

DAGGETT COUNTY RESOLUTION NO. 92-1

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF \$135,000 DAGGETT COUNTY, UTAH TAX AND REVENUE ANTICIPATION NOTES, SERIES 1992, AND ENTERING INTO CERTAIN COVENANTS AND MAKING CERTAIN REPRESENTATIONS IN CONNECTION THEREWITH; AWARDING AND CONFIRMING THE SALE OF SAID NOTES; APPROVING THE FORM OF NOTES; AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT; AUTHORIZING AND APPROVING A PRIVATE PLACEMENT MEMORANDUM; AND RELATED MATTERS.

WHEREAS, the Board of Commissioners of Daggett County, Utah (the "County") has determined to sell its \$135,000 Daggett county, Utah Tax and Revenue Anticipation Notes, Series 1992 for the purpose of meeting the current expenses of the County for the fiscal year ending December 31, 1992, until the payment of taxes and receipt of other revenues for said fiscal year, and that such sum can be raised without incurring any indebtedness or liability in excess of the taxes or other revenues for the current fiscal year or exceeding any limit of debt imposed by the Constitution and statutes of the State of Utah; and

WHEREAS, the Board of County Commissioners has determined that the proposed offer of Zions First National Bank (the "Purchaser") for the purchase of said Notes is economically beneficial and acceptable to the County, which offer proposes to purchase said Notes at the price of 100% of the principal amount thereof plus accrued interest, if any, to the date of delivery, said Notes to bear interest as hereinafter set forth; and

WHEREAS, in the opinion of the Board it is in the best interests of the County that bid be accepted and the sale of said Notes to the Purchaser be authorized and confirmed; and

WHEREAS, there is an immediate and pressing need for raising funds in the amount of \$135,000 for fiscal year commencing January 1, 1992 until the payment of taxes and receipt of other revenues for said fiscal year; and

WHEREAS, the Notes shall be evidenced by a proportional share of one or more series of the Utah Counties 1992 Cash Flow Borrowing Program, Certificates of Participation, Series 1992 (the "Certificates") issued pursuant to that certain Trust Agreement (the "Trust Agreement") dated as of January 1, 1992, by and among participating Utah Counties, including the County, and Zions First National Bank (the "Trustee"), the execution and delivery of which the County desires to authorize and approve; and

WHEREAS, a Private Placement Memorandum has been prepared with respect to the Notes evidenced by the Certificates the use and distribution of which the county desires to authorize and approve.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Daggett County, Utah as follows:

Section 1. The offer of the Purchaser for the purchase of the \$135,000 Daggett County, Utah Tax and Revenue Anticipation Notes, Series 1992 (the "Notes") described herein is hereby accepted.

Section 2. The Notes shall be delivered to the purchaser thereof after the adoption of this resolution pursuant to due payment therefor in accordance with the terms of the sale.

Section 3. For the purpose of meeting the current expenses of the County for the fiscal year beginning January 1, 1992, until the payment of taxes and receipt of other revenues of said fiscal year, the County shall borrow the sum of One Hundred Thirty Five Thousand Dollars (\$135,000), and for that purpose as evidence of such indebtedness, shall issue to Zions First National Bank Notes bearing interest at the rate of 5.5% per annum from the dated date until paid. Said Notes shall be dated as of the date of delivery and shall be known as "Daggett County, Utah Tax and Revenue Anticipation Notes, Series 1992", and shall be due and payable on December 31, 1992, in lawful money of the United States of America at the Daggett County Treasurer's Office, Manila, Utah as paying agent. Said Notes are not subject to redemption prior to maturity. Said Notes shall be represented by registered Notes (the "Notes"), in denominations of not less than \$100,000 each (or the total principal amount of such Note if such total amount is less than \$100,000), and shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF UTAH

DAGGETT COUNTY, UTAH
TAX AND REVENUE ANTICIPATION NOTE,
SERIES 1992

Note No. R- _____ CUSIP: _____ \$ _____

Registered Owner: _____

Principal Sum: _____

THIS NOTE HAS BEEN DESIGNATED BY THE COUNTY FOR PURPOSES OF THE EXCEPTION CONTAINED IN SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, RELATING TO THE DEDUCTIBILITY OF A FINANCIAL INSTITUTION'S INTEREST EXPENSE ALLOCABLE TO TAX-EXEMPT INTEREST.

