

MINUTES TO AUTHORIZE BOND
PURCHASE AGREEMENT AND
PROVIDE FOR THE ISSUANCE OF
BONDS

436775-36

Eagle Grove, Iowa

April 19, 2021

The City Council of the City of Eagle Grove, Iowa, met on April 19, 2021, at 6:30 p.m.

The City Council met electronically via Zoom meeting, which was accessible at the following:

Join Zoom Meeting

<https://zoom.us/j/5904955149?pwd=QnVYR3FuQUxGbXRZZVpJdmkzRjhwQT09>

Meeting ID: 590 495 5149

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Find your local number: <https://zoom.us/u/aimJU6Hug>

The City Council is conducting this meeting electronically due to federal and state government recommendations in response to COVID-19 pandemic conditions. Electronic access information was included in the posted agenda of this public meeting.

The meeting was called to order by the Mayor, and the roll was called showing the following Council Members present and absent:

Present: Pamperin, Weland, Schild, Jergens, Middleton, Quintus

Absent: _____

After due consideration and discussion, Council Member Middleton introduced the following resolution and moved its adoption, seconded by Council Member Schild. The Mayor put the question upon the adoption of said resolution, and the roll being called, the following Council Members voted:

Ayes: Pampein, Weland, Schild, Jergens, Middleton, Quintus

Nays: _____.

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

••••

At the conclusion of the meeting, and upon motion and vote, the City Council adjourned.

Sandra McGrath
Mayor

Attest:

Bye Davi
City Clerk

RESOLUTION NO. 2021-20

Resolution approving Bond Purchase Agreement, providing for the issuance of General Obligation Annual Appropriation Urban Renewal Bonds, Series 2021A and providing for the levy of taxes to pay the same

WHEREAS, the City of Eagle Grove (the "City"), in Wright County, State of Iowa heretofore proposed to enter into a General Obligation Annual Appropriation Urban Renewal Loan Agreement (the "Loan Agreement"), pursuant to the provisions of Sections 384.24A and 384.24.3(q) of the Code of Iowa, and to borrow money thereunder in a principal amount not to exceed \$2,200,000 for the purpose of paying the costs, to that extent, of undertaking the Eagle Grove Wellness Center Expansion Project, an authorized urban renewal project of the City which includes funding an economic development grant to Eagle Grove Recreation in connection with the development of a recreation and fitness center in the community (the "Project") and has published notice of the proposed action and has held a hearing thereon, on February 15, 2021, and as of such date, no petition had been filed with the City asking that the question of entering into the Loan Agreement be submitted to the registered voters of the City; and

WHEREAS, a Preliminary Official Statement (the "P.O.S.") has been prepared to facilitate the sale of General Obligation Annual Appropriation Urban Renewal Bonds, Series 2021A (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 PMF Financial Advisors LLC (the "Financial Advisor") and Northland Securities, Inc. (the "Underwriter"); 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 Eagle Grove, Iowa, as follows:

Section 1. The City Council hereby approves the Bond Purchase Agreement in substantially the form as has been presented to the City Council. The Mayor and the City Clerk are hereby authorized to execute the Bond Purchase Agreement on behalf of the City and to deliver the same to the Underwriter.

Section 2. The City shall 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 \$2,065,000, 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 are hereby authorized to be issued to the Underwriter, in the aggregate principal amount of \$2,065,000, maturing on June 1 in each of the years, in the respective principal amounts and bearing interest at the respective rates, as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Date</u>	<u>Principal</u>	<u>Interest Rate</u>
2022	\$ 50,000	2.00%	2032	\$325,000	2.00%
2023	\$ 95,000	2.00%	2036	\$475,000	2.10%
2026	\$285,000	1.00%	2040	\$530,000	2.40%
2029	\$305,000	1.45%			

Section 4. The Bonds shall be in the denomination of \$5,000 each, or any integral multiple thereof, shall be dated May 5, 2021, and shall become due and payable and bear interest as set forth in Section 3 hereof.

