CITY OF WEST DES MOINES
CITY COUNCIL MEETING COMMUNICATION

ITEM: Issuance of $12,935,000 General Obligation Corporate Purpose and Refunding Bonds (Series 2019E) **DATE:** July 15, 2019

FINANCIAL IMPACT: $10.0 million of the issuance will be "new money" issued in support of the City's annual Capital Improvement Budget, with the proceeds to be used on a number of projects. $2.935 million of the issuance is to refund the City's existing 2011A General Obligation Bonds. Ultimate debt service amounts (principal and interest) for the Series 2019A are undetermined, pending bids received on Monday, July 15, 2019. Interest is estimated to range from 1.74% to 2.92% with an approximate all-in interest rate of 2.41%.

Final maturity is scheduled for June 1, 2031 (12 year bonds). Bonds due after June 1, 2027 will be subject to call for redemption prior to maturity on said date or any day thereafter. The refunding component of this issuance will result in net present value interest savings of approximately $110,000.

BACKGROUND: This action allows the sale of $12,935,000 of General Obligation Bonds (Series 2019E), to partially defray the costs of constructing a number of general CIP projects which were approved by City Council as part of the FY 19-20 budget. In addition, it has been identified that the City's Series 2011A General Obligation Bonds are in a positon to be refunded with a result of interest savings. Staff has factored the cost of the proposed issuance compared to the total amount of funds available through the debt service levy in order to maintain positive cash flow throughout the life of the bond issuance.

On March 5, 2019, a series of public hearings were held to institute proceedings on the issuance of "not to exceed" $7.77 million Essential Corporate Purpose General Obligation Bonds and four separate "not to exceed" General Corporate Purpose General Obligation Bonds in amounts ranging from $655,000 to $700.000. No comments were received at these public hearings

On July 1, 2019, a public hearing was held to institute proceedings on the issuance of "not to exceed" $2.935 million General Obligation Refunding Bonds. No comments were received at this public hearing.

Iowa Code Section 384.28 specifically permits the City to sell bonds for different projects together for market efficiency once legal authority is established through required hearings, notices, and approvals. All of the associated documents have been prepared by Bond Counsel and, because they are lengthy documents which are similar to those previously approved by Council, they were not attached with this item but are available in the City Clerk's office for viewing.

Competitive bids will be received Monday, July 15, 2019, at 11:00 AM and either staff or a representative of the City's Financial Advisory Firm, Public Financial Management (PFM), will report the results to Council during consideration of this agenda item.

RECOMMENDATION: Adopt motion receiving report of bids and resolution which, among other required action items articulated in the resolution, directs (awards) the sale of $12.935 million General Obligation Bonds (Series 2019E) to the successful bidder.

Lead Staff Member: **Tim Stiles, Finance Director**

STAFF REVIEWS

Department Director	
Appropriations/Finance	
Legal	
Agenda Acceptance	

PUBLICATION(S) (if applicable)

Published In	
Dates(s) Published	

SUBCOMMITTEE REVIEW (if applicable)

Committee			
Date Reviewed			
Recommendation	Yes	No	Split

RESOLUTION NO. _____

Resolution authorizing and approving a Loan Agreement, providing for the sale and issuance of $12,935,000 General Obligation Corporate Purpose and Refunding Bonds, Series 2019E and providing for the levy of taxes to pay the same

WHEREAS, the City of West Des Moines (the "City"), in Dallas, Madison, Polk and Warren Counties, State of Iowa, heretofore proposed to enter into a loan agreement (the "Essential Purpose Loan Agreement"), pursuant to the provisions of Section 384.24A of the Code of Iowa, and to borrow money thereunder in a principal amount not to exceed $7,770,000 for the purpose of paying the costs, to that extent, of (1) constructing street, road, alley, sanitary sewer system, storm water drainage and sidewalk improvements; (2) acquiring and installing street and pedestrian traffic lighting and signalization improvements; and (3) improving and equipping existing municipal parks, and has published notice of the proposed action and has held a hearing thereon on February 19, 2019; and

