

RESOLUTION NO. 23-31

Resolution authorizing and approving a Loan Agreement, Combining Loan Agreements and Authorizing a \$250,000 General Obligation Loan Agreement and providing for the levy of taxes to pay the same

WHEREAS, the City of Grand Mound (the “City”), in Clinton County, State of Iowa heretofore proposed to enter into a general obligation loan agreement (the “2022 Loan Agreement”), pursuant to the provisions of Section 384.24A of the Code of Iowa, and to borrow money thereunder in a principal amount not to exceed \$242,000 for the purpose of paying the costs, to that extent, of constructing street, water system, sanitary sewer system, storm water drainage and sidewalk improvements (the “Projects”), and pursuant to law and duly published notice of the proposed action has held a hearing thereon on September 12, 2022; and

WHEREAS, the City also proposed to enter into an additional general obligation loan agreement (the “2023 Loan Agreement” and together with the 2022 Loan Agreement, the “Loan Agreements”), pursuant to the provisions of Section 384.24A of the Code of Iowa, and to borrow money thereunder in a principal amount not to exceed \$8,000 for the purpose of paying the costs, to that extent, of constructing the Projects; and pursuant to law and duly published notice of the proposed action has held a hearing thereon on October 9, 2023; and

WHEREAS, pursuant to Section 384.28 of the Code of Iowa, the City Council intends to combine the Loan Agreements into a single loan agreement; and

WHEREAS, Clinton County, Iowa (the “Lender”) has provided the City with a certain Memorandum of Understanding, titled: *Iowa Project No. HSIP-SWAP-CO23(133)-FJ-23* (the “Loan Agreement”) for approval and execution with respect to the Loan Agreement described herein;

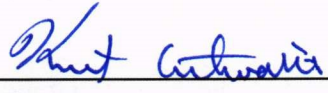
NOW, THEREFORE, Be It Resolved by the City Council of the City of Grand Mound, Iowa, as follows:

Section 1. The Loan Agreements are hereby combined into the Loan Agreement. The City hereby determines to enter into the Loan Agreement with the Lender, providing for a loan to the City in the principal amount of \$250,000 for the purpose or purposes set forth in the preamble hereof.

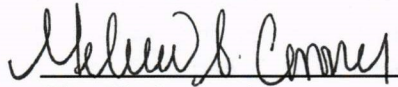
The Mayor and City Clerk are hereby authorized and directed to sign the Loan Agreement on behalf of the City, and the Loan Agreement is hereby approved.

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.....

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

  
\_\_\_\_\_  
Mayor

Attest:

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



Section 2. The City hereby authorizes an obligation under the Loan Agreement in the principal amount of \$250,000. Principal owed under the Loan Agreement shall be payable in ten (10) equal annual installments of \$25,000, due on June 1 in each year, commencing June 1, 2025 and continuing to and including June 1, 2034 (the "Maturity Date"). Principal under the Loan Agreement shall not bear interest.

The City reserves the right to prepay principal of under the Loan Agreement in whole or in part at any time prior to and in any order of maturity.

Section 3. For the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the principal under the Loan Agreement as the same becomes due, there is hereby ordered levied on all the taxable property in the City in each of the years while the principal under the Loan Agreement is outstanding, the following direct annual tax:

For collection in the fiscal year beginning July 1, 2024,  
sufficient to produce the net annual sum of \$25,000;

For collection in the fiscal year beginning July 1, 2025,  
sufficient to produce the net annual sum of \$25,000;

For collection in the fiscal year beginning July 1, 2026,  
sufficient to produce the net annual sum of \$25,000;

For collection in the fiscal year beginning July 1, 2027,  
sufficient to produce the net annual sum of \$25,000;

For collection in the fiscal year beginning July 1, 2028,  
sufficient to produce the net annual sum of \$25,000;

For collection in the fiscal year beginning July 1, 2029,  
sufficient to produce the net annual sum of \$25,000;

For collection in the fiscal year beginning July 1, 2030,  
sufficient to produce the net annual sum of \$25,000;

For collection in the fiscal year beginning July 1, 2031,  
sufficient to produce the net annual sum of \$25,000;

For collection in the fiscal year beginning July 1, 2032,  
sufficient to produce the net annual sum of \$25,000; and

For collection in the fiscal year beginning July 1, 2033  
sufficient to produce the net annual sum of \$25,000.

Section 4. A certified copy of this resolution shall be filed with the County Auditor of Clinton County, and the County 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 under the Loan Agreement hereby authorized and for no other purpose whatsoever.