Daggett County, Utah (the "County"), hereby acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner set forth above or registered assigns or legal representative the principal sum set forth above in lawful money of the United States of America on the 31st day of December 1992, upon presentation and surrender at the office of the trustee in Salt Lake City, Utah, with interest thereon at the rate of 5.5% per annum from date until paid, payable at maturity. Interest on this Note shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is one of a series of notes known as "Daggett County, Utah Tax and Revenue anticipation Notes, Series 1992", which issue is issued in the aggregate sum of One Hundred Thirty Five Thousand Dollars (\$135,000) pursuant to provisions of the Utah Municipal Bond Act, Chapter 14, Title 11, Utah Code annotated 1953, as amended. The obligation of the County under the terms and conditions of this Note is evidenced by a proportionate share of those certain Utah Counties 1992 Cash Flow Borrowing Program Certificates of Participation, Series 1992 (the "Certificates") issued and delivered on the date hereof pursuant to that certain Trust Agreement (the "Trust Agreement") dated as of January 1, 1992, by and among participating Utah Counties, including the County, and Zions First National Bank (the "Trustee").

This Note is not subject to redemption prior to maturity.

It is hereby covenanted, certified, recited and declared that this Note is given in anticipation of the collection of taxes and other revenues to be levied and collected for the current fiscal year, in evidence of money borrowed to meet current expenses of the county during said current fiscal year until payment of the taxes and other revenues for such year, that taxes and other revenues within the limit provided by law and sufficient to pay principal of and interest on this Note as the same falls due and, together with other budgeted revenues to be received during such fiscal year, sufficient

to pay all budgeted maintenance and operation and other expenses of the County for such fiscal year have been or will be levied and collected in such fiscal year on all taxable property within the County and that sufficient fund has been appropriated for the payment of the principal of and interest on this Note as the same shall fall due.

It is hereby certified, recited and declared that the entire indebtedness of the County hereby incurred is not in excess of seventy-five percent (75%) of the tax revenues and other revenues levied and collected by the County for the fiscal year ended December 31, 1991, or ninety percent (90%) of the taxes and other revenues of the County levied and collected or to be levied and collected for the current fiscal year, and that said indebtedness was and is contracted for the purpose for which said taxes are levied and collected.

This Note shall be registered in the name of the Trustee under the Trust Agreement, and shall at all times be registered in the name of the Trustee and held by the Trustee for the benefit of the owners of the Certificates (except as otherwise provided in the Trust Agreement), such registration shall be noted hereon and this Note shall only be transferable upon said books at said office by the registered owner or by his duly authorized attorney. Such transfers shall be without charge to be paid with respect to the same shall be paid by the owner requesting such transfer as a condition precedent to the exercise of such privilege. Upon any such transfer, the County shall execute and deliver in exchange for this Note a new registered Note registered in the name of the transferee in authorized denominations.

It is hereby certified, recited and declared that all acts, conditions and things essential to the validity of this Note exist, have happened and have been done, and that every requirement of law affecting the issue thereof has been duly complied with, and that this Note is within every debt and other limit prescribed by the Constitution and laws of the State of Utah. The full faith, credit, resources and all taxable property within the limits of the County are hereby irrevocably pledged to the levy of taxes and the collection of other revenues for the fiscal year in which this Note is issued and for the collection and proper allocation of such taxes and other revenues provided for such fiscal year to the prompt payment of principal and interest on this Note according to its terms.

