

COUNCIL MEETING
City of Chariton, Iowa
June 3, 2024 5:00 P.M.

The City Council of the City of Chariton, Iowa, met in regular session in the Council Chambers in City Hall of said City on June 3, 2024, at 5:00 p.m. The meeting was called to order by Mayor Hoch. Present for the meeting were Council Members Stephen Fenton, David Kuball, Jayma Hoch, Jarrett McGee and Gary Shutt. Absent - None.

Also present for the meeting was City Attorney Verle Norris, City Clerk Christy Metzger, Building and Code Enforcement Officer Shawn Werts, Fire Chief Steve Davis, and Parks and Recreation Director Hannah McGourty.

It was moved by McGee, seconded by Shutt, to approve the June 3, 2024, Council meeting agenda. The roll was called and the vote was:

Aye: Fenton, Hoch, Kuball, McGee, Shutt
Nay: None

It was moved by McGee, seconded by Shutt, to approve the consent agenda consisting of the approval of the minutes of the City Council meetings held on May 18, 2024 and May 20, 2024, and approval of Cigarette/Tobacco/Nicotine/Vapor Products permits for: Casey's #3032, Casey's #4308, Casey's #1499, Family Dollar Store, New Star, Hy-Vee Food Store, Elliot Oil Company and Dollar General. The roll was called and the vote was:

Aye: Fenton, Hoch, Kuball, McGee, Shutt
Nay: None

It was moved by Fenton, seconded by Kuball, that the resolution authorizing the payment of claims be adopted with the correction on the payment to Knox Company for \$876.50 rather than \$1,753.00. The roll was called and the vote was:

Aye: Fenton, Hoch, Kuball, McGee, Shutt
Nay: None

Thereupon the Mayor declared the resolution duly adopted and numbered 2024-27 and signed her approval thereto.

Aye: Fenton, Hoch, Kuball, McGee, Shutt
Nay: None

It was moved by Shutt, seconded by Fenton, to approve the Treasurer's April 2024 Financial Reports. The roll was called and the vote was:

Aye: Fenton, Hoch, Kuball, McGee, Shutt
Nay: None

After having been approved on its second reading, it was moved by Kuball, seconded by Shutt, that an ordinance entitled, "An Ordinance Amending Chapter 6.04.400 of the Chariton Municipal Code to Increase the Service Charge to Dwelling Units for Solid Waste Collection and Disposal", be given its third

reading and placed on file. The roll was called and the vote was:

Aye: Fenton, Hoch, Kuball, McGee, Shutt
Nay: None

After having been read and approved on its third reading, it was moved by McGee, seconded by Hoch, that the above ordinance entitled, "An Ordinance Amending Chapter 6.04.400 of the Chariton Municipal Code to Increase the Service Charge to Dwelling Units for Solid Waste Collection and Disposal" be adopted. The roll was called and the vote was:

Aye: Fenton, Hoch, Kuball, McGee Shutt
Nay: None

Thereupon the Mayor declared the ordinance duly adopted and numbered 944 and signed her approval thereto.

After due consideration and discussion, Council Member Fenton introduced a resolution entitled, "Resolution Approving Bond Purchase Agreement, Authorizing and Approving a Loan Agreement, Providing for the Issuance of General Obligation Corporate Purpose Bonds, Series 2024A, and Providing for the Levy of Taxes to Pay the Same" and moved its adoption, seconded by Council Member Kuball. The Mayor put the question upon the adoption of said resolution, and the roll being called, the following Council Members voted:

Aye: Fenton, Hoch, Kuball, McGee Shutt
Nay: None

Thereupon the Mayor declared the resolution duly adopted and numbered 2024-28 and signed her approval thereto.

RESOLUTION NO. 2024-28

Resolution Approving Bond Purchase Agreement, Authorizing and Approving a Loan Agreement, Providing for the Issuance of General Obligation Corporate Purpose Bonds, Series 2024A, and Providing for the Levy of Taxes to Pay the Same

WHEREAS, the City of Chariton (the "City"), in Lucas County, State of Iowa, heretofore proposed to enter into a loan agreement (the "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 \$2,480,000, for the purpose of paying the costs, to that extent, of (a) constructing street, sanitary sewer, storm water drainage, sidewalk, street lighting, signage, and signalization improvements; (b) undertaking improvements to existing municipal parks, including, but not limited to, splash-pad installation, boat ramp work, and shoreline and landscaping work; (c) acquisition of a dump truck for the municipal public works department; (d) constructing a municipal cemetery building; and (e) acquisition of a vehicle for the municipal police department; and pursuant to law and duly published notice, the City has held a public hearing on such proposal on May 20, 2024; and