Pursuant to the provisions of Section 76.4 of the Code of Iowa, each year while the principal balance under the Loan Agreement remains outstanding and unpaid, any funds of the City which may lawfully be applied for such purpose may be appropriated, budgeted and, if received, used for the payment of the principal under the Loan Agreement the same become due, and if so appropriated, the taxes for any given fiscal year as provided for in Section 5 of this Resolution, shall be reduced by the amount of such alternate funds as have been appropriated for such purpose, and evidenced in the City's budget.

Section 5. The principal 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 6. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

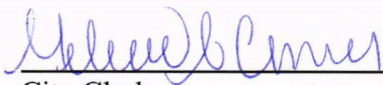
Section 7. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved on October 9, 2023.



\_\_\_\_\_  
Mayor

Attest:



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



October 6, 2023

**Via Email**

Melissa Conner  
City Clerk/City Hall  
Grand Mound, Iowa

Re: \$250,000 General Obligation Loan Agreement  
Our File No. 419941-7

Dear Melissa:

We have prepared and attach proceedings to be used at the October 9, 2023 City Council meeting to enable the Council to adopt the resolution (the "Resolution") covering the public hearing on a loan agreement, combining loan agreements, and authorizing a County MOU/Loan Agreement (the "Loan Agreement").

The proceedings attached include the following items:

1. Minutes of the meeting covering the public hearing, followed by the adoption of the resolution (the "Resolution") combining loan agreements and authorizing the issuance. The Resolution follows the minutes.
2. Attestation Certificate with respect to the validity of the transcript.
3. County Filing Certificate relating to the filing of a certified copy of the Resolution in of the office of the County Auditor. After it is adopted, a certified copy of the Resolution must be filed with the Clinton County Auditor. Please print an extra copy of the resolution for this purpose.

As provided in the Resolution, beginning in the 2024-2025 fiscal year, the County Auditor will have a mandatory duty to make a levy of taxes to pay principal under the Loan Agreement unless the City's budget each year affirmatively shows that the tax should not be levied because other funds will be applied to the payment of the principal for that budget year. To the extent the City determines that property tax levies will be needed for payment in any year, the tax levy amounts needed must be certified for that year in the City's budget as part of the Debt Service Fund, and the funds derived from sources other than taxes must be shown on the appropriate budget document.

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

If you have any questions, please contact John Danos, Cheryl Ritter or me.

Sincerely,

Erin Regan

Attachments

MINUTES TO HOLD HEARING ON  
LOAN AGREEMENT, COMBINE LOAN  
AGREEMENTS, AND TO AUTHORIZE  
LOAN AGREEMENT

419941-7

Grand Mound, Iowa

October 9, 2023

The City Council of the City of Grand Mound, Iowa, met on October 9, 2023, at 6:55  
o'clock 7 .m., at the City Hall 615 Sunnyside Street, Grand Mound, Iowa.

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

Present: Schanze, Beitelspacher, Banowetz, Beuthien

Absent: Nicolay

This being the time and place specified for further consideration of a proposal to enter into a General Obligation Loan Agreement in a principal amount not to exceed \$8,000, 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 declared the public hearing closed.

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

Ayes: Schanze, Beitelspacher, Banowetz, Beuthien

Nays: \_\_\_\_\_

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



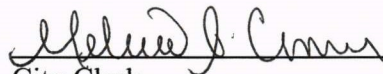
**ATTESTATION CERTIFICATE**

STATE OF IOWA  
COUNTY OF CLINTON                    SS:  
CITY OF GRAND MOUND

I, the undersigned, City Clerk of the City of Grand Mound, 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 entitled, "Resolution authorizing and approving a Loan Agreement, Combining Loan Agreements and Authorizing a \$250,000 General Obligation Loan Agreement and providing for the levy of taxes to pay the same," 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 authorize the Loan Agreement, or to levy the taxes to pay the principal thereon.

WITNESS MY HAND this 9 day of October, 2023.

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

**COUNTY FILING CERTIFICATE**

STATE OF IOWA

SS:

COUNTY OF CLINTON

I, the undersigned, County Auditor of Clinton County, in the State of Iowa, do hereby certify that on the \_\_\_\_\_ day of \_\_\_\_\_, 2023, the City Clerk of the City of Grand Mound filed in my office a certified copy of a resolution of the City shown to have been adopted by the City Council and approved by the Mayor thereof on October 9, 2023, entitled: "Resolution authorizing and approving a Loan Agreement, Combining Loan Agreements and Authorizing a \$250,000 General Obligation Loan Agreement 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, 2024, and subsequent years as provided in the resolution.

WITNESS MY HAND this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
County Auditor