

## RESOLUTION NO. 1733

**A RESOLUTION AUTHORIZING A LOAN FROM A BANK TO THE CITY, EVIDENCED BY A PROMISSORY NOTE, IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$275,000 TO PROVIDE FINANCING FOR A PORTION OF THE COSTS OF CERTAIN EQUIPMENT FOR THE CITY; PRESCRIBING THE TERMS AND FORM OF SUCH LOAN AND PROMISSORY NOTE; PROVIDING FOR PAYMENT OF THE INTEREST ON AND PRINCIPAL OF SUCH LOAN AND PROMISSORY NOTE; AND RELATED MATTERS**

### **BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MINDEN, NEBRASKA:**

Section 1. The Council (the “**Council**”) of the City of Minden, Nebraska (the “**City**”), a city of the second class in the State of Nebraska, hereby finds and determines as follows:

(a) It is necessary for the City to finance a portion of the costs of a street sweeper and tanker truck for the City (the “**Project**”);

(b) The City has proposed to finance the Project through a loan (the “**Loan**”) to the City from Minden Exchange Bank (the “**Bank**”) evidenced by a promissory note (the “**Note**”), pursuant to authority granted to the City in Section 18-201, Reissue Revised Statutes of Nebraska (the “**Act**”);

(c) Pursuant to the requirements of the Act, financing the Project through traditional bond financing would be impractical for the Project because of the size and term of the financing;

(d) The public notice for the meeting at which this resolution is being considered included a clear notation that this resolution authorizing direct borrowing from a bank was on the agenda;

(e) The municipal budget of the City for fiscal year 2021-22 is \$15,368,116, and the City’s other obligations outstanding under the Act is limited to the promissory note issued in 2019, which has a total amount of outstanding indebtedness attributable to any year from direct borrowing under the Act of \$75,000;

(f) The City considered financing options from three separate financial institutions prior to consideration of this resolution; and

(g) All conditions, acts and things required by law to exist or to be done precedent to the Loan, evidenced by the Note, in the principal amount not to exceed \$275,000 pursuant to the Act, for the purpose of financing the Project and related expenses, do exist and have been done in due form and time as required by law.

Section 2. (a) The Mayor and Council further find and determine that all conditions, acts and things required by law to exist or to be done precedent to the Loan, evidenced by the Note, pursuant to the Act, do exist and have been done as required by law. The Note shall consist of one fully registered Note without coupons. To evidence the Loan, the Note is hereby authorized to be delivered to the Bank pursuant to terms approved by the Mayor or City Administrator (each, an “**Authorized Officer**”). In connection therewith, an Authorized Officer is hereby authorized to execute a Designation of Final Terms, which may be evidenced by the terms of the Note as delivered to the Bank, (the “**Designation**”) to specify, determine, designate, establish and appoint, as the case may be (i) the principal amount of the Note, in an amount not to exceed \$275,000; (ii) the interest rate per annum that the Note will bear; (iii) the dated date and final

maturity date of the Note, which shall not be later than four (4) years after the date of the Note; (iv) the dates on which principal and interest will be paid on the Loan, the frequency of such payments, and the amounts of such payments; (v) the date of delivery and date of the Note (the **“Date of Delivery”**); and (vi) all other terms and provisions of the Note not otherwise specified or fixed by this Resolution, including but not limited to terms of the Note as may be required by the Bank which are, in an Authorized Officer’s sole discretion, reasonable and appropriate.

(b) On the Date of Delivery, the Bank will advance the full principal amount of the Loan to the City.

(c) The Note shall be subject to prepayment at the option of the City at any time (or on or after such other date as may be determined in the Designation), in whole, or in part from time to time in such principal amount as the City, in its sole and absolute discretion shall determine. If less than all of the principal amount thereof is to be prepaid, no surrender of the Note shall be necessary.

Section 3. Interest on the Note shall accrue from the Date of Delivery and be paid in monthly payments of the accrued interest plus principal or earlier redemption by check or draft mailed by the Registrar or its successor on such date to the Bank at its address as it appears on the Note Register maintained by the Registrar or its successor subject to the provisions of the following paragraph. The principal of and interest on the Note is payable in lawful money of the United States of America.

