

The Monroe County Board of Supervisors met pursuant to adjournment July 30th, 2019 with Board of Supervisor members Dennis Amoss (Chairman), John Hughes and Michael R. Beary present.

Minutes of July 23rd, 2019, read and signed for approval by Board of Supervisors.

Representative with Interstate Power & Light Company present to discuss terminating Staging Area Lease as of July 31st, 2019 as the project is now complete.

Motion by Beary and seconded by Hughes to terminate Staging Area Lease with Interstate Power & Light Company.

All voting aye. Motion carried.

Motion by Hughes and seconded by Beary to accept Jail Inspector's report presented by Sheriff Dan Johnson.

All voting aye. Motion carried.

Motion by Beary and seconded by Hughes to approve and authorize a Loan Agreement and providing for the issuance of a General Obligation Courthouse Improvement Note and providing for the levy of taxes to pay the same.

Resolution Approving and authorizing a Loan Agreement and providing for the issuance of a General Obligation Courthouse Improvement Note and providing for the levy of taxes to pay the same

WHEREAS, pursuant to the provisions of Section 331.402 of the Code of Iowa, notice duly published and hearing held thereon, the Board of Supervisors (the "Board") of Monroe County, Iowa (the "County"), has heretofore proposed to contract indebtedness and enter into a loan agreement (the "Loan Agreement") in the principal amount not to exceed \$600,000 to provide funds to pay the cost, to that extent, of equipping and improving the County Courthouse to include air conditioning and heating systems upgrades, 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 General Obligation Courthouse Improvement Note, Series 2019B in the principal amount of \$550,931 (the "Note") in evidence of the County's obligation under the Loan Agreement;

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

Section 1. The County hereby determines to enter into the Loan Agreement in substantially the form as has been placed on file with the Board, with First Iowa State Bank, Albia,

Iowa, as lender (the "Lender"), providing for a loan to the County in the principal amount of \$550,931 for the purpose or purposes 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. The Chairperson and the County Auditor are authorized to execute and deliver any and all documents required by bond counsel to effectuate the purposes of this resolution and to issue the Note.

Section 2. The Note is hereby authorized to be issued in the principal amount of \$550,931 and shall be dated as of the date of its delivery to the Lender and shall be payable as to both principal and interest in the manner hereinafter specified.

The County Treasurer is hereby designated as the registrar and paying agent for the Note and may be hereinafter referred to as the "Registrar" or the "Paying Agent".

Principal of the Note shall bear interest until paid from the date of the Note or from the last date on which interest has been paid at the rate of 3.250% per annum. Principal of and interest on the Note shall be payable pursuant to the schedule shown on Attachment A to the Note. All payments shall be applied first to the payment of interest due and next to the reduction of principal.

Payment of both principal of and interest on the 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 by electronic means, check or draft mailed to the registered owner at the address shown on such registration books, and after the final installment of principal and interest is paid, the Lender shall surrender the Note to the Paying Agent.

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 prepayment date.

The Note shall be a general obligation of the County, and shall be payable from an annual ad valorem property tax levy to be made pursuant to Section 6 of this resolution and Chapter 76 of the Code of Iowa, pledged therefor as hereinafter provided.

The Note 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 Note without interest coupons. In case any officer whose signature or the facsimile of whose signature appears on the Note shall cease to be such officer before the delivery of the 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 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 Note shall be transferable without cost to the registered owner thereof 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.

Section 4. The Note shall be in substantially the following form:

(Form of Note)

**UNITED STATES OF AMERICA
STATE OF IOWA
MONROE COUNTY**

GENERAL OBLIGATION COURTHOUSE IMPROVEMENT NOTE, SERIES 2019B

No. 1			\$550,931
	NOTE DATE	RATE	MATURITY DATE
	July 31, 2019	3.250%	June 1, 2024

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

*First Iowa State Bank
Albia, Iowa*

or registered assigns (the "Lender"), the principal sum of FIVE HUNDRED FIFTY NINE HUNDRED THIRTY-ONE DOLLARS (\$550,931) 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 prepayment prior to maturity may be or become applicable hereto. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

Principal of this Note shall bear interest until paid from the date of this Note or from the last date on which interest has been paid at the rate of 3.250% per annum. Both principal of and interest on this Note shall be payable pursuant to the schedule shown on Attachment A. All payments shall be applied first to the payment of interest due and next to the reduction of principal.

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 Monroe County Auditor, Albia, Iowa (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 by check or draft mailed to the registered owner at the address shown on such registration books, and upon payment of the final installment of principal and interest the Lender shall present 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 July 31, 2019 (the "Loan Agreement") entered into by the County for the purpose of providing funds to pay a portion of the cost of making improvements to the County Courthouse, including equipping the County Courthouse with air conditioning and heating systems upgrades.

This Note 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 of the County Board of Supervisors authorizing and approving the Loan Agreement and providing for the issuance and securing the payment of the Note (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 the Note and the rights of the owner of the Note.

The County reserves the right to prepay principal of this 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 prepayment date.

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; that the annual tax on all the taxable property within the County is irrevocably pledged to the payment of both principal and interest; and that the total indebtedness of the County, including this Note, does not exceed any constitutional or statutory limitations.

IN TESTIMONY WHEREOF, Monroe County, Iowa, by its Board of Supervisors, has caused this Note to be executed by its Chairperson and attested by its County Auditor, as of the Note Date.

