

# City of Mt. Vernon, Iowa

<b>Meeting:</b>	<b>Mt. Vernon City Council Meeting</b>
<b>Place:</b>	<b>Mt. Vernon City Hall, 213 1<sup>st</sup> Street NW, Mt. Vernon, Iowa 52314</b>
<b>Date/Time:</b>	<b>May 20, 2024 – 6:30 PM</b>
<b>Web Page:</b>	<b>www.cityofmtvernon-ia.gov</b>
<b>Posted:</b>	<b>May 17, 2024</b>

<b>Mayor:</b>	Tom Wieseler	<b>City Administrator:</b>	Chris Nosbisch
<b>Mayor Pro-Tem:</b>	Scott Rose	<b>City Attorney:</b>	Holly Corkery
<b>Councilperson:</b>	Stephanie West	<b>Asst. City Administrator:</b>	Lori Boren
<b>Councilperson:</b>	Craig Engel	<b>Finance Dir/City Clerk:</b>	Marsha Dewell
<b>Councilperson:</b>	Mark Andresen	<b>Chief of Police:</b>	Doug Shannon
<b>Councilperson:</b>	Paul Tuerler		

For those individuals that are unable to attend or still do not feel comfortable with in-person meetings, the City is providing a Zoom option. For those planning to attend via Zoom, please use the following information:

You will be prompted for the following information:

1. Telephone #: 1-312-626-6799
2. Meeting ID: 853 6027 4379
3. Password: 056218

Should you need assistance to access the meeting, please contact Chris at 319-359-8613.

- A. Call to Order**
- B. Agenda Additions/Agenda Approval**
- C. Communications:**
  1. Unscheduled

If you wish to address the City Council on subjects pertaining to today's meeting agenda, please wait until that item on the agenda is reached. If you wish to address the City Council on an item **not** on the agenda, please approach the microphone and give your name and address for the public record before discussing your item. Each individual will be granted no more than five (5) minutes.

**D. Consent Agenda**

**Note:** These are routine items and will be enacted by one motion without separate discussion unless a Council Member requests separate consideration.

1. Approval of City Council Minutes – May 6, 2024 Regular Council Meeting
2. Approval of Cigarette License – Happy Daze

**E. Public Hearing**

1. Public Hearing for and Ordinance Amending Chapter 99.02 Rate of the Mount Vernon Municipal Code
  - i. Close Public Hearing – Proceed to F-1
2. Public Hearing for and Ordinance Amending Chapter 92.02 Usage Rate of the Mount Vernon Municipal Code
  - i. Close Public Hearing – Proceed to F-2

**F. Ordinance Approval/Amendment**

1. Ordinance #5-20-2024A: Amending Chapter 99.02 Rate of the Mount Vernon Municipal Code
  - i. Motion to approve first reading and proceed to the second reading (Council may suspend rules and proceed to the final reading after a vote of the first reading)
2. Ordinance #5-20-2024B: Amending Chapter 92.02 Usage Rate of the Mount Vernon Municipal Code
  - i. Motion to approve first reading and proceed to the second reading (Council may suspend rules and proceed to the final reading after a vote of the first reading)

**G. Resolutions for Approval**

1. Resolution #5-20-2024A: Authorizing Temporary Transfer of Surplus Funds from the Mount Vernon Municipal Water Utility Fund to the City of Mount Vernon
2. Resolution #5-20-2024B: Appointing UMB Bank, N.A of West Des Moines, Iowa to Serve as the Paying Agent, Note Registrar, and Transfer Agent, Approving the Paying Agent and Note Registrar and Transfer Agent Agreement and Authorizing the Execution of the Agreement
3. Resolution #5-20-2024C: Approving and Authorizing a Form of Loan Agreement and Authorizing and Providing for the Issuance of \$4,480,000 General Obligation Capital Loan Notes, Series 2024, and Levying a Tax to Pay Said Notes; Approval of the Tax Exemption Certificate and Continuing Disclosure Certificate
4. Resolution #5-20-2024D: Approving the Inclusion of Jewish American History Month as a Recognized Commemorative Flag Within the City of Mount Vernon Display of Flags Policy
5. Resolution #5-20-2024E: Approving Contracts and Bonds for Mobilization and Installation of the Water Meter Replacement Improvements to Ferguson Waterworks
6. Resolution #5-20-2024F: Approving Fiscal Year 2023-2024 Transfers

**H. Mayoral Proclamation**

1. None

**I. Old Business**

1. Discussion and Consideration of Sculpture Trail Funding Request – Council Action as Needed (tabled on May 6, 2024)

**J. Motions for Approval**

1. Consideration of Claims List – Motion to Approve
2. Discussion and Consideration of Gronewold, Bell, Kyhnn and Co. PC Proposal for Audit Services – Council Action as Needed
3. Discussion and Consideration of Bradley L. Hauge, CPA Proposal for Accounting Services – Council Action as Needed
4. Discussion and Consideration of Invoice #150549 – Downtown Streetscape Project – Council Action as Needed
5. Discussion and Consideration of – Purchase of Pool Vacuum – Council Action as Needed

**K. Reports to be Received/Filed**

1. Mt. Vernon/Lisbon Police Report
2. Mt. Vernon Public Works Report
3. Mt. Vernon Parks and Rec Report
4. Cole Library Report

**L. Discussion Items (No Action)**

1. 457 Retirement Plans (Missionsquare)

**M. Reports of Mayor/Council/Administrator**

1. Mayor's Report
2. Council Reports
3. Committee Reports
4. City Administrator's Report

**N. Adjournment**

Pursuant to §21.4(2) of the Code of Iowa, the City has the right to amend this agenda up until 24 hours before the posted meeting time.

**If anyone with a disability would like to attend the meeting, please call City Hall at 895-8742 to arrange for accommodations.**

## **D. Consent Agenda**

The Mount Vernon City Council met May 6, 2024, at City Hall, 213 1<sup>st</sup> Street NW, Mount Vernon, IA. A Zoom option was available. The following Council members were present: Andresen, Tuerler, Engel and West. Absent: Rose.