If the date for payment of the principal of or interest on the Note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 4. The Note shall be executed on behalf of the City by the manual or facsimile signatures of the Mayor and Clerk and shall have the City Seal impressed or imprinted on the Note. In case any officer whose signature or a facsimile of whose signature shall appear on the Note and shall cease to be such officer before the delivery of the Note, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery. Notwithstanding such execution, the Note shall not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Note has been duly executed by the manual signature of the Registrar. The executed certificate of authentication on the Note shall be conclusive evidence that it has been authenticated and delivered under this Resolution.

Section 5. The Note shall be in substantially the following form, with such changes as may be approved by an Authorized Officer:

UNITED STATES OF AMERICA  
STATE OF NEBRASKA  
CITY OF MINDEN, NEBRASKA  
PROMISSORY NOTE

Interest Rate  
2.60%

Maturity Date  
May 20, 2026

Date of Delivery  
May 26, 2022

LENDER: Minden Exchange Bank & Trust Company Note #91477

PRINCIPAL AMOUNT: Two Hundred Seventy Five Thousand Dollars (\$275,000.00).

The CITY OF MINDEN, NEBRASKA (the “City”), hereby acknowledges itself to owe and for value received, hereby promises to pay to the Lender named above or its registered permitted assigns, but only from the sources and other funds hereinafter described in lawful money of the United States of America, stated above (or earlier as hereinafter referred to), on the dates herein specified, the principal sum of \$275,000.00, together with interest on the unpaid principal balance from time to time outstanding, computed on a 365/365 simple interest basis, as follows:

The unpaid principal balance of this Note shall bear interest at a rate of 2.60% per annum from the Date of Delivery through and including the Maturity Date. All interest on this Note shall be computed on a 365/365 simple interest basis.

The Borrower will pay this loan in 48 monthly payments of principal and interest in the amount of \$6,036.48 each, beginning June 20, 2022 with all subsequent payments to be due on the same day of each month after that, and one final payment estimated to be \$6,036.27 on the Maturity Date reflected above.

The principal amount and the interest due monthly, on the dates herein specified, or upon redemption prior to maturity, is payable to the Lender in lawful money of the United States of America without need for presentation and surrender of this note. Principal and interest on this note shall be paid by check or draft mailed by the City Treasurer of the City (the “Registrar”) on the date such principal and interest is due and payable to the Lender at Lender’s address as it appears on the registration books of the Registrar. For the prompt payment of this note, both principal and interest at the time the same becomes due, the full faith, credit, and resources of the City are hereby pledged. This note is subject to prepayment at the option of the City prior to the stated maturity thereof at any time.

This note and the Loan which it evidences is being delivered for the purpose of financing the costs of a Street Sweeper and Tanker Truck for the City. This note is delivered under the authority of and in compliance with the laws of the State of Nebraska governing the City, and pursuant to Resolution No. 1733 of the City (the “Resolution”) duly enacted and by proceedings duly had by the Mayor and Council.

This note is transferable by the Lender hereof as provided by the Resolution and subject to the restrictions on transfer specified in Section 7 of the Resolution and only upon delivery of a Bank Letter, as described in the Resolution. The City and the Registrar may deem and treat the Lender 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.

If the date for payment of the principal of or interest on the note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of Minden, Nebraska, are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a

Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this note did exist, did happen and were done and performed in regular and due form and time as required by law, and that the indebtedness of the City, including this note, does not exceed any statutory limitation imposed by law. The City agrees that this note shall be secured by and be payable from any and all general fund resources of the City, including but not limited to any and all authorized levies of taxes, and shall not, to the fullest extent permitted by law, be limited as to payment to the City's general fund resources for any specific fiscal year, pursuant to Section 18-201, Reissue Revised Statutes of Nebraska. The City reserves the right to provide for payment of principal and interest on the Note from the further issuance of notes, bonds or other methods of financing.

This note shall not be valid or become obligatory for any purpose until it shall have been authenticated by the execution by the Registrar of the Certificate of Authentication endorsed hereon.

The records of the Lender as to the principal amount and accrued interest outstanding and payment of principal and interest on the Note shall be binding upon all parties.

IN WITNESS WHEREOF, the Mayor and Council have caused this note to be executed on behalf of the City by the manual or facsimile signatures of its Mayor and Clerk and have caused the City Seal to be impressed or imprinted hereon, all as of the Date of Delivery set forth above.

CITY OF MINDEN, NEBRASKA

ATTEST:

By: /s/ Ted Griess  
Mayor

By: /s/ Abbey Jordan  
Clerk

[S E A L]

NOTE REGISTRAR AND PAYING AGENT'S  
CERTIFICATE OF AUTHENTICATION

This note is described in the within-mentioned Resolution.

