

MINUTES TO AUTHORIZE ISSUANCE  
OF BONDS

439235-8

West Branch, Iowa

August 3, 2015

The City Council of the City of West Branch, Iowa, met on August 3, 2015, at 7:00 o'clock p.m., at the City Council Chambers, 110 N. Poplar Street, West Branch, Iowa.

The meeting was called to order by the Mayor Pro Tem, and the roll being called, the following named Council Members were present and absent:

Present: Councilmembers Jordan Ellyson, Colton Miller, Brian Pierce, Tim Shields, and Mary Beth Stevenson.

Absent: None.

After due consideration and discussion, Council Member Stevenson introduced the resolution hereinafter next set out and moved that the resolution be adopted, seconded by Council Member Ellyson. After due consideration, the Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Stevenson, Ellyson, Miller, Shields, Pierce.

Nays: None.

Whereupon, the Mayor declared the resolution duly adopted, as hereinafter set out.

RESOLUTION NO. 1377

Resolution providing for the issuance of \$855,000 General Obligation Corporate Purpose Bonds, Series 2015, and providing for the levy of taxes to pay the same

WHEREAS, the City of West Branch (the "City"), in Cedar and Johnson Counties, State of Iowa, pursuant to the provisions of Section 384.24A of the Code of Iowa, heretofore proposed to enter into a loan agreement (the "Loan Agreement") and to borrow money thereunder in a principal amount not to exceed \$900,000 for the purpose of paying the costs, to that extent, of constructing street repairs and improvements and incidental water system, sanitary sewer system, sidewalk, storm water drainage, lighting and signalization improvements (the "Project"), and has published notice of the proposed action and has held a hearing thereon on June 1, 2015; and

WHEREAS, a Preliminary Official Statement (the "P.O.S.") has been prepared to facilitate the sale of \$855,000 General Obligation Corporate Purpose Bonds, Series 2015 (the "Bonds") in evidence of the obligation of the City under the Loan Agreement, and the City Council has made provision for the approval of the P.O.S. and has authorized its use by Speer Financial, Inc. (the "Financial Advisor"); and

WHEREAS, pursuant to advertisement of sale, bids for the purchase of the Bonds were received and canvassed on behalf of the City and the substance of such bids noted in the minutes; and

WHEREAS, upon due consideration, the proposal of Bankers' Bank, Madison, Wisconsin (the "Purchaser"), is the best, such bid proposing the lowest interest cost to the City for the Bonds; and

WHEREAS, the Purchaser has executed a certain Sale Agreement with respect to the Bonds, and the City Council has previously approved the Sale Agreement and has made provision for its execution and delivery; and

WHEREAS, it is now necessary to authorize the issuance of the Bonds;

NOW, THEREFORE, Be It Resolved by the City Council of the City of West Branch, as follows:

Section 1. The City shall enter into the Loan Agreement with the Purchaser, in substantially the form as has been placed on file with the Council, providing for a loan to the City in the principal amount of \$855,000, for the purpose or 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 2. The bid of the Purchaser referred to in the preamble hereof is hereby accepted, and the Bonds in the aggregate principal amount of \$855,000, maturing on June 1 in each of the years, in the respective principal amounts and bearing interest at the respective rates, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>
2017	\$140,000	1.10%	2023	\$180,000	2.20%
2019	\$170,000	1.50%	2025	\$195,000	2.40%
2021	\$170,000	1.90%			

The Bonds shall be in the denomination of \$5,000 each, or any integral multiple thereof, shall be dated the date of their delivery to the Purchaser (anticipated to be August 18, 2015), and shall become due and payable and bear interest as set forth in Section 5 hereof.

Section 3. Bankers Trust Company, Des Moines, Iowa, is hereby designated as the Registrar and Paying Agent for the Bonds and may be hereinafter referred to as the “Registrar” or the “Paying Agent.” The 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 Bonds maturing in each of the years 2023 and 2025, inclusive, prior to and in any order of maturity on any date on or after June 1, 2021 upon terms of par and accrued interest. If less than all of the Bonds of any like maturity are to be redeemed, the particular part of those Bonds to be redeemed shall be selected by the Registrar by lot. The Bonds may be called in part in one or more units of \$5,000.