UMB Bank, n.a., 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 2032 through 2040, inclusive, prior to and in any order of maturity on June 1, 2029, 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, 2026 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2024 and June 1, 2025, 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	\$95,000
2026	\$95,000 (Maturity)

Principal of the Bond maturing on June 1, 2029 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2027 and June 1, 2028, 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>
2027	\$100,000
2028	\$100,000
2029	\$105,000 (Maturity)

Principal of the Bond maturing on June 1, 2032 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2030 and June 1, 2031, 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>
2030	\$105,000
2031	\$110,000
2032	\$110,000 (Maturity)

Principal of the Bond maturing on June 1, 2036 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1, 2033, June 1, 2034 and June 1, 2035, 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>
2033	\$115,000
2034	\$115,000
2035	\$120,000
2036	\$125,000 (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, 2037, 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:

<u>Year</u>	<u>Principal Amount</u>
2037	\$125,000
2038	\$130,000
2039	\$135,000
2040	\$140,000 (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.

Accrued interest on the Bonds shall be payable semiannually on the first day of June and December in each year, commencing December 1, 2021. 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 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
WRIGHT COUNTY
CITY OF EAGLE GROVE

**GENERAL OBLIGATION ANNUAL APPROPRIATION URBAN RENEWAL BOND,
SERIES 2021A**

No. _____ \$ _____

RATE	MATURITY DATE	BOND DATE	CUSIP
_____%	June 1, 20__	May 5, 2021	_____

The City of Eagle Grove (the "City"), in Wright 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 December 1, 2021, 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 Annual Appropriation Urban Renewal Bonds, Series 2021A (the "Bonds") issued by the City to evidence its obligation under a certain loan agreement, dated as of May 5, 2021 (the "Loan Agreement"), entered into by the City for the purpose of paying the cost, to that extent, of undertaking the Eagle Grove Wellness Center Expansion Project, an authorized urban renewal project of the City which includes funding an economic development grant to Eagle Grove Recreation in connection with the development of a recreation and fitness center in the community.

The Bonds are issued pursuant to and in strict compliance with the provisions of Chapters 76 and 384 of the Code of Iowa, 2021, and all other laws amendatory thereof and supplemental thereto, and in conformity with a resolution of the City Council, adopted on April 19, 2021, 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 Bonds maturing on June 1 in each of the years 2030 through 2040, inclusive, prior to and in any order of maturity on June 1, 2029, 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 2026, 2029, 2032, 2036, and 2040 is subject to mandatory redemption (by lot, as selected by the Registrar) on June 1 in the years 2024 and 2025; 2027 and 2028; 2030 and 2031; 2033, 2034, and 2035; 2037, 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

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.

The Bonds are general obligations of the City, payable from amounts on deposit in the City's Bond Fund created in the Resolution, and other revenues and funds, to the extent lawfully available for such purpose, but subject to non-appropriation in any fiscal year. The Bonds do not constitute a continuing obligation of the City in any fiscal year beyond the fiscal year for which funds have been appropriated for the payment of the Bonds and, except to the extent of such an appropriation, shall not constitute debt within the meaning of any constitutional or statutory debt limitation. The Bonds

shall not directly or indirectly obligate the City to make any payments thereon during a fiscal year beyond the fiscal year for which funds have been appropriated by the City Council.