**Call to Order.** At 6:30 p.m. Mayor Thomas M. Wieseler called the meeting to order.

**Agenda Additions/Agenda Approval.** Motion made by Tuerler, seconded by West to approve the Agenda. Motion carries. Rose absent.

**Consent Agenda.** Motion made by Engel, seconded by Tuerler to approve the Consent Agenda. Motion carries. Rose absent.

Approval of City Council Minutes – April 15, 2024 Regular Council Meeting  
Appoint Marla Wright – Park and Rec Board  
Approval of Cigarette License – Smoke Shop and Vape

### **Resolutions for Approval**

Resolution #5-6-2024A: Directing Sale of \$4,840,000 (Subject to Adjustment per Terms of Offering) General Obligation Capital Loan Notes, Series 2024. Maggie Burger, Speer Financial, was present to answer Council questions and explain the receipt of bids received today. Five bids were received with Robert W. Baird & Co., Inc being the low bidder with a true interest rate of 3.7029%. The City will receive a premium of \$109,079.20 from the low bidder, which allows them to buy down the interest rate from 4% to the true rate of 3.7029. The actual borrowing amount will remain at \$4,840,000.00. This premium could be used for projects or put into the Debt Service fund to pay for future principal/interest payments. The first payment on this GO note will be for interest only and will be due December 1, 2024. The payment schedule has a built in call provision where as if the City wants to pay off or re-finance for a lower interest rate they may do so after 6-1-2032. If the City does not take advantage of the call provision the note maturity/last payment due date is June 1, 2043 Motion to approve Resolution #5-6-2024A made by Engel, seconded by Andresen. Roll call all yes. Resolution passes. Rose absent.

Resolution #5-6-2024B: Approving Revised Preliminary Plat of Stonebrook 10<sup>th</sup> and 11<sup>th</sup> Additions to Mount Vernon, Iowa. A preliminary plat was approved by Council in April of 2023 with Lot 26 being reserved for possible stormwater management. Both the developers engineering team and the City's have reviewed the Stormwater Pollution Prevention Plan for this development and determined that it does not require the use of Lot 26 for that purpose. For this reason, the developer would like to amend the preliminary plat by subdividing Lot 26 into six lots. The City Engineer and Planning and Zoning recommend approval of this revised plat. Motion made by Tuerler, seconded by West to approve Resolution #5-6-2024B. Roll call all yes. Resolution passes. Rose absent.

Resolution #5-6-2024C: Approving New Stop Sign Location Within the City of Mount Vernon, Iowa. The city has maintained a stop sign on the SE corner of Bryant Rd and Bryant CT, however, no resolution establishing the controls were ever adopted by the city. To enforce City code, Council must adopt a resolution establishing the stop sign location at this specific intersection. Motion made by West, seconded by Andresen to approve Resolution #5-6-2024C. Roll call all yes. Resolution passes. Rose absent.

Resolution #5-6-2024D: Making Award of the Construction Bid for Water Meter Installation for the 2024 Water Meter Replacement Project. There were two bids received for this project with Ferguson Waterworks being the bid winner at \$672,943.20. This bid was almost \$320,000.00 less than anticipated by the City. The second bid was not considered because it was not considered to be a responsive bid. The meters used in the bid were not one of the two meter systems that were requested by the City in the bid. The project is expected to be completed before December of this year. Motion made by Tuerler, seconded by Andresen to approve Resolution #5-6-2024D. Roll call all yes. Resolution passes. Rose absent.

**Old Business**

Discussion and Consideration of Sculpture Trail Funding Request – Council Action as Needed (tabled on March 18, 2024). Item to remain tabled.

**Motions for Approval**

Consideration of Claims List – Motion to Approve. Motion made by Andresen, seconded by Engel to approve the Claims List. Motion carries. Rose absent.

PAYROLL	CLAIMS	206,223.20
NORTHWAY CORP	WELL #7 REPAIRS-WAT	68,198.65
SEPTAGON CONSTRUCTION	PAY APP #16 FINAL-PD CONST RETAINAGE	59,685.57
JEO CONSULTING	DOWNTOWN STREETScape-LOST III	28,057.60
SEPTAGON CONSTRUCTION	PAY APP #15-PD CONSTRUCTION	25,135.72
HYDRO KLEAN	PAY APP #3-SEWER TELEVISIONING	20,025.49
MIDWEST INJECTION INC	SLUDGE REMOVAL-SEW	18,000.00
VEENSTRA & KIMM INC	COTTONWOOD LMI PROJECT	11,499.00
US BANK	CREDIT CARD PURCHASES-ALL DEPT	8,503.14
WIENEKE LAND SOLUTIONS	FERT/WEED CONTROL-P&REC	6,280.00
BOWKER MECHANICAL CONTRACTORS	WATER METER INSTALLATION-WAT	5,725.00
CITY TRACTOR CO	LEVELING BLADE-RUT	5,694.00
VEENSTRA & KIMM INC	REMOTE READ METER PROJECT	4,944.00
ALLIANT ENERGY	ENERGY USAGE-SEW	4,872.77
ALLIANT ENERGY	ENERGY USAGE-ST LIGHTS	4,795.44
MUNICIPAL SUPPLY INC	WATER METER-WAT	4,494.70
IOWA ASSOC OF MUNICIPAL UTILITIES	SGEI MEMBERSHIP-PW	4,084.13
EMPLOYEE BENEFIT SYSTEMS	INSURANCE CLAIMS-ALL DEPTS	4,071.87
CARRICO AQUATIC RESOURCES INC	SUMMER SERVICE AGREEMENT-POOL	3,825.00
LINN CO-OP OIL CO	FUEL-PW	3,399.31
BARNYARD SCREEN PRINTER LLC	CTW T-SHIRTS-P&REC	3,349.50
TREASURER, STATE OF IOWA	SALES TAX	3,230.18
VEENSTRA & KIMM INC	2022 SANI SEWER INVESTIGATION	3,101.50
SANDRY FIRE SUPPLY LLC	HELMETS-FD	3,080.00
TREASURER, STATE OF IOWA	WET TAX	3,051.57
STATE HYGIENIC LAB	TESTING-SEW	2,484.00
CAUSE TEAM	UNIFORMS-ALL DEPTS	2,269.50
VEENSTRA & KIMM INC	STREET MISC ENGINEERING	2,084.00
RICHARD BURROUGHS	CEMETERY MAINT	2,020.00
MARTIN MARIETTA MATERIALS	LANDSCAPE ROCK-PD	1,973.56
SENSUS USA, INC	SYSTEM SUPPORT-WAT,SEW,SW	1,949.94
IRON LEAF PRESS	CHALK-P&REC	1,806.00
VEENSTRA & KIMM INC	HWY 1 RECONSTRUCTION	1,611.00
MUNICIPAL SUPPLY INC	SUPPLIES-WAT	1,393.48
SPRINGVILLE READY MIX	STREET PATCHING-RUT	1,277.50
IOWA SOLUTIONS INC	MONTHLY MAINT-ALL DEPTS	1,235.00
STUDENT PUBLICATIONS INC	ADS/PUBLICATIONS-ALL DEPTS	1,166.72
WENDLING QUARRIES	ROAD STONE-RUT	1,159.85

