

POLK COUNTY BOARD OF SUPERVISORS AGENDA
POLK COUNTY ADMINISTRATIVE OFFICE BUILDING

111 COURT AVENUE - ROOM 120

NOVEMBER 12, 2008 3:00 P.M.

1. Roll Call.

RESOLUTIONS

2. Resolution directing the sale of \$3,975,000 Essential County Purpose General Obligation Bonds.
3. Resolution authorizing the issuance of \$3,975,000 Essential County Purpose General Obligation Bonds (improvements at various County facilities/Neighborhood Finance Corporation).

ADJOURNMENT

The information identified on this agenda may be obtained in accessible formats by qualified persons with a disability. To receive information or to request an accommodation to participate in a meeting, hearing, service, program or activity conducted by this office, contact the Polk County Auditor's Office, Administrative Building, 111 Court Avenue, 286-3080.

RESOLUTION DIRECTING THE SALE OF \$3,975,000 ESSENTIAL COUNTY PURPOSE GENERAL OBLIGATION BONDS, SERIES 2008

Moved by _____ Seconded by _____ that the following Resolution be adopted:

WHEREAS, pursuant to notice as required by law, bids have been received at public sale for Essential County Purpose General Obligation Bonds, Series 2008 in the aggregate principal amount of \$3,975,000, and the best bid received is determined to be the following:

Bidder: _____
Purchase Price: \$ _____
Net Interest Cost: \$ _____
True Interest Cost: _____ %

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF POLK COUNTY, IOWA:

Section 1. That the bid for the Series 2008 Bonds as above set out is hereby determined to be the best and most favorable bid received, and the Series 2008 Bonds are hereby awarded based on said bid.

Section 2. That the statement of information for Bond bidders and the form of contract for the sale of the Series 2008 Bonds are hereby approved and the Chairperson and Auditor are authorized to execute the same on behalf of the County.

Section 3. That the notice of the sale of the Series 2008 Bonds heretofore given and all acts of the County Treasurer and County officials done in furtherance of the sale of the Series 2008 Bonds are hereby ratified and approved.

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PASSED AND APPROVED, this 12th day of November, 2008

Chairperson

Attest:

Auditor

ROLL CALL

RESOLUTION AUTHORIZING THE ISSUANCE OF ESSENTIAL COUNTY PURPOSE
GENERAL OBLIGATION BONDS, SERIES 2008, IN THE AGGREGATE PRINCIPAL
AMOUNT OF \$3,975,000 AND LEVYING A TAX FOR THE PAYMENT THEREOF

Moved by _____ Seconded by _____ that the following Resolution
be adopted:

WHEREAS, Polk County, Iowa is a political subdivision duly organized and existing under
and by virtue of the laws and constitution of the State of Iowa; and

WHEREAS, the Issuer is in need of funds to pay or to reimburse costs of each of the
following essential county purposes: (i) to pay a portion of the costs of improvements at various
County facilities; (ii) to make a grant or reimburse grants made to the Neighborhood Finance
Corporation to assist in providing acquisition and renovation of housing in Polk County, and to the
Housing Trust Fund to be used to increase the housing capacity within Polk County by providing for
the acquisition and renovation of housing units; and (iii) to pay costs of issuance of the Bonds, each
an essential county purpose. It is deemed necessary and advisable that its general obligation bonds
in the aggregate principal amount of \$3,975,000 (the "Series 2008 Bonds" or the "Bonds"), be issued
for the foregoing purposes; and

WHEREAS, on October 28, 2008 pursuant to notices published as required by Section
331.442 and Section 331.443 of the Code, the Board of Supervisors of the County held public
meetings and hearings upon the proposals to institute proceedings for the issuance of general
obligation bonds for the various essential county purposes set forth above, and the Board is therefore
now authorized to proceed with the issuance of the Bonds for each such purpose; and

WHEREAS, pursuant to Section 331.445 of the Iowa Code, the Board has determined that
the general obligation bonds authorized for the various purposes described above shall be combined
for the purpose of issuance in one series of general obligation bonds as hereinafter set forth; and

WHEREAS, pursuant to the provisions of Chapter 75 of the Iowa Code, the above mentioned
Bonds were heretofore sold at public sale and action should now be taken to issue the Bonds
conforming to the terms and conditions of the best bids received at the advertised public sale; and

WHEREAS, a form of Tax Exemption Certificate and a form of Continuing Disclosure
Certificate have been presented for approval.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF POLK
COUNTY, IOWA:

Section 1. Definitions. The following terms shall have the following meanings in this
Resolution unless the text expressly or by necessary implication requires otherwise:

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(a) "Beneficial Owner" shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant or such person's subrogee.