Principal of the Bonds maturing on June 1, 2017 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2016, at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date, in the following principal amounts:

<u>Year</u>	<u>Principal Amount</u>
2016	\$60,000
2017	\$80,000 (Maturity)

Principal of the Bond maturing on June 1, 2019 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2018, at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date, in the following principal amounts:

<u>Year</u>	<u>Principal Amount</u>
2018	\$85,000
2019	\$85,000 (Maturity)

Principal of the Bond maturing on June 1, 2021 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2020, at a redemption price of 100% of the principal

amount thereof to be redeemed, plus accrued interest thereon to the redemption date, in the following principal amounts:

<u>Year</u>	<u>Principal Amount</u>
2020	\$85,000
2021	\$85,000 (Maturity)

Principal of the Bond maturing on June 1, 2023 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2022, at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date, in the following principal amounts:

<u>Year</u>	<u>Principal Amount</u>
2022	\$90,000
2023	\$90,000 (Maturity)

Principal of the Bond maturing on June 1, 2025 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2024, at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date, in the following principal amounts:

<u>Year</u>	<u>Principal Amount</u>
2024	\$ 95,000
2025	\$100,000 (Maturity)

If less than the entire principal amount of any Bond in a denomination of more than \$5,000 is to be redeemed, the Registrar will issue and deliver to the registered owner thereof, upon surrender of such original Bond, a new Bond or Bonds, in any authorized denomination, in a total aggregate principal amount equal to the unredeemed balance of the original Bond. Notice of such redemption as aforesaid identifying the Bond or Bonds (or portion thereof) to be redeemed shall be sent by electronic means or mailed 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. Any notice of redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the Bonds so called for redemption, and that if funds are not available, such redemption shall be cancelled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was sent. 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.

Section 4. Accrued interest on the Bonds shall be payable semiannually on the first day of June and December in each year, commencing June 1, 2016. Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months. Payment of interest on the Bonds shall be made to the registered owners appearing on the bond 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 by check or draft mailed to the registered owners at the addresses shown on such registration books. Principal of the Bonds shall be payable in lawful money of the United States of America to the registered owners or their legal representatives upon presentation and surrender of the Bond or Bonds at the office of the Paying Agent.

The Bonds shall be executed on behalf of the 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 Bonds shall cease to be such officer before the delivery of the Bonds, such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Bonds shall not be valid or become obligatory for any purpose until the Certificate of Authentication thereon shall have been signed by the Registrar.

The Bonds shall be fully registered as to principal and interest in the names of the owners on the registration books of the City kept by the Bond Registrar, and after such registration payment of the principal thereof and interest thereon shall be made to the registered owners, their legal representatives or assigns. Each Bond shall be transferable only upon the registration books of the City upon presentation to the Bond Registrar, together with either a written instrument of transfer satisfactory to the Bond Registrar or the assignment form thereon completed and duly executed by the registered owner or the duly authorized attorney for such registered owner.

The record and identity of the owners of the Bonds shall be kept confidential as provided by Section 22.7 of the Code of Iowa.

Section 5. Notwithstanding anything above to the contrary, the Bonds shall be issued initially as Depository Bonds, with one fully registered Bond for each maturity date, in principal amounts equal to the amount of principal maturing on each such date, and registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). On original issue, the Bonds shall be deposited with DTC for the purpose of maintaining a book-entry system for recording the ownership interests of its participants and the transfer of those interests among its participants (the "Participants"). In the event that DTC determines not to continue to act as securities depository for the Bonds or the City determines not to continue the book-entry system for recording ownership interests in the 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 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 Bonds, fully registered in the name of such depository, or its nominee, in the denominations as set forth above, as reduced from time to time prior to maturity in connection with redemptions or retirements by call or payment, and in such event, such depository will then maintain the book-entry system for recording ownership interests in the Bonds.