DE NOVO MARKETING	WEBSITE/HUBSPOT MAINT-ALL DEPTS	1,125.00
RICHARD BURROUGHS	CEMETERY MAINT	1,105.31
ALLIANT ENERGY	ENERGY USAGE-WAT	1,098.98
STEINBRONN CONSTRUCTION	SIDEWALK REPAIR-1ST STREET SW	1,050.00
VEENSTRA & KIMM INC	BUSINESS 30 RESURFACING	970.00
CATERPILLAR FINANCIAL SERVICES	GENERATOR-PD	949.39
NIGHT SHIFT LLC	CLEANING SERVICE-CITY HALL	904.15
NIGHT SHIFT LLC	CLEANING SERVICE-PD	867.84
AMERICANA CONCESSIONS	CTW FOOD VENDOR-P&REC	855.00
CURTIS ENGLISH	PORTABLE RR RENTALS-P&REC	825.00
TACO EXPRESS	CTW FOOD VENDOR-P&REC	725.00
ALLIANT ENERGY	ENERGY USAGE-SEW	665.79
DE NOVO MARKETING	WEBSITE SUPPORT-LBC	625.00
ALLIANT ENERGY	ENERGY USAGE-WAT	604.35
POSTMASTER	UTIL BILL POSTAGE-WAT,SEW,SW	586.92
STUDENT PUBLICATIONS INC	ADS/PUBLICATIONS-LBC	565.00
EVOQUA WATER TECHNOLOGIES LLC	PLANT COMMUNICATIONS-WAT	552.00
VEENSTRA & KIMM INC	STONEBROOK 9 &10 PREL PLAT	550.00
AMAZON CAPITAL SERVICES	EQUIPMENT-LBC	547.80
HAWKEYE FIRE & SAFETY	1ST AID KITS-ALL DEPTS	538.25
AMERICAN RED CROSS	TRAINING-LBC	494.00
MECHANICSVILLE TELEPHONE	PHONE/INTERNET-LBC	447.07
MEDIACOM	PHONE/INTERNET-CITY HALL	423.73
DSG	SUPPLIES-WAT	395.41
MECHANICSVILLE TELEPHONE	PHONE/INTERNET-PD	378.62
MEDIACOM	PHONE/INTERNET-SEW	349.40
ALLIANT ENERGY	ENERGY USAGE-PD	334.62
MEDIACOM	PHONE/INTERNET-RUT	322.17
MEDIACOM	PHONE/INTERNET-PW	315.22
CENTRAL IOWA DISTRIBUTING	SUPPLIES-P&A	310.00
AMAZON CAPITAL SERVICES	SUPPLIES-POOL	308.32
AMAZON CAPITAL SERVICES	JANITORIAL SUPPLIES-LBC	304.98
IOWA DEPT OF PUBLIC SAFETY	ONLINE WARRANTS-PD	300.00
FLEMING NURSERY	LANDSCAPE MATERIALS-PD	300.00
RICKARD SIGN AND DESIGN CORP	SIGN-P&REC	300.00
GARY'S FOODS	SUPPLIES-ALL DEPTS	299.28
KONICA MINOLTA BUSINESS SOLUTIONS	MAINT PLAN/COPIES-P&A	282.81
MEDIACOM	PHONE/INTERNET-FD	273.13
STATE CHEMICAL SOLUTIONS	HAND CLEANER-PW	259.25
CITY LAUNDERING CO	SERVICES-LBC	253.92
CITY LAUNDERING CO	SERVICES-LBC	253.92
ALLIANT ENERGY	ENERGY USAGE-LBC	252.62
CHRIS NOSBISCH	MILEAGE-P&A	242.54
VEENSTRA & KIMM INC	DAVIS PARK BALLFIELD LIGHTING	220.00
LORI BOREN	MILEAGE-ALL DEPTS	202.34
MARSHA DEWELL	MILEAGE-ALL DEPTS	202.34
MOUNT VERNON, CITY OF	CTW START UP CASH-P&REC	200.00
MID AMERICA METER INC	METER TESTING-WAT	190.00
ALLIANT ENERGY	ENERGY USAGE-ST LIGHTS	182.67
P&K MIDWEST INC	EQUIP MAINT-P&REC	181.79
IOWA INSURANCE DIVISION	PERPETUAL CARE FILING FEE-CEM	171.00
US CELLULAR	CELL PHONE-P&REC,WAT,SEW	166.90
EVER-GREEN LANDSCAPE NURSERY	LANDSCAPE MATERIALS-PD	162.00
CITY LAUNDERING CO	SERVICES-CITY HALL	159.38
STAPLES INC	SUPPLIES-P&A	154.37