(b) "Bond Fund" shall mean the General Obligation Bond Fund Series 2008 established by Section 4 of this Resolution.

(c) "Bonds" shall mean the Series 2008 Bonds authorized to be issued by this Resolution.

(d) "Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

(e) "Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate executed by the Issuer and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

(f) "Depository Bonds" shall mean the Bonds as issued in the form of one global certificate for each maturity, registered in the Registration Books maintained by the Registrar in the name of DTC or its nominee.

(g) "DTC" shall mean The Depository Trust Company, New York, New York, a limited purpose trust company, or any successor book-entry securities depository appointed for the Bonds.

(h) "Issuer" and "County" shall mean the County of Polk, State of Iowa.

(i) "Participants" shall mean those broker-dealers, banks and other financial institutions for which DTC holds Bonds as securities depository.

(j) "Paying Agent" shall mean the County Treasurer, Polk County, Iowa, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's agent to provide for the payment of principal of and interest on the Bonds as the same shall become due.

(k) "Project" or "Projects" shall mean (i) to pay a portion of the costs of improvements at various County facilities and (ii) to make a grant or reimburse grants made to the Neighborhood Finance Corporation to assist in providing acquisition and renovation of housing in Polk County, and to the Housing Trust Fund to be used to increase the housing capacity within Polk County by providing for the acquisition and renovation of housing units.

(l) "Project Fund" shall mean the Series 2008 Project Fund established by the County pursuant to Section 5(c) of this Resolution for the deposit of the proceeds of Bonds.

(m) "Rebate Fund" shall mean the fund so defined in and established pursuant to the Tax Exemption Certificate.

(n) "Registrar" shall mean the County Treasurer of Polk County, Iowa, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Bonds. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Bonds.

(o) "Representation Letter" shall mean the Blanket Issuer Letter of Representations from the Issuer to DTC.

(p) "Series 2008 Bonds" shall mean the \$3,975,000 Essential County Purpose Obligation Bonds, Series 2008, authorized to be issued by this Resolution.

(q) "Tax Exemption Certificate" shall mean the Tax Exemption Certificate with respect to the Series 2008 Bonds executed by the Treasurer and delivered at the time of issuance and delivery of the Bonds.

(r) "Treasurer" shall mean the County Treasurer or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Bonds issued hereunder.

Section 2. Documents Authorized to be Executed.

(a) The Tax Exemption Certificate in substantially the form attached to this Resolution is hereby approved and authorized to be executed and delivered on behalf of the Issuer by the Treasurer.

(b) The Continuing Disclosure Certificate in substantially the form attached to this Resolution is hereby approved and authorized to be executed and delivered on behalf of the Issuer by the Chairperson of the Board of Supervisors and attested by the Auditor.

Section 3. Levy of Annual Tax; Other Funds to be Used.

(a) Levy of Annual Tax.

For the purpose of providing funds to pay the principal of and interest on the Series 2008 Bonds hereinafter authorized to be issued, there is hereby levied for each future year the following direct annual tax on all of the taxable property in Polk County, Iowa, to-wit:

<u>AMOUNT</u>	<u>FISCAL YEAR (JULY 1 TO JUNE 30)</u> <u>YEAR OF COLLECTION:</u> (see paragraph (b) below)
\$ *	2008/2009
	2009/2010
	2010/2011
	2011/2012
	2012/2013
	2013/2014
	2014/2015
	2015/2016
	2016/2017
	2017/2018

* Payable from cash on hand.

(NOTE: For example the levy to be made and certified against the taxable valuations of January 1, 2008 will be collected during the fiscal year commencing July 1, 2009.)

(b) Additional County Funds Available. Funds are available to pay debt service on the Bonds coming due on June 1, 2009 and certain funds are expected to continue to be available in future years from revenues to be received by the County from various sources and certain funds maintained by the County. Principal and interest coming due at any time when the proceeds of said tax on hand shall be insufficient to pay the same shall be promptly paid when due from current funds of the County available for that purpose and reimbursement shall be made from such special fund in the amounts thus advanced.