Ownership interests in the Bonds may be purchased by or through Participants. Such Participants and the persons for whom they acquire interests in the Bonds as nominees will not receive certificated Bonds, but each such Participant will receive a credit balance in the records of DTC in the amount of such Participant's interest in the Bonds, which will be confirmed in accordance with DTC's standard procedures. Each such person for which a Participant has an interest in the Bonds, as nominee, may desire to make arrangements with such Participant to have all notices of redemption or other communications of the 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 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 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 Bonds acquired. Transfers of ownership interests in the Bonds will be accomplished by book entries made by DTC and the Participants who act on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interest in the Bonds, except as specifically provided herein. Interest and principal will be paid when due by the City to DTC, then paid by DTC to the Participants and thereafter paid by the Participants to the Beneficial Owners.

Section 6. The form of Bonds shall be substantially as follows:

(Form of Bond)

**UNITED STATES OF AMERICA  
STATE OF IOWA  
COUNTIES OF CEDAR AND JOHNSON  
CITY OF WEST BRANCH**

**GENERAL OBLIGATION CORPORATE PURPOSE BOND, SERIES 2015**

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

RATE	MATURITY DATE	BOND DATE	CUSIP
_____%	June 1, _____	August 18, 2015	951556 ____

The City of West Branch (the "City"), in the Counties of Cedar and Johnson, 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 June 1, 2016, 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 will 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 Bonds, Series 2015 (the "Bonds") issued by the City to evidence its obligation under a certain loan agreement, dated as of August 18, 2015 (the "Loan Agreement"), entered into by the City for the purpose of paying the costs, to that extent, of constructing street repairs and improvements and incidental water system, sanitary sewer system, sidewalk, storm water drainage, lighting and signalization improvements.

The Bonds are issued pursuant to and in strict compliance with the provisions of Chapters 76 and 384 of the Code of Iowa, 2015, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the City Council on August 3, 2015, approving the Loan Agreement and providing for the issuance and securing the payment of the Bonds (the "Resolution"), and reference is hereby made to the Resolution and the Loan Agreement for a more complete statement as to the source of payment of the Bonds and the rights of the owners of the Bonds.

The City reserves the right to optionally prepay part or all of the principal of the Bonds maturing in each of the years 2023 and 2025, inclusive, prior to and in any order of maturity on any date on or after

June 1, 2021 upon terms of par and accrued interest. Principal of the Bonds maturing on June 1 in each of the years 2017, 2019, 2021, 2023 and 2025 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1 in each of the years 2016, 2018, 2020, 2022 and 2024, respectively, in accordance with the mandatory redemption schedules set forth in the Resolution at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date.

If less than all of the Bonds of any like maturity are to be redeemed, the particular part of those Bonds to be redeemed shall be selected by the Registrar by lot. The Bonds may be called in part in one or more units of \$5,000. If less than the entire principal amount of any Bond in a denomination of more than \$5,000 is to be redeemed, the Registrar will issue and deliver to the registered owner thereof, upon surrender of such original Bond, a new Bond or Bonds, in any authorized denomination, in a total aggregate principal amount equal to the unredeemed balance of the original Bond. Notice of such redemption as aforesaid identifying the Bond or Bonds (or portion thereof) to be redeemed shall be sent by electronic means or by certified mail to the registered owners thereof at the addresses shown on the 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.

This Bond is fully negotiable but shall be fully registered as to both principal and interest in the name of the owner on the books of the 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 Branch, 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, all as of August 18, 2015.

CITY OF WEST BRANCH, 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 Bonds described in the within-mentioned Resolution.