IN WITNESS WHEREOF, Daggett County, Utah, by its Board of Commissioners, has caused this Note to be signed by its Chair and attested by its County Clerk and caused the seal of the County to be affixed hereto as of this ___ day of January 1992.

(Do not sign)
chair

ATTEST:

(Do not sign)
County Clerk

(S E A L)

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Note, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIF MIN ACT - _____
(Cust.)

Custodian for _____
(Minor)

under Uniform Gifts to Minors Act of _____
(State)

(Form of Assignment)

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

(Please Print or Typewrite Name and Address of Transferee)

_____ the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the within note on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

ASSIGNOR'S SIGNATURE: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within note in every particular, without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED: _____

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Section 4. The Notes shall be signed by the Chair of the Board of Commissioners of the County and attested by the County Clerk and sealed with the official seal of the County. The Chair is hereby authorized, empowered, and directed to sign, and the County Clerk to sign and attest and affix the seal of the County to the Notes, and acts of said Chair and County Clerk in so doing are and shall be the act and deed of the County.

Section 5. The Trustee is hereby appointed Registrar and Paying Agent for the Notes. The Trustee shall cause books for the registration and for the transfer of the Notes as provided in this Resolution to be kept by the Trustee which is hereby constituted and appointed the Registrar of the County. Upon surrender for transfer of any Note at the principal office of the Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing with signature guaranteed, the County shall execute and deliver in the name of the transferee or transferees a new, fully registered Note or Notes for a like aggregate principal amount.

In each case the Registrar shall require the payment by the registered owner requesting exchange or transfer, only of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

Section 6. There shall be levied by the County in the fiscal year beginning January 1, 1992 a sufficient tax and there shall be collected sufficient revenues other than taxes to pay the principal and interest on the Notes as the same fall due, and to pay all budgeted maintenance and operation and other expenses of the County for said fiscal year, and there is hereby appropriated from the collection of taxes and other revenues for said fiscal year, a sum sufficient to pay both principal and interest of the Notes as the same shall fall due and for the payment of the Notes and the interest thereon. The full faith, credit, resources and all taxable property within the limits of the County are hereby irrevocably pledged to the levy of taxes and collection of other revenues for the fiscal year in which the Notes are issued and for the collection and proper allocation of such taxes and other revenues provided for such fiscal year to the prompt payment of principal and interest of the Notes according to their terms. On or prior to the maturity date of the Notes, the County shall provide the paying agent for the Notes a sum sufficient to pay the principal and interest to be due and payable on the Notes at maturity.

Section 7. The County recognizes that the purchasers and owners of the Notes will have accepted them on, and paid therefore a price which reflects, the understanding that interest thereon is not includable in gross income for federal income tax purposes under laws enforced at the time the Notes shall have been delivered. In this connection, the County agrees that it shall take no action which may

render the interest on any of the Notes to be includable in gross income for federal income tax purposes. Prior to or contemporaneously with the delivery of the Notes, the Chair shall execute an arbitrage and tax certificate on behalf of the county respecting the investment and use of the proceeds of the Notes. Said Certificate shall be a representation and certificate of the County, and an executed copy thereof shall be filed at the office of the County.

Section 8. The chair, County Clerk and other appropriate officials of the County are each hereby authorized and directed to execute such certificates and agreements as shall be necessary to establish that the Notes are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations promulgated or proposed thereunder, including Sections 1.103-13, 1.103-14 and 1.103-15 of the Income Tax Regulations (26 CFR Part 1) as the same presently exist, or may from time to time hereafter be amended, supplemented or revised.

Section 9. The County further covenants and agrees to and for the benefit of the holders of the Notes that the County (i) will not take any action that would cause interest on the Notes to be includable in gross income for federal income tax purposes, (ii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest on the Notes to be includable in gross income for federal income tax purposes, and (iii) will, to the extent possible, comply with any other requirements of federal tax law applicable to the Notes in order to preserve the exclusion from gross income for federal income tax purposes of interest on the Notes.

