

ORDINANCE 2015-OR- 01

A RESOLUTION AUTHORIZING THE MAYOR AND TO EXECUTE LOAN DOCUMENTS GUARANTEEING REPAYMENT OF SHORT TERM LOAN TO ST. CATHERINE HEALTHCARE, LLC

WHEREAS, the City of Charlestown, Indiana (hereinafter "City") is a third class city organized under the laws of the state of Indiana; and,

WHEREAS, pursuant to IC §36-1-3-1 *et seq.*, the Indiana *Home Rule* statutes, If there is no constitutional or statutory provision requiring a specific manner for exercising a power, a unit wanting to exercise the power may adopt an ordinance prescribing a specific manner for exercising the power; and

WHEREAS, the Charlestown Common Council recognizes the value of the continuing operation of the *St. Catherine Healthcare, LLC* in Charlestown, Indiana, (hereinafter "Saint Catherine's") as that hospital is a community amenity that contributes to the positive health, safety, and welfare of the residents of Charlestown; and

WHEREAS, the City has a history of supporting the hospitals that have occupied the site and building where St. Catherine's is presently located, which support has greatly contributed to and enhanced the quality of life in the City; and

WHEREAS, on or about August 18, 2014 the Common Council enacted Ordinance 2014-OR-8, *An Ordinance Authorizing the Mayor to Execute Loan Documents Guaranteeing Repayment Of Short Term Loan To St. Catherine Healthcare, LLC*, inasmuch as St. Catherine's had recently experienced an unusual delay in receiving payments and reimbursements for the provision of medical care already provided; and

WHEREAS, St. Catherine's has applied for another short term loan from the *New Washington State Bank* in order to obtain funds sufficient to restore cash flow for payments of St. Catherine's ongoing expenses until the payments and reimbursements have been; and,

WHEREAS, in order to extend credit limits of the short-term loan from the *New Washington State Bank* to St. Catherine's, the *New Washington State Bank* requires the City's guarantee of repayment of the short-term loan to St. Catherine's from the New Washington State Bank be extended to an amount of at least four hundred fifty thousand dollars (\$450,000.00); and,

WHEREAS, the Common Council of Charlestown wholly supports the request to lend assistance to St. Catherine's by acting as partial guarantor of a short term loan to St. Catherine's provided Charlestown that it will be placed in a position of having super priority if it will act as partial guarantor of that loan. The City has been assured by St. Catherine's and the New Washington State Bank that such is the case; and

WHEREAS, the Mayor of Charlestown, who is the executive officer of the City, is authorized to execute documents for and on behalf of the City. Now, therefore,

IT IS HEREBY ORDAINED by the Common Council of the City of Charlestown, Indiana that, provided that the City is granted super priority status in the ongoing or any future bankruptcy proceedings, the Mayor of Charlestown is hereby authorized to execute documents on behalf of the City of Charlestown, Indiana, to extend the guaranty of repayment of the short-term loan to the *New Washington State Bank* to St. Catherine's up to an amount of up to four hundred fifty thousand dollars (\$450,000.00) should St. Catherine's default on said short term loan, as described above.

ALL OF WHICH IS ORDAINED on or about the 5th day of January, 2015.

	Voted In Favor	Voted Against	Abstained	Absent
<u>Scott McKechnie</u> Scott McKechnie		✓	_____	_____
<u>Ruth Ann Rawlings</u> Ruth Ann Rawlings		✓	_____	_____
<u>Jeff Aaron</u> Jeff Aaron		✓	_____	_____
<u>Danny James</u> Danny James		✓	_____	_____
<u>Kathy Cash</u> Kathy Cash		✓	_____	_____

Presented to Mayor G. Robert Hall on the 5th day of January, 2015.

Donna Coomer
Donna Coomer
City Clerk/Treasurer

SEEN AND APPROVED BY ME THIS ON THE 5TH DAY OF JANUARY, 2015.

G. Robert Hall
Mayor G. Robert Hall

ATTEST:

1-5-15
Date

Donna Coomer
Donna Coomer
City Clerk/Treasurer