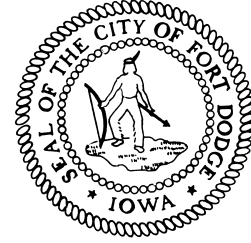


March 2, 2015

To: Mayor Bemrich and City Council
From: David Fierke, City Manager
Subject: Resolution authorizing loan agreements



ACTION: For vote Monday, March 9, 2015

Brief History

For the last few years the City has included \$90,000 in its annual debt service levy for the purchase of three new police vehicles. \$40,000 of computer related expenses is also included in FY16's debt service levy.

Analysis of Issue

This resolution will facilitate the ability of the City to collect the taxes levied for the repayment of this FY16 general obligation note.

Budget Impact

The loan proceeds will be deposited into the police capital fund and the computer technology fund. The loan repayments and fees will be made from the debt service fund.

Staff Conclusions / Recommendations

Approval of this resolution is necessary to proceed with the collection of taxes, borrowing, and re-payment.

Implementation and Accountability

The clerk's office will handle the execution and implementation of the loan upon approval of the resolution.

Signed

Approved

Jeff Nemmers
City Clerk/Finance Director

David R. Fierke
City Manager

MINUTES FOR HEARINGS ON LOAN AGREEMENTS AND TO AUTHORIZE PRELEVY

419414-96

Fort Dodge, Iowa

March 9, 2015

The City Council of the City of Fort Dodge, Iowa, met on March 9, 2015, at 6:00 p.m., at the Municipal Building, Fort Dodge, Iowa.

The meeting was called to order by the Mayor, and the roll being called, the following named Council Members were present and absent:

Present: _____

Absent: _____.

This being the time and place specified for taking action on the proposal to enter into an Essential Purpose Loan Agreement in a principal amount not to exceed \$90,000, the City Clerk announced that no written objections had been placed on file. Whereupon, the Mayor called for any written or oral objections, and there being none, the Mayor closed the public hearing.

This also being the time and place specified for taking action on the proposal to enter into a General Purpose Loan Agreement in a principal amount not to exceed \$40,000, the City Clerk announced that no petition had been filed asking that the question of entering into the loan agreement be submitted to the registered voters of the City, and that the City Council may proceed with the authorization of the loan agreement. Whereupon, the Mayor called for any written or oral objections, and there being none, the Mayor closed the public hearing.

After due consideration and discussion, Council Member _____ introduced the resolution next hereinafter set out and moved its adoption, seconded by Council Member _____. The Mayor put the question upon the adoption of said resolution, and the roll being called, the following Council Members voted:

Ayes: _____

Nays: _____.

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

RESOLUTION NO. _____

Resolution authorizing Loan Agreements, approving the future issuance of General Obligation Note and providing for the levy of taxes to pay the same

WHEREAS, the City of Fort Dodge (the “City”), in Webster County, State of Iowa, heretofore proposed to enter into a General Obligation Loan Agreement (the “Essential Purpose Loan Agreement”) and to borrow money thereunder in a principal amount not to exceed \$90,000 pursuant to the provisions of Section 384.24A of the Code of Iowa for the purpose of paying the cost, to that extent, of acquiring vehicles for the municipal police department, and has published notice of the proposed action and has held a hearing thereon on March 9, 2015; and

WHEREAS, the City also proposed to enter into a General Obligation Corporate Purpose Loan Agreement (the “General Purpose Loan Agreement” with the Essential Purpose Loan Agreement hereinafter referred to as the “Loan Agreements”) and to borrow money thereunder in a principal amount not to exceed \$40,000 pursuant to the provisions of Section 384.24A of the Code of Iowa for the purpose of paying the cost, to that extent, of acquiring computer hardware and software, and in lieu of calling an election upon such proposal, has published notice of the proposed action and has held a hearing thereon, and as of March 9, 2015, no petition had been filed with the City asking that the question of entering into the General Purpose Loan Agreement be submitted to the registered voters of the City; and

WHEREAS, the City intends to enter into the Loan Agreements and to issue a General Obligation Corporate Purpose Note (the “Note”) in the future and anticipates that principal and interest will come due on the Note before July 1, 2016; and

WHEREAS, It is now necessary to make provision for the levy of debt service property taxes in the 2015-2016 fiscal year for the payment of principal of and interest on the Note;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Fort Dodge, Iowa, as follows:

Section 1. The Note shall be issued in a principal amount not to exceed \$130,000 in evidence of the City’s obligation under the Loan Agreements at the time such funds to be received under the Loan Agreements are needed.