BANKERS TRUST COMPANY  
Des Moines, Iowa  
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	UTMA _____
TEN ENT	- as tenants by the entireties	_____ (Cust)
		As Custodian for _____
JT TEN	- as joint tenants with right of survivorship and not as tenants in common	_____ (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 6. The 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 Bond Registrar for registration, authentication and delivery to or on behalf of the Purchaser, as determined by the City Council, upon receipt of the purchase price thereof, with accrued interest thereon, and all action heretofore taken in connection with the sale and award of the Bonds is hereby ratified and confirmed in all respects.

The proceeds (the "Loan Proceeds") received from the sale of the Bonds shall be deposited in a dedicated fund (the "Project Fund"), which is hereby created, to be used for the payment of (1) costs of planning, designing and constructing the Project; (2) costs of issuance of the Bonds; and (3) to the extent that Loan Proceeds remain after the full payment of the costs set forth in (1) and (2), such Loan Proceeds shall be transferred to the Debt Service Fund for the payment of interest on the Bonds. The City shall keep a detailed and segregated accounting of the Project Fund and 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 7. As required by Chapter 76 of the Code of Iowa, and for the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the interest on the Bonds as it falls due, and also to pay and discharge the principal thereof at maturity, there is hereby ordered levied on all the taxable property in the City in each of the years while the Bonds or any of them are outstanding the following direct annual tax:

For collection in the fiscal year beginning July 1, 2016,  
sufficient to produce the net annual sum of \$95,300;

For collection in the fiscal year beginning July 1, 2017,  
sufficient to produce the net annual sum of \$99,420;

For collection in the fiscal year beginning July 1, 2018,  
sufficient to produce the net annual sum of \$98,145;

For collection in the fiscal year beginning July 1, 2019,  
sufficient to produce the net annual sum of \$96,870;

For collection in the fiscal year beginning July 1, 2020,  
sufficient to produce the net annual sum of \$95,255;

For collection in the fiscal year beginning July 1, 2021,  
sufficient to produce the net annual sum of \$98,640;

For collection in the fiscal year beginning July 1, 2022,  
sufficient to produce the net annual sum of \$96,660;

For collection in the fiscal year beginning July 1, 2023,  
sufficient to produce the net annual sum of \$99,680; and

For collection in the fiscal year beginning July 1, 2024,  
sufficient to produce the net annual sum of \$102,400.

Section 8. A certified copy of this resolution shall be filed with the County Auditor of Cedar County, and the Auditor is hereby instructed to enter for collection and assess the tax hereby authorized. When annually entering such taxes for collection, the County Auditor shall include the same as a part of the tax levy for Debt Service Fund purposes of the 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 Bonds hereby authorized and for no other purpose whatsoever. Any amount received by the City as accrued interest on the Bonds shall be deposited into such special account and used to pay interest due on the Bonds on the first interest payment date.

Pursuant to the provisions of Section 76.4 of the Code of Iowa, each year while the 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 Bonds as the same become due, and if so appropriated, the taxes for any given fiscal year as provided for in Section 7 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 9. 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 10. It is the intention of the City that interest on the Bonds be and remain excluded from gross income for federal income tax purposes pursuant to the appropriate provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations in effect with respect thereto (all of the foregoing herein referred to as the "Internal Revenue Code"). In furtherance thereof, the 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 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.

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

Section 11. The principal amount of the Bonds is less than \$1,000,000. The City hereby represents that it has not issued within the six months before the date of issuance of the Bonds, and that it reasonably expects that it will not issue within six months after the date of issuance of the Bonds, other securities of the City of substantially the same security and providing financing for the same general purpose or purposes as the Bonds. Consequently, this Council hereby finds that the Rule is inapplicable to the Bonds, because the aggregate principal amount of the Bonds and any other securities required to be integrated with the Bonds under the Rule is less than \$1,000,000.

Section 12. All resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 13. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved August 3, 2015.



\_\_\_\_\_  
Mayor

Attest:



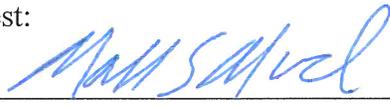
\_\_\_\_\_  
City Clerk

....