CITY TREASURER, CITY OF MINDEN,  
NEBRASKA, Note Registrar and Paying Agent

By: \_\_\_\_\_

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

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Print or Type Name, Address and Social Security Number  
or other Taxpayer Identification Number of Transferee

the within note and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ agent to transfer the within note on the books kept by the Paying Agent for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

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NOTICE: The signature to this assignment must correspond with the name of the Lender as it appears upon the face of the within note in every particular.

Signature Guaranteed By:

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(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15))

By: \_\_\_\_\_  
Title: \_\_\_\_\_

Section 6. The Note shall be executed on behalf of the City with the manual or facsimile signatures of the Mayor and Clerk. In case any officer whose signature or facsimile thereof shall appear on the Note shall cease to be such officer before the delivery of such Note (including any note certificate delivered to the Registrar for issuance upon transfer), such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery of the Note. The Note shall not be valid and binding on the City until authenticated by the Registrar. The Note shall be delivered to the Registrar for registration and authentication. Upon execution, registration and authentication of the Note, they shall be delivered to the City Treasurer, who is authorized to deliver them to the Bank upon receipt of (a) the proceeds of the Loan, and (b) delivery to the City of a Bank Letter in substantially the form of Exhibit A hereto, but with such changes as may be approved by an Authorized Officer.

Section 7. The City Treasurer of the City is hereby appointed as Note Registrar and Paying Agent (the “**Registrar**”) for the Note. The Registrar shall keep the books for the registration and transfer of Note at its office in Minden, Nebraska. The name and registered address of the lender shall at all times be recorded in such books. The transfer of the Note may be registered upon the books kept for the registration and registration of transfer of Note only (i) upon presentation and surrender thereof to the Registrar together with an assignment duly executed by the lender or such lender’s attorney or legal representative in such form as shall be satisfactory to the Registrar, (ii) if the City shall consent to such transfer in its discretion and (iii) if the assignee is a bank and the lender has obtained from such proposed transferee and provided to the Registrar, prior to such transfer and assignment, a Bank Letter in substantially the form of Exhibit A hereto. Upon any such registration of transfer, the City shall execute and the Registrar shall authenticate and deliver in exchange for such Note, a new Note. The Registrar may impose a charge sufficient to defray all costs and expenses incident to registrations of transfer and exchanges. In each case the Registrar shall require the payment by the holder requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

The Registrar shall be responsible for making the payments of principal and interest as the same fall due upon the Note from funds provided by the City for such purpose. Payments shall be made by the Registrar by mailing a check in the amount due for principal and interest to the holder of the Note, addressed to such holder’s registered address as shown on the books of registration as required to be maintained under this Section 7. The City and the Registrar may treat the registered holder of the Note as the absolute owner of the Note for purposes of making payment thereon and for all other purposes. All payments on account of interest or principal made to the registered holder of the Note shall be valid and effectual and shall be a discharge of the City and the Registrar in respect of the liability upon the Note or claims for interest to the extent of the sum or sums so paid.

Section 8. After the Note is executed by the City it shall be delivered to the Registrar for authentication and registration as to ownership. After execution, authentication and registration of the Note, the City Treasurer is authorized and directed to deliver the Note to the Bank upon receipt of the proceeds of the Loan.

Section 9. The City hereby agrees that the Loan, evidenced by the Note, shall be secured by and be payable from any and all general fund resources of the City, including but not limited to any and all authorized levies of taxes, and shall not, to the fullest extent permitted by law, be limited as to payment to the City’s general fund resources for any specific fiscal year. The City reserves the right to provide for payment of principal and interest on the Note from the further issuance of notes, bonds or other methods of financing.

Section 10. The Clerk shall make and certify one or more complete transcripts of the proceedings had and done by the City precedent to the issuance of said Note, one of which transcripts shall be delivered to the purchaser of the Note. After being executed by the Mayor and Clerk, said Note shall be delivered to purchaser.

