

Indiana Bond Bank's 2026 Advance Funding Program

ORDINANCE 2025 - 43

Decided
11/5/2025

AN ORDINANCE authorizing the City of Hobart, Indiana, to make temporary loans to meet current running 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 2025, and collectable in the year 2026; authorizing the issuance of temporary loan tax anticipation warrants to evidence such loans and the sale of such warrants to the Indiana Bond Bank; and appropriating and pledging the taxes to be received in such funds to the punctual payment of such warrants including the interest thereon.

WHEREAS, the Common Council (the "Fiscal Body") of the City of Hobart, Indiana (the "Issuer"), has determined that there will be an insufficient amount of money in the General Fund of the Issuer (the "Fund(s)") to meet the current running expenses of the Issuer payable from such Funds during the fiscal year ending on the last day of December 2026, and prior to the respective June 2026 (that is, the first) and December 2026 (that is, the second and final) settlements and distribution of taxes levied for such Funds; and

WHEREAS, the Fiscal Body now finds that an emergency exists for the borrowing of money to pay current running expenses and that temporary loans for the Funds for such purposes should be made and that temporary loan tax anticipation 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, the Fiscal Body has determined to participate in the 2026 Advance Funding Program (the "Program") established by the Indiana Bond Bank (the "Bond Bank") whereby the Bond Bank will purchase the temporary loan tax anticipation warrants and/or temporary interim warrants of the Issuer; and

WHEREAS, in order to participate in the Program, the Fiscal Body may be required to issue and sell its temporary loan tax anticipation warrants to the Bond Bank prior to the final certification of the annual budget levy and tax rates for such Funds for fiscal year 2026 by the Indiana Department of Local Government Finance; and

WHEREAS, the levy proposed for collection for the Funds in 2026 is estimated to produce in the aggregate, with respect to such Funds, an amount equal to or in excess of the principal of and interest on the temporary loans for such Funds; and

WHEREAS, a necessity exists for the making of temporary loans evidenced by temporary loan tax anticipation warrants for the Funds in anticipation of the receipt of current tax revenues for such Funds levied for the year 2025 and in the course of collection in 2026 and the Fiscal Body desires to authorize the making of temporary loans to procure the amounts necessary, in combination with other available amounts, to meet such current running expenses for such Funds