

Comes now the Board of County Commissioners of Floyd County, Indiana, and having been duly advised in the premises as to the need for an addition to Memorial Hospital of Floyd County and having examined the proposed lease as to its reasonableness and fairness and having heard evidence thereon, now concludes and finds:

(1) That there is a need for expansion of the facilities at Memorial Hospital of Floyd County. State Board of Health figures confirm a steady increase in demand for hospital beds even though the population increase has leveled off in the last few years as the result of declining birth rates. People are living longer and as they do the percentage of people over 65 obtaining treatment is increasing especially since the introduction of Medicare and Medicaid.

(2) That alternates to expansion have been explored by this Board with the result that (a) Southern Indiana Tuberculosis Hospital, otherwise known as "Silvercrest", is not available. Formal requests have been made by this Board to the various State Officials requesting that the facility be turned over to Floyd County. The State Officials have responded that it is not available but when and if it is declared surplus, it will be sold as prescribed by law. Our study concludes that it will be necessary for the State to appraise the property and improvements thereon and to offer to the public at sale by sealed bids to the highest bidder said

property for not less than the appraised value. (b) As a result of a private study and by a study conducted by a citizens committee appointed and approved by the New Albany City Council, it was revealed that the space afforded in "Silvercrest" would not relieve the crowded service facilities at "Memorial" which have not been expanded in past projects to meet the requirements of existing beds.

3. That tax rates have risen during the last seven (7) years even though property evaluation has increased. An examination of various budgets of local government reveals that spending in city government has tripled in the last seven (7) years, thus leaving little or no money available for badly needed community projects.

4. That while a call was made by many people both prior to and during this hearing for the matter of hospital expansion to be placed upon the ballot in the form of a referendum, there is no provision in the law that would allow this to be done.

5. That this Board has strong feelings that hospital care for its citizens is one of its responsibilities and cannot entirely be separated as a private business anymore than schools, fire and police protection or garbage collection. Property owners pay taxes for these services even though they may never use them because they are available for our use if we have need for them.

6. That the lease method of security for the sale of bonds by the New Albany Floyd County, Indiana Building Authority is necessary in order to hold costs of financing to a minimum, and that the method of payment over a forty (40) year period providing for interest only payments for 30 months during construction and payments of principal and interest over 37-1/2 years if fair and reasonable.

7. That it will be necessary if the tax rate is not increased, for additional revenues at the hospital to be made available if it is to pay the entire cost of this needed project. Further, the obligation of the County is still necessary as to payment, the same as so called "revenue bond issues" in the past for parking facilities, etc., because if the revenues are insufficient then the government must meet the obligation. Bond holders don't want sewer lines, parking meters in the event of default.

Therefore, be it ordained that this Board will not enter into any lease agreement with the New Albany, Floyd County, Indiana Building Authority for the expansion of Memorial Hospital of Floyd County until such time as the Trustees of said Hospital provide this Board with a plan whereby revenues can be increased to provide for all payments to be borne by said Hospital, and as a result thereof, no increase in taxes being placed upon the taxpayers of Floyd County.

Be it further resolved that this meeting, as to said lease, shall recess until 10:00 A.M. EDST, July 23, 1971, to allow the Trustees of Memorial Hospital time to seek some answer to the matters herein contained. Further, that this Board will continue in recess, reconvening each and every Saturday thereafter until such matters can be resolved until August 13, 1971 at 10:00 A.M. EDST, and if by said time no workable solution as to additional revenues being produced to provide for the payment of all costs of construction and financing by said Hospital Board of Trustees, then this matter will be closed.

FLOYD COUNTY COMMISSIONERS

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