WHEREAS, a Preliminary Official Statement (the "P.O.S.") has been

prepared to facilitate the sale of the General Obligation Corporate Purpose Bonds, Series 2024A (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 Northland Securities, Inc. (the "Underwriter"), as the underwriter of the issuance of the Bonds; and

WHEREAS, a certain Bond Purchase Agreement (the "Bond Purchase Agreement") has been prepared to set forth the terms of the Bonds and the understanding between the City and the Underwriter with respect to the purchase thereof and it is now necessary to make provision for the approval of the Bond Purchase Agreement and its execution and delivery; and

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

NOW, THEREFORE, Be It Resolved by the City Council of the City of Chariton, Iowa, as follows:

Section 1. The Bond Purchase Agreement is hereby approved in substantially the form as presented to this City Council. The Mayor and City Clerk are hereby authorized and directed to execute and deliver the Bond Purchase Agreement to the Underwriter.

Section 2. The City Council hereby determines to enter into the Loan Agreement with the Underwriter, 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 \$2,480,000, 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 3. The Bonds, in the aggregate principal amount of \$2,480,000, are hereby authorized to be issued in evidence of the City's obligations under the Loan Agreement. The Bonds shall be dated June 18, 2024, 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:

Date	Principal	Interest Rate	Date	Principal	Interest Rate
2026	\$140,000	5.00%	2031	\$140,000	5.00%
2027	\$145,000	5.00%	2034	\$460,000	4.15%
2028	\$155,000	5.00%	2037	\$520,000	4.30%
2029	\$160,000	5.00%	2040	\$590,000	4.55%
2030	\$170,000	5.00%			

Section 4. UMB Bank, n.a., West 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 the years 2034 to 2040, inclusive, prior to and in any order of maturity on June 1, 2032, or on any date thereafter 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 Bond maturing on June 1, 2034 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2032 and June 1, 2033, 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:

Year	Principal Amount
2032	\$145,000
2033	\$155,000
2034	\$160,000 (Maturity)

Principal of the Bond maturing on June 1, 2037 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2035 and June 1, 2036, 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:

Year	Principal Amount
2035	\$165,000
2036	\$175,000
2037	\$180,000 (Maturity)

Principal of the Bond maturing on June 1, 2040 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2038 and June 1, 2039, 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:

Year	Principal Amount
2038	\$190,000
2039	\$195,000
2040	\$205,000 (Maturity)

Accrued interest on the Bonds shall be payable semiannually on the first day of June and December in each year, commencing June 1, 2025. 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 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 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 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 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 Bonds shall be in substantially the following form:
(Form of Bond)

UNITED STATES OF AMERICA
STATE OF IOWA
LUCAS COUNTY
CITY OF CHARITON

GENERAL OBLIGATION CORPORATE PURPOSE BOND, SERIES 2024A

No. _____ \$ _____

RATE	MATURITY DATE	BOND DATE	CUSIP
_____%	June 1, _____	June 18, 2024	159681 ____

The City of Chariton (the "City"), in Lucas County, 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 UMB Bank, n.a., West 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, 2025, 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 Bonds, Series 2024A (the "Bonds") issued by the City to evidence its obligation under a certain loan agreement, dated as of June 18, 2024 (the "Loan Agreement"), entered into by the City for the purpose of paying the costs, to that extent, of (a) constructing street, sanitary sewer, storm water drainage, sidewalk, street lighting, signage, and signalization improvements; (b) undertaking improvements to existing municipal parks, including, but not limited to, splash-pad installation, boat ramp work, and shoreline and landscaping work; (c) acquisition of a dump truck for the municipal public works department; (d) constructing a municipal cemetery building; and (e) acquisition of a vehicle for the municipal police department.

The Bonds are issued pursuant to and in strict compliance with the provisions of Chapters 76 and 384 of the Code of Iowa, 2023, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the City Council, adopted on June 3, 2024, authorizing and 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 the years 2034 to 2040, inclusive, prior to and in any order of maturity on June 1, 2032, or on any date thereafter 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 in the years 2034, 2037, and 2040 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1 in the years 2032 and 2033; 2035 and 2036; 2038 and 2039, 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.

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 Chariton, 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 June 18, 2024.

CITY OF CHARITON, IOWA

By (DO NOT SIGN)
Mayor

Attest:

(DO NOT SIGN)

City Clerk

Registration Date: (June 18, 2024)

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Resolution.

UMB Bank, n.a.
West Des Moines, Iowa
Registrar
By (Authorized Signature)
Authorized Officer

STATEMENT OF INSURANCE

Build America Mutual Assurance Company ("BAM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to

the scheduled payments due of principal of and interest on this Bond to UMB BANK, n.a., West Des Moines, Iowa, or its successor, as paying agent for the Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the [Paying Agent] [Trustee] and a copy thereof may be obtained from BAM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents (i) to the subrogation and all other rights of BAM as more fully set forth in the Policy and (ii) that upon the occurrence and continuance of a default or an event of default under the Resolution or this Bond, BAM shall be deemed to be the sole owner of the Bonds for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the owners of the Bonds or the trustee, paying agent, registrar or similar agent for the benefit of such owners under the Resolution, at law or in equity.