Section 4. Bond Fund. Said taxes provided by Section 3(a) above shall be assessed and collected each year at the same time and in the same manner as and with and in addition to all other taxes in and for said County, and when collected they shall be credited, together with other revenues received by the County for the payment of any Series into a special fund within the County's debt service fund to be known as the GENERAL OBLIGATION BOND FUND, 2008 which is hereby pledged to and shall be used only for the payment of the principal and interest of the Series 2008 Bonds hereinafter authorized to be issued, and in such fund (in addition to the taxes above provided for) thus pledged, there shall be included annually all sums which may be legally included under the apportionment of taxes received by the County from railway, express, telephone and telegraph companies and other taxes assessed by the Iowa Department of Revenue.

Section 5. Application of Bond Proceeds; Establishment of Project Fund.

(a) The County shall establish a fund to be known as the Series 2008 Project Fund (the "Project Fund"). Proceeds of the Series 2008 Bonds, other than pre-issuance accrued interest as provided below, shall be credited to the Project Fund.

Amounts deposited in the Project Fund shall be expended therefrom only for the purposes of paying or reimbursing costs of the Project and costs of issuance of the Series 2008 Bonds as described in (b) below.

Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Bonds at any time that other funds shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law or this Resolution.

(b) Proceeds of the Series 2008 Bonds sufficient to pay costs of issuance shall be held by the County in the Project Fund until disbursed to pay such costs of issuance.

(c) Pre-issuance accrued interest on the Bonds, if any, shall be deposited in the Bond Fund.

Section 6. Investment of Bond Proceeds. All moneys held in the Bond Fund and the Project Fund shall be invested in investments permitted by Chapter 12B, Code of Iowa, 2007 or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation and the deposits in which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured by a valid pledge of direct obligations of the United States Government having an equivalent market value. All such interim investments shall mature before the date on which the moneys are required for payment of principal of or interest on the Bonds as herein provided or for payment of Project costs, as applicable.

Section 7. Bond Details, Execution and Redemption.

(a) Series 2008 Bonds. General Obligation Bonds, Series 2008 of the County in the amount of \$3,975,000 shall be issued pursuant to the provisions of Section 331.446 of the Code of Iowa for the aforesaid purposes. The Series 2008 Bonds shall be designated "ESSENTIAL COUNTY PURPOSE GENERAL OBLIGATION BOND, SERIES 2008", be dated December 1, 2008, and bear interest from the date thereof, until payment thereof, at the office of the Paying Agent, said interest payable on June 1, 2009, and semiannually thereafter on the first day of December and June in each year until maturity at the rates hereinafter provided. The Series 2008 Bonds shall mature and bear interest as follows:

<u>Principal Amount</u>	<u>Maturity June 1</u>	<u>Interest Rate</u>
\$ 170,000	2009	____%
360,000	2010	____

375,000	2011	_____
390,000	2012	_____
400,000	2013	_____
420,000	2014	_____
435,000	2015	_____
450,000	2016	_____
475,000	2017	_____
500,000	2018	_____

(b) Execution. The Bonds shall be executed by the manual or facsimile signature of the Chairperson and attested by the manual or facsimile signature of the Auditor, and impressed or printed with the seal of the County and shall be fully registered as to both principal and interest as provided in this Resolution; principal and interest shall be payable at the office of the County Treasurer, as Paying Agent, by mailing of a check to the registered owner of the Bond. The Bonds shall be in the denomination of \$5,000 or multiples thereof.

(c) Redemption. The Bonds maturing after June 1, 2016 may be called for redemption by the Issuer and paid before maturity on said date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

Thirty days' notice of redemption shall be given by registered mail to the registered owners of the Bonds. Failure to give such notice by mail to any registered owner of the Bonds or any defect therein shall not affect the validity of any proceedings for the redemption of the Bonds. All Bonds or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment.

If selection by lot within a maturity is required, the Registrar shall designate the Bonds to be redeemed by random selection of the names of the registered owners of the entire annual maturity until the total amount of Bonds to be called has been reached.

Section 8. Issuance of Bonds in Book-Entry Form; Replacement Bonds.

(a) Notwithstanding the other provisions of this Resolution regarding registration, ownership, transfer, payment and exchange of the Bonds, unless the Issuer determines to permit the exchange of Depository Bonds for Bonds in the Authorized Denominations, the Bonds shall be issued as Depository Bonds in denominations of the entire principal amount of each maturity of Bonds (or, if a portion of said principal amount is prepaid, said principal amount less the prepaid amount); and such Depository Bonds shall be registered in the name of Cede & Co., as nominee of DTC. Payment of semi-annual interest for any Depository Bond shall be made by wire transfer or New York Clearing House or equivalent next day funds to the account of Cede & Co. on the interest payment date for the Bonds at the address indicated in or pursuant to the Representation Letter.

