RESOLUTION NO. #2011-16

Resolution authorizing a Loan Agreement and providing for the levy of taxes to pay the same

WHEREAS, the Board of Supervisors (the “Board”) of Clay County, Iowa (the “County”), has heretofore proposed to enter into a loan agreement (the “Loan Agreement”) in a principal amount not to exceed $560,000 pursuant to the provisions of Section 331.402 of the Code of Iowa for the purpose of financing improvements at the County’s Administration Building, and has published notice of the proposed action and has held a hearing thereon on March 29, 2011; and

WHEREAS, the County intends to enter into the Loan Agreement and to issue a General Obligation County Building Improvement Note (the “Note”) in the future, and anticipates that principal and interest will come due on the Note before July 1, 2012, and it is now necessary to make provision for the levy of a debt service property tax in the 2011-2012 fiscal year for the payment of such principal and interest;

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

Section 1. The County hereby determines to enter into the Loan Agreement in the future, providing for a loan to the County in a principal amount not to exceed $560,000 for the purpose set forth in the preamble hereof.

Section 2. The County also determines to issue the Note in a principal amount not to exceed $560,000 in evidence of the County’s obligation under the Loan Agreement at the time such funds are needed.

Section 3. 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, there is hereby ordered levied on all the taxable property in the County a direct annual tax for collection in the fiscal year beginning July 1, 2011, sufficient to produce the net annual sum of $334,579.

Section 4. A certified copy of this resolution shall be filed with the County Auditor, and the County Auditor is hereby instructed to enter for collection and assess the tax hereby authorized. When 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 Note hereby authorized and for no other purpose whatsoever.

Section 5. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved on March 29, 2011.

/s/ Joe Skow, Chairperson Board of Supervisors
Attest: /s/ Marjorie Pitts, County Auditor