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 (Custodian)
JT TEN - as joint tenants with right of survivorship and not as tenants
in common 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 7. 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 Registrar for registration, authentication and delivery to or on behalf of the Purchaser, upon receipt of the loan proceeds, proceeds (\$2,513,635.95), including original issue premium (\$33,635.95) (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 (\$37,200) shall be retained by the Purchaser as the underwriter's discount.

A portion of the Loan Proceeds (\$2,337,247.01) (the "Project 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 costs of the Project and to the extent that Project Proceeds remain after the full payment of the costs of the Project, such Proceeds, shall be transferred to the Debt Service Fund for the payment of interest on the Bonds. A portion of the Loan Proceeds received as capitalized interest proceeds (\$108,421.35) shall be deposited into the Debt Service Fund for payment of interest on the Bonds as the same becomes due.

A portion of the Loan Proceeds (\$15,867.59) received from the sale of the Bonds shall be used to pay the bond insurance premium to Build America Mutual Assurance Company.

The remainder of the Loan Proceeds (\$14,900) (the "Cost of Issuance Proceeds"), received from the sale of the Bonds shall be deposited in the Project Fund, and shall be used for the payment of costs of issuance of the Bonds, and to the extent that Cost of Issuance Proceeds remain after the full payment of the costs of issuance of the Bonds, such Cost of Issuance 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 expenditure of, and investment earnings on, the Loan Proceeds to ensure compliance with the requirements of the Internal Revenue Code, as hereinafter defined.

Section 8. 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, 2025,
sufficient to produce the net annual sum of \$253,795;
For collection in the fiscal year beginning July 1, 2026,
sufficient to produce the net annual sum of \$251,795;
For collection in the fiscal year beginning July 1, 2027,
sufficient to produce the net annual sum of \$254,545;
For collection in the fiscal year beginning July 1, 2028,
sufficient to produce the net annual sum of \$251,795;

For collection in the fiscal year beginning July 1, 2029, sufficient to produce the net annual sum of \$253,795;
For collection in the fiscal year beginning July 1, 2030, sufficient to produce the net annual sum of \$215,295;
For collection in the fiscal year beginning July 1, 2031, sufficient to produce the net annual sum of \$213,295;
For collection in the fiscal year beginning July 1, 2032, sufficient to produce the net annual sum of \$217,278;
For collection in the fiscal year beginning July 1, 2033, sufficient to produce the net annual sum of \$215,845;
For collection in the fiscal year beginning July 1, 2034, sufficient to produce the net annual sum of \$214,205;
For collection in the fiscal year beginning July 1, 2035, sufficient to produce the net annual sum of \$217,110;
For collection in the fiscal year beginning July 1, 2036, sufficient to produce the net annual sum of \$214,585;
For collection in the fiscal year beginning July 1, 2037, sufficient to produce the net annual sum of \$216,845;
For collection in the fiscal year beginning July 1, 2038, sufficient to produce the net annual sum of \$213,200; and
For collection in the fiscal year beginning July 1, 2039, sufficient to produce the net annual sum of \$214,328.

Section 9. A certified copy of this resolution shall be filed with the County Auditor of Lucas County, and the County 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.

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, including incremental property tax revenues derived pursuant to Chapter 403 of the Code of Iowa, 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 8 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 10. 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 11. 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 12. 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 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 13. Bond Insurance Provisions:

1. Notice and Other Information to be given to BAM. The Issuer will provide BAM with all notices and other information it is obligated to provide (i) under its Continuing Disclosure Agreement and (ii) to the holders of the Bonds or the Trustee under the Security Documents.

The notice address of BAM is: Build America Mutual Assurance Company, 200 Liberty Street, 27th Floor, New York, NY 10281, Attention: Surveillance, Re: Policy No. , Telephone: (212) 235-2500, Telecopier: (212) 962-1710, Email: notices@buildamerica.com. In each case in which notice or other communication refers to an event of default or a claim on the Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 962-1524 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

2. Amendments, Supplements and Consents.
 - a. Consents and Amendments. Whenever any Security Document requires the consent of Bondholders, BAM's consent shall also be required. In addition, any amendment, supplement or modification to the Security Documents that adversely affect the rights or interests of BAM shall be subject to the prior written consent of BAM.
 - b. Control Rights of BAM Upon Default. Anything in any Security Document to

the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, BAM shall be deemed to be the sole holder of the Bonds for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Bonds or the trustee, paying agent, registrar, or similar agent (the "Trustee") for the benefit of such holders under any Security Document. The Trustee may not waive any default or event of default or accelerate the Bonds without BAM's written consent.