Section 11. The City's obligation under this Resolution shall be fully discharged and satisfied as to the Note authorized and delivered pursuant to this Resolution, and said Note shall no longer be deemed outstanding hereunder when payment of the principal of such Note plus interest thereon to the date of maturity or redemption thereof (a) shall have been made or caused to be made in accordance with the terms thereof; or (b) shall have been provided by depositing with the Registrar or in escrow with a national or state bank having trust powers, in trust solely for such payment (i) sufficient moneys to make such payment or (ii) direct general obligations of, or obligations the principal and interest of which are unconditionally guaranteed by, the United States of America or obligations of an agency of the United States of America (herein referred to as "**Government Obligations**"), in such amount and maturing as to principal and interest at such times, as will insure the availability of sufficient moneys to make such payment, and such Note shall cease to draw interest from the date of their redemption or maturity and, except for the purposes of such payment, shall no longer be entitled to the benefits of this Resolution; provided that, with respect to any Note called or to be called for redemption prior to the stated maturity thereof, notice of redemption shall have been duly given. If moneys shall have been deposited in accordance with the terms hereof with the Registrar as escrow agent in trust for that purpose sufficient to pay the principal of such Note, together with all interest due thereon to the due date thereof or to the date fixed for the redemption thereof, as the case may be, all liability of the City for such payment shall forthwith cease, determine and be completely discharged, and such Note shall no longer be considered outstanding.

Section 12. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the City Council hereby (a) authorizes and directs the Mayor, City Administrator, City Treasurer, City Clerk, and all other officers, officials, employees and agents of the City to carry out or cause to be carried out, and to perform such obligations of the City and such other actions as they, or any of them, in consultation with Bond Counsel, the Bank and its counsel shall consider necessary, advisable, desirable or appropriate in connection with this Resolution, including without limitation the execution and delivery of all related documents, instruments, certifications and opinions, and (b) delegates, authorizes and directs to the Finance Director the right, power and authority to exercise his independent judgment and absolute discretion in (1) determining and finalizing all terms and provisions to be carried by the Loan and Note not specifically set forth in this Resolution and (2) the taking of all actions and the making of all arrangements necessary, proper, appropriate, advisable or desirable in order to effectuate the issuance, sale and delivery of the Note. The execution and delivery by the Finance Director or by any such other officers, officials, employees or agents of the City of any such documents, instruments, certifications and opinions, or the doing by them of any act in connection with any of the matters which are the subject of this Resolution, shall constitute conclusive evidence of both the City's and their approval of the terms, provisions and contents thereof and of all changes, modifications, amendments, revisions and alterations made therein and shall conclusively establish their absolute, unconditional and irrevocable authority with respect thereto from the City and the authorization, approval and ratification by the City of the documents, instruments, certifications and opinions so executed and the actions so taken.

All actions heretofore taken by the Finance Director and all other officers, officials, employees and agents of the City in connection with any of the matters which are the subject hereof, be and the same is hereby in all respects authorized, adopted, specified, accepted, ratified, approved and confirmed.

Section 13. Upon the delivery of the Note by the City and proceeds of the Loan by Bank, the provisions of this Resolution shall constitute a contract between the City and the Bank and the provisions thereof shall be enforceable by the Bank by mandamus, accounting, mandatory injunction or any other suit, action or proceeding at law or in equity that is presently or may hereafter be authorized under the laws of the State of Nebraska in any court of competent jurisdiction. Such contract is made under and is to be construed in accordance with the laws of the State of Nebraska.

After the issuance and delivery of the Note, this Resolution and any supplemental resolution shall not be repealable, but shall be subject to modification or amendment to the extent and in the manner provided in this Resolution, but to no greater extent and in no other manner.

Section 14. With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Note is intended or should be construed to confer upon or give to any person other than the City and the Bank or other holder of the Note any legal or equitable right, remedy or claim under or by reason of or in respect to this Resolution or any covenant, condition, stipulation, promise, agreement or provision herein contained. The Resolution and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the City and the Bank as herein and therein provided.

Section 15. No officer or employee of the City shall be individually or personally liable for the payment of the principal of or interest on the Note or Loan. Nothing herein contained shall, however, relieve any such officer or employee from the performance of any duty provided or required by law.

Section 16. Whenever this Resolution requires any action to be taken on a Saturday, Sunday or legal holiday, such action shall be taken on the first business day occurring thereafter. Whenever in this Resolution the time within which any action is required to be taken or within which any right will lapse or expire shall terminate on a Saturday, Sunday or legal holiday, such time shall continue to run until midnight on the next succeeding business day.