IN THE EVENT THAT THE CITY COUNCIL DOES NOT BUDGET AND APPROPRIATE FUNDS FOR ANY FISCAL YEAR IN AN AMOUNT SUFFICIENT TO MEET THE PAYMENTS OF INTEREST ON AND PRINCIPAL OF THE BONDS DURING SUCH FISCAL YEAR (A "NON-APPROPRIATION"), THE CITY'S OBLIGATIONS UNDER THE BONDS SHALL TERMINATE AND BECOME NULL AND VOID ON THE LAST DAY OF THE FISCAL YEAR FOR WHICH THE NECESSARY FUNDS WERE APPROPRIATED. THE CITY SHALL GIVE NOTICE TO THE UNDERWRITER (AS DEFINED IN THE RESOLUTION) OF ANY NON-APPROPRIATION. UPON THE OCCURRENCE OF ANY SUCH NON-APPROPRIATION, THE CITY SHALL NOT BE OBLIGATED TO MAKE PAYMENT FROM ANY SOURCE (INCLUDING FUNDS ON DEPOSIT IN ANY FUNDS CREATED UNDER THE RESOLUTION) OF ANY AMOUNTS OF PRINCIPAL OF AND INTEREST ON THE BONDS BEYOND THOSE AMOUNTS FOR WHICH AN APPROPRIATION HAS PREVIOUSLY BEEN MADE, AND THE CITY SHALL NOT BE LIABLE TO THE HOLDERS OF SUCH BONDS FOR ANY REMAINING AMOUNTS DUE UNDER THE BONDS OR FOR ANY COSTS, DAMAGES (INCLUDING BUT NOT LIMITED TO CONSEQUENTIAL DAMAGES) OR EXPENSES INCURRED BY THE HOLDERS OF SUCH BONDS AS A RESULT OF THE EXERCISE BY THE CITY OF THE FOREGOING RIGHT OF NON-APPROPRIATION.

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 Eagle Grove, 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 May 5, 2021.

CITY OF EAGLE GROVE, 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.

UMB BANK, N.A.
West 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		(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 Underwriter, upon receipt of the loan proceeds \$2,074,748.60, 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. The Loan Proceeds shall be used to pay the costs of issuance of the Bonds and to carry out the Projects.

A portion of the Loan Proceeds (\$25,812.50) shall be retained by the Underwriter as the underwriter's discount.

A portion of the Loan Proceeds (\$2,011,936.10) 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 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 Bonds.

The remainder of the Loan Proceeds (\$37,000) (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. A separate and special fund is hereby established and shall be maintained by the City and known as the City of Eagle Grove, Iowa Urban Renewal Annual Appropriation Corporate Purpose Bonds, Series 2021A Bond Fund (the "Bond Fund").

In addition, there shall be deposited into the Bond Fund as and when received, the following:

(a) any Debt Service Tax Revenues (as hereinafter defined) appropriated by the City Council for the payment of principal of and interest on the Bonds; and

(b) any other amounts appropriated by the City Council from any other source, including incremental property tax revenues derived from the Eagle Grove Urban Renewal Area, for the payment of principal of and interest on the Bonds.

Any funds deposited in the Bond Fund after appropriation by the City Council shall be used solely and only and are pledged to pay the principal of and interest on the Bonds when due, whether at maturity or upon optional redemption.

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, but subject to the right of non-

appropriation reserved in Section 10 hereof, there is hereby provided for each future fiscal year for which an appropriation by the City Council is made pursuant to Section 11 hereof, a levy (a "Debt Service Levy") of a direct annual tax on all of the taxable property in the City, sufficient to produce funds ("Debt Service Tax Revenues") in the following amounts (or such lesser amounts as may be certified by the City pursuant to Section 11 hereof):

For collection in the fiscal year beginning July 1, 2022,
sufficient to produce the net annual sum of \$133,368;

For collection in the fiscal year beginning July 1, 2023,
sufficient to produce the net annual sum of \$131,468;

For collection in the fiscal year beginning July 1, 2024,
sufficient to produce the net annual sum of \$130,518;

For collection in the fiscal year beginning July 1, 2025,
sufficient to produce the net annual sum of \$129,568;

For collection in the fiscal year beginning July 1, 2026,
sufficient to produce the net annual sum of \$133,618;

For collection in the fiscal year beginning July 1, 2027,
sufficient to produce the net annual sum of \$132,168;