AMAZON CAPITAL SERVICES	SUPPLIES-P&REC	151.90
ALLIANT ENERGY	ENERGY USAGE-P&REC	150.93
CENTRAL IOWA DISTRIBUTING	SUPPLIES-LBC	135.00
CENTRAL IOWA DISTRIBUTING	SUPPLIES-PD	132.00
KONICA MINOLTA BUSINESS SOLUTIONS	MAINT PLAN/COPIES-LBC	130.38
CJ COOPER & ASSOCIATES	DOT PHYSICAL-PW	130.00
CENTRAL IOWA DISTRIBUTING	SUPPLIES-PW	130.00
AMAZON CAPITAL SERVICES	UNIFORMS-PW	127.33
KONICA MINOLTA BUSINESS SOLUTIONS	MAINT PLAN/COPIES-LBC	123.50
EMPLOYEE BENEFIT SYSTEMS	INSURANCE CLAIMS-ALL DEPTS	122.73
AMAZON CAPITAL SERVICES	SUPPLIES-PD	119.94
EMPLOYEE BENEFIT SYSTEMS	INSURANCE CLAIMS-ALL DEPTS	110.00
AHLERS & COONEY P.C.	LEGAL FEES-P&A	110.00
VEENSTRA & KIMM INC	CITY ENGINEERING GENERAL	110.00
MECHANICSVILLE TELEPHONE	PHONE/INTERNET-POOL	108.77
EASTERN IOWA ARTS ACADEMY	CTW MUSICIAN-P&REC	100.00
AMAZON CAPITAL SERVICES	CTW SUPPLIES-P&REC	95.59
AMAZON CAPITAL SERVICES	EQUIPMENT-P&REC	94.18
STAPLES INC	SUPPLIES-PD,P&A	92.59
ARAMARK	RUGS,SERVICES-FD	84.81
AMAZON CAPITAL SERVICES	SUPPLIES-LBC	83.94
CHRISTOPHER BROWN	CLEANING SERVICES-FD	82.50
PROFESSIONAL WINDOW CLEANING	WINDOW CLEANING-CITY HALL	80.00
NEAL'S WATER CONDITIONING	WATER/SALT-RUT	80.00
AMAZON CAPITAL SERVICES	SUPPLIES-P&REC	79.98
CITY LAUNDERING CO	SERVICES-CITY HALL	79.69
CONNOR WILLIAMS	CONTRACT EMPLOYEE	75.00
PRESTO-X	PEST CONTROL-FD	67.10
AMAZON CAPITAL SERVICES	SUPPLIES-LBC	63.57
PRESTO-X	PEST CONTROL-CITY HALL	58.00
AMAZON CAPITAL SERVICES	SUPPLIES-LBC	56.70
IOWA ONE CALL	LOCATES-WAT,SEW	52.20
DAVE BONHAM	CTW MUSICIAN-P&REC	50.00
ANJI KAT	CTW MUSICIAN-P&REC	50.00
KIMBERLY MALOY	CTW MUSICIAN-P&REC	50.00
BRYCE JANEY	CTW MUSICIAN-P&REC	50.00
TOMMY BRUNER	CTW MUSICIAN-P&REC	50.00
CRAIG ERICKSON	CTW MUSICIAN-P&REC	50.00
CATHERINE KENNEDY	CTW MUSICIAN-P&REC	50.00
AMAZON CAPITAL SERVICES	SUPPLIES-POOL	48.93
ALLIANT ENERGY	ENERGY USAGE-SIRENS	48.33
AMAZON CAPITAL SERVICES	SUPPLIES-CITY HALL	47.93
AMAZON CAPITAL SERVICES	SUPPLIES-PD	43.05
UNITYPOINT CLINIC-OCCUPATIONAL	DRUG TESTING-PW	42.00
AMAZON CAPITAL SERVICES	SUPPLIES-P&REC	38.56
AMAZON CAPITAL SERVICES	EQUIPMENT-P&REC	36.94
NEAL'S WATER CONDITIONING	WATER/SALT-FD	33.00
ST LUKE'S WORK WELL SOLUTIONS	DRUG TESTING-PW	30.00
ALLIANT ENERGY	ENERGY USAGE-SW	28.59
FEDEX	SHIPPING-P&REC	27.95
COPYWORKS	BUSINESS CARDS-LBC	27.20
NEAL'S WATER CONDITIONING	WATER/SALT-CITY HALL	25.50
SHOSHANNA ADELMAN	DEPOSIT REFUND-WAT	21.56
HAWKINS INC	CHEMICALS-WAT	20.00
MELINDA SNYDER	INSTRUCTOR-LBC	20.00



ALLIANT ENERGY	ENERGY USAGE-CEM	19.73
AMAZON CAPITAL SERVICES	SUPPLIES-LBC	18.00
STEVE MOEL	MEALS-PD	17.11
AMAZON CAPITAL SERVICES	SUPPLIES-PD	11.75
SHERWIN WILLIAMS CO.	SUPPLIES-P&REC	9.09
AUTHNET GATEWAY BILLING	CREDIT CARD SERVICES-LBC	5.00
<b>TOTAL</b>		<b>565,251.02</b>

**FUND EXPENSE TOTALS**

PAYROLL		206,223.20
WATER FUND		91,459.49
POLICE STATION CONSTRUCTION		84,821.29
GENERAL FUND		45,747.79
SEWER FUND		32,367.11
LOST III UR & STREETScape		28,057.60
ARPA LINN COUNTY GRANT		23,126.99
ROAD USE TAX FUND		18,783.26
COTTONWOOD LMI PROJECT		11,499.00
LBC		8,005.29
SOLID WASTE		5,034.97
REMOTE READ METER PROJECT		4,944.00
CAPITAL IMPROVEMENTS		2,084.00
HWY 1 RECONSTRUCTION		1,611.00
SIDEWALK PROJECT		1,050.00
DAVIS PARK IMPROVEMENTS		220.00
STORM WATER FUND		216.03
<b>TOTAL</b>		<b>565,251.02</b>

**FY24 APRIL REVENUE**

GENERAL GOVERNMENT		1,313,586.37
PUBLIC WORKS		237,121.08
CULTURE-RECREATION		80,921.02
PUBLIC SAFETY		71,455.95
<b>TOTAL</b>		<b>1,703,084.42</b>

Discussion and Consideration of Part-Time Grants and Community Development Position – Council Action as Needed. Joe Jennison's last day as the CDG Director will be June 30, 2024. Staff is seeking permission to hire Joe on a part-time (2 days per week) basis to assist with grant writing and other community development projects. This position would be created in lieu of the City Hall internship this summer and the CDG internship next calendar year. Motion made by Engel, seconded by West to approve the part-time position of Grants and Community Development to be filled by Joe Jennison. Motion carries. Rose absent.