On motion and vote, the meeting adjourned.

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

STATE OF IOWA  
COUNTIES OF CEDAR AND JOHNSON SS:  
CITY OF WEST BRANCH

I, the undersigned, City Clerk of the City of West Branch, do hereby certify that attached hereto is a true and correct copy of the proceedings of the Council of the City relating to the issuance of General Obligation Corporate Purpose Bonds, Series 2015, and that the transcript hereto attached contains a true, correct and complete statement of all the measures adopted and proceedings, acts and things had, done and performed up to the present time in relation to the issuance and disposition of such bonds.

I further certify that no appeal has been taken to the District Court from the decision of the City Council to issue such bonds or to levy taxes to pay the principal thereof and interest thereon.

WITNESS MY HAND this 12<sup>th</sup> day of AUGUST, 2015.

  
\_\_\_\_\_  
City Clerk

**Bid of the Successful Bidder**

<u>Successful Bidder</u>	<u>Price</u>	<u>Maturities</u>	<u>Rates</u>	<u>Interest</u>
Banker's Bank, Madison, WI	99.400%	2016-2017	1.100%	2.2006%
Community State Bank, West Branch, IA	\$849,870.00	2018-2019	1.500%	\$105,046
		2020-2021	1.900%	
		2022-2023	2.200%	
		2024-2025	2.400%	

STATE OF IOWA

SS:

COUNTY OF CEDAR

I, the undersigned, County Auditor of Cedar County, in the State of Iowa, do hereby certify that on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, the City Clerk of the City of West Branch, Iowa, filed in my office a certified copy of a resolution of such City shown to have been adopted by the Council and approved by the Mayor thereof on August 3, 2015, entitled: "Resolution providing for the issuance of \$855,000 General Obligation Corporate Purpose Bonds, Series 2015, and providing for the levy of taxes to pay the same," and that I have duly placed the copy of the resolution on file in my records.

I further certify that the taxes provided for in that resolution will in due time, manner and season be entered on the State and County tax lists of this County for collection in the fiscal year beginning July 1, 2016, and subsequent years as provided in the resolution.

WITNESS MY HAND this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
County Auditor

STATE OF IOWA

SS:

COUNTY OF JOHNSON

I, the undersigned, County Auditor of Johnson County, in the State of Iowa, do hereby certify that on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, the City Clerk of the City of West Branch, Iowa, filed in my office a certified copy of a resolution of such City shown to have been adopted by the Council and approved by the Mayor thereof on August 3, 2015, entitled: "Resolution providing for the issuance of \$855,000 General Obligation Corporate Purpose Bonds, Series 2015, and providing for the levy of taxes to pay the same," and that I have duly placed the copy of the resolution on file in my records.

I further certify that the taxes provided for in that resolution will in due time, manner and season be entered on the State and County tax lists of this County for collection in the fiscal year beginning July 1, 2016, and subsequent years as provided in the resolution.

WITNESS MY HAND this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
County Auditor

LOAN AGREEMENT

This Loan Agreement is entered into as of August 18, 2015 by and between the City of West Branch, Iowa (the "City"), and Bankers' Bank, Madison, Wisconsin (the "Purchaser"). The parties agree as follows:

1. The Purchaser shall loan to the City the sum of \$855,000 and the City's obligation to repay hereunder shall be evidenced by the issuance of General Obligation Corporate Purpose Bonds, Series 2015 in the aggregate principal amount of \$855,000 (the "Bonds").

2. The City has adopted a resolution on August 3, 2015 (the "Resolution") authorizing and approving this Loan Agreement and providing for the issuance of the Bonds and the levy of taxes to pay the principal of and interest on the Bonds for the purpose or purposes set forth in the Resolution. The Resolution is incorporated herein by reference, and the parties agree to abide by the terms and provisions of the Resolution. In and by the Resolution, 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 the Bonds as the same will respectively become due.