WHEREAS, the City also proposed to enter into a loan agreement (the "General Purpose Loan Agreement #1"), pursuant to the provisions of Section 384.24A of the Code of Iowa, and to borrow money thereunder in a principal amount not to exceed $700,000 for the purpose of paying the costs, to that extent, of designing, acquiring and installing community entrance enhancements and welcome signs, and in lieu of calling an election upon such proposal, has published notice of the proposed action and has held a hearing thereon, and as of February 19, 2019, no petition had been filed with the City asking that the question of entering into the General Purpose Loan Agreement #1 be submitted to the registered voters of the City; and

WHEREAS, the City also proposed to enter into a loan agreement (the "General Purpose Loan Agreement #2"), pursuant to the provisions of Section 384.24A of the Code of Iowa, and to borrow money thereunder in a principal amount not to exceed $700,000 for the purpose of paying the costs, to that extent, of (1) constructing improvements and repairs to parking lots at municipal buildings and grounds; and (2) undertaking roof replacement for Fire/EMS Station #21, and in lieu of calling an election upon such proposal, has published notice of the proposed action and has held a hearing thereon, and as of February 19, 2019, no petition had been filed with the City asking that the question of entering into the General Purpose Loan Agreement #2 be submitted to the registered voters of the City; and

WHEREAS, the City also proposed to enter into a loan agreement (the "General Purpose Loan Agreement #3"), pursuant to the provisions of Section 384.24A of the Code of Iowa, and to borrow money thereunder in a principal amount not to exceed $685,000 for the purpose of paying the costs, to that extent, of (1) constructing and installing fueling system modifications at the Public Services facility; (2) installing air conditioning improvements at the Valley View Aquatic Center; and (3) undertaking roof replacement and exterior improvements at the Nature Lodge, and in lieu of calling an election upon such proposal, has published notice of the proposed action and has held a hearing thereon, and as of February 19, 2019, no petition had been filed with the City asking that the question of entering into the General Purpose Loan Agreement #3 be submitted to the registered voters of the City; and

WHEREAS, the City also proposed to enter into a loan agreement (the "General Purpose Loan Agreement #4"), pursuant to the provisions of Section 384.24A of the Code of Iowa, and to borrow money thereunder in a principal amount not to exceed $655,000 for the purpose of paying the costs, to that extent, of (1) undertaking the HVAC system replacement at the Nature Lodge; and (2) undertaking the replacement of the generator at the Municipal Library, and in lieu of calling an election upon such proposal, has published notice of the proposed action and has held a hearing thereon, and as of February 19, 2019, no petition had been filed with the City asking that the question of entering into the General Purpose Loan Agreement #4 be submitted to the registered voters of the City; and

WHEREAS, the City previously issued its $6,900,000 General Obligation Bonds, Series 2011A, dated August 10, 2011 (the "2011A Bonds"), a portion of which remain outstanding, maturing on June 1 in each of the years, and in such amounts, and bearing interest at such rates as follows:

Year	Principal Amount	Interest Rate Per Annum	Year	Principal Amount	Interest Rate Per Annum
2020	$425,000	3.000%	2023	$470,000	3.250%
2021	$440,000	3.000%	2024	$485,000	3.500%
2022	$455,000	3.125%	2025	$500,000	3.500%

; and

WHEREAS, pursuant to the resolution (the "2011A Bond Resolution") authorizing the issuance of the 2011A Bonds, the City reserved the right to prepay part or all of the 2011A Bonds maturing in each of the years 2020 to 2025 (the "Callable 2011A Bonds"), inclusive, prior to and in any order of maturity on June 1, 2019 or on any date thereafter, subject to the provisions of the 2011A Bond Resolution; and

WHEREAS, the City, pursuant to the provisions of Section 384.24A of the Code of Iowa, has also proposed to enter into a loan agreement (the "Refunding Loan Agreement") and to borrow money thereunder in a principal amount not to exceed $2,935,000 for the purpose of paying the costs, to that extent, of current refunding the outstanding balance of the Callable 2011A Bonds, and pursuant to law and duly published notice of the proposed action, has held a hearing thereon on June 17, 2019; and

WHEREAS, pursuant to Section 384.28 of the Code of Iowa, the City Council has combined the Essential Purpose Loan Agreement, the General Purpose Loan Agreement #1, the General Purpose Loan Agreement #2, the General Purpose Loan Agreement #3, the General Purpose Loan Agreement #4, and the Refunding Loan Agreement into a single loan agreement (the "Series 2019E Loan Agreement"); and

