

REGULAR SESSION

SEPTEMBER 13, 2010

The Union County Board of Supervisors met in regular session on Monday, September 13, 2010. The meeting was called to order at 9:00 AM with the following members present: Bob Jansen, Bob Brown, Ron Riley, and Mike King. Tom McCann absent.

AGENDA: Motion by Jansen and seconded by Riley to approve the agenda. All voting aye, motion carried.

McCann arrived at 9:02 AM.

ENGINEER: Steve Akes, County Engineer - presented and discussed the maintenance and activity report, and updated the Board of Supervisors on construction projects, **Tile Permit:** Motion by Riley and seconded by Brown to approve the application for tiling in Platte Township Section 8 in Township 71 Range 31. All voting aye. Motion carried.

NRCS Project Agreement: Motioned by Riley and seconded by Brown for the chair to sign the completion date amendment to NRCS Project Agreement NO 69-6114-12.

Roll Call Vote: McCann, aye. Brown, aye. Riley, aye. Jansen, aye. King, aye. Motion carried. **Partial Payment Voucher:** Motioned by McCann and seconded by Brown for chair to sign the partial payment voucher for Green Valley Road Project No STP-S-C088(42)-5E-88 for \$38,977.05. All voting aye. Motion carried.

Motioned by McCann seconded by Brown for chair to sign the partial payment voucher for TEK Builders for \$98,571.95 for L-IA8331-03-73-88 Steam Stabilization for project in Union and Ringgold County. All voting aye. Motion carried. **Purchase of Used Truck:**

Motioned by Riley and seconded by Brown to approve \$25,900.00 for an International 9200 Truck (2003 International 9200 (IHC 9200), Engine C12 CAT 410HP, Transmission 10 SPD; GVW 52,000; Equipment HEATED Mirrors PW Mirrors Windows Lock Airride Cab from Vander Haags, Inc. Roll Call Vote: McCann, aye. Brown, aye. Riley, aye. Jansen, aye. King, aye. Motion carried.

GENERAL RELIEF: Terri Siglin, MATURA, presented and discussed the Monthly General Relief bills for Union County for General Assistance. Motion by McCann and seconded by Brown to approve the bills and administration fees. All voting aye. Motion carried.

CLAIMS AND HANDWRITTEN CLAIMS: Motion by Jansen and seconded by Riley to approve claims 109058 - 109233 and handwritten claims for the Union County Health Insurance for \$21,356.66, \$16,969.94, \$329.26, \$769.15, \$685.96, and \$6611.16. All voting aye. Motion carried.

0001 GENERAL BASIC FUND		ADVANCED DRAINAGE SYSTEMS	653.40
A-1 WINDOW SERVICE	110.00	AFTON STAR ENTERPRISE	16.28
ACCESS SYSTEMS LEASING	207.05	AGRILAND FS INC	24,101.53
ADAMS COUNTY SHERIFF	4,290.00	ALLIANT ENERGY	670.73
AFTON STAR ENTERPRISE	751.36	AMERICAN CONCRETE	1,683.00
AKIN BUILDING CENTER	465.60	ARAMARK	380.70
ALEGENT HEALTH BERGAN MERCY	502.00	CHAT MOBILITY & RADIO SH	24.48
ALLIANT ENERGY	3,413.69	CREST FARM & HOME SUP	217.62
AMOS	10.00	CRESTON PUBLISHING CO	15.89
ARAMARK	8.93	CROSS-DILLON TIRE INC	8,867.46
B M SALES	491.90	DENCO CORP	108,534.60
BUSCH	44.64	FARMERS COOPERATIVE	276.60
BYERS WOOD & GLASS SHOP	2.90	FRANKS SERVICE	2,148.15
CARD SERVICES	2,325.97	GE CONSUMER FINANCE	25.41
CASEY'S GENERAL STORE	500.00	HOTSY CLEANING SYSTEMS	41.88
CHAT MOBILITY	179.34	INNOVATIVE INDUSTRIES	235.00
CHAT MOBILITY & RADIO SHACK	5.99	IOWA DEPT OF NATURAL RE	175.00
CHIEF CORPORATION	181.54	JIM SMITH	8.25
CITY OF CRESTON	9,004.80	LUTHER ELECTRIC INC	892.29
CMC	42.09	M & M SALES COMPANY	46.56
CRESTON FARM & HOME SUPPLY	296.50	MURPHY TRACTOR & EQUIP	17,802.00
CRESTON MUNICIPAL UTILITIES	489.21	NAPA	1,808.82
CRESTON PLAZA APARTMENTS	700.00	NORSOLV PRODUCTS COM	139.95
CRESTON PUBLISHING CO	1,315.84	OFFICE MACHINES COMP	19.97