(b) With respect to Depository Bonds, neither the Issuer nor the Paying Agent shall have any responsibility or obligation to any Participant or to any Beneficial Owner. Without limiting the immediately preceding sentence, neither the Issuer nor the Paying Agent shall have any responsibility or obligation with respect to (i) the accuracy of the records of DTC or its nominee or of any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant, any Beneficial Owner or any other person, other than DTC or its nominee, of any notice with respect to the Bonds, (iii) the payment to any Participant, any Beneficial Owner or any other person, other than DTC or its nominee, of any amount with respect to the principal of, premium, if any, or interest on the Bonds, or (iv) the failure of DTC to provide any information or notification on behalf of any Participant or Beneficial Owner.

The Issuer and the Paying Agent may treat DTC or its nominee as, and deem DTC or its nominee to be, the absolute owner of each Bond for the purpose of payment of the principal of, premium, if any, and interest on such Bond, for the purpose of all other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes whatsoever (except for the giving of certain Bondholder consents, in accordance with the practices and procedures of DTC as may be applicable thereto). The Paying Agent shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the Bondholders as shown on the Registration Books, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal of, premium, if any, and interest on the Bonds to the extent so paid. Notwithstanding the provisions of this Resolution to the contrary (including without limitation those provisions relating to the surrender of Bonds, registration thereof, and issuance in Authorized Denominations), as long as the Bonds are Depository Bonds, full effect shall be given to the Representation Letter and the procedures and practices of DTC thereunder, and the Paying Agent shall comply therewith.

(c) Upon (i) a determination by the Issuer that DTC is no longer able to carry out its functions or is otherwise determined unsatisfactory, or (ii) a determination by DTC that the Bonds are no longer eligible for its depository services or (iii) a determination by the Paying Agent that DTC has resigned or discontinued its services for the Bonds, the Issuer shall (A) designate a satisfactory substitute depository as set forth below or, if a satisfactory substitute is not found, (B) provide for the exchange of Depository Bonds for replacement Bonds in Authorized Denominations.

(d) If the Issuer determines to provide for the exchange of Depository Bonds for Bonds in Authorized Denominations, the Issuer shall so notify the Paying Agent and shall provide the Registrar with a supply of executed unauthenticated Bonds to be so exchanged. The Registrar shall thereupon notify the owners of the Bonds and provide for such exchange, and to the extent that the Beneficial Owners are designated as the transferee by the owners, the Bonds will be delivered in appropriate form, content and Authorized Denominations to the Beneficial Owners, as their interests appear.

(e) Any substitute depository shall be designated in writing by the Issuer to the Paying Agent. Any such substitute depository shall be a qualified and registered "clearing agency" as provided in Section 17A of the Securities Exchange Act of 1934, as amended. The substitute depository shall provide for (i) immobilization of the Depository Bonds, (ii) registration and transfer of interests in Depository Bonds by book entries made on records of the depository or its nominee and (iii) payment of principal of, premium, if any, and interest on the Bonds in accordance with and as such interests may appear with respect to such book entries.

Section 9. Registration of Bonds; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

(a) Registration. The ownership of Bonds may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Bonds, and in no other way. The County Treasurer is hereby appointed as Bond Registrar under the terms of this Resolution. The Registrar shall maintain the books of the Issuer for the registration of ownership of the Bonds for the payment of principal of and interest on the Bonds as provided in this Resolution. All Bonds shall be negotiable as provided in Article 8 of the Uniform Commercial Code and Section 331.446 of the Code of Iowa, subject to the provisions for registration and transfer contained in the Bonds and in this Resolution.

(b) Transfer. The ownership of any Bond may be transferred only upon the Registration Books kept for the registration and transfer of Bonds and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the registered owner of a Bond (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Bond, a new fully registered Bond, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Bond, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

(c) Registration of Transferred Bonds. In all cases of the transfer of the Bonds, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Bonds, in accordance with the provisions of this Resolution.

(d) Ownership. As to any Bond, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Bonds and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual

to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

(e) Cancellation. All Bonds which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Bonds which are cancelled by the Registrar shall be destroyed and a certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Bonds to the Issuer.

(f) Non-Presentation of Bonds. In the event any payment check representing payment of or interest on the Bonds is returned to the Paying Agent or is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such interest on the Bonds shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Bonds shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Bonds who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Bonds. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent, shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Bonds of whatever nature shall be made upon the Issuer.

