

Clarke County Board of Supervisors
August 21, 2023

August 21, 2023 - The Clarke County Board of Supervisors met in regular session on August 21, 2023, at the Clarke County Courthouse with the following members present: Dean Robins, Austin Taylor and Randy Dunbar. Also present, Auditor Janice White, Conservation Director Scott Kent and Osceola Sentinel Editor Candra Brooks. Chairman Dean Robins called the meeting to order at 9:00 a.m. Austin Taylor made a motion to approve the agenda, seconded by Randy Dunbar. All Ayes.

MINUTES FOR ISSUANCE OF NOTE

459119-5

Osceola, Iowa

August 21, 2023

The Board of Supervisors of Clarke County, Iowa, met on August 21, 2023, at 9:00 a.m. at the Clarke County Courthouse, Osceola, Iowa. The meeting was called to order by the Chairperson, and the roll was called showing the following members of the Board present and absent:

Present: Dean Robins, Austin Taylor and Randy Dunbar

Absent: None.

The County Auditor announced that the statutory period had passed within which a petition might have been filed requesting a referendum on the question of entering into a Loan Agreement for the purpose of paying the cost, to that extent, of constructing, furnishing and equipping a community center facility for use by the County Conservation Department, and that no such petition had been filed.

After due consideration and discussion, Supervisor Randy Dunbar introduced the following resolution and moved its adoption, seconded by Supervisor Dean Robins. The Chairperson put the question upon the adoption of said resolution, and the roll being called, the following Supervisors voted:

Ayes: Dean Robins, Randy Dunbar

Nays: Austin Taylor.

Whereupon, the Chairperson declared the resolution duly adopted, as hereinafter set out.

RESOLUTION NO. 23-154

Resolution authorizing and approving a Loan Agreement, providing for the issuance of a \$300,000 General Fund Conservation Note, Series 2023A

WHEREAS, the Board of Supervisors (the “Board”) of Clarke County, Iowa (the “County”), heretofore proposed to enter into a General Fund Loan Agreement (the “Loan Agreement”) and borrow money in a principal amount not to exceed \$650,000, pursuant to the provisions of Section 331.402 of the Code of Iowa for the purpose of paying the cost, to that extent, of constructing, furnishing and equipping a community center facility (the “Project”) for use by the County Conservation Department, and has published notice of the proposed action and has held a discussion meeting thereon on July 10, 2023 and no petition was filed requesting an election be held on the borrowing proposal within 30-days thereafter; and

WHEREAS, the County has determined to split its authority to borrow under the Loan Agreement in two, a General Fund Loan Agreement, Series 2023A with American State Bank (the “ASB Loan Agreement”) and a General Fund Conservation Loan Agreement, Series 2023B with Clarke Rural Electric Company (the “CREC Loan Agreement”, together with the ASB Loan Agreement sometimes referred to as the “Loan Agreements”); and

WHEREAS, it is necessary at this time to authorize and approve the ASB Loan Agreement and to make provision for the issuance of a General Fund Conservation Note, Series 2023A (the “Series 2023A Note”) in the principal amount of \$300,000 evidence of its obligation under the ASB Loan Agreement;

NOW, THEREFORE, It Is Resolved by the Board of Supervisors of Clarke County, Iowa, as follows:

Section 1. It is hereby determined that the County shall enter into the ASB Loan Agreement with American State Bank, Osceola, Iowa (the “Lender”) in substantially the form which will be placed on file with the County in the principal amount of \$300,000 for the purpose or purposes set forth in the preamble hereof.

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

Section 2. The Series 2023A Note shall bear interest at the rate of 4.97% per annum. Both principal of and interest on the Series 2023A Note shall be payable in nineteen (19) equal semiannual installments in the amount of \$19,921 (the “Semi-Annual Installment Amount”) each, due on each June 1 and December 1, commencing December 1, 2024, and continuing to and including December 1, 2033, with one final installment of all remaining principal and interest due thereon at final maturity on June 1, 2034. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The County Auditor is hereby designated as the registrar and paying agent for the Series 2023A Note and may be hereinafter referred to as the “Registrar” or the “Paying Agent.”

Payment of both principal of and interest on the Series 2023A Note 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 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 Series 2023A Note to the Paying Agent.

The County reserves the right to optionally prepay principal of the Series 2023A Note in whole or in part at any time prior to and in inverse order of maturity on terms of par and accrued interest. All principal so prepaid shall cease to bear interest on the date of prepayment. Prepayment of principal of the Note will not cause a re-amortization of the Semi-Annual Installment Amount.

The Series 2023A Note shall be executed on behalf of the County with the official manual or facsimile signature of the Chairperson and attested with the official manual or facsimile signature of the County Auditor and shall be a fully registered Note without interest coupons. In case any officer whose signature or the facsimile of whose signature appears on the Series 2023A Note shall cease to be such officer before the delivery of the Series 2023A Note, 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 Series 2023A Note 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 Series 2023A Note shall be transferable only upon the registration books of the County upon presentation to the Registrar, together with either a written instrument of transfer satisfactory to the Registrar or 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 Series 2023A Note shall be kept confidential as provided by Section 22.7 of the Code of Iowa.