WHEREAS, a Preliminary Official Statement (the "P.O.S.") has been prepared to facilitate the sale of the General Obligation Corporate Purpose and Refunding Bonds, Series 2019E (the "Series 2019E Bonds") to be issued in evidence of the obligation of the City under the Loan Agreement, and has authorized its preparation and use by PFM Financial Advisors, LLC, as municipal financial advisor (the "Financial Advisor") to the City; and

WHEREAS, it is now necessary to authorize the calling of the Callable 2011A Bonds for early redemption on August 15, 2019 (the "Redemption Date"); and

WHEREAS, pursuant to advertisement of sale, bids for the purchase of the Series 2019E Bonds to be issued in evidence of the City's obligation under the Series 2019E Loan Agreement were received and canvassed on behalf of the City and the substance of such bids noted in the minutes; and

WHEREAS, upon final consideration of all bids, the bid of _____, _____, _____ (the "Purchaser"), is the best, such bid proposing the lowest interest cost to the City for the Series 2019E Bonds; and

WHEREAS, it is now necessary to make final provision for the approval of the Loan Agreement and to authorize the issuance of the Series 2019E Bonds;

NOW, THEREFORE, Be It Resolved by the City Council of the City of West Des Moines, Iowa, as follows:

Section 1. The form of official bid form/agreement of sale of the Series 2019E Bonds with the Purchaser is hereby approved, and the Mayor and City Clerk are hereby authorized to accept and execute the same for and on behalf of the City.

Section 2. UMB Bank, n.a., as Registrar and Paying Agent for the 2011A Bonds is hereby authorized to take all action necessary to call the Callable 2011A Bonds for early redemption on the Redemption Date, and is further authorized and directed to give notice of such redemption by sending notice to each of the registered owners of the Callable 2011A Bonds to be redeemed at the addresses shown on the City's registration books, not less than 30 prior to the Redemption Date.

Section 3. The City shall enter into the Loan Agreement with the Purchaser in substantially the form as has been placed on file with the City Council, providing for a loan to the City in the principal amount of $12,935,000 for the purposes set forth in the preamble hereof.

The Mayor and City Clerk are hereby authorized and directed to sign the Loan Agreement on behalf of the City, and the Loan Agreement is hereby approved.

Section 4. The Series 2019E Bonds, in the aggregate principal amount of $12,935,000, are hereby authorized to be issued to the Purchaser. The Series 2019E Bonds shall be dated August 1, 2019, shall be issued in the denomination of $5,000 each or any integral multiple thereof and shall mature 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
2020	$5,200,000	_____%	2026	$ 480,000	_____%
2021	$ 905,000	_____%	2027	$ 490,000	_____%
2022	$ 925,000	_____%	2028	$ 500,000	_____%
2023	$ 935,000	_____%	2029	$ 510,000	_____%
2024	$ 955,000	_____%	2030	$ 525,000	_____%
2025	$ 975,000	_____%	2031	$ 535,000	_____%

Section 5. UMB Bank, n.a., Kansas City, Missouri, is hereby designated as the Registrar and Paying Agent for the Series 2019E Bonds and may be hereinafter referred to as the "Registrar" or the "Paying Agent." The City 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 Council; the Mayor and City Clerk are hereby authorized and directed to sign the Registrar/Paying Agent Agreement on behalf of the City; and the Registrar/Paying Agent Agreement is hereby approved.

The City reserves the right to optionally prepay part or all of the principal of the Series 2019E Bonds maturing in the years 2028 to 2031, inclusive, prior to and in any order of maturity on June 1, 2027, or on any date thereafter upon terms of par and accrued interest. If less than all of the Series 2019E Bonds of any like maturity are to be redeemed, the particular part of those Series 2019E Bonds to be redeemed shall be selected by the Registrar by lot. The Series 2019E Bonds may be called in part in one or more units of $5,000.