CRESTON TIRE	369.10	PERU QUARRY INC	4,583.78
CRESTON TRUE VALUE	142.45	POKORNY BP & AUTOMOTIVE	11.76
D H S CASHIERS OFFICE	6,398.07	ROBERT L. LOOMIS	40.29
DES MOINES STAMP MFG	16.00	ROCKMOUNT RESEARCH & A	874.07
DIGITAL BUSINESS SOLUTIONS	1,120.00	SCHILDBERG CONST	489,893.11
ECHO GROUP INC	19.25	SCOTT SCHULTZ	7.29
ELCOCK LAW FIRM, PLC	1,000.00	SERVICE TECHS INC	56.00
FARM & HOME PUBLISHERS	931.68	SOUTHERN IA RURAL WATER	216.00
FARMERS COOPERATIVE COMP	247.61	TEK BUILDERS	98,571.95
FARMERS ELECTRIC COOP	3,775.45	TRANSIT WORKS	48.95
GREATER REGIONAL MEDICAL	101.00	ZIEGLER INC	5,961.51
GREEN VALLEY PEST CONTROL	39.00	0020 SECONDARY ROAD :	770,205.88
HEARTLAND TIRE & AUTO	29.45		
HEARTS AND HUGS DAY CARE	216.00	0050 COMMISSARY FUND	
HOYT DO	150.00	MASTERCARD/ISSB IA ST	315.75
HYSELL	125.35	0050 COMMISSARY FUND:	315.75
HY-VEE INC	114.06		
IA COUNTY TREASURERS ASSOC	120.00	1500 CONSERVATION DEPR	
IACCVA VETERANS AFFAIRS	15.00	DENCO CORP	2,000.00
IOWA STATE ASSOC OF COUNTIES	260.00	1500 CONSERVATION DEP:	2,000.00
IOWA TELECOM/WINDSTREAM	1,175.05		
IOWA WATER & WORKS SYSTEMS	414.11	1520 COUNTY CAPITAL PROJ	
KELTEK INCORPORATED	3,791.25	CORNERSTONE COMM CONT	13,220.20
KENYON & NIELSEN	150.00	RICE CONSTRUCTION	1,275.00
KING	148.50	SCHROEDER LOG HOME S	140.46
KOCH BROTHERS	105.00	1520 CO CAPITAL PROJ :	14,635.66
LES NELSON INVESTMENTS	585.06		
LEXISNEXIS	434.33	1530 LITIGATION BOND FUND	
LORIMOR UNITED METHODIST CHU	108.00	MARLEY	162.50
LYNAM LAWN CARE	4,800.00	1530 LITIGATION BD FUND:	162.50
MADISON CO HEALTH CARE	112.50		
MAIL SERVICES LLC	4,022.67	1540 CAP PROJ RD & BRDGS	
MASTER CARD/ISSB	73.69	CALHOUN-BURNS & ASSOC	4,297.80
MATURA ACTION CORP	3,666.51	CEDAR VALLEY CORP	21,042.00
