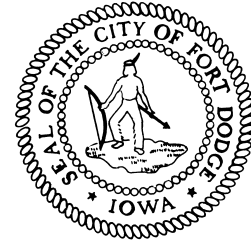


**March 17, 2015**

**To: Mayor Bemrich and City Council**  
**From: David Fierke, City Manager**  
**Subject: Loan Agreement and issuance of GO one day note**  
**ACTION: For vote Monday, March 23, 2015**

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**Brief History**

For the last few years the City has included borrowing in its annual debt service levy for the purchase of three new police vehicles. Funding of computer related expenses was also included in the FY15 debt service levy.

**Analysis of Issue**

This resolution approves the borrowing and sets April 8, 2015 as the closing date of the \$130,000 one day loan.

**Budget Impact**

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

**Staff Conclusions / Recommendations**

Approval of this resolution is necessary to proceed with the 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

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Jeff Nemmers  
City Clerk/Finance Director

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David R. Fierke  
City Manager

MINUTES FOR ISSUANCE OF A  
GENERAL OBLIGATION CORPORATE  
PURPOSE NOTE

419414-83

Fort Dodge, Iowa

March 23, 2015

The City Council of the City of Fort Dodge, Iowa, met on March 23, 2015, at \_\_\_\_  
o'clock p.m., at the \_\_\_\_\_, Fort Dodge, Iowa.

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

Present: \_\_\_\_\_

Absent: \_\_\_\_\_.

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.

••••

At the conclusion of the meeting, and upon motion and vote, the Council adjourned.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

RESOLUTION NO. \_\_\_\_\_

Resolution authorizing and approving a Loan Agreement and providing for the issuance of a \$130,000 General Obligation Corporate Purpose Note

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 \$83,000 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 February 24, 2014; 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 February 24, 2014, 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, pursuant to the authority provided under Section 384.28 of the Code of Iowa, the City has combined the Essential Purpose Loan Agreement and the General Purpose Loan Agreement into a single loan agreement (the “Loan Agreement”); and

WHEREAS, on February 24, 2014 the City Council adopted a resolution (the “Prelevy Resolution”) anticipating the future authorization of the Loan Agreement and providing for the levy of taxes to pay principal thereunder, and said taxes have been collected in the 2014-2015 fiscal year of the City; and

WHEREAS, it is necessary at this time to authorize and approve the Loan Agreement and to make provision for the issuance of the Note in evidence of the obligation of the City under the Loan Agreement;

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

Section 1. The City hereby determines to enter into the Loan Agreement with First American Bank, Fort Dodge, Iowa (the “Purchaser”), providing for a loan to the City in the principal amount of \$130,000 for the purpose or purposes set forth in the preamble hereof.

The Mayor and City Clerk are hereby authorized and directed to sign the Loan Agreement on behalf of the City, and the Loan Agreement is hereby approved.

Section 2. The Note is hereby authorized to be issued in the principal amount of \$130,000 and shall be dated as of the date of its delivery to the Purchaser (such date is anticipated to be April 8, 2015) and shall be payable in the manner hereinafter specified.

The City Clerk 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 not bear interest. All of the principal of the Note and a loan initiation fee of \$100 shall be payable directly to the Purchaser on April 8, 2015.

The Note shall be executed on behalf of the City with the official manual or facsimile signature of the Mayor and attested with the official manual or facsimile signature of the City Clerk 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 City 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 only upon the registration books of the City 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 Note shall be kept confidential as provided by Section 22.7 of the Code of Iowa.

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

**(Form of Note)**

UNITED STATES OF AMERICA  
STATE OF IOWA WEBSTER COUNTY  
CITY OF FORT DODGE

GENERAL OBLIGATION CORPORATE PURPOSE NOTE

No. 1 \$130,000

RATE	MATURITY DATE	NOTE DATE
0%	April 8, 2015	April 8, 2015

The City of Fort Dodge (the “City”), in Webster County, State of Iowa, for value received, promises to pay in the manner hereinafter provided to

First American Bank  
Fort Dodge, Iowa

or registered assigns (the “Purchaser”), the principal sum of ONE HUNDRED THIRTY THOUSAND DOLLARS.

Principal of this Note shall not bear interest. All of the principal of this Note and a loan initiation fee of \$100 shall be payable directly to the Purchaser on April 8, 2015.

This Note is issued by the City to evidence its obligation under a certain Loan Agreement, dated as of the date hereof (the “Loan Agreement”) entered into by the City for the purpose of paying the costs of acquiring vehicles for the municipal police department and acquiring computer hardware and software for City Hall.

This Note is issued pursuant to and in strict compliance with the provisions of Chapter 76 and Chapter 384 of the Code of Iowa, 2015, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the City Council authorizing and approving the Loan Agreement and providing for the issuance and securing the payment of this 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 this Note and the rights of the Holder of this Note.

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 City 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 City, 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 City, 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 City for the payment of the principal of this Note as the same will respectively become due; that the faith, credit, revenues and resources and that the total indebtedness of the City, including this Note, does not exceed any constitutional or statutory limitations.

IN TESTIMONY WHEREOF, the City of Fort Dodge, Iowa, by its City Council, has caused this Note to be executed by its Mayor and attested by its City Clerk, on April 8, 2015.

CITY OF FORT DODGE, IOWA

By (DO NOT SIGN)  
Mayor

Attest:

(DO NOT SIGN)  
City Clerk

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		(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 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. 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 Purchaser on April 8, 2015, 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. The City hereby pledges the debt service property taxes received pursuant to the Prelevy Resolution for the full and prompt payment of the principal of the Note.

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 approval and adoption, as provided by law.

Passed and approved on March 23, 2015.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk



STATE OF IOWA  
COUNTY OF WEBSTER  
CITY OF FORT DODGE

SS:

I, the undersigned, City Clerk of the City of Fort Dodge, do hereby certify that as such City Clerk 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 in relation to the adoption of a resolution authorizing and approving a certain Loan Agreement and providing for the issuance of a \$130,000 General Obligation Corporate Purpose Note of the City evidencing the City's obligation under the Loan Agreement 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.

I further certify that no appeal has been taken to the District Court from the decision of the City Council to enter into the Loan Agreement, to issue the Note or to levy taxes to pay the principal of the Note.

WITNESS MY HAND this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
City Clerk

March 16, 2015

Jeff Nemmers  
City Clerk/City Hall  
Fort Dodge, Iowa  
**Via Email**

Re: \$130,000 General Obligation Corporate Purpose Note  
Our File No. 419414-83

Dear Jeff:

Attached are proceedings for the March 23<sup>rd</sup> City Council meeting to approve the Loan Agreement and authorize the issuance of the short-term General Obligation Corporate Purpose Note for the 2014-2015 fiscal year.

In the next few days, we will prepare and furnish you with the necessary closing documents and instructions for use on April 8, 2015.

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

If you have any questions, please contact me.

Best regards,

John P. Danos

Attachments

cc: David Fierke  
Bryan Dowd