Section 10. The sale of the Notes and the Certificates evidencing the Notes to Zions First National Bank at a price of 100% of the principal amount thereof plus accrued interest, if any, to the date of delivery in accordance with the terms of its proposal to purchase submitted by said purchaser is hereby in all respects adopted and confirmed, it being the opinion of the Board that said offer to purchase is economically beneficial and therefore acceptable to the County.

Section 11. The Notes so issued shall be registered in the name of the Trustee under the Trust Agreement, and shall at all times be registered in the name of the Trustee and held by the Trustee for the benefit of the owners of the Certificates (except as otherwise provided in the Trust Agreement), and shall be delivered to the Trustee as per the terms of the Purchase Agreement, as and when the Notes may be and are legally issued, upon receipt of the purchase price therefore plus accrued interest, if any, which said sale and terms are hereby this day ratified and confirmed. The Purchase Contract among the county, the Purchaser and the Trustee, in substantially the form attached hereto as Exhibit "A", is in all respects approved and the Chair and County Clerk are, respectively

authorized to execute and attest, and deliver the Purchase Contract on behalf of the county.

Section 12. In accordance with Section 265 of the code, the County hereby designates the Notes as an issue qualifying for the exception for certain qualified tax-exempt obligations to the rule denying banks and other financial institutions 100% of the deduction for interest expenses which is allocable to tax-exempt interest. The County reasonably anticipates that the total amount of tax-exempt obligations to the rule denying banks and other financial institutions 100% of the deduction for interest expenses which is allocable to tax-exempt interest. The county reasonably anticipates that the total amount of tax-exempt obligations [other than private activity bonds, as defined in Section 141 of the Code (a qualified 501(c)(3) bond, as defined in Section 145 of the Code, any bond issued to refund certain obligations issued before August 8, 1986 as described in Section 265(b)(3)(B)(ii)(II) of the Code, and any obligation to which Section 141(a) of the Code does not apply by reason of Sections 1312, 1313, 1316(g) or 1317 of the Tax Reform Act of 1986 and which is described in Section 265(b)(3)(C)(ii)(II) of the Code, not being treated as a private activity bond for this purpose)] which will be issued by the County and by any aggregated issuer during the current calendar year will not exceed \$10,000,000. For purposes of this Section 11, "aggregated issuer" means any entity which (i) issues obligations on behalf of the County, (ii) derives its issuing authority from the county, or (iii) is subject to substantial control by the county. The County hereby represents that (a) it has not created and does not intend to create and does not expect to benefit from any entity formed (or availed of) to avoid the purposes of Section 265(b)(3)(C) or (D) of the code and (b) the total amount of obligations so designated by the county and all aggregated issuers for the current calendar year does not exceed \$10,000,000.

Section 13. The Trust Agreement, in substantially the form attached hereto as Exhibit "B", is in all respects approved and the Chair and County Clerk are, respectively, authorized to execute, attest and deliver the Trust Agreement on behalf of the County.

Section 14. The Private Placement Memorandum, in substantially the form attached hereto as Exhibit "C", and the use and distribution thereof in connection with the sale of the Notes and the Certificates are in all respects authorized, ratified and approved.

Section 15. The County hereby authorizes the Program Implementation Board (as defined in the Trust Agreement) to act on behalf of the County in connection with the issuance of the Certificates, including without limitation the authorization to approve the interest rate on the Notes, the price at which the Notes are to be sold to the Purchaser (the "Purchase Price"), the form and nature on the Qualified Investment (as defined in the Trust Agreement), and the portion of the Purchase Price which will be

deposited by the Trustee in the Costs of Issuance Fund established under the Trust Agreement. Such approval shall be conclusively evidenced by the execution of the Final Pricing Supplement (as defined in the Purchase Contract) in accordance with the terms and provisions of the Purchase Contract.

Section 16. The appropriate officers of the County are hereby authorized to make any alterations, changes or additions in the documents approved by this Resolution necessary to comply with any requirements of the parties to this transaction, to correct errors or omissions therein, to remove ambiguities therefrom, or to conform the same to other provisions of this Resolution or to the provisions of law. The execution and delivery of such documents shall conclusively establish final approval of all such modifications.