(g) Registration and Transfer Fees. The Registrar shall furnish to each owner, at the Issuer's expense, one Bond for each annual maturity. The Registrar shall furnish additional Bonds in lesser denominations (but not less than the minimum denomination) to an owner who so requests.

Section 10. Reissuance of Mutilated, Destroyed, Stolen or Lost Bonds. In case any outstanding Bond shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Bond of like tenor and amount as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond to Registrar, upon surrender of such mutilated Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Bond have been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 11. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Bond, shall be made to the registered holder thereof or to their designated agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in

respect of such Bonds to the extent of the payments so made. Payment of principal shall only be made upon surrender of the Bond to the Paying Agent.

Section 12. Execution, Authentication and Delivery of the Bonds. Upon the adoption of this resolution, the Chairperson and County Auditor shall execute and deliver the Bonds to the Registrar, who shall authenticate the Bonds and deliver the same to or upon order of the purchaser. No Bond shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Bond a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Bond executed on behalf of the Issuer shall be conclusive evidence that the Bond so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

No Bonds shall be authenticated and delivered by the Registrar, unless and until there shall have been provided the following:

1. A written order of Issuer signed by the County Treasurer directing the authentication and delivery of the Bonds to or upon the order of the Purchaser upon payment of the purchase price as set forth therein;
2. The approving opinion of Ahlers & Cooney, P.C., Bond Counsel, concerning the validity and legality of all the Bonds proposed to be issued.

Section 13. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving 60 days' written notice to each registered Bondholder.

Section 14. Form of Bond. Bonds shall be printed in substantial compliance with standards proposed by the American Standards Institute substantially in the form attached hereto as Exhibit A for the Series 2008 Bonds.

Section 15. Contract Between Issuer and Purchasers. This Resolution constitutes a contract between said County and the purchasers of the Bonds.

Section 16. Non-Arbitrage Covenants. The Issuer reasonably expects and covenants that no use will be made of the proceeds from the issuance and sale of the Bonds issued hereunder which will cause any of the Bonds to be classified as arbitrage bonds within the meaning of Section 148(a) and (b) of the Internal Revenue Code of the United States, and that throughout the term of said Bonds it will comply with the requirements of said statute and regulations issued thereunder.

To the best knowledge and belief of the Issuer, there are no facts or circumstances that would materially change the foregoing statements or the conclusion that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be arbitrage bonds. Without

limiting the generality of the foregoing, the Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The Treasurer is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate in all respects and to execute and deliver the Tax Exemption Certificate at issuance of the Bonds to certify as to the reasonable expectations and covenants of the Issuer at that date.

Section 17. Continuing Disclosure. The Issuer hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, and the provisions of the Continuing Disclosure Certificate are hereby incorporated by reference as part of this Resolution and made a part hereof. Notwithstanding any other provision of this Resolution, failure of the Issuer to comply with the Continuing Disclosure Certificate shall not be considered an event of default under this Resolution; however, any holder of the Bonds or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under the Continuing Disclosure Certificate. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

Section 18. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the purchasers and holders of the Bonds from time to time outstanding that the Issuer through its officers, (a) will make such further specific covenants, representations and assurances as may be necessary or advisable; (b) comply with all representations, covenants and assurances contained in the Tax Exemption Certificate, which Tax Exemption Certificate shall constitute a part of the contract between the Issuer and the owners of the Bonds; (c) consult with Bond Counsel (as defined in the Tax Exemption Certificate); (d) pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (e) file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Issuer in such compliance.

Section 19. Amendment of Resolution to Maintain Tax Exemption. This Resolution may be amended without the consent of any owner of the Bonds if, in the opinion of Bond Counsel, such amendment is necessary to maintain tax exemption with respect to the Bonds under applicable Federal law or regulations.

Section 20. Severability Clause. If any section, paragraph, clause or provision of this Resolution be held invalid, such invalidity shall not affect any of the remaining provisions hereof, and this Resolution shall become effective immediately upon its passage and approval.

Section 21. Qualified Tax-Exempt Obligations. For the sole purpose of qualifying the Bonds as "Qualified Tax-Exempt Obligations" pursuant to the Internal Revenue Code of the United

States, the Issuer designates the Bonds as qualified tax-exempt obligations and represents that the reasonably anticipated amount of tax-exempt governmental and Section 501(c)(3) obligations which will be issued during the current calendar year will not exceed Ten (10) Million Dollars.

PASSED AND APPROVED, this 12th day of November, 2008.

Attest:

Chairperson

Auditor

ROLL CALL