For collection in the fiscal year beginning July 1, 2028,
sufficient to produce the net annual sum of \$135,718;

For collection in the fiscal year beginning July 1, 2029,
sufficient to produce the net annual sum of \$134,195;

For collection in the fiscal year beginning July 1, 2030,
sufficient to produce the net annual sum of \$137,095;

For collection in the fiscal year beginning July 1, 2031,
sufficient to produce the net annual sum of \$134,895;

For collection in the fiscal year beginning July 1, 2032,
sufficient to produce the net annual sum of \$137,695;

For collection in the fiscal year beginning July 1, 2033,
sufficient to produce the net annual sum of \$135,280;

For collection in the fiscal year beginning July 1, 2034,
sufficient to produce the net annual sum of \$137,865;

For collection in the fiscal year beginning July 1, 2035,
sufficient to produce the net annual sum of \$140,345;

For collection in the fiscal year beginning July 1, 2036,
sufficient to produce the net annual sum of \$137,720;

For collection in the fiscal year beginning July 1, 2037,
sufficient to produce the net annual sum of \$139,720;

For collection in the fiscal year beginning July 1, 2038,
sufficient to produce the net annual sum of \$141,600; and

For collection in the fiscal year beginning July 1, 2039,
sufficient to produce the net annual sum of \$143,360.

Section 10. Notwithstanding the foregoing, if it is necessary to adjust the foregoing amounts, the City Council shall make any such adjustments by amendment to this resolution. A certified copy of this resolution (and any such amendment) shall be filed with the County Auditor of Wright County, and the County Auditor is hereby instructed to take such action as may be needed for each of the fiscal years as provided, upon certification by the City as provided in Section 11 hereof, to levy and assess the tax hereby authorized in Section 9 (as may be amended from time to time) sufficient to produce Debt Service Tax Revenues in an amount equal to the Debt Service Levy Amount (defined in Section 11) so certified, such levy and assessment to be in like manner as other taxes are levied and assessed, and such taxes so levied to be collected in like manner as other taxes of the City are collected and such taxes when collected to be transferred to the City for deposit into the Bond Fund to be used for the purpose of paying principal and interest on the Bonds, and for no other purpose whatsoever.

Section 11. The principal of and interest on the Bonds are payable from funds on deposit in the Bond Fund to the extent appropriated therefor by the City Council and from other funds appropriated from time to time by the City Council for such purpose, all of which are pledged by the City to the payment of such principal and interest. The City Council is authorized, without further notice, hearing or other proceedings, to budget and appropriate Debt Service Tax Revenues annually to make the payments of the principal of and interest on the Bonds. The City presently intends to appropriate sufficient funds for each fiscal year to pay the principal of and interest due on the Bonds during such fiscal year; provided, however, that this expression of current intent does not create and shall not be construed as creating a general, legal or enforceable obligation of the City to appropriate such funds for any fiscal year, and the decision to appropriate such funds for a fiscal year shall be made in accordance with the City Council's normal procedures for making decisions, and the then current City Council shall have the final responsibility for making such decisions.

On or before December 1 of each year, the City Council by resolution shall determine whether or not to budget and appropriate funds for the next succeeding fiscal year to make the payments of principal of and interest due on the Bonds during such fiscal year. If the City Council determines to budget and appropriate funds for the foregoing purposes for such fiscal year, the City agrees to certify to the County Auditor of Wright County the amount, if any (the "Debt Service Levy Amount"), of principal of and interest on the Bonds which is to be paid from Debt Service Tax Revenues for such fiscal year.