3. Any amount received by the City as accrued interest on the Bonds shall be deposited in the special account within the City's Debt Service Fund established pursuant to the Resolution and shall be held therein and used, along with other amounts on deposit in such account, to pay interest on the Bonds due on the first interest payment date.

4. The Bonds, in substantially the form set forth in the Resolution, shall be executed and delivered to or on behalf of the Purchaser to evidence the City's obligation to repay the amounts payable hereunder. The Bonds shall be dated August 18, 2015, shall be in denominations of \$5,000 or integral multiples thereof, shall bear interest, shall be payable as to principal on the dates and in the amounts, shall be subject to prepayment prior to maturity and shall contain such other terms and provisions as provided in the Bonds and the Resolution.

5. This Loan Agreement is executed pursuant to the provisions of Section 384.24A of the Code of Iowa and shall be read and construed as conforming to all provisions and requirements of the statute.

IN WITNESS WHEREOF, we have hereunto affixed our signatures all as of the date first above written.

CITY OF WEST BRANCH IOWA

By   
Mayor

Attest:

  
City Clerk

BANKERS' BANK  
Madison, Wisconsin

By \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name and Title)

## **PAYING AGENT AND REGISTRAR AND TRANSFER AGENT AGREEMENT**

This Agreement is entered into as of the date hereof between **BANKERS TRUST COMPANY**, Des Moines, Iowa (the “Agent”) and the **CITY OF WEST BRANCH, IOWA** (the “Issuer”).

1. **Definition of Terms**—The terms “item,” “receipt,” “transfer,” “turnaround,” “process,” “business day,” and other terms used throughout this Agreement shall be deemed to have the meanings provided in the regulations promulgated pursuant to the Securities Exchange Act of 1934 and the Code of Iowa as amended and in effect from time to time.

2. **Issuance Resolution Incorporated By Reference**—The Agent agrees to act on behalf of the Issuer pursuant to the terms of this Agreement and pursuant to the Issuer’s resolution (the “Resolution”) authorizing and providing for the issuance of \$855,000 General Obligation Corporate Purpose Bonds, Series 2015, dated August 18, 2015 (the “Bonds”). The Resolution and the terms thereof are hereby incorporated by reference and the provisions of this Agreement are to be construed to be consistent with the Resolution. In the event of inconsistent language between the Resolution and this Agreement, the terms of the Resolution shall prevail.

3. **Registrar Function**—The Agent shall maintain records of the identity of the owners of the Bonds in order to carry out its function as Registrar and upon request of the Issuer shall from time to time deliver to the Issuer records, documents and other writings made or accumulated in the performance of its duties as Registrar. In such capacity the Agent is authorized at any time upon the surrender for cancellation of the Bonds to register new Bonds for the principal amount of Bonds so cancelled and to redeliver such new Bonds.

4. **Transfer Agent Function/Charges**—The Agent is hereby directed to record and authenticate Bonds signed by or bearing the facsimile signatures of the officers of the Issuer authorized to sign Bonds in such names and in such amounts as the Issuer may direct.

The Agent shall make transfers from time to time upon the records of the Issuer of any outstanding Bonds and of Bonds issued in exchange therefor signed by the officers of the Issuer upon surrender thereof for transfer properly endorsed and upon reasonable assurance that such endorsements are genuine and effective in accordance with Section 554.8401, Code of Iowa. 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.

The Issuer and the Agent may also require payment by the person requesting an exchange or transfer of the Bonds of a service charge and a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto, except in the case of the issuance of a Bond for the unredeemed portion of a Bond surrendered for redemption.

Upon request for cancellation of such Bonds the Agent shall record and authenticate new Bonds duly signed and deliver such Bonds to or upon the order of the person entitled thereto.

5. **Paying Agent Function**—The Agent is hereby authorized and shall make payments of principal and interest to the registered owners of the Bonds as follows:

(a) If payment is by check, at least three business days prior to each payment date and if payment is by wire transfer, at least one business day prior to each payment date, the Issuer will deposit with the Agent in such amount as is required to make such payment.

