

BY THE COUNCIL:

A RESOLUTION OF THE CITY COUNCIL, OF THE CITY OF DIETRICH, IDAHO, AUTHORIZING THE ISSUANCE OF REGISTERED WARRANTS IN THE PRINCIPAL AMOUNT OF UP TO \$128,000 FOR THE PURPOSE OF PROVIDING FUNDS FOR PURCHASE AND CONSTRUCTION OF WATER SUPPLY SYSTEM IMPROVEMENTS; PROVIDING FOR THE MANNER OF ISSUANCE AND THE FORM OF SAID WARRANTS; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST THEREON; AND PROVIDING TERMS, COVENANTS, CONDITIONS, AND OTHER MATTERS PROPERLY RELATING THERETO; AND PROVIDING AN EFFECTIVE DATE.

CITY COUNCIL  
CITY OF DIETRICH, IDAHO  
REGISTERED WARRANTS OF 1992, SERIES A

BE IT RESOLVED BY THE CITY COUNCIL OF DIETRICH, IDAHO, as follows:

WHEREAS, the City of Dietrich, Idaho (the "City") has contracted with the United States Department of Agriculture Farmers Home Administration to finance the purchase and construction of a City water supply system all as authorized by the election dated 11/5/91; and

WHEREAS, the City is authorized and empowered by Idaho Code Section 43-322 to issue warrants to provide funds for the operation and improvement of the City to be repaid from funds received through the receipt of taxes; and

WHEREAS, the City is desirous of issuing such warrants in order to provide the needed funds to meet the construction of the City water supply system;

NOW, THEREFORE, BE IT FURTHER RESOLVED, DETERMINED, AND ORDERED as follows;

Section 1. For the purpose of providing funds to pay for construction expenses of the City, the City hereby authorizes the issuance of warrants, entitled "City of Dietrich, Idaho, Water Supply System Warrant of 1992, Series A" (the "Warrants"), in the total principal amount of up to \$128,000 to be issued to First Security Bank of Idaho, N.A.

("Registered Owner") at an interest equal to five and five tenths percent (5.50%). Interest shall be payable at redemption at the office of the City Treasurer. The authority to issue said Warrants from time to time shall continue through December 31, 1992.

Section 2. The proceeds of the sale of said Warrants shall be used exclusively for costs of City Water Supply System construction expense.

Section 3. Said Warrants, together with the unpaid interest due thereon computed on a 365-day year basis, shall be redeemed and paid in numerical order from the proceeds of taxes and shall mature within six (6) months from the date of their issuance.

Section 4. Such Warrants shall be executed in the name of the City, by the Mayor by her manual signature, attested to and certified to by the manual signature of the City Clerk and endorsed and registered by the Treasurer by his manual signature, and the corporate seal of the City shall be impressed thereon. Each of the Warrants shall be substantially in the form set forth in Exhibit "A" attached hereto and by this reference made a part hereof.

Section 5. Pursuant to U.S. Internal Revenue Service regulation, the City hereby specifically designates the Warrants as tax-exempt interest obligations.

Section 6. This Resolution shall become effective immediately upon its adoption and approval.

ADOPTED by the City Council of the City of Dietrich, Idaho, this 11 day of Dec, 1992.

APPROVED by the City Council of the City of Dietrich, Idaho, this 11 day of Dec, 1992.

APPROVED:

BY: \_\_\_\_\_  
MAYOR

ATTEST:

BY: \_\_\_\_\_  
CLERK

(SEAL)

Exhibit "A"

(Form of Registered Warrant)

No. \_\_\_\_\_

\$ \_\_\_\_\_

UNITED STATES OF AMERICA

STATE OF IDAHO

CITY OF DIETRICH

DIETRICH, IDAHO

REGISTERED WARRANT OF 1992, SERIES A

FOR VALUE RECEIVED, the City of Dietrich, Idaho (the "City"), acknowledges itself to owe, and promises to pay to

First Security Bank of Idaho, N.A.

the original Registered Owner hereof or its assignee, subject to presentment by Registered Owner and execution of the endorsement and registration herein by the Treasurer of the City, on or before the 14 day of May, 1992, the sum of:

ONE HUNDRED TWENTY-EIGHT THOUSAND DOLLARS

\$128,000 in lawful money of the United States of American, together with interest thereon in like money at an interest rate equal to: Five and five tenths percent (5.50%), interest payable on redemption.

This Warrant is registered, both as to principal and interest, with the City Treasurer, and any transfer hereof must likewise be registered. This Warrant is a negotiable instrument, payable from assessments and revenues, all as authorized by Resolution No. 1992-1 adopted on the 11 day of Dec, 1992. The owner of this Warrant shall have no claim against the City, its funds or property, except as set forth above.

This Warrant is issued for the purpose of providing part of the funds necessary to the City for construction expenses, for a City Water Supply System, under and by virtue of and in full conformity with the Constitution and laws of the State of Idaho and Resolution No. 1992-1 of the City Council of the City.

IT IS HEREBY CERTIFIED, RECITED, AND DECLARED that all matters, acts, conditions, and things required by law to make this Warrant a valid and enforceable limited obligation of the City of Dietrich have happened, have been done, and have been performed, and the first assessments are pledged for the payment of the same.

IN WITNESS WHEREOF, the City of Dietrich, Idaho has caused this Warrant to be executed on its behalf and under its official seal by its Mayor, by her manual signature thereon, attested by its Clerk, by her manual signature thereon, and countersigned by its Treasurer, all as of the 11 day of Dec, 1992.

ATTEST:

CITY OF DIETRICH

By \_\_\_\_\_  
Clerk

By \_\_\_\_\_  
Mayor

(Seal)

\* \* \* \* \*

Endorsement and Registration by City Treasurer

The undersigned hereby acknowledges presentation of this Warrant by the above Registered Owner and endorses and registers the foregoing Warrant as follows:

1. This Warrant is "Not paid for want of funds."
2. Date of presentation: \_\_\_\_\_, 1992.
3. Rate of Interest: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By \_\_\_\_\_  
City Treasurer

\* \* \* \* \*

This Warrant is registered in the name of the registered owners whose name and address appear last below, and both principal and interest are payable only to said owner.

Note: There must be no writing in the space below except by the Treasurer of the City of Dietrich, Idaho.

<u>Date of Registry</u>	<u>Name of Registered Owner</u>	<u>Address of Registered Owner</u>	<u>Signature of City Treasurer</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

TREASURER'S CERTIFICATE

I, the undersigned, the Treasurer of the City of Dietrich, Idaho, hereby certify that the within Warrant has been duly registered in my office in the Registration Book kept for that purpose.

CITY OF DIETRICH, IDAHO

By \_\_\_\_\_  
Treasurer

EXHIBIT A

Description of Warrants

- A. Interest Rate: 5.50 percent fixed for a maturity period of six (6) months for a total effective annual interest rate of 5.50%.
- B. Denominations: \$100,000 or integral multiples thereof within a single maturity at purchaser option.
- C. Dated Date: Dec. 14, 1992.
- D. Maturity Date: May 14, 1993.
- E. Redemption: The Warrants are callable for redemption at the option of the Seller.
- F. Estimated Closing Date: Dec. 14, 1992, or such other date mutually agreed to by the parties to this Purchase Contract.
- G. Legal Counsel: To be provided by the Seller subject to mutual agreement.
- H. Method of Payment: Federal Funds draft or wire.
- I. 8038-G: Seller shall make all necessary filings.