

RESOLUTION NO. 20-93

Approving and authorizing a Loan Agreement and providing for the issuance of a \$3,000,000 General Obligation Road Improvement Bond, Series 2020, and providing for levying taxes

WHEREAS, the Board of Supervisors (the "Board") of Story County, Iowa (the "County"), has heretofore proposed to enter into a General Obligation Loan Agreement (the "Loan Agreement"), in a principal amount not to exceed \$8,000,000, pursuant to the provisions of Sections 331.402 and 331.441 of the Code of Iowa, for the purpose of paying the cost, to that extent, of improvements to County bridges, roads and culverts, and has published notice of the proposed action and has held a hearing thereon; and

WHEREAS, it is necessary at this time to authorize and approve the Loan Agreement and to make provision for the issuance of a \$3,000,000 General Obligation Road Improvement Bond, Series 2020 (the "Bond") in evidence of the obligation of the County under the Loan Agreement;

NOW, THEREFORE, Be It Resolved by the Board of Supervisors of Story County, Iowa, as follows:

Section 1. The County hereby determines to enter into the Loan Agreement with First National Bank, Ames, Iowa, as lender (the "Lender"), providing for a loan to the County in the principal amount of \$3,000,000 for the purpose set forth in the preamble hereof.

The Chairperson and County Auditor are hereby authorized and directed to sign the Loan Agreement on behalf of the County, and the Loan Agreement is hereby approved.

Section 2. The Bond is hereby authorized to be issued in the principal amount of \$3,000,000, shall be dated May 20, 2020 and shall be payable as to principal and interest in the manner hereinafter specified.

Principal of the Bond is payable on June 1 in each of the years, in the respective principal installments, as follows:

2021	\$460,000	2026	\$375,000
2022	\$350,000	2027	\$175,000
2023	\$355,000	2028	\$180,000
2024	\$365,000	2029	\$185,000
2025	\$370,000	2030	\$185,000

Interest on the Bond, at the rate of 1.6% per annum, is payable on June 1 and December 1 of each year, beginning December 1, 2020, and continuing to maturity. Interest shall be calculated on the basis of a 360-day year.

UMB Bank, n.a., West Des Moines, Iowa, is hereby designated as the registrar and paying agent for the Bond and may be hereinafter referred to as the "Registrar" or the "Paying Agent". The County shall enter into an agreement (the "Registrar/Paying Agent Agreement")

with the Registrar, in substantially the form that has been placed on file with the Board; the Chairperson and County Auditor are hereby authorized and directed to sign the Registrar/Paying Agent Agreement on behalf of the County; and the Registrar/Paying Agent Agreement is hereby approved.

The County reserves the right to prepay part or all of the principal of the Bond maturing on June 1 in each of the years 2028 to 2030, inclusive, prior to and in any order of maturity, on June 1, 2027, or on any date thereafter, upon terms of par and accrued interest.

Payment of both principal of and interest on the Bond shall be made to the registered owner appearing on the registration books of the County at the close of business on the fifteenth day of the month next preceding the payment date and shall be paid by check or draft mailed to the registered owner at the address shown on such registration books; provided, however, that the final installment of principal and interest shall be payable only upon presentation and surrender of the Bond to the Paying Agent.

The Bond shall be executed on behalf of the County with the official manual or facsimile signature of the Chairperson and attested by the official manual or facsimile signature of the County Auditor and shall be a fully registered Bond without interest coupons. In case any officer whose signature or the facsimile of whose signature appears on the Bond shall cease to be such officer before the delivery of the Bond, such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Bond shall be fully registered as to principal and interest in the name of the owner on the registration books of the County kept by the Registrar, and after such registration, payment of the principal thereof and interest thereon shall be made only to the registered owner or its legal representatives or assigns. The Bond shall be transferable only upon the registration books of the County upon presentation to the Registrar, together with the assignment form thereon completed and duly executed by the registered owner or the duly authorized attorney for such registered owner. The record and identity of any owners of the Bond shall be kept confidential as provided by Section 22.7 of the Code of Iowa.

Section 3. The Bond shall be in substantially the following form:

This Bond is issued by the County to evidence its obligation under a certain Loan Agreement, dated as of the date hereof (the “Loan Agreement”) entered into by the County for the purpose of paying the cost, to that extent, of improvements to County bridges, roads and culverts.

This Bond is issued pursuant to and in strict compliance with the provisions of Chapter 331 of the Code of Iowa, 2019, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution adopted by the Board of Supervisors on May 5, 2020, authorizing and approving the Loan Agreement and providing for the issuance and securing the payment of this Bond (the “Resolution”), and reference is hereby made to the Resolution and the Loan Agreement for a more complete statement as to the source of payment of this Bond and the rights of the owner of this Bond.

This Bond is fully negotiable but shall be fully registered as to both principal and interest in the name of the owner on the books of the County in the office of the Registrar, after which no transfer shall be valid unless made on said books and then only upon presentation of this Bond to the Registrar, together with the assignment form hereon completed and duly executed by the registered owner or the duly authorized attorney for such registered owner.

The County, the Registrar and the Paying Agent may deem and treat the registered owner hereof as the absolute owner for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and the County, the Registrar and the Paying Agent shall not be affected by any notice to the contrary.

