

OFFICE OF THE COUNTY ADMINISTRATOR

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October 30, 2012

TO: Dee F. Bruemmer, County Administrator

FROM: David Farmer, Budget Manager

SUBJ: Repurposing 2009A General Obligation Bonds

The County is the issuer of \$10,445,000 2009A Taxable General Obligation Emergency Service Communication Bonds dated December 17, 2009. The proceeds of these bonds have been used to finance various communication items such as radio and tower equipment.

A requirement of the County receiving an interest subsidy of the Build America Bonds from the federal government is to fully expend the proceeds including interest earnings within three years of the bond issuance. As the three year window is coming to a close, the project actual costs have been below estimate or delayed in final distributions providing an unexpended balance of bond proceeds. Failure by the county to fully expend the bond proceeds will jeopardize the county's ability to issue non-taxable debt in the future and could penalize the County \$2,112,996 in federal tax credits.

In lieu of issuing Series 2012 Bonds, we are recommending the to amend the 2009 A Resolution to include the additional purposes of paying the costs, to that extent, of financing improvements to county public buildings, including site or grounds thereof, and the erection, equipment, remodeling or reconstruction of, and additions or extensions to the buildings. This will be pursuant to Section 331.441, as amended, of the Code of Iowa.

The resolution of the 2009A repurposing is attached.

MINUTES TO HOLD HEARING ON
ISSUANCE OF BONDS AND APPROVE
USE OF EXCESS PROCEEDS

429256-22

Davenport, Iowa

November 8, 2012

The Board of Supervisors of Scott County, Iowa, met on the above date at 5:30 o'clock p.m., at the Scott County Administration Center, Davenport, Iowa. The meeting was called to order by the Chairperson, and the roll was called showing the following Supervisors present and absent:

Present: _____

Absent: _____.

The Board investigated and found that a notice of intention to institute proceedings for the issuance of the not to exceed \$1,200,000 General Obligation Facility Improvement Bonds had been duly published as provided by law and that this is the time and place at which the Board shall receive oral or written objections from any resident or property owner of the County.

The County Auditor announced that no written objections had been previously filed; the Chairperson called for any oral or written objections from any resident or property owner of the County and there being none, the Chairperson closed the public hearing and announced that the Board may take additional action for the issuance of the bonds.

After due consideration and discussion, Supervisor _____ introduced the following resolution and moved its adoption, seconded by Supervisor _____. The Chairperson put the question upon the adoption of said resolution, and the roll being called, the following Supervisors voted:

Ayes: _____

Nays: _____.

Whereupon, the Chairperson declared the resolution duly adopted, as follows:

RESOLUTION NO. _____

Determining to proceed with the issuance of the Series 2012 Bonds and amending the County's resolution adopted on November 17, 2009 which provided for the award and issuance of General Obligation Emergency Services Communication Bonds, Series 2009A, and for the levy of taxes to pay the same

WHEREAS, pursuant to a resolution duly adopted on November 17, 2009 (the "Series 2009A Resolution"), the Board of Supervisors (the "Board") of Scott County, Iowa (the "County"), issued its \$10,445,000 General Obligation Emergency Services Communication Equipment Bonds, Series 2009A Bonds (the "Series 2009A Bonds"), for the purpose of paying the cost, to those amounts, of the acquisition of emergency services communication equipment (the "Original Purposes"); and

WHEREAS, there are unused proceeds (the "Unused Proceeds") of the Series 2009A Bonds which have not been expended for the Original Purposes identified in the Series 2009A Resolution, and the Board desires to spend the Unused Proceeds in an amount not to exceed \$1,200,000 for the purpose of paying the cost, to that extent, of financing improvements to county public buildings, including site or grounds thereof, and the erection, equipment, remodeling or reconstruction of, and additions or extensions to the buildings (the "Additional Purposes"); and

WHEREAS, the County has published notice of its proposal to issue general obligation bonds (the "Series 2012 Bonds") in the principal amount of not to exceed \$1,200,000 for the Additional Purposes and has held a hearing thereon;

NOW, THEREFORE, It Is Resolved by the Board of Supervisors of Scott County, Iowa, as follows:

Section 1. The Board hereby determines to proceed with the issuance of the Series 2012 Bonds to pay the cost of the Additional Purposes, and, in lieu of issuing the Series 2012 Bonds, the Board has determined to amend the Series 2009A Resolution and does hereby amend the Series 2009A Resolution to include the Additional Purposes in the list of the Original Purposes set out in the preamble thereof.

Section 2. Unused Proceeds in an amount not to exceed \$1,200,000 may be used to pay the costs of the Additional Purposes.

Section 3. All resolutions or parts thereafter in conflict herewith be and the same are hereby repealed to the extent of such conflict.

Passed and approved November 8, 2012.

Chairperson, Board of Supervisors

Attest:

County Auditor

Other Business

On motion and vote, the meeting adjourned.

Chairperson, Board of Supervisors

Attest:

County Auditor

STATE OF IOWA

SS:

SCOTT COUNTY

I, the undersigned, County Auditor of Scott County, do hereby certify that attached hereto is a true and correct copy of the proceedings of the Board of Supervisors relating to the hearing and resolution determining to proceed with the issuance of the Series 2012 Bonds and amending the County's resolution adopted on November 17, 2009 which provided for the award and issuance of General Obligation Emergency Services Communication Bonds, Series 2009A, and for the levy of taxes to pay the same.

WITNESS MY HAND this ____ day of November, 2012.

County Auditor