Discussion and Consideration of Police Department Hiring Strategies – Council Action as Needed. Chief Shannon is looking ahead for the next year and knowing that there will likely be a retirement in the force coming up, would like to start the hiring process now to alleviate any gaps in service. A normal hiring process would take between six and nine months and the current job market for police officers makes this process even harder. Motion made by Tuerler, seconded by Andresen to allow Chief Shannon to begin the hiring process for the Police Department. Motion carries. Rose absent.

Discussion and Consideration of Pay Application #2 – Davis Park Lighting Project – Council Action as Needed. As staff prepared to release the retainage check to Ardent Lighting for the Davis Park Lighting project, it was discovered that pay application #2 was never submitted to the City for payment. Pay Application #2 is in the amount of \$68,846.96. Motion made by Tuerler, seconded by West to approve Pay Application #2-Davis Park Lighting Project. Motion carries. Rose absent.

Discussion and Consideration of Setting a Public Hearing Date for the Amendment to Chapter 99.02 Rate of the Mount Vernon Municipal Code – Council Action as Needed. Staff is requesting the Council set a public hearing date for Monday, May 20, 2024. The purpose of said hearing is to consider an amendment to Chapter 99.02 Rate, increasing the sewer rates for the city. Motion made by West, seconded by Engel to set the public hearing for May 20, 2024 at 6:30 p.m. Motion carries. Rose absent.

Discussion and Consideration of Setting a Public Hearing Date for the Amendment to Chapter 92.02 Usage Rate of the Mount Vernon Municipal Code – Council Action as Needed. Staff is requesting the Council set a public hearing date for Monday, May 20, 2024. The purpose of said hearing is to consider an amendment to Chapter 92.02 Usage Rate, clarifying water rate increases for the city. Motion made by West, seconded by Andresen to set the public hearing for May 20, 2024 at 6:30 p.m. Motion carries. Rose absent.

Discussion and Consideration of Sign Proposal – Fire Station Signage Project – Council Action as Needed. The fire department has reserved funding within the original LOST I building fund to construct a ground mounted identification sign near the Palisades entrance to the station. Rickard Signs has estimated the cost of production and installation at just under \$18,000.00. Fire Chief, Nate Goodlove, anticipates the electrical portion of the sign project to be around \$5,000.00. Motion made by Tuerler, seconded by West to approve the Fire Department sign project not to exceed \$24,000.00. Motion carries. Rose absent.

Discussion and Consideration of Invoice # from Total Tree Care for City Tree Maintenance – Council Action as Needed. This invoice is in the amount of \$9,918.75. Motion made by West, seconded by Andresen to approve the invoice from Total Tree Care. Motion carries. Rose absent.

#### **Reports to be Received/Filed**

Mt. Vernon/Lisbon Police Annual Report. Full report can be found on the City Website.

#### **Reports of Mayor/Council/Administrator**

Mayor's Report. Wieseler will be meeting with the Linn County Sustainability Director and there will be a meeting Thursday with the Sustainability Committee.

Council Reports. Engel reported that the Childcare Solutions Committee will be sending out a short survey on the need for childcare.

City Administrator's Report. Full report can be found on the City website under the May 6, 2024 Council packet.

As there was no further business to attend to, the meeting adjourned, the time being 7:42 p.m., May 6, 2024.

Respectfully submitted,  
Marsha Dewell  
City Clerk

## **E. Public Hearing**

**AGENDA ITEM # E – 1 & F - 1**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

**DATE:** May 20, 2024

**AGENDA ITEM:** Public Hearing – Ordinance Amending Chapter 99.02 Sewer Rate

**ACTION:** Motion

**SYNOPSIS:** As discussed during the budget process, staff is recommending the Council approve a five-year extension to the sewer rate increase that is slated to end on June 30, 2024. An 8% increase is recommended for the first two years, and 3% for subsequent years. The final three years of the proposed increase may need to be revisited before the start of FY 2026-2027.

**BUDGET ITEM:** N/A

**RESPONSIBLE DEPARTMENT:** Assistant City Administrator

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** See Ordinance #5-20-2024A

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024

**AGENDA ITEM # E – 2 & F - 2**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

**DATE:** May 20, 2024

**AGENDA ITEM:** Public Hearing – Ordinance Amending Chapter 92.02 Water Rate

**ACTION:** Motion

**SYNOPSIS:** Similar to sewer, staff is recommending the Council approve a five-year extension to the water rate increase that is slated to end on June 30, 2024. This will be a 3% increase per year as long as it is needed. There is a fail-safe built into the ordinance should the increase not be necessary in a given year.

**BUDGET ITEM:** N/A

**RESPONSIBLE DEPARTMENT:** Assistant City Administrator

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** See Ordinance #5-20-2024B

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024

## **G. Resolutions for Approval**

**AGENDA ITEM # G – 1**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

**DATE:** May 20, 2024

**AGENDA ITEM:** Resolution #5-20-2024A

**ACTION:** Motion

**SYNOPSIS:** In order to account for the cost overruns from the police station construction project, staff is recommending that we internally borrow \$136,431.50 from the water treatment plant depreciation fund. The water treatment plant monies will be repaid with franchise fees before any renovation projects are identified.