MC NEILL	200.00	CUNNINGHAM-REIS COMP	17,665.64
MEDICAP PHARMACY	779.82	GARDEN & ASSOCIATES	16,632.66
MEYER LABORATORY INC	323.00	HENNINGSEN CONSTRUC	5,000.00
MUFFLERS PLUS-QUIK LUBE	215.00	MURPHY HEAVY CONTRACT	39,800.00
MYCOUNTYPARKS.COM	250.00	1540 CAP PROJ RD/BRDG:	104,438.10
O'DANIELS	15.00		
OFFICE MACHINES COMPANY INC	566.12	4003 EMPOWERMENT	
OLSON	9.29	DOWNING	2,322.27
POKORNY BP & AUTOMOTIVE	179.00	GREATER COMM HOSPITAL	2,913.50
POWERS FUNERAL HOMES	1,350.00	MATURA ACTION CORP	1,021.11
PRAIRIE SOLID WASTE AGENCY	46.80	4003 EMPOWERMENT:	6,256.88
RICHARD L WILSON PC	201.65		
RIPPERGER REPAIR	65.50	4004 LAW ENFORCEMENT	
SELIMS AUTOMOTVE REPAIR INC	173.88	ALLIANT ENERGY	3,852.74
SHRED-IT DES MOINES	308.00	ARAMARK	49.34
SIMMONS GUN SPECIALTIES INC	340.52	B M SALES	324.00
SOUTHERN IA RURAL WATER	636.83	BAKER COMMUNICATIONS	65.74
STALKER CHEVROLET	639.22	COUNSEL OFFICE & DOC	103.95
STALKER	200.00	CRESTON FARM & HOME S	62.00
SUMMIT VIEW MOWING & AG SEED	442.33	CRESTON PUBLISHING CO	67.15
TITUS	80.00	FASTENAL COMPANY	95.82
U S CELLULAR	364.52	FIRST COMMUNICATIONS	58.09
UNION COUNTY ENGINEER	503.39	GREEN VALLEY PEST CONT	32.00
UNION COUNTY SHERIFF	865.00	TELECOM/WINDSTREAM	666.89
US POST OFFICE	729.00	MASTERCARD/ISSB IA ST	54.24
W & W WELDING	93.00	MEYER LABORATORY INC	70.50
WASTE MGMT OF CRESTON	2,321.25	NAPA	78.54
WILLETS & WOOSLEY	502.40	OFFICE DEPOT-CATALOG OR	51.46
WOODLANDS TREATMENT CENTER	2,860.92	O'KEEFE ELEVATOR COMP	254.30
0001 GENERAL BASIC FUND TTL:	75,376.93	PETZNICKS	40.00
		UNION COUNTY AUDITOR	76.00
0002 GENERAL SUPPLEMENTAL		WASTE MGMT OF CRESTON	113.24
CENTRAL IOWA DETENTION	900.00	4004 LAW ENFORCEMENT:	6,116.00