If less than the entire principal amount of any Series 2019E 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 Series 2019E Bond, a new Series 2019E Bond or Series 2019E Bonds, in any authorized denomination, in a total aggregate principal amount equal to the unredeemed balance of the original Series 2019E Bond. Notice of such redemption as aforesaid identifying the Series 2019E Bond or Series 2019E 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 City's registration books not less than 30 days prior to such redemption date. All of such Bonds as to which the City 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 Series 2019E Bonds shall be payable semiannually on the first day of June and December in each year, commencing December 1, 2019. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. Payment of interest on the Series 2019E Bonds shall be made to the registered owners appearing on the registration books of the City 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 owners at the addresses shown on such registration books. Principal of the Series 2019E 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 Series 2019E Bonds shall be executed on behalf of the City with the official manual or facsimile signature of the Mayor and attested with the official manual or facsimile signature of the City Clerk, and shall be fully registered Bonds without interest coupons. In case any officer whose signature or the facsimile of whose signature appears on the Series 2019E Bonds shall cease to be such officer before the delivery of the Series 2019E 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 Series 2019E 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 Series 2019E Bonds shall be fully registered as to principal and interest in the names of the owners on the registration books of the City 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 City 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 Series 2019E Bonds shall be kept confidential as provided by Section 22.7 of the Code of Iowa.

Section 6. Notwithstanding anything above to the contrary, the Series 2019E Bonds shall be issued initially as Depository Bonds, with one fully registered Series 2019E 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 Series 2019E 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 Series 2019E Bonds or the City determines not to continue the book-entry system for recording ownership interests in the Series 2019E Bonds with DTC, the City will discontinue the book-entry system with DTC. If the City does not select another qualified securities depository to replace DTC (or a successor depository) in order to continue a book-entry system, the City will register and deliver replacement Series 2019E 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 City identifies a qualified securities depository to replace DTC, the City will register and deliver replacement Series 2019E 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 Series 2019E Bonds.

Ownership interests in the Series 2019E Bonds may be purchased by or through Participants. Such Participants and the persons for whom they acquire interests in the Series 2019E Bonds as nominees will not receive certificated Series 2019E 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 Series 2019E Bonds, which will be confirmed in accordance with DTC's standard procedures. Each such person for which a Participant has an interest in the Series 2019E Bonds, as nominee, may desire to make arrangements with such Participant to have all notices of redemption or other communications of the City to DTC, which may affect such person, forwarded in writing by such Participant and to have notification made of all interest payments.

The City 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 Series 2019E Bonds.

DTC will receive payments from the City, to be remitted by DTC to the Participants for subsequent disbursement to the Beneficial Owners. The ownership interest of each Beneficial Owner in the Series 2019E 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 City 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 Series 2019E Bonds acquired. Transfers of ownership interests in the Series 2019E 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 Series 2019E Bonds, except as specifically provided herein. Interest and principal will be paid when due by the City to DTC, then paid by DTC to the Participants and thereafter paid by the Participants to the Beneficial Owners.

Section 7. The Series 2019E Bonds shall be in substantially the following form:

(Form of Bond)

UNITED STATES OF AMERICA
STATE OF IOWA
DALLAS, MADISON, POLK AND WARREN COUNTIES
CITY OF WEST DES MOINES

GENERAL OBLIGATION CORPORATE PURPOSE AND REFUNDING BONDS, SERIES 2019E

No. _____ $_____

RATE	MATURITY DATE	BOND DATE	CUSIP
____%	June 1, _____	August 1, 2019	___

The City of West Des Moines (the "City"), in Dallas, Madison, Polk and Warren Counties, State of Iowa, for value received, promises to pay on the maturity date of this Bond to

Cede & Co.
New York, New York

or registered assigns, the principal sum of

THOUSAND 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, 2019, 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 City 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. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

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 Corporate Purpose and Refunding Bonds, Series 2019E (the "Series 2019E Bonds") issued by the City to evidence its obligation under a certain loan agreement, dated as of August 1, 2019 (the "Loan Agreement"), entered into by the City for the purpose of paying the cost, to that extent, of (1) constructing street, road, alley, sanitary sewer system, storm water drainage and sidewalk improvements; (2) acquiring and installing street and pedestrian traffic lighting and signalization improvements; (3) improving and equipping existing municipal parks; (4) designing, acquiring and installing community entrance enhancements and welcome signs; (5) constructing improvements and

repairs to parking lots at municipal buildings and grounds; (6) undertaking roof replacement for Fire/EMS Station #21; (7) constructing and installing fueling system modifications at the Public Services facility; (8) installing air conditioning improvements at the Valley View Aquatic Center; (9) undertaking roof replacement and exterior improvements at the Nature Lodge; (10) undertaking the HVAC system replacement at the Nature Lodge; (11) undertaking the replacement of the generator at the Municipal Library, and (12) current refunding City's outstanding General Obligation Bonds, Series 2011A, dated August 10, 2011.