**BUDGET ITEM:** Water

**RESPONSIBLE DEPARTMENT:** Assistant City Administrator

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** Resolution #5-20-2024A

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024

**CITY OF MOUNT VERNON, IOWA**

**ITEMS TO INCLUDE ON AGENDA FOR MAY 20, 2024**

- Resolution authorizing temporary transfer of surplus funds from the Mount Vernon Municipal Water Utility Fund to the City of Mount Vernon.

NOTICE MUST BE GIVEN PURSUANT TO IOWA CODE  
CHAPTER 21 AND THE LOCAL RULES OF THE CITY.



May 20, 2024

The City Council of the City of Mount Vernon, State of Iowa, met in regular session, in the Council Chambers, City Hall, 213 First Street NW, Mount Vernon, Iowa, at 6:30 P.M., on the above date. There were present Mayor Wieseler, in the chair, and the following named Council Members:

\_\_\_\_\_

Absent: \_\_\_\_\_

Vacant: \_\_\_\_\_

\* \* \* \* \*

Council Member \_\_\_\_\_ then introduced the following Resolution entitled "RESOLUTION AUTHORIZING TEMPORARY TRANSFER OF SURPLUS FUNDS FROM THE MOUNT VERNON MUNICIPAL WATER UTILITY FUND TO THE CITY OF MOUNT VERNON " and moved:

- that the Resolution be adopted.
- to defer action on the Resolution and the proposal to the meeting to be held at \_\_\_\_\_ .M. on the \_\_\_\_\_ day of \_\_\_\_\_, 2024, at this place.

Council Member \_\_\_\_\_ seconded the motion. The roll was called and the vote was,

AYES: \_\_\_\_\_  
\_\_\_\_\_

NAYS: \_\_\_\_\_

Whereupon, the Mayor declared the measure duly adopted as follows:

RESOLUTION #5-20-2024A

RESOLUTION AUTHORIZING TEMPORARY TRANSFER OF  
SURPLUS FUNDS FROM THE MOUNT VERNON  
MUNICIPAL WATER UTILITY FUND TO THE CITY OF  
MOUNT VERNON

WHEREAS, the City Council as the governing body of the Mount Vernon Municipal Water Utility (the “Water Utility”) has determined, based on Rule 2.5(5) of the rules promulgated by the City Finance Committee in accordance with Section 384.89, Code of Iowa, that the Water Utility currently has a balance in excess of \$551,000.00, as shown on the Water Utility surplus calculation attached hereto as Exhibit 1 and by this reference incorporated herein, and accordingly, the City Council has determined the Water Utility has on hand available surplus funds in excess of \$329,000.00, after making all deposits into all funds required by the terms, covenants, conditions and provisions of outstanding revenue bonds, pledge orders, and other obligations which are payable from the revenues of the Water Utility in accordance with section 384.89; and

WHEREAS, all of the requirements, terms, covenants, conditions and provisions of the proceedings and resolutions authorizing the issuance of outstanding revenue bonds and pledge orders have been complied with; and

WHEREAS, such temporary transfer of surplus funds does not and will not conflict with any of the requirements, terms, covenants, conditions, or provisions of any resolution authorizing the issuance of revenue bonds, pledge orders or other obligations which are payable from the revenues of the Water Utility; and

WHEREAS, such funds may be transferred to the Police Station Construction Fund in order to fund the station renovation project; and

WHEREAS, it is deemed appropriate that the City transfer funds from the Water Fund to the Police Station Construction Fund on a temporary basis.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, STATE OF IOWA:

Section 1. Pursuant to and in accordance with Section 384.89, Code of Iowa, and Rule 2.5(5) of the rules promulgated by the City Finance Committee, the City has calculated that there are in excess of \$329,000.00 of surplus funds of the Water Utility available for temporary transfer to the City of Mount Vernon.

Section 2. Such surplus funds in the amount of \$136,431.50 shall be transferred by the Water Utility fund to the City of Mount Vernon’s Police Station Construction Fund for the foregoing purpose.

Section 3. Such funds shall be transferred on a temporary basis in order to fund capital improvement costs of the police station renovation project, and shall be repaid to the Water Utility, together with interest at a rate of 0% per annum on the unpaid balance until paid in full. Principal shall be due annually for a period of 7 years beginning on June 1, 2025, unless sooner paid, in accordance with the following schedule:

Payment Date	Amount
June 1, 2025	\$20,000.00
June 1, 2026	\$20,000.00
June 1, 2027	\$20,000.00
June 1, 2028	\$20,000.00
June 1, 2029	\$20,000.00
June 1, 2030	\$20,000.00
June 1, 2031	\$16,431.50

Section 4. In accordance with Section 384.89, Code of Iowa, this temporary fund transfer is approved and accepted by the City Council.

PASSED AND APPROVED this 20<sup>th</sup> day of May, 2024.

\_\_\_\_\_  
Mayor

ATTEST:

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

## EXHIBIT 1

### WATER UTILITY SURPLUS CALCULATION

cash balance in the operating account OR the unrestricted net position calculated in accordance with GAAP = \$551,932.99

- all required transfers to any restricted accounts in accordance with the terms and provisions of any revenue bonds or loan agreements relating to the utility (if such transfers have not already been made); \$0

+ net pension liabilities; \$0

+ other postemployment benefits liabilities; \$0

+ related deferred inflows of resources; \$0

- related deferred outflows of resources; \$0

= \$551,932.99

- the amount of the expenses of disbursements for operating and maintaining the utility or enterprise *for the preceding three months*; \$222,511.08

- the amount necessary to make all required transfers to restricted accounts *for the succeeding three months*; \$0

= \$329,421.91 SURPLUS available for transfer

CERTIFICATE

STATE OF IOWA )  
 ) SS  
COUNTY OF LINN )

I, the undersigned City Clerk of the City of Mount Vernon, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Council hereto affixed this 20<sup>th</sup> day of May, 2024.