CHAT MOBILITY	35.78		
CITY OF CRESTON	2,662.96	4029 CLOSURE	
MASTERCARD/ISSB (IA ST SAV BAN	387.08	LUTHER SOLUTIONS	1,957.50
OFFICE MACHINES COMPANY INC	118.99	SUMMIT VIEW MOWING & AG	3,027.50
WEST PAYMENT CENTER	689.50	4029 CLOSURE TOTAL:	4,985.00
0002 GENERAL SUPPLEMENTAL:	4,794.31		
		4100 CO ASSESSMENT EXP	
0010 MH-DD SERVICES FUND		CHAT MOBILITY	12.64
ADVANCEMENT SERVICES	884.00	FARM & HOME PUBLISHERS	51.76
ALEGENT HEALTH BERGAN MERCY	457.00	TELECOM/WINDSTREAM	113.00
ALEGENT HEALTH MERCY HOSP	3,395.00	VANGUARD APPRAISALS INC	800.00
AREA XIV AGENCY ON AGING	476.73	4100 COUNTY ASSESSMENT:	977.40
C A R E	5,122.86		
CASS CO MEMORIAL HOSPITAL	10,010.00	4960 SANITARY LANDFILL	
CASS INCORPORATED	768.81	AFTON STAR ENTERPRISE	69.08
CHOICE INC	226.80	AKIN BUILDING CENTER	25.48
CHRISTIAN OPPORTUNITY CTR	159.36	BARKER LEMAR & ASSOC	230.00
COUNTRY CARE CENTER CORP.	1,271.00	BEDFORD TIMES-PRESS	57.76
COUNTRY HAVEN CORP	1,368.90	BRIAN GAY CONSTRUCTION	50,208.33
CROSSROADS MENTAL HLTH	12,528.08	CASEY'S GEN STORES INC	54.60
D H S CASHIERS OFFICE	6,398.07	CHAT MOBILITY & RADIO SH	17.98
GENESIS DEVELOPMENT INC	180.05	CITY CARTON CO INC	2,293.40
GUARDIAN ANGEL SERVICES	981.85	CITY CARTON CO INC	2,099.20
INNOVATIVE INDUSTRIES	2,488.62	CITY OF CRESTON	462.01
KENYON & NIELSEN	699.00	HANSON DIRECTORY SVC	59.40
MADISON CO HEALTH CARE	112.50	HANSON DIRECTORY SVC	58.80
MAHASKA COUNTY HOSPITAL	710.00	TELECOM/WINDSTREAM	135.73
NISHNA PRODUCTIONS INC	2,467.52	JIM HAWK TRUCK TRAILERS	668.93
PARTNERSHIP FOR PROGRESS	95.98	LIBERTY TIRE RECYCLING	171.75
RRACAP	124.74	METRO WASTE AUTHORITY	23,022.89
SIRF	998.38	PRECISION APPLICATORS	10,793.90
SYSTEMS UNLIMITED INC	1,081.60	SCHILDBERG CONSTRUCT	212.09
TAYLOR RIDGE ESTATES INC	318.52	SUMMIT VIEW MOWING & AG	442.32
VOCATIONAL DEVELOPMENT CEN	1,168.94	WASTE MGMT OF CRESTON	1,971.96
0010 MH-DD SERVICES FUND TTL:	54,494.31	4960 SANITARY LANDFILL:	93,055.61
		4965 SANITARY LANDFILL	
0011 RURAL SERVICES BASIC		NEWTON OVERHEAD DOORS	237.62
BARKER IMPLEMENT	195.60	4965 SANITARY LANDFILL :	237.62
BOECKMAN	339.72		
NAPA	38.49	8500 COUNTY HEALTH INS	
0011 RURAL SERVICES BASIC TTL:	573.81	AMERICAN ADMINISTRAT	21,356.66
		JANSEN	635.11
0020 SECONDARY ROAD FUND		8500 COUNTY HEALTH INS:	21,991.77
ADVANCED AG LLC	1,155.60	GRAND TOTAL:	1,160,617.53
FUND RECAP:			
0001 GENERAL BASIC FUND:	75,376.93	1540 CAP PJ RDS&BRIDGES:	104,438.10
0002 GENERAL SUPPLEMENTAL:	4,794.31	4003 EMPOWERMENT:	6,256.88
0010 MH-DD SERVICES FUND:	54,494.31	4004 LAW ENFORCEMENT:	6,116.00
0011 RURAL SERVICES BASIC:	573.81	4029 CLOSURE TOTAL:	4,985.00
0020 SECONDARY ROAD FUND:	770,205.88	4100 COUNTY ASSESSMENT:	977.40
0050 COMMISSARY FUND TOTAL:	315.75	4960 SANITARY LANDFILL:	93,055.61
1500 CONSERVATION DEPRECIATI:	2,000.00	4965 SANITARY LANDFILL:	237.62
1520 COUNTY CAPITAL PROJECTS:	14,635.66	8500 CO HEALTH INS:	21,991.77
1530 LITIGATION BOND FUND:	162.50	GRAND:	1,160,617.53