(b) On each payment date the Agent will pay the interest and principal due prior to the maturity date without surrender of the Bond. For final payment of principal and interest, the Agent, upon presentation and surrender of the matured or called Bond, will pay principal and interest to each registered owner of the Bonds as of the record date by mailing a check or wiring funds to each such owner. In any case where the date of maturity of interest on or principal of the Bond or the date fixed for redemption of any Bond shall be a Saturday or Sunday or a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal may be made on the succeeding business day with the same force and effect as if made on the date of maturity or the day fixed for redemption. Provided, however, that payment of principal shall be made not later than the second business day after receipt of the matured Bond.

(c) When the Agent shall receive notice from the Issuer of its option to redeem Bonds prior to maturity, the Agent shall select the Bonds to be redeemed and give notice of the redemption thereof, all in accordance with the terms of the Bonds and the Resolution.

6. **Form of Records**—The records of the Agent shall be in such form as to be in compliance with standards issued from time to time by the Municipal Securities Rule Making Board of the United States and any other securities industries standard and the requirements of the Internal Revenue Code of 1986 and Chapter 76 of the Code of Iowa.

7. **Confidentiality of Records**—The Agent's records in connection with the Bonds shall remain confidential records entitled to protection and confidentiality pursuant to Section 22.7, Code of Iowa. The Agent agrees that its use of the records will be limited to the purposes of this Agreement and that the Agent will make no private use or permit any private access thereto.

8. **Reliance Upon Certain Certifications and Representations**—The Agent may rely conclusively and act, without further investigation, upon any list, instruction, certification, authorization, certificate, or other instrument or paper suitably guaranteed and believed by it in good faith and due diligence in performing its functions to be genuine and to have been signed, countersigned, or executed by a duly authorized person or persons or upon the instruction of any authorized officer of the Issuer or upon the advice of the Issuer's counsel; and may register any Bond or may refuse to register any such Bond if in good faith the Agent deems such refusal necessary in order to avoid any liability on the part of either the Issuer or the Agent, and the Issuer agrees to indemnify and hold harmless the Agent from and against any and all losses, costs, claims, and liability for so relying or acting or refusing to act.

9. **Rules and Regulations Governing Registration**—The Agent shall comply at all times with such rules, regulations and requirements as may govern the registration, transfer and

payment of registered Bond including without limitation Chapter 76 and Sections 554.8101 et seq., Code of Iowa, and standards issued from time to time by the Municipal Securities Rule Making Board of the United States and any other securities industries standard and the requirements of the Internal Revenue Code of 1986.

10. **Signature of Officers**—In case any of the officers of the Issuer whose manual or facsimile signature appears on any Bond or other record delivered to the Agent shall cease to be such officer prior to the registration, processing, or transfer thereof, the Agent may nevertheless process such documents as though the person signing the same or whose facsimile signature appears thereon had not ceased to be such officer unless written instruction of the Issuer to the contrary is received.

11. **Record Date**—For purposes of determining the registered owners of the Bonds the record date shall be deemed to be the fifteenth day of the month preceding the date on which payment of principal, premium, if any, or interest is payable to the registered owners of the Bonds (“Payment Date”) whether such payment is due to optional redemption, operation of a sinking fund, or for any other reason.

12. **Three Days Turnaround**—The Agent agrees that it will turnaround within three business days of receipt all items received in proper form for transfer, process or other action pursuant to the terms of this Agreement.

13. **Destruction of Cancelled Bonds**—The Agent will promptly cancel and destroy all Bonds which have been spoiled, surrendered to it for transfer, or with respect to which principal, premium, if any, and interest owing on such Bonds has been paid, and will provide the Issuer with a Certificate of Destruction certifying as to the destruction of such cancelled Bonds.