And It Is Hereby Certified and Recited that all acts, conditions and things required by the laws and Constitution of the State of Iowa, to exist, to be had, to be done or to be performed precedent to and in the issue of this Bond were and have been properly existent, had, done and performed in regular and due form and time; that provision has been made for the levy of a sufficient continuing annual tax on all the taxable property in the County for the payment of the principal of and interest on this Bond as the same will respectively become due; and that the total indebtedness of the County, including this Bond, does not exceed any constitutional or statutory limitations.

IN TESTIMONY WHEREOF, Story County, Iowa, by its Board of Supervisors, has caused this Bond to be executed with the duly authorized facsimile signature of its Chairperson and attested with the duly authorized facsimile signature of its County Auditor, all as of May 20, 2020.

STORY COUNTY, IOWA

By: (DO NOT SIGN)
Chairperson

Attest:

(DO NOT SIGN)
County Auditor

Registration Date: _____

REGISTRAR’S CERTIFICATE OF AUTHENTICATION

This Bond is the Bond described in the within-mentioned Resolution.

UMB Bank, n.a.
West Des Moines, Iowa
Registrar

By (Authorized Signature)
Authorized Officer

ABBREVIATIONS

The following abbreviations, when used in this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	- as tenants in common	UTMA _____ (Custodian)
TEN ENT	- as tenants by the entireties	As Custodian for _____
TEN	- as joint tenants with right of survivorship and not as tenants in common	(Minor) under Uniform Transfers to Minors Act _____ (State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT

For valuable consideration, receipt of which is hereby acknowledged, the undersigned assigns this Bond to

(Please print or type name and address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

and does hereby irrevocably appoint _____, Attorney, to transfer this Bond on the books kept for registration thereof with full power of substitution.

Dated: _____

Signature guaranteed:

NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears on this Bond in every particular, without alteration or enlargement or any change whatever.

Section 4. The Bond shall be executed as herein provided as soon after the adoption of this resolution as may be possible and thereupon shall be delivered to the Registrar for registration and delivery to the Lender, upon receipt of the loan proceeds, and all action heretofore taken in connection with the Loan Agreement is hereby ratified and confirmed in all respects.

Section 5. As required by Chapter 76 of the Code of Iowa, and for the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the interest and principal on the Bond as it falls due, there is hereby ordered levied on all the taxable property in the County in each of the years while the Bond is outstanding, a tax sufficient for that purpose, and in furtherance of this provision, but not in limitation thereof, there is hereby levied on all the taxable property in the County the following direct annual tax for collection in each of the following fiscal years:

For collection in the fiscal year beginning July 1, 2021,
sufficient to produce the net annual sum of \$390,640;

For collection in the fiscal year beginning July 1, 2022,
sufficient to produce the net annual sum of \$390,040;

For collection in the fiscal year beginning July 1, 2023,
sufficient to produce the net annual sum of \$394,360;

For collection in the fiscal year beginning July 1, 2024,
sufficient to produce the net annual sum of \$393,520;

For collection in the fiscal year beginning July 1, 2025,
sufficient to produce the net annual sum of \$392,600;

For collection in the fiscal year beginning July 1, 2026,
sufficient to produce the net annual sum of \$186,600;

For collection in the fiscal year beginning July 1, 2027,
sufficient to produce the net annual sum of \$188,800;

For collection in the fiscal year beginning July 1, 2028,
sufficient to produce the net annual sum of \$190,920;

For collection in the fiscal year beginning July 1, 2029,
sufficient to produce the net annual sum of \$187,960.

Section 6. A certified copy of this resolution shall be filed with the County Auditor, and the Auditor is hereby instructed to enter for collection and assess the tax hereby authorized. When annually entering such taxes for collection, the County Auditor shall include the same as a part of the tax levy for Debt Service Fund purposes of the County and when collected, the proceeds of the taxes shall be converted into the Debt Service Fund of the County and set aside therein as a special account to be used solely and only for the payment of the principal of and interest on the Bond hereby authorized and for no other purpose whatsoever.

Section 7. The interest or principal and both of them falling due in any year or years shall, if necessary, be paid promptly from current available funds of the County in advance of taxes levied and when the taxes shall have been collected, reimbursement shall be made to such current funds in the sum thus advanced.

Section 8. It is the intention of the County that interest on the Bond be and remain excluded from gross income for federal income tax purposes pursuant to the appropriate provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations in effect with respect thereto (all of the foregoing herein referred to as the "Internal Revenue Code"). In furtherance thereof, the County covenants to comply with the provisions of the Internal Revenue Code as they may from time to time be in effect or amended and further covenants to comply with the applicable future laws, regulations, published rulings and court decisions as may be necessary to insure that the interest on the Bond will remain excluded from gross income for federal income tax purposes. Any and all of the officers of the County are hereby authorized and directed to take any and all actions as may be necessary to comply with the covenants herein contained.

The County hereby designates the Bond as a "Qualified Tax Exempt Obligation" as that term is used in Section 265(b)(3)(B) of the Internal Revenue Code.

Section 9. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved on May 5, 2020.

Chairperson

Attest:

County Auditor

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On motion and vote, the meeting adjourned.

Chairperson

Attest:

County Auditor