The Series 2019E Bonds are issued pursuant to and in strict compliance with the provisions of Chapters 76 and 384 of the Code of Iowa, 2019, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the City Council, adopted on July 15, 2019, authorizing and approving the Loan Agreement and providing for the issuance and securing the payment of the Series 2019E 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 Series 2019E Bonds and the rights of the owners of the Series 2019E Bonds.

The City reserves the right to optionally prepay part or all of the principal of the Series 2019E Bonds maturing in the years 2028 to 2031, inclusive, prior to and in any order of maturity on June 1, 2027, or on any date thereafter upon terms of par and accrued interest. If less than all of the Series 2019E Bonds of any like maturity are to be redeemed, the particular part of those Series 2019E Bonds to be redeemed shall be selected by the Registrar by lot. The Series 2019E Bonds may be called in part in one or more units of $5,000.

If less than the entire principal amount of any Series 2019E 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 Series 2019E Bond, a new Series 2019E Bond or Series 2019E Bonds, in any authorized denomination, in a total aggregate principal amount equal to the unredeemed balance of the original Series 2019E Bond. Notice of such redemption as aforesaid identifying the Series 2019E Bond or Series 2019E 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 City's registration books not less than 30 days prior to such redemption date. All of such Series 2019E Bonds as to which the City 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 Series 2019E 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 City 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 City, 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 City, 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 City for the payment of the principal of and interest on this Bond as the same will respectively become due; and that the total indebtedness of the City, including this Bond, does not exceed any constitutional or statutory limitations.

IN TESTIMONY WHEREOF, the City of West Des Moines, Iowa, by its City Council, has caused this Bond to be executed with the duly authorized facsimile signature of its Mayor and attested with the duly authorized facsimile signature of its City Clerk, as of August 1, 2019.

CITY OF WEST DES MOINES, IOWA

By (DO NOT SIGN)
Mayor

Attest:

(DO NOT SIGN)
City Clerk

Registration Date: (Registration Date)

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2019E Bonds described in the within-mentioned Resolution.

UMB BANK, N.A.
Kansas City, Missouri
Registrar

By (Authorized Signature)
Authorized Officer

ABBREVIATIONS

The following abbreviations, when used in this Bond, 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

UTMA _____
(Custodian)
As Custodian for _____
(Minor)
under Uniform Transfers to Minors Act
_____
(State)

Additional abbreviations may also be used though not in the list above.

ASSIGNMENT

For valuable consideration, receipt of which is hereby acknowledged, the undersigned assigns this Bond to

_____
(Please print or type name and address of Assignee)

_____
PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

and does hereby irrevocably appoint _____, Attorney, to transfer this Bond on the books kept for registration thereof with full power of substitution.

Dated: _____

Signature guaranteed:

_____

(Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signatures to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.)

_____
NOTICE: The signature to this Assignment must correspond with the name of the registered owner as it appears on this Bond in every particular, without alteration or enlargement or any change whatever.

Section 8. The Series 2019E Bonds shall be executed as herein provided as soon after the adoption of this resolution as may be possible, and thereupon they shall be delivered to the Registrar for registration, authentication and delivery to or on behalf of the Purchaser, upon receipt of the loan proceeds, including original issue premium (the "Loan Proceeds") and all action heretofore taken in connection with the Loan Agreement is hereby ratified and confirmed in all respects.

A portion of the Loan Proceeds ($_____) shall be retained by the Purchaser as Underwriter's Discount.

A portion of the Loan Proceeds ($_____) (the "Refunding Proceeds") received from the sale of the Series 2019E Bonds shall be deposited into a separate and segregated fund and used to undertake the Refunding on the Redemption Date.