Section 3. The Series 2023A Note shall be in substantially the following form:

(Form of Note)

UNITED STATES OF AMERICA
STATE OF IOWA
CLARKE COUNTY

GENERAL FUND CONSERVATION NOTE, SERIES 2023A

\$300,000

RATE	MATURITY DATE	NOTE DATE
4.97%	June 1, 2034	August 29, 2023

Clarke County (the "County"), Iowa, for value received, promises to pay in the manner hereinafter provided to

**American State Bank,
Osceola, Iowa**

or registered assigns, the principal sum of THREE HUNDRED THOUSAND DOLLARS, together with interest on the outstanding principal hereof from the date of this Note, or from the most recent payment date on which interest has been paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

This Note shall bear interest at the rate of 4.97% per annum. Both principal of and interest on this Note shall be payable in nineteen (19) equal semiannual installments in the amount of \$19,921 (the "Semi-Annual Installment Amount") each, due on each June 1 and December 1, commencing December 1, 2024, and continuing to and including December 1, 2033, with one final installment of all remaining principal and interest due thereon at final maturity on June 1, 2034. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

Both principal of and interest on this Note are payable to the registered owner appearing on the registration books of the County maintained by the County Auditor (hereinafter referred to as the "Registrar" or the "Paying Agent") at the close of business on the fifteenth day of the month next preceding the payment date in lawful money of the United States of America to the registered owner at the address shown on such registration books; provided, however, that the final installment of principal and interest will be payable only upon presentation and surrender of this Note to the Paying Agent.

This Note is issued by the County to evidence its obligation under a certain Loan Agreement, dated the date hereof (the "Loan Agreement"), entered into by the County for the purpose of paying the costs, to that extent, of constructing, furnishing and equipping a community center facility (the "Project") for use by the County Conservation Department.

The County has covenanted to appropriate to the General Fund of the County, in each year so long as any of this Note is outstanding, sufficient funds to pay interest on and principal of the Note as such payments become due. This Note is not a "General Obligation Bond" as defined in Section 384.24(1) of the Code of Iowa, and this Note is not secured by the levy of an unlimited ad valorem property tax for the direct payment of principal of and interest thereon

This Note is issued pursuant to and in strict compliance with the provisions of Chapter 76 and Chapter 331 of the Code of Iowa, 2023, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the Board dated August 21, 2023 (the "Resolution") authorizing and approving the Loan Agreement and providing for the issuance and securing the payment of this Note, 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 Note and the rights of the owner of this Note.

The County reserves the right to prepay principal of the Note, in whole or in part, at any time prior to and in inverse order of maturity on terms of par and accrued interest. All principal so prepaid shall cease to bear interest on the date of prepayment. Prepayment of principal of the Note will not cause a re-amortization of the Semi-Annual Installment Amount.

This Note 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 Note to the Registrar, together with either a written instrument of transfer satisfactory to the Registrar or 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 Note 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 within the County for the payment of the principal of and interest on this Note as the same will respectively become due; and that the total indebtedness of the County, including this Note, does not exceed any constitutional or statutory limitations. IN TESTIMONY WHEREOF, Clarke County, Iowa, by its Board of Supervisors, has caused this Note to be executed by its Chairperson and attested by its County Auditor, on August 29, 2023.

CLARKE COUNTY, IOWA

By (DO NOT SIGN)
Chairperson, Board of Supervisors

Attest:

(DO NOT SIGN)
County Auditor

ABBREVIATIONS

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

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

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 Note 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 Note 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 Note in every particular, without alteration or enlargement or any change whatever.

Section 4. It is anticipated that closing of the borrowing transaction contemplated herein will be on or around August 29, 2023 provided, however, the Series 2023A Note 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. To the extent that the date of closing needs to be adjusted, the County Auditor, with advice from the Lender and Bond Counsel to the County, is hereby authorized to make such adjustment and to modify the transaction documents accordingly

The proceeds (the "Loan Proceeds") to be received under the Loan Agreement shall be used to pay the costs of the Projects and costs of issuance of the Series 2023A Note. Any Loan Proceeds remaining after the full payment of such costs shall be deposited in the General Fund and used to pay principal of and interest on the Series 2023A Note as the same become due. The County shall hold the Loan Proceeds in a distinct account and shall keep an accurate accounting of the investment and expenditure of such monies and any investment earnings thereon.

Section 5. It is the intention of the County that interest on the Series 2023A Note 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 Series 2023A Note 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 Note as a "Qualified Tax Exempt Obligations" as that term is used in Section 265(b)(3)(B) of the Internal Revenue Code.

Section 6. The Board of Supervisors hereby covenants to appropriate to the General Fund of the County, in each year so long as the Series 2023A Note is outstanding, sufficient funds

to pay interest and principal on such Note as such payments become due. The County hereby pledges its General Fund and the revenues from time to time deposited and available therein for the full and prompt payment of the principal of and interest on the 2023A Note.

In compliance with Section 331 of the Code of Iowa, it is hereby found that the maximum annual debt service owed on the Note, plus any corresponding amounts owed on other currently outstanding obligations secured exclusively with the General Fund of the County, does not exceed 10% of the last certified General Fund budget of the County.

Section 7. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 8. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved August 21, 2023.

Res 23-155 - Moved by Randy Dunbar, seconded by Dean Robins to approve the updated County Employee Safety Manual.

Vote was, "Ayes": Dean Robins and Randy Dunbar. "Nays": None. Austin Taylor was absent.

Signed this 21st day of August, 2023.

Res 23-156 - Moved by Randy Dunbar, seconded by Dean Robins, to approve payment of claims submitted from August 15, 2023 through August 21, 2023.

Vote was: "Ayes": Dean Robins, Austin Taylor and Randy Dunbar. "Nays": None.

Signed this 21st day of August, 2023.

Fund Totals for Claims as follows:

0001 GENERAL BASIC FUND	17,183.68
0002 GENERAL SUPPLEMENT FUND	125.00
0020 SECONDARY ROAD FUND	3,491.80

Having no other agenda items, Randy Dunbar made a motion to adjourn, seconded by Dean Robins. All Ayes. Meeting adjourned at 11:30 a.m.

Signed: Dean Robins, Chairman

Attest: Janice M. White, Auditor