MONROE COUNTY, IOWA

By Dennis Amoss
Chairperson, Board of Supervisors

Attest:

Amanda R. Harlan
County Auditor

PROVISIONS OF REGISTRATION

The ownership of the unpaid principal balance of this Note and the interest accruing therein is registered on the books of Monroe County, Iowa, in the name of the registered owner last noted below.

<u>Date of Registration</u>	<u>Name and Address of Registered Owner</u>	<u>Signature of the County Auditor</u>
<u>Note Date</u>	<u>First Iowa State Bank Albia, Iowa</u>	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

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

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

ATTACHMENT A

AMORTIZATION SCHEDULE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$550,931.00	07-31-2019	06-01-2024	Project 2 - 5yr	510 / 81			
References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.							

Borrower: Monroe County

Lender: First Iowa State Bank
19 Benton Ave E
Albia, IA 52531

Disbursement Date: July 31, 2019
Interest Rate: 3.250

Repayment Schedule: Irregular
Calculation Method: 30 /360 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	12-01-2019	6,018.16	6,018.16	0.00	550,931.00
2019 TOTALS:		6,018.16	6,018.16	0.00	
2	06-01-2020	8,952.63	8,952.63	0.00	550,931.00
3	06-01-2020	110,186.20	0.00	110,186.20	440,744.80
4	12-01-2020	7,162.10	7,162.10	0.00	440,744.80
2020 TOTALS:		126,300.93	16,114.73	110,186.20	
5	06-01-2021	7,162.10	7,162.10	0.00	440,744.80
6	06-01-2021	110,186.20	0.00	110,186.20	330,558.60
7	12-01-2021	5,371.58	5,371.58	0.00	330,558.60
2021 TOTALS:		122,719.88	12,533.68	110,186.20	
8	06-01-2022	5,371.58	5,371.58	0.00	330,558.60
9	06-01-2022	110,186.20	0.00	110,186.20	220,372.40
10	12-01-2022	3,581.05	3,581.05	0.00	220,372.40
2022 TOTALS:		119,138.83	8,952.63	110,186.20	
11	06-01-2023	3,581.05	3,581.05	0.00	220,372.40
12	06-01-2023	110,186.20	0.00	110,186.20	110,186.20
13	12-01-2023	1,790.53	1,790.53	0.00	110,186.20
2023 TOTALS:		115,557.78	5,371.58	110,186.20	
14	06-01-2024	111,976.73	1,790.53	110,186.20	0.00
2024 TOTALS:		111,976.73	1,790.53	110,186.20	
TOTALS:		601,712.31	50,781.31	550,931.00	

NOTICE: This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.

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 5. The 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.

The loan proceeds received from the Note shall be deposited in a dedicated fund (the "Project Fund"), which is hereby created, to be used for the payment of (1) costs of the planning, designing, acquisition, undertaking and construction of the Project; (2) costs of issuance of the Note; and (3) to the extent that proceeds remain after the full payment of the costs set forth in (1) and (2), such proceeds shall be transferred to the Debt Service Fund for the payment of principal of and interest on the Note. A separate and detailed accounting of the investment and expenditure of the loan proceeds will be maintained by the County Auditor.

Section 6. For the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on the Note as the same become due, there is hereby ordered levied on all the taxable property in the County in each of the years while the Note 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, to-wit:

*For collection in the fiscal year beginning July 1, 2020,
sufficient to produce the net annual sum of \$124,511;*

*For collection in the fiscal year beginning July 1, 2021,
sufficient to produce the net annual sum of \$120,930;*

*For collection in the fiscal year beginning July 1, 2022,
sufficient to produce the net annual sum of \$117,349; and*

*For collection in the fiscal year beginning July 1, 2023,
sufficient to produce the net annual sum of \$113,768;*

*(Such taxes being supplemental and additional to taxes
previously authorized by the County for this purpose for
collection in the fiscal year beginning July 1, 2019).*

Section 7. A certified copy of this resolution shall be filed with the County Auditor, and the County Auditor shall be and is hereby instructed to enter for collection and assess the tax hereby authorized. When annually entering such taxes for collection, the County Auditor shall to 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 Note hereby authorized and for no other purpose whatsoever.

Pursuant to the provisions of Section 76.4 of the Code of Iowa, each year while any of the Note remains outstanding and unpaid, any other alternative funds of the County which may lawfully be applied for such purpose, including incremental property tax revenues and sales tax revenues anticipated to be received from time-to-time, may be appropriated, budgeted and, if

received, used for the payment of the principal of and interest on the Note as the same become due. In the event of such an appropriation, the taxes for the next succeeding fiscal year, as provided for in Section 6 of this Resolution, shall be reduced by the amount of such alternative funds as have been appropriated for such purpose.

Section 8. The interest or principal and both of them falling due in any year or years shall, if necessary, be paid promptly from current funds on hand in advance of taxes levied and when the taxes shall have been collected, reimbursement shall be made to such current funds to the sum thus advanced.

Section 9. It is the intention of the County that interest on the 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 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 Obligation" as that term is used in Section 265(b)(3)(B) of the Internal Revenue Code.

Section 10. All resolutions or parts thereof in conflict herewith be and the same are hereby repealed to the extent of such conflict.

Passed and approved on July 30, 2019.

The Board of Supervisors chose to strike agenda the inter-fund transfer listed on agenda.

Meeting adjourned.

(Dennis Amoss)
Dennis Amoss, Chairman

ATTEST: (Chris Turner)
Amanda R. Harlan, Monroe County Auditor
By: Chris Turner, Deputy