BARDON INSURANCE AGREEMENT: Motion by Riley and seconded by Jansen to approve the Agreement between Bardon Insurance and Union County for the re-insurance for Union County. Roll Call Vote: McCann, aye. Brown, aye. Riley, aye. Jansen, aye. King, aye. Motion carried.

PSSF CONTRACT: Motion by Brown and seconded by McCann to approve the Renewal /Amendment for the Promoting Safe & Stable Families (PSSF) Contract. All voting aye. Motion carried.

RESOLUTION FOR APPROVING A LOAN AGREEMENT AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION COUNTY PURPOSE BONDS: Motion by Jansen and second by Riley to approve the **RESOLUTION NO. 8** Approving a Loan Agreement and providing for the issuance of General Obligation County Purpose Bonds WHEREAS, pursuant to the provisions of Section 331.402 of the Code of Iowa, the Board of Supervisors of Union County, Iowa (the "County"), has heretofore proposed to contract indebtedness and enter into a loan agreement (the "Loan Agreement") in the principal amount of \$3,980,000, for the purpose of carrying out projects in the Union County Road and Bridge Improvements Urban Renewal Area consisting of reconstruction of and improvements to county roads and bridges, carrying out a project in the Union County/Creston Urban Renewal Area consisting of paying the cost of County litigation, and acquisition of vehicles for the Sheriff and Emergency Management Agency, and has published notice of the proposed action and has held a hearing thereon and no petition was filed asking that the question of entering into the Loan Agreement be submitted to the registered voters of the County; and WHEREAS, pursuant to advertisement of sale, bids for the purchase of \$3,980,000 General Obligation County Purpose Bonds, Series 2010 (the "Bonds") to be issued in evidence of the County's obligation under the Loan Agreement were received and canvassed on behalf of the County, and the bid of Bankers' Bank, Madison, Wisconsin (the "Purchaser"), was determined to be the best, such bid proposing the lowest interest cost to the County; NOW, THEREFORE, Be It Resolved by the Board of Supervisors of Union County, Iowa, as follows: Section 1. The Bonds are hereby authorized to be issued in evidence of the obligation of the County under the Loan Agreement, in the total aggregate principal amount of \$3,980,000, to be dated September 1, 2010, in the denomination of \$5,000 each, or any integral multiple thereof, maturing on June 1 in each of the years, in the respective principal amounts and bearing interest at the respective rates as follows:

Year	Principal Amount	Interest Rate Per Annum	Year	Principal Amount	Interest Rate Per Annum
2011	\$250,000	0.80%	2018	\$275,000	2.50%
2012	\$250,000	1.00%	2019	\$285,000	2.70%
2013	\$250,000	1.25%	2020	\$295,000	2.90%
2014	\$260,000	1.50%	2021	\$310,000	3.10%
2015	\$265,000	1.75%	2022	\$325,000	3.20%
2016	\$265,000	2.00%	2023	\$335,000	3.30%
2017	\$270,000	2.20%	2024	\$345,000	3.40%

Section 2. Bankers Trust Company, Des Moines, Iowa, is hereby designated as the Registrar and Paying Agent for the Bonds and may be hereinafter referred to as the "Registrar" or the "Paying Agent". The County shall enter into an agreement (the "Registrar/Paying Agent Agreement") with the Registrar, in substantially the form as has been placed on file with the Board; the Chairperson and County Auditor are hereby authorized and directed to sign the Registrar/Paying Agent Agreement on behalf of the County; and the Registrar/Paying Agent Agreement is hereby approved. The County reserves the right to prepay part or all of the Bonds maturing in each of the years 2020 to 2024, inclusive, prior to and in any order of maturity, on June 1, 2019, or on any date thereafter upon terms of par and accrued interest. If less than all of the Bonds of any like maturity are to be redeemed, the particular part of those Bonds to be redeemed shall be selected by the Registrar by lot. The Bonds may be called in one or more units of \$5,000. If less than the entire principal amount of any Bond in a denomination of more than \$5,000 is to be redeemed, the Registrar will issue and deliver to the registered owner thereof, upon surrender of such original Bond, a new Bond or Bonds, in any authorized denomination, in a total aggregate principal amount equal to the unredeemed balance of the original Bond. Notice of such redemption as aforesaid identifying the Bond or Bonds (or portion thereof) to be redeemed shall be sent by electronic means or by certified mail to the registered owners thereof at the addresses shown on the County's registration books not less than 30 days prior to such redemption date. All of such Bonds as to which the County reserves and exercises the right of redemption and as to which notice as aforesaid shall have been given and for the redemption of which funds are duly provided, shall cease to bear interest on the redemption date.

Accrued interest on the Bonds shall be payable semiannually on the first day of June and December in each year, commencing December 1, 2010. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. Payment of interest on the Bonds shall be made to the registered owners appearing on the registration books of the County at the close of business on the fifteenth day of the month next preceding the interest payment date and shall be paid by check or draft mailed to the registered owners at the addresses shown on such registration books. Principal of the Bonds shall be payable in lawful money of the United States of America to the registered owners or their legal representatives upon presentation and surrender of the Bond or Bonds at the office of the Paying Agent.

The Bonds shall be executed on behalf of the County with the official manual or facsimile signature of the Chairperson of the Board and attested with the official manual or facsimile signature of the County Auditor and shall have the County's seal impressed or printed thereon, and shall be fully registered Bonds without interest coupons. In case any officer whose signature or the facsimile of whose signature appears on the Bonds shall cease to be such officer before the delivery of the Bonds, 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 Bonds shall not be valid or become obligatory for any purpose until the Certificate of Authentication thereon shall have been signed by the Registrar.

