

RESOLUTION NO. 522A-27-85

A RESOLUTION REGARDING THE ISSUANCE OF NOT TO EXCEED \$500,000 IN AGGREGATE PRINCIPAL AMOUNT OF VARIABLE RATE DEMAND HOSPITAL CAPITAL ASSET REVENUE BONDS, SERIES 1985, DIRECTING PUBLICATION OF NOTICE OF INTENTION TO ISSUE, CALLING A PUBLIC HEARING ON THE PROPOSAL TO ISSUE SAID BONDS AND AUTHORIZING THE CREATION OF A JOINT POWERS ENTITY UNDER IOWA CODE CHAPTER 28E.

WHEREAS, the County of Jackson, Iowa (the "Issuer") is a municipal corporation organized and existing under the Constitution and laws of the State of Iowa, and is authorized and empowered by Chapter 331 of the Code of Iowa (the "Act"), to issue Variable Rate Demand Hospital Capital Asset Revenue Bonds (the "Bonds") to be used to defray all or a portion of the cost of improving, enlarging and equipping a county public hospital for the purpose of providing additional hospital and health care facilities and services in the Issuer which will add to the welfare of the residents of the Issuer; and

WHEREAS, pursuant to Iowa Code Chapter 28E, as amended, the Issuer may join together with other cities and counties of the State of Iowa and enter into an agreement (the "28E Agreement") which creates a legal entity to exercise some or all of the Issuer's powers on behalf of the Issuer, including, but not limited to, the power of the Issuer to issue bonds under the Act; and

WHEREAS, the Issuer has been requested by Jackson County Public Hospital, Maquoketa, Iowa (the "Borrower") to enter into a 28E Agreement for the purposes of forming and participating in an Iowa nonprofit corporation established under Iowa Code 504A, to be known as VHi Capital Resources Group (the "Corporation") which shall be empowered to issue the Bonds on behalf of the Issuer as part of a common plan of financing pursuant to which the Corporation will issue Bonds on behalf of all of the cities and counties which are parties to the 28E Agreement; and

WHEREAS, the Bonds issued by the Corporation will be issued pursuant to the provisions of the Act, Iowa Code Chapter 419 and Iowa Code Chapter 28E for the purpose of defraying the cost of the acquisition of capital assets for the Borrower and refinancing existing indebtedness incurred by the Borrower to acquire capital assets (the "Project"); and

WHEREAS, said Project will create and maintain additional employment opportunities for residents of the Issuer and the surrounding area; will enhance the tax base

of the Issuer and overlapping taxing jurisdictions and will provide additional hospital and health care facilities and served in the Issuer which will add to the welfare and prosperity of the Issuer and its inhabitants; and

WHEREAS the Issuer has determined that the amount necessary to defray all or a portion of the cost of acquiring the Project, including necessary expenses incidental thereto, will require the issuance of not to exceed \$500,000 aggregate principal amount of Variable Rate Demand Hospital Capital Asset Revenue Bonds pursuant to the provisions of the Act and Iowa Code Chapter 28E, and it is proposed that the Corporation loan said amount to the Borrower under a Loan Agreement between the Corporation and Borrower pursuant to which loan payments will be made by the Borrower in amounts sufficient to pay the principal of, interest and premium, if any, on said Bonds, as and when the same shall be due; and

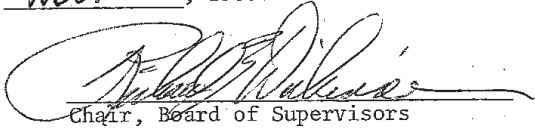
WHEREAS, the Bonds, if issued, shall be limited obligations of the Corporation, and shall not constitute nor give rise to a pecuniary liability of the Issuer or the Corporation or a charge against their general credit or the Issuer's taxing powers, and the principal of, interest and premium, if any, on the Bonds shall be payable solely out of the revenues derived from the Project to be financed by the Bonds; and

WHEREAS, before the Bonds may be issued, it is necessary to comply with the provisions of Chapter 331, and to publish notices of the proposal to issue said Bonds and of the time and place of the meeting at which it is proposed to take action for the issuance of said Bonds and to receive oral and/or written objections or petitions from any resident or property owner of the Issuer to such action.

NOW, THEREFORE, Be It and It Is Hereby Resolved by the Governing Body of the Issuer as follows:

Section 1. A public hearing shall be conducted on December 31, 1985, at 10 o'clock a.m., before this Governing Body in the Board of Supervisors Room at the Jackson County Courthouse on the proposal to issue not to exceed \$500,000 aggregate principal amount of Variable Rate Demand Hospital Capital Asset Revenue Bonds, Series 1985, pursuant to the provisions of the Act, for the purpose of defraying all or a portion of the cost of acquiring, the Project, including necessary expenses incidental thereto, and all local residents who appear at said hearing shall be given an opportunity to express their views for or against the proposal to issue such Bonds; and at said hearing, or any adjournment thereof, this Governing Body shall adopt a Resolution determining whether or not to proceed with the issuance of said Bonds.

Passed and approved this 27th day of NOV., 1985.


Chair, Board of Supervisors

Attest: T. M. Cotton