14. **Payment of Unclaimed Amounts**—In the event any payment check representing payment of interest or principal on the Bonds is returned to the Agent or is not presented for payment or if any Bond is not presented for payment of principal or premium at the maturity or redemption date, if funds sufficient to pay such interest or principal shall have been made available to the Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or principal payment of such Bonds shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Bonds who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on its part under the Resolution or on, or with respect to, such interest or principal. The Agent’s obligation to hold such funds shall continue until the expiration of the escheat period in accordance with applicable laws, at which time the Agent shall surrender any remaining funds so held in accordance with the applicable escheat laws.

15. **No Obligation to Invest**—The Agent will have no obligation to invest any funds in its possession.

16. **Compensation of the Agent**—The Issuer will pay the Agent reasonable compensation for its services based upon the schedule of fees attached or such other schedule of

fees as may be agreed upon from time to time between the Agent and the Issuer. The Agent's compensation may include the amount of any attorney fees incurred by it under Section 17 hereof.

17. **Bond Counsel**—When the Agent deems it necessary or reasonable it may apply to Bond Counsel for the Issuer or such other law firm or attorney approved by the Issuer for instructions or advice.

18. **Termination of Agreement**—This Agreement may be terminated by either party by giving the other party at least 90 days advance written notice. At termination of the Agreement, the Agent shall deliver to the Issuer any and all records, documents or other writings made or accumulated in the performance of its duties under this Agreement and shall refund the unearned balance, if any, of fees paid in advance by the Issuer.

19. **Examination of Records**—The Issuer or its duly authorized agents may examine all records relating to the Bonds at the principal office of the Agent at reasonable times as agreed upon with the Agent and such records shall be subject to audit from time to time at the request of the Issuer or the Agent. The Agent, on request, will furnish the Issuer with a list of the names, addresses, and other information concerning the owners of the Bonds or any of them.

20. **Filing of Form 1099-INT.** To the extent it is determined by the Agent or Bond Counsel for the Issuer that reports are required to be filed, the Agent agrees to comply with the provisions of the Internal Revenue Code with respect to the filing with the Internal Revenue Service and furnishing to recipients of interest on the Bonds copies of Form 1099-INT, or its substitute, annually.

21. **Obligations, Rights and Privileges of the Agent**—The Agent shall have, with regard to the particular functions it performs, the same obligation to the owner or owners of the Bonds and shall have the same rights and privileges the Issuer has in regard to those functions.

Dated as of August 18, 2015.

**CITY OF WEST BRANCH, IOWA**

By   
Mayor

Attest:

  
City Clerk

**BANKERS TRUST COMPANY**  
AGENT

By \_\_\_\_\_  
Trust Officer



**PAYING AGENT, BOND REGISTRAR AND  
TRANSFER AGENT FEE SCHEDULE  
(BOOK ENTRY)**

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**INITIAL FEE**

\$250

**ANNUAL FEE**

\$500 (semi-annual payments of \$250)

**ADDITIONAL SERVICES AVAILABLE**

\$250 Dissemination Agent (annual fee)

As Dissemination Agent, Bankers Trust (the "Agent") will disclose the required documentation under SEC Rule 15c2-12 to the MSRB Electronic Municipal Market Access (EMMA) system. The Issuer/Borrower will provide the information required in the Continuing Disclosure Agreement or the required annual reporting and material event notification under the rule listed above to the Agent. The Agent will not be responsible for compiling any of the information required under the rule.

**OUT-OF-POCKET EXPENSES**

Reasonable charges will be made for additional services or reports not contemplated at the time of execution of the Agreement or not covered specifically elsewhere in this schedule, such as preparation of bondholder lists, redemptions/call notices, or termination of our services prior to the issue's final maturity. Charges will be based on our analysis of the cost of providing the additional services, with redemption/call fees starting at \$100 and termination fees of \$200 per bond issue.

Extraordinary out-of-pocket expenses will be charged at cost. However, this does not include ordinary out-of-pocket expenses such as normal postage and supplies, which are included in the annual fees quoted above.

**CHANGES IN FEE SCHEDULE**

Bankers Trust reserves the right to renegotiate this fee schedule.