Section 17. All resolutions and orders or parts thereof in conflict with the provisions hereof are to the extent of such conflict hereby repealed.

Section 18. This resolution shall be in full force and effect immediately upon adoption.

ADOPTED this 7th day of January 1992.

/s/ Elbert J. Steinaker Jr.
Chair

(S E A L)

Attest:

/s/ Gene Briggs
County Clerk

(S E A L)

STATE OF UTAH)
 :ss.
COUNTY OF DAGGETT)

CERTIFICATE OF COMPLIANCE
WITH OPEN MEETING LAW

I, Gene Briggs, the duly qualified county Clerk of Daggett County, Utah, do hereby certify:

(a) that in accordance with the requirements of Section 52-4-6(1), Utah Code Annotated 1953, as amended, public notice of the Annual Meeting Schedule of the Board of Commissioners of Daggett County, Utah (the "County") was given specifying the date, time and place of the regular meetings of the County scheduled to be held during the year, by causing a Notice of Annual Meeting Schedule for the County in the form set forth in Schedule "I" hereto, to be posted on Jan. 6, 1992, at the principal office of the County in Daggett County, Utah; said Notice of Annual Meeting Schedule having continuously remained so posted and available for public inspection during the regular office hours of the undersigned until the date hereof; and causing a copy of said Notice of Annual Meeting Schedule to be provided on Jan. 6 1992, to at least one newspaper of general circulation within the geographic jurisdiction of the County, or to any other local media correspondent; and

(b) that in accordance with the requirements of Section 52-4-6(2), Utah Code Annotated 1953, as amended, public notice of the regular meeting of the County on January 7, 1992, was given by specifying in a Notice of Regular Meeting in the form attached as

Schedule "II", the agenda, date, time and place of the January 7, 1992 meeting of the County and by causing said Notice of the Regular Meeting to be posted at the principal office of the County on the 6th day of January 1992, a date and time not less than 24 hours prior to the date and time of the January 7, 1992 regular meeting; said Notice of Regular Meeting having continuously remained so posted and available for public inspection during the regular office hours of the undersigned until the date and time of the January 7, 1992 meeting of the County; and causing a copy of said Notice of Regular Meeting to be provided on the 6th day of January 1992 to at least one newspaper of general circulation within the geographic jurisdiction of the County, or to any other local media correspondent.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said County this 7th day of January 1992.

/s/ Gene Briggs

County Clerk

(S E A L)

COMMISSION MEETING SCHEDULE

THE DAGGETT COUNTY COMMISSION WILL HOLD THEIR MEETINGS ON THE
FIRST AND THIRD TUESDAYS OF EACH MONTH FOR THE YEAR 1992. THE
MEETINGS WILL BE HELD IN COMMISSION CHAMBERS AT THE COUNTY COURTHOUSE
AT 2:00 P.M.

SCHEDULE "I"

Notice of Annual Meeting Schedule

DAGGETT COUNTY COMMISSION

MEETING AGENDA

January 7, 1992

2:00 p.m.

1. State Assessed Property Appraiser.
2. State Historical Society Contract.
3. Solid Waste Management Contract.
4. Daggett County Water District Housing Survey Amendment.
5. Consideration and Adoption of a Resolution Authorizing the Issuance and Sale of Tax and Revenue Anticipation Notes, Series 1992, Awarding and Confirming the Sale of the Notes, Approving the Form of the Notes, and Related Matters.
6. Correspondence.
7. Approve Checks.
8. Other Business as May Come Before the Board.

SCHEDULE "II"

Notice of Regular Meeting

EXHIBIT "A"

Purchase Contract

[See transcript document no. __.]

EXHIBIT "B"

Trust Agreement

[See transcript document no. __.]

EXHIBIT "C"

[See transcript document no. __.]