A portion of the Loan Proceeds ($_____), plus the additional proceeds ($_____), received from the sale of the Series 2019E Bonds shall be deposited in a dedicated fund (the "Project Fund"), which is hereby created, to be used for the payment of costs of the Projects and to the extent that any such proceeds (the "Project Proceeds") remain after the full payment of the costs of the Projects, such Project Proceeds, shall be transferred to the Debt Service Fund for the payment of interest on the Series 2019E Bonds.

A portion of the Loan Proceeds ($_____) (the "Cost of Issuance Proceeds"), received from the sale of the Series 2019E Bonds shall be used for the payment of costs of issuance of the Series 2019E Bonds, and to the extent that Cost of Issuance Proceeds remain after the full payment of the costs of issuance of the Series 2019E Bonds, such Cost of Issuance Proceeds shall be transferred to the Debt Service Fund for the payment of interest on the Series 2019E Bonds.

The City shall keep a detailed and segregated accounting of the expenditure of, and investment earnings on, the Loan Proceeds to ensure compliance with the requirements of the Internal Revenue Code, as hereinafter defined.

Section 9. For the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on the Bonds as the same become due, there is hereby ordered levied on all the taxable property in the City the following direct annual tax for collection in each of the following fiscal years:

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

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

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

For collection in the fiscal year beginning July 1, 2023, sufficient to produce the net annual sum of $_____;

For collection in the fiscal year beginning July 1, 2024, sufficient to produce the net annual sum of $_____;

For collection in the fiscal year beginning July 1, 2025, sufficient to produce the net annual sum of $_____;

For collection in the fiscal year beginning July 1, 2026, sufficient to produce the net annual sum of $_____;

For collection in the fiscal year beginning July 1, 2027, sufficient to produce the net annual sum of $_____;

For collection in the fiscal year beginning July 1, 2028, sufficient to produce the net annual sum of $_____;

For collection in the fiscal year beginning July 1, 2029, sufficient to produce the net annual sum of $_____; and

For collection in the fiscal year beginning July 1, 2030, sufficient to produce the net annual sum of $_____.

(Such taxes being supplemental and additional to taxes previously authorized by the City for this purpose for collection in the fiscal year beginning July 1, 2019).

Section 10. A certified copy of this resolution shall be filed with the County Auditors of Dallas, Madison, Polk and Warren Counties, and the County Auditors are hereby instructed to enter for collection and assess the tax hereby authorized. When annually entering such taxes for collection, the County Auditors shall include the same as a part of the tax levy for Debt Service Fund purposes of the City and when collected, the proceeds of the taxes shall be converted into the Debt Service Fund of the City 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 Series 2019E Bonds hereby authorized and for no other purpose whatsoever. Any amount received by the City as accrued interest on the Series 2019E Bonds shall be deposited into such special account and used to pay interest due on the Series 2019E Bonds on the first interest payment date.

Pursuant to the provisions of Section 76.4 of the Code of Iowa, each year while the Series 2019E Bonds remain outstanding and unpaid, any funds of the City which may lawfully be applied for such purpose may be appropriated, budgeted and, if received, used for the payment of the principal of and interest on the Series 2019E Bonds as the same become due, and if so appropriated, the taxes for any given fiscal year as provided for in Section 9 of this Resolution, shall be reduced by the amount of such alternate funds as have been appropriated for said purpose and evidenced in the City's budget.

Section 11. The interest or principal and both of them falling due in any year or years shall, if necessary, be paid promptly from current funds on hand 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.

Section 12. It is the intention of the City that interest on the Series 2019E 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 City 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 Series 2019E Bonds will remain excluded from gross income for federal income tax purposes. Any and all of the officers of the City are hereby authorized and directed to take any and all actions as may be necessary to comply with the covenants herein contained.

Section 13. 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 the bonds, an underwriter has reasonably determined that the issuer or an obligated person has undertaken in writing for the benefit of the bondholders to provide certain disclosure information to prescribed information repositories on a continuing basis or unless and to the extent the offering is exempt from the requirements of the Rule.

On the date of issuance and delivery of the Series 2019E Bonds, the City will execute and deliver a Continuing Disclosure Certificate pursuant to which the City will undertake to comply with the Rule. The City 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 City 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 14. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 15. This resolution shall be in full force and effect immediately upon its approval and adoption, as provided by law.

Passed and approved July 15, 2019.

_____
Mayor

Attest:

_____
City Clerk