\_\_\_\_\_  
City Clerk, City of Mount Vernon, State of  
Iowa

(SEAL)

**AGENDA ITEM # G – 2 & G - 3**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

<b>DATE:</b>	May 20, 2024
<b>AGENDA ITEM:</b>	Resolutions #5-20-2024B & #5-20-2024C
<b>ACTION:</b>	Motion

**SYNOPSIS:** This is the final two steps required to receive the \$4,480,000 bond proceeds. The paying agent will be responsible for receiving and executing the transfer of funds. Resolution #5-20-2024C is the actual loan agreement for the funds.

**BUDGET ITEM:** All

**RESPONSIBLE DEPARTMENT:** City Administrator

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** Resolutions #5-20-2024B & #5-20-2024C & Reports

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024

## PAYING AGENT; NOTE REGISTRAR AND TRANSFER AGENT AGREEMENT

THIS AGREEMENT is made and entered into on June 4, 2024 by and between the City of Mount Vernon hereinafter called "ISSUER", and UMB Bank, N.A., a national banking association with its principal payment office in Kansas City, Missouri, in its capacity as paying agent and registrar, hereinafter called the "AGENT".

WHEREAS, the ISSUER has issued, or is currently in the process of issuing, pursuant to an ordinance, resolution, order, final terms certificate, notice of sale or other authorizing instrument of the governing body of the ISSUER, hereinafter collectively called the "Bond Document" certain bonds, certificates, notes and/or other debt instruments, more particularly described as \$4,840,000 General Obligation Capital Loan Notes, Series 2024, dated June 4, 2024 hereinafter called the "Bonds"; and

WHEREAS, pursuant to the Bond Document, the ISSUER has designated and appointed the AGENT as agent to perform registrar, transfer and paying agent services, to wit: establishing and maintaining a record of the owners of the Bonds, effecting the transfer of ownership of the Bonds in an orderly and efficient manner, making payments of principal and interest when due pursuant to the terms and conditions of the Bonds, and for other related purposes; and

WHEREAS, the AGENT has represented that it possesses the necessary qualifications and maintains the necessary facilities to properly perform the required services as such registrar, transfer and paying agent and is willing to serve in such capacities for the ISSUER;

NOW THEREFORE, in consideration of mutual promises and covenants herein contained the parties agree as follows:

1. The ISSUER has designated and appointed the AGENT as registrar, transfer and paying agent of the Bonds pursuant to the Bond Document, and the AGENT has accepted such appointment and agrees to provide the services set forth therein and herein.
2. The ISSUER agrees to deliver or cause to be delivered to the AGENT a transcript of the proceedings related to the Bonds to contain the following documents:
  - (a) A copy of the Bond Document, and the consent or approval of any other governmental or regulatory authority, required by law to approve or authorize the issuance of the Bonds;
  - (b) A written opinion by an attorney or by a firm of attorneys with a nationally recognized standing in the field of municipal bond financing, and any supporting or supplemental opinions, to the effect that the Bonds and the Bond Document have been duly authorized and issued by, are legally binding upon and are enforceable against the ISSUER;
  - (c) A closing certificate of the ISSUER, a closing certificate and/or receipt of the purchaser(s) of the Bonds, and such other documents related to the issuance of the Bonds as the Agent reasonably deems necessary or appropriate; and



(d) Unless Paragraph 20 hereof is applicable and if requested in writing by AGENT, in addition to the transcript of proceedings a reasonable supply of blank Bond certificates bearing the manual or facsimile signatures of officials of the ISSUER authorized to sign certificates and, if required by the Bond Document, impressed with the ISSUER's seal or facsimile thereof, to enable the AGENT to provide Bond Certificates to the holders of the Bonds upon original issuance or the transfer thereof.

The foregoing documents may be subject to the review and approval of legal counsel for the AGENT. Furthermore, the ISSUER shall provide to the AGENT prompt written notification of any future amendment or change in respect of any of the foregoing, together with such documentation as the AGENT reasonably deems necessary or appropriate.

3. Unless Paragraph 20 hereof is applicable, Bond certificates provided by the ISSUER shall be printed in a manner to minimize the possibility of counterfeiting. This requirement shall be deemed satisfied by use of a certificate format meeting the standard developed by the American National Standards Committee or in such other format as the AGENT may accept by its authentication thereof. The AGENT shall have no responsibility for the form or contents of any such certificates. The ISSUER shall, while any of the Bonds are outstanding, provide a reasonable supply of additional blank certificates at any time upon request of the AGENT. All such certificates shall satisfy the requirements set forth in Paragraphs 2(d) and 3.

4. The AGENT shall initially register and authenticate, pursuant to instructions from the ISSUER and/or the initial purchaser(s) of the Bonds, one or more Bonds and shall enter into a Bond registry record the certificate number of the Bond and the name and address of the owner. The AGENT shall maintain such registry of owners of the Bonds until all the Bonds have been fully paid and surrendered. The initial owner of each Bond as reflected in the registry of owners shall not be changed except upon transfers of ownership and in accordance with procedures set forth in the Bond Document or this Agreement.

5. Transfers of ownership of the Bonds shall be made by the AGENT as set forth in the Bond Document. Absent specific guidelines in the Bond Document, transfers of ownership of the Bonds shall be made by the AGENT only upon delivery to the AGENT of a properly endorsed Bond or of a Bond accompanied by a properly endorsed transfer instrument, accompanied by such documents as the AGENT may deem necessary to evidence the authority of the person making the transfer, and satisfactory evidence of compliance with all applicable laws relating to the collection of taxes. The AGENT reserves the right to refuse to transfer any Bond until it is satisfied that each necessary endorsement is genuine and effective, and for that purpose it may require guarantees of signatures in accordance with applicable rules of the Securities and Exchange Commission and the standards and procedures of the AGENT, together with such other assurances as the AGENT shall deem necessary or appropriate. The AGENT shall incur no liability for delays in registering transfers as a result of inquiries into adverse claims or for the refusal in good faith to make transfers which it, in its judgment, deems improper or unauthorized. Upon presentation and surrender of any duly registered Bond and satisfaction of the transferability requirements, the AGENT shall (a) cancel the surrendered Bond; (b) register a new Bond(s) as directed in the same aggregate principal amount and

maturity; (c) authenticate the new Bond(s); and (d) enter the transferee's name and address, together with the certificate number of the new Bond(s), in its registry of owners.