The Bonds shall be fully registered as to principal and interest in the names of the owners on the registration books of the County kept by the Registrar, and after such registration, payment of the principal thereof and interest thereon shall be made only to the registered owners or their legal representatives or assigns. Each Bond shall be transferable only upon the registration books of the County 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 the owners of the Bonds shall be kept confidential as provided by Section 22.7 of the Code of Iowa.

Section 3. Notwithstanding anything above to the contrary, the Bonds shall be issued initially as Depository Bonds, with one fully registered Bond for each maturity date, in principal amounts equal to the amount of principal maturing on each such date, and registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). On original issue, the Bonds shall be deposited with DTC for the purpose of maintaining a book-entry system for recording the ownership interests of its participants and the transfer of those interests among its participants (the "Participants"). In the event that DTC determines not to continue to act as securities depository for the Bonds or the County determines not to continue the book-entry system for recording ownership interests in the Bonds with DTC, the County will discontinue the book-entry system with DTC. If the County does not select another qualified securities depository to replace DTC (or a successor depository) in order to continue a book-entry system, the County will register and deliver replacement bonds in the form of fully registered certificates, in authorized denominations of \$5,000 or integral multiples of \$5,000, in accordance with instructions from Cede & Co., as nominee for DTC. In the event that the County identifies a qualified securities depository to replace DTC, the County will register and deliver replacement bonds, fully registered in the name of such depository, or its nominee, in the denominations as set forth above, as reduced from time to time prior to maturity in connection with redemptions or retirements by call or payment, and in such event, such depository will then maintain the book-entry system for recording ownership interests in the Bonds.

Ownership interest in the Bonds may be purchased by or through Participants. Such Participants and the persons for whom they acquire interests in the Bonds as nominees will not receive certificated Bonds, but each such Participant will receive a credit balance in the records of DTC in the amount of such Participant's interest in the Bonds, which will be confirmed in accordance with DTC's standard procedures. Each such person for which a Participant has an interest in the Bonds, as nominee, may desire to

make arrangements with such Participant to have all notices of redemption or other communications of the County to DTC, which may affect such person, forwarded in writing by such Participant and to have notification made of all interest payments.

The County will have no responsibility or obligation to such Participants or the persons for whom they act as nominees with respect to payment to or providing of notice for such Participants or the persons for whom they act as nominees.

As used herein, the term "Beneficial Owner" shall hereinafter be deemed to include the person for whom the Participant acquires an interest in the Bonds.

DTC will receive payments from the County, to be remitted by DTC to the Participants for subsequent disbursement to the Beneficial Owners. The ownership interest of each Beneficial Owner in the Bonds will be recorded on the records of the Participants whose ownership interest will be recorded on a computerized book-entry system kept by DTC.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the County to DTC, and DTC shall forward (or cause to be forwarded) the notices to the Participants so that the Participants can forward the same to the Beneficial Owners.

Beneficial Owners will receive written confirmations of their purchases from the Participants acting on behalf of the Beneficial Owners detailing the terms of the Bonds acquired. Transfers of ownership interests in the Bonds will be accomplished by book entries made by DTC and the Participants who act on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the Bonds, except as specifically provided herein. Interest and principal will be paid when due by the County to DTC, then paid by DTC to the Participants and thereafter paid by the Participants to the Beneficial Owners.

Section 4. The Bonds shall be in substantially the following form: (Form of Bond)

UNITED STATES OF AMERICA

STATE OF IOWA

UNION COUNTY

GENERAL OBLIGATION COUNTY PURPOSE BOND, SERIES 2010

No. 7

\$3,980,000.00

RATE

2.8247%

MATURITY DATE

June 1, 2024

BOND DATE

September 1, 2010

CUSIP

906225

Union County (the "County"), Iowa, for value received, promises to pay on the maturity date of this Bond to
Cede & Co.
New York, NY

or registered assigns, the principal sum of DOLLARS in lawful money of the United States of America upon presentation and surrender of this Bond at the office of Bankers Trust Company, Des Moines, Iowa (hereinafter referred to as the "Registrar" or the "Paying Agent"), with interest on said sum, until paid, at the rate per annum specified above from the date of this Bond, or from the most recent interest payment date on which interest has been paid, on June 1 and December 1 of each year, commencing December 1, 2010, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto. Interest on this Bond is payable to the registered owner appearing on the registration books of the County at the close of business on the fifteenth day of the month next preceding the interest

payment date, and shall be paid to the registered owner at the address shown on such registration books.

This Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Registrar.

This Bond is one of a series of General Obligation County Purpose Bonds, Series 2010 (the "Bonds"), issued in the aggregate principal amount of \$3,980,000 by the County to evidence its obligation under a certain Loan Agreement, dated as of September 1, 2010 (the "Loan Agreement"), entered into by the County for the purpose of carrying out projects in the Union County Road and Bridge Improvements Urban Renewal Area consisting of reconstruction of and improvements to county roads and bridges, carrying out a project in the Union County/Creston Urban Renewal Area consisting of paying the cost of County litigation, and acquisition of vehicles for the Sheriff and Emergency Management Agency.

The Bonds are issued pursuant to and in strict compliance with the provisions of Sections 331.402(3) and 331.443 of the Code of Iowa, 2009, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the County Board of Supervisors authorizing and approving the Loan Agreement and providing for the issuance and securing the payment of the Bonds (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 the Bonds and the rights of the owners of the Bonds.

The County reserves the right to prepay part or all of the Bonds maturing in each of the years 2020 to 2024, inclusive, prior to and in any order of maturity, on June 1, 2019, or on any date thereafter upon terms of par and accrued interest. If less than all of the Bonds of any like maturity are to be redeemed, the particular part of those Bonds to be redeemed shall be selected by the Registrar by lot. The Bonds may be called in part in one or more units of \$5,000. If less than the entire principal amount of any Bond in a denomination of more than \$5,000 is to be redeemed, the Registrar will issue and deliver to the registered owner thereof, upon surrender of such original Bond, a new Bond or Bonds, in any authorized denomination, in a total aggregate principal amount equal to the unredeemed balance of the original Bond. Notice of such redemption as aforesaid identifying the Bond or Bonds (or portion thereof) to be redeemed shall be sent by electronic means or by certified mail to the registered owners thereof at the addresses shown on the County's registration books not less than 30 days prior to such redemption date. All of such Bonds as to which the County reserves and exercises the right of redemption and as to which notice as aforesaid shall have been given and for the redemption of which funds are duly provided, shall cease to bear interest on the redemption date.

This Bond 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 County 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 Bond 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 County, 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 County, 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 Bond 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 County for the payment of the principal of and interest on this Bond as the

same will respectively become due; that the faith, credit, revenues and resources and all the real and personal property of the County are irrevocably pledged for the prompt payment hereof, both principal and interest; and that the total indebtedness of the County, including this Bond, does not exceed any constitutional or statutory limitations.

IN TESTIMONY WHEREOF, Union County, Iowa, by its Board of Supervisors, has caused this Bond to be sealed with the facsimile of its official seal, to be executed with the duly authorized facsimile signature of its Chairperson and attested with the duly authorized facsimile signature of its County Auditor, all as of September 1, 2010.

Registration Date:

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution.

BANKERS TRUST COMPANY
Des Moines, Iowa
Registrar

Section 5. The Bonds 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, authentication and delivery to or upon the direction of the Purchaser, upon receipt of the loan proceeds, and all action heretofore taken in connection with the Loan Agreement and the sale of the Bonds is hereby ratified and confirmed in all respects.

Section 6. As required by Chapter 76 of the Code of Iowa, and for the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the interest on the Bonds as it falls due, and also to pay and discharge the principal thereof at maturity, there be and there is hereby ordered levied on all the taxable property in the County in each of the years while the Bonds or any of them are outstanding, a tax sufficient for that purpose, and in furtherance of this provision, but not in limitation thereof, there be and there is hereby levied on all the taxable property in the County the following direct annual tax for collection in each of the following fiscal years, to-wit:

For collection in the fiscal year beginning July 1, 2011,
sufficient to produce the net annual sum of \$341,323;

For collection in the fiscal year beginning July 1, 2012,
sufficient to produce the net annual sum of \$338,823;

For collection in the fiscal year beginning July 1, 2013,
sufficient to produce the net annual sum of \$345,698;