3. BAM As Third Party Beneficiary. BAM is explicitly recognized as and shall be deemed to be a third-party beneficiary of the Security Documents and may enforce any right, remedy or claim conferred, given or granted thereunder.
4. Policy Payments.
 - a. In the event that principal and/or interest due on the Bonds shall be paid by BAM pursuant to the Policy, the Bonds shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the Issuer to the registered owners shall continue to exist and shall run to the benefit of BAM, and BAM shall be subrogated to the rights of such registered owners including, without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the Bonds.
 - b. Notwithstanding anything to the contrary, the Issuer and the Trustee shall agree for the benefit of BAM that:
 - i. They recognize that to the extent BAM makes payments directly or indirectly (e.g., by paying through the Trustee), on account of principal of or interest on the Bonds, BAM will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon, as provided and solely from the sources stated in the Security Documents and the Bonds; and
 - ii. They will accordingly pay to BAM the amount of such principal and interest, with interest thereon, but only from the sources and in the manner provided in the Security Documents and the Bonds for the payment of principal of and interest on the Bonds to holders, and will otherwise treat BAM as the owner of such rights to the amount of such principal and interest.
 - c. Special Provisions for Insurer Default: If an Insurer Default shall occur and be continuing, then, notwithstanding anything in paragraph 2 above to the contrary, (1) if at any time prior to or following an Insurer Default, BAM has made payment under the Policy, to the extent of such payment BAM shall be treated like any other holder of the Bonds for all purposes, including giving of consents, and (2) if BAM has not made any payment under the Policy, BAM shall have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Policy, in which event, the foregoing clause (1) shall control. For purposes of this paragraph (4c), "Insurer Default" means: (A) BAM has failed to make any payment under the Policy when due and owing in accordance with its terms; or (B) BAM shall (i) voluntarily

commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

5. Definitions.

"BAM" shall mean Build America Mutual Assurance Company, or any successor thereto.

"Policy" shall mean the Municipal Bond Insurance Policy issued by BAM that guarantees the scheduled payment of principal of and interest on the Bonds when due.

"Security Documents" shall mean the resolution, trust agreement, ordinance, loan agreement, bond, note and/or any additional or supplemental document executed in connection with the Bonds.

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 June 3, 2024.

Mayor

Attest:

City Clerk

Sheila Laing and Lyle Asell, representing the City Lakes Advisory Commission, and Matt Mardesen, JEO Consulting Group, were present at the meeting to share with the Council the final master plan for the City Lakes.

It was moved by Fenton, seconded by Shutt, to approve a resolution entitled, "Resolution Approving the Contract and Performance, Payment and Maintenance Bonds for the PCC Pavement - Crack and Seat Overlay Project", be adopted. The roll was called and the vote was:

Aye: Fenton, Hoch, Kuball, McGee, Shutt

Nay: None

Thereupon the Mayor declared the resolution duly adopted and numbered 2024-29 and signed her approval.

A request was received from Lucas County Human Resources Exchange Council to ask the Council if they would consider waiving the fees for the use of the Community Center on August 6, 2024 from 2:00 p.m. - 8:00 p.m. for their Back-to-School event. The request was approved by the Parks and Recreation Board. After discussion, it was moved by McGee, seconded by Shutt, to approve the request as submitted. The roll was called and the vote was:

Aye: Fenton, Hoch, Kuball, McGee, Shutt
Nay: None

It was moved by Fenton, seconded by Kuball, that a resolution entitled, "A Resolution for Union Employee Wages for Fiscal Year 2025", be adopted. The roll was called and the vote was:

Aye: Fenton, Hoch, Kuball, McGee, Shutt
Nay: None

Thereupon the Mayor declared the resolution duly adopted and numbered 2024-30 and signed her approval thereto.

It was moved by Fenton, seconded by Shutt, that a resolution entitled, "A Resolution for Non-Union Employee Wages for Fiscal Year 2025", be adopted. The roll was called and the vote was:

Aye: Fenton, Hoch, Kuball, McGee, Shutt
Nay: None

Thereupon the Mayor declared the resolution duly adopted and numbered 2024-31 and signed her approval thereto.

There being no further business to come before the meeting, it was moved by Fenton, seconded by Shutt, that the meeting be adjourned until 11:30 a.m., June 14, 2024, in the Council Chambers in City Hall, Chariton, Iowa. The roll was called and the vote was:

Aye: Fenton, Hoch, Kuball, McGee, Shutt
Nay: None

The meeting adjourned at 5:42 p.m.

Christy Metzger
City Clerk