Notwithstanding anything in this resolution to the contrary, the payments of principal and interest due on the Bonds shall not constitute a mandatory charge or a requirement in any ensuing fiscal year beyond the then-current fiscal year for which the City Council has appropriated funds for the payment thereof and the City shall have no continuing obligation to appropriate money for the payment of interest and principal due on the Bonds whether from Debt Service Tax Revenues, amounts on deposit in the Bond Fund, or any other source, and no provision of this resolution or the Bonds shall be construed or interpreted as creating a continuing obligation of the City in any fiscal year beyond the fiscal year for which funds have been appropriated for the payment of the Bonds or, except to the extent of such an appropriation, a debt within the meaning of any constitutional or statutory debt limitation. The City's obligation to make payments of interest and principal in respect of the Bonds shall be subject at all times to non-appropriation by the City Council. In the event that the City Council does not budget and appropriate funds for any fiscal year in an amount sufficient to meet the payments of interest on and principal of the Bonds during such fiscal year (a "non-appropriation"), the City's obligation under the Bonds shall terminate and become null and void on the last day of the fiscal year for which the necessary funds were appropriated. The City shall give notice to the Underwriter of any non-appropriation. Upon the occurrence of any such non-appropriation, the City shall not be obligated to make payment from any source (including funds on deposit in the Bond Fund) of any amounts of principal of and interest on the Bonds beyond those amounts for which an appropriation has previously been made, and the City shall not be liable to the holders of the Bonds for any remaining amounts due under the Bonds or for any costs, damages (including but not limited to consequential damages) or expenses incurred by the holders of the Bonds as a result of the exercise by the City of the foregoing right of non-appropriation.

Section 12. 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.

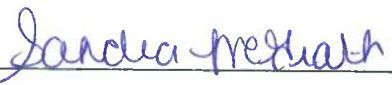
Section 13. The Securities and Exchange Commission (the "SEC") has promulgated certain amendments to Rule 15c2-12 under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12) that make it unlawful for an underwriter to participate in the primary offering of municipal securities in a principal amount of \$1,000,000 or more unless, before submitting a bid or entering into a purchase contract for such securities, an underwriter has reasonably determined that the issuer or an obligated person has undertaken in writing for the benefit of the holders of such securities to provide certain disclosure information to prescribed information repositories on a continuing basis so long as such securities are outstanding.

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 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 adoption and approval, as provided by law.

Passed and approved April 19, 2021.



Mayor

Attest:



City Clerk

ATTESTATION CERTIFICATE

STATE OF IOWA
COUNTY OF WRIGHT
CITY OF EAGLE GROVE

SS:

I, the undersigned, City Clerk of the City of Eagle Grove, do hereby certify that as such City Clerk I have in my possession or have access to the complete corporate records of the City and of its City Council and officers and that I have carefully compared the transcript hereto attached with those corporate records and that the transcript hereto attached is a true, correct and complete copy of all the corporate records in relation to the adoption of a resolution approving a certain Bond Purchase Agreement, authorizing a certain Loan Agreement and providing for the issuance of General Obligation Annual Appropriation Urban Renewal Bonds, Series 2021A of the City evidencing the City's obligation under the Loan Agreement 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 with respect thereto.

I further certify that no appeal has been taken to the District Court from the decision of the City Council to enter into the Loan Agreement, to issue the Bonds or to levy taxes to pay the principal of and interest on the Bonds.

WITNESS MY HAND this 19th day of April, 2021.

Byya Dii
City Clerk

COUNTY FILING CERTIFICATE

STATE OF IOWA

SS:

WRIGHT COUNTY

I, the undersigned, County Auditor of Wright County, in the State of Iowa, do hereby certify that on the _____ day of _____, 2021, the City Clerk of the City of Eagle Grove filed in my office a certified copy of a resolution of such City shown to have been adopted by the City Council and approved by the Mayor thereof on April 19, 2021, entitled: "Resolution approving Bond Purchase Agreement, providing for the issuance of General Obligation Annual Appropriation Urban Renewal Bonds, Series 2021A and providing for the levy of taxes to pay the same," and that I have duly placed a 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, 2022, and subsequent years as provided in the resolution.

WITNESS MY HAND this _____ day of _____, 2021.

County Auditor