Section 17. If any one or more of the covenants or agreements or portions thereof provided in this Resolution on the part of the City to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, or such agreement or agreements, or such portions thereof, shall be deemed severable from the remaining covenants and agreements or portions thereof provided in this Resolution and the invalidity thereof shall in no way affect the validity of the other provisions of this Resolution or of the Note, but the Bank shall retain all the rights and benefits accorded to them hereunder and under any applicable provisions of law.

If any provisions of this Resolution shall be held or deemed to be or shall, in fact, be inoperative or unenforceable or invalid as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable or invalid in any other case or circumstance, or of rendering any other provision or provisions herein contained inoperative or unenforceable or invalid to any extent whatever.

Section 18. Any resolution of the City Council, and any part of any resolution, inconsistent with this Resolution is hereby repealed to the extent of such inconsistency.

ADOPTED this 2nd day of May, 2022.

/s/ Abbey Jordan  
City Clerk

/s/ Ted Griess  
Mayor

[SEAL]

EXHIBIT A  
FORM OF BANK LETTER

May 26, 2022

City of Minden, Nebraska  
Minden, Nebraska

Re: \$275,000.00 Promissory Note #91477, dated May 26, 2022

Ladies and Gentlemen:

The undersigned, Minden Exchange Bank & Trust Company, (the “Bank”) as lender and holder of the above-referenced note (the “Note”) executed and delivered by the City of Minden, Nebraska, (the “City”) pursuant to and on the terms set forth in Resolution No. 1733 of the City passed by the City Council on May 2, 2022, (the “Resolution”) hereby represents and warrants to you that:

1. Capitalized terms used herein and not otherwise defined are used with the meanings given such terms in the Resolution.

2. The Bank has duly authorized, by all necessary action, the purchase of the Note and the right to receive the payments of principal of and interest on the Note pursuant to the terms and provisions of the Resolution (the “Payments”).

3. The Bank is a banking institution and has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal obligations, to be able to evaluate the risks and merits of the loan represented by the Note, the Payments, and the Resolution. The Bank is able to bear the economic risks of that investment, including a complete loss of such loan.

4. The Bank understands that the obligations of the City to make the Payments under the Resolution and the Note are payable from the sources described in the Resolution.

5. The Bank acknowledges that it has either been supplied with or has been given access to information, including financial statements and other financial information, which it has asked for and the Bank has had the opportunity to ask questions and receive answers from appropriate officers of the City concerning the City, the Note, the Payments, the Resolution and the security therefor, so that the Bank has been able to evaluate the risks and merits of purchasing the Note and make its decision to purchase the Note on the terms set forth in the Resolution.

6. The Bank made its own inquiry and analysis with respect to the Resolution, the Note, the Payments, and the security therefor, and other factors affecting the security and payment of such payments set forth in the Resolution. The Bank is aware that the business of the City involves certain economic variables and risks that could adversely affect the security for the payments to be made by the City to the Bank under the terms of the Resolution and the Note. The Bank has examined the legal documents relating to the Note and the Resolution, including the proposed legal opinion to be delivered by Gilmore & Bell, P.C. as to the validity of and tax status of interest on the Note.

7. The Bank understands that the Note (including the right to receive the Payments under the terms of the Resolution) is a loan and, as such, (a) is not being registered or otherwise qualified for sale under the securities laws and regulations of any state, (b) will not be listed on any securities exchange, (c) do not and will not carry a credit rating from any credit rating service and (d) will be delivered in a form which may not be readily marketable.

8. The Bank agrees not to sell, transfer or otherwise dispose of the Note in full unless the transferee executes a letter of representation in substantially the form of this letter and such sale, transfer or other disposition is in compliance with applicable laws and the provisions of the Resolution. Any participation of the Loan will be conducted by the Bank in accordance with the rules governing participation of loans by the Bank.

9. The Bank agrees to indemnify and hold harmless the City with respect to any claim asserted against the City that is based upon the Bank's sale, transfer or other disposition of the Note or all or any part of the Bank's interests in the Note or the Resolution in violation of the provisions hereof or of the Resolution, other than any claim that is based upon the gross negligence or willful misconduct of the City.

10. The Bank has executed and delivered this letter in connection with issuance of the Note as an inducement to the City to cause the issuance of the Note and the execution and delivery thereof to the Bank.

Only the addressees hereof may rely upon this letter.

Minden Exchange Bank & Trust Company

By: /s/ Arlen Osterbuhr  
Arlen Osterbuhr, Chairman and CEO