05 Not to Exceed:</u>
General Fund	\$1,000,000

That the Mayor of the City of New Castle and its Clerk-Treasurer are hereby authorized to take all actions necessary to accomplish the purpose of this ordinance, such actions shall include, but not be limited to, negotiating with local financial institutions in order to obtain the most favorable rate of interest, the execution of any loan origination documents deemed necessary, and the preparation and execution of tax anticipation warrants.

SEVERABILITY: Any provision herein contained which is found by a court of competent jurisdiction to be unlawful or which by operation shall be inapplicable, shall be deemed omitted but the rest and remainder of this ordinance, to the extent feasible, shall remain in full force and effect.

ADOPTED BY THE COMMON COUNCIL OF THE CITY OF NEW CASTLE
THIS DAY OF , 2005.

Thomas Nipp, Presiding
Officer, Common Council, City
of New Castle, Indiana

NAY

ATTEST:

Janice Lavarney,
Clerk-Treasurer

APPROVED BY ME THIS ____ DAY OF _____, 2005.

the City

Thomas Nipp, Mayor of
Of New Castle, Indiana