Section 2. 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 City in each of the years while the Note is outstanding, a tax sufficient for that purpose as follows:

For collection in the fiscal year beginning July 1, 2015,
sufficient to produce the net annual sum of \$130,000;

provided, however, that at the time the Note is issued, the actual tax levy amounts required to pay the principal of and interest on the Note in each year shall be determined based upon the

interest rate or rates at which the Note is issued, and this resolution shall be supplemented by resolution of the City Council to provide for such actual and necessary tax levy amounts.

Section 3. A certified copy of this resolution shall be filed with the County Auditor of Webster County, and said 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 City and when collected, the proceeds of the taxes shall be converted into the Debt Service Fund of the City 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.

Section 6. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 7. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved March 9, 2015.

Mayor

Attest:

City Clerk

••••

On motion and vote, the meeting adjourned.

Mayor

Attest:

City Clerk

STATE OF IOWA
COUNTY OF WEBSTER SS:
CITY OF FORT DODGE

I, the undersigned, City Clerk of the City of Fort Dodge, do hereby certify that as such I have in my possession or have access to the complete corporate records of the City and of its Council and officers and that I have carefully compared the transcript hereto attached with those corporate records and that the transcript hereto attached is a true, correct and complete copy of all the corporate records relating to the authorization of certain Loan Agreements and General Obligation Note to be issued in evidence of the City's obligation under the Loan Agreements and that the transcript hereto attached contains a true, correct and complete statement of all the measures adopted and proceedings, acts and things had, done and performed up to the present time with respect thereto.

WITNESS MY HAND this _____ day of _____, 2015.

City Clerk

STATE OF IOWA

SS:

COUNTY OF WEBSTER

I, the undersigned, County Auditor of Webster County, in the State of Iowa, do hereby certify that on the _____ day of _____, 2015, the City Clerk of the City of Fort Dodge filed in my office a certified copy of a resolution of such City shown to have been adopted by the Council on March 9, 2015, entitled: "Resolution authorizing Loan Agreements, approving the future issuance of General Obligation Note and providing for the levy of taxes to pay the same," and that I have duly placed the copy of the resolution on file in my records.

I further certify that the taxes provided for in that resolution will in due time, manner and season be entered on the State and County tax lists of this County for collection in the fiscal year beginning July 1, 2016, as provided in the resolution.

WITNESS MY HAND this _____ day of _____, 2015.

County Auditor

March 2, 2015

Jeff Nemmers
City Administrator/City Hall
Fort Dodge, Iowa

Via Email

Re: General Obligation Loan Agreements
Our File No. 419414-96

Dear Jeff:

We have prepared and attach proceedings to be used at the March 9th City Council meeting covering the hearing on the Loan Agreements and providing for the adoption of the resolution (the "Resolution") approving the issuance of a General Obligation Note (the "Note") and authorizing the debt service property tax levy for the repayment of the Note in the fiscal year beginning on July 1, 2015.

If a petition is filed asking that the proposal to enter into the General Purpose Loan Agreement be put to an election, please contact us right away.

After it is adopted, a certified copy of the attached Resolution must be filed with the Webster County Auditor **no later than March 31, 2015**. Please print an extra copy of the Resolution for these filings.

When the City is ready to enter into the Loan Agreements, we will prepare proceedings to enable the City Council to supplement the Resolution to provide for the actual repayment structure, interest rate on the Note, and the additional tax levies and to make a supplemental filing with the County Auditor.

The proceedings attached include the following items:

1. Minutes of the March 9th Council meeting covering the hearing and providing for the adoption of the Resolution. The Resolution authorizing the property tax levy follows the minutes.
2. Certificate attesting the transcript.

As these proceedings are completed, please return one fully executed copy to our office.

If you have any questions, please contact Amy Bjork or me.

Best regards,

John P. Danos

Attachments