For collection in the fiscal year beginning July 1, 2014,
sufficient to produce the net annual sum of \$346,798;

For collection in the fiscal year beginning July 1, 2015,
sufficient to produce the net annual sum of \$342,160;

For collection in the fiscal year beginning July 1, 2016,
sufficient to produce the net annual sum of \$341,860;

For collection in the fiscal year beginning July 1, 2017,
sufficient to produce the net annual sum of \$340,920;

For collection in the fiscal year beginning July 1, 2018,
sufficient to produce the net annual sum of \$344,045;

For collection in the fiscal year beginning July 1, 2019,
sufficient to produce the net annual sum of \$346,350;

For collection in the fiscal year beginning July 1, 2020,
sufficient to produce the net annual sum of \$352,795;

For collection in the fiscal year beginning July 1, 2021,
sufficient to produce the net annual sum of \$358,185;

For collection in the fiscal year beginning July 1, 2022,
sufficient to produce the net annual sum of \$357,785;

For collection in the fiscal year beginning July 1, 2023,
sufficient to produce the net annual sum of \$356,730.

Section 7. A certified copy of this resolution shall be filed with the County Auditor, and the 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 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 Bonds hereby authorized and for no other purpose whatsoever. Any amount received by the County as accrued interest on the Bonds shall be deposited into such special account and used to pay interest due on the Bonds on the first interest payment date.

Section 8. The interest or principal and both of them falling due in any year or years shall, if necessary, be paid promptly from current available funds of the County in advance of taxes levied and when the taxes shall have been collected, reimbursement shall be made to such current funds in the sum thus advanced. The County hereby pledges the faith, credit, revenues and resources and all of the real and personal property of the County for the full and prompt payment of the principal of and interest on the Bonds.

Section 9. It is the intention of the County that interest on the Bonds be and remain excluded from gross income for federal income tax purposes pursuant to the appropriate provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations in effect with respect thereto (all of the foregoing herein referred to as the "Internal Revenue Code"). In furtherance thereof, the County covenants to comply with the provisions of the Internal Revenue Code as they may from time to time be in effect or amended and further covenants to comply with the applicable future laws, regulations, published rulings and court decisions as may be necessary to insure that the interest on the Bonds will remain excluded from gross income for federal income tax purposes. Any and all of the officers of the County are hereby authorized and directed to take any and all actions as may be necessary to comply with the covenants herein contained.

The County hereby designates the Bonds as "Qualified Tax Exempt Obligations" as that term is used in Section 265(b)(3)(B) of the Internal Revenue Code.

Section 10. The Securities and Exchange Commission (the "SEC") has promulgated certain amendments to Rule 15c2-12 under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) (the "Rule") that make it unlawful for an underwriter to participate in the primary offering of municipal securities in a principal amount of \$1,000,000 or more unless, before submitting a bid or entering into a purchase contract for such securities, an underwriter has reasonably determined that the issuer or an obligated person has undertaken in writing for the benefit of the holders of such securities to provide certain disclosure information to prescribed information repositories on a continuing basis so long as such securities are outstanding.

On the date of issuance and delivery of the Bonds, the County will execute and deliver a Continuing Disclosure Certificate pursuant to which the County will undertake to comply with the Rule. The County covenants and agrees that it will comply with and carry out the provisions of the Continuing Disclosure Certificate. Any and all of the officers of the County are hereby authorized and directed to take any and all actions as may be necessary to comply with the Rule and the Continuing Disclosure Certificate.

Section 11. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved September 13, 2010.

**Recessed for Lunch
Reconvened at 1:00 PM**

CLOSED SESSION: Motioned by McCann and seconded by Jansen to enter into Closed Session at 1:05 PM per Iowa Code Section 21.5 (1)(c). Roll Call Vote: McCann, aye. Brown, aye. Riley, aye. Jansen, aye. King, aye. Motion carried. Closed Session ended at 2:00 PM

MINUTES: Motioned by McCann and seconded by Riley to approve the Minutes from August 30, 2010 and September 1, 2010.

ADJOURNMENT: There being no further business the meeting adjourned at 4:11 PM.

ATTEST: _____ **BY:** _____
SANDY HYSELL, AUDITOR **MICHAEL KING, CHAIR BOARD OF SUPERVISORS**