6. The AGENT may deliver Bonds by first class, certified, or registered mail, or by courier.

7. Ownership of, payment of the principal amount of, redemption premium, if any, and interest due on the Bonds, delivery of notices, and for all other purposes shall be subject to the provisions of the Bond Document. The AGENT shall have no responsibility to determine the beneficial owners of any Bonds and shall owe no duties to any such beneficial owners. Upon written request and reasonable notice from the ISSUER, the AGENT will mail, at the ISSUER's expense, notices or other communications from the ISSUER to the holders of the Bonds as recorded in the registry maintained by the AGENT.

8. Unless the Bond Document provides otherwise, the ISSUER shall, without notice from or demand of the AGENT, provide to the AGENT funds that are immediately available at least one business day prior to the relevant interest and/or principal payment date, sufficient to pay on each interest payment date and each principal payment date, all interest and principal then payable under the terms and provisions of the Bond Document and the Bonds. The AGENT shall have no responsibility to make any such payments to the extent ISSUER has not provided sufficient immediately available funds to AGENT on the relevant payment date. In the event that an interest and/or principal payment date shall be a date that is not a business day, payment may be made on the next succeeding business day and no interest shall accrue. The term "business day" shall include all days except Saturdays, Sundays and legal holidays recognized by the Federal Reserve Bank of Kansas City, Missouri.

9. Unless otherwise provided in the Bond Document and subject to the provisions of Paragraph 12 hereof, to the extent that the ISSUER has made sufficient funds available to it, the AGENT will pay to the record owners of the Bonds as of any record date (as specified in the Bond certificate or Bond Document) the interest due thereon as of the related interest payment date or any redemption date and, will pay upon presentation and surrender of such Bond at maturity or earlier date of redemption to the owner of any Bond, the principal or redemption amount of such Bond.

10. The AGENT may make a charge against any Bond owner sufficient for the reimbursement of any governmental tax or other charge legally required to be withheld for any reason, including, but not limited to, failure of such owner to provide a correct taxpayer identification number to the AGENT. Such charge may be deducted from an interest or principal payment due to such owner.

11. Unless payment of interest, principal, and redemption premium, if any, is made by electronic transfer all payments will be made by check or draft and mailed to the address of the owner as reflected on the registry of owners, or to such other address as directed in writing by the owner.

12. Subject to the provisions of the Bond Document, the AGENT may pay at maturity or redemption or issue new certificates to replace certificates represented to the AGENT to have

been lost, destroyed, stolen or otherwise wrongfully taken, but may first may require the Bond owner to pay a replacement fee, to furnish an affidavit of loss, and/or furnish either an indemnity bond or other indemnification satisfactory to the AGENT indemnifying the ISSUER and the AGENT.

13. The AGENT shall comply with the provisions, if any, of the Bond Document and the rules of the Securities and Exchange Commission pertaining to the cancellation and retention of Bond certificates and the periodic certification to the ISSUER of the cancellation of such Bond certificates. In the event that the ISSUER requests in writing that the AGENT forward to the ISSUER the cancelled Bond certificates, the ISSUER agrees to comply with the foregoing described rules. The AGENT shall have no duty to retain any documents or records pertaining to this Agreement, the Bond Document or the Bonds any longer than eleven years after final maturity of the Bonds, unless otherwise required by the rules of the Securities and Exchange Commission or other applicable law.

14. The records maintained by AGENT in connection with the Bonds shall remain confidential records entitled to protection and confidentiality pursuant to Section 22.7(17), Code of Iowa. AGENT agrees that its use of the records will be limited to the purposes of this Agreement and that AGENT will make no private use or permit any private access thereto without the prior written consent of the ISSUER, which shall not be unreasonably withheld.

15. The AGENT is authorized to act on the order, directions or instructions of such officials as the governing body of ISSUER as the ISSUER by resolution or other proper action shall designate. The AGENT shall be protected in acting upon any paper or document believed by it to be genuine and to have been signed by the proper official(s), and the ISSUER shall promptly notify AGENT in writing of any change in the identity or authority of officials authorized to sign Bond certificates, written instructions or requests. If not so provided in the Bond Document, if any official whose manual or facsimile signature appears on blank Bond certificates shall die, resign or be removed from office or authority before the authentication of such certificates by the Agent, the AGENT may nevertheless issue such certificates until specifically directed to the contrary in writing by the ISSUER.

16. The AGENT shall provide notice(s) to the owners of the Bonds and such depositories, banks, brokers, rating agencies, information services, repositories, or publications as required by the terms of the Bond Document and to any other entities that request such notice(s) and, if so directed in such other manner and to such other parties as the ISSUER shall so direct in writing and at the expense of the ISSUER.

17. The ISSUER shall compensate the AGENT for the AGENT's ordinary services as paying agent and registrar, and shall reimburse the AGENT for all ordinary out-of-pocket expenses, charges, advances, counsel fees and other costs incurred in connection with the Bonds, the Bond Document and this Agreement as set forth in the Exhibit A or as otherwise agreed to by the ISSUER and AGENT in writing. In addition, should it become necessary for the AGENT to perform extraordinary services, the AGENT shall be entitled to extra compensation therefor and reimbursement for any out-of-pocket extraordinary costs and expenses, including, but not limited to, attorneys' fees. AGENT shall use commercially reasonable efforts to provide notice to the Issuer prior to performing extraordinary services or incurring such costs and expenses; provided,

however, that AGENT's right to compensation hereunder shall not be affected by any failure to provide such prior notice.

18. The AGENT may resign, or be removed by the ISSUER upon a date which, unless otherwise waived by the other party, is (a) at least thirty days after the receipt of written notice to the other and (b) in the case such notice is given by the AGENT, at least fifteen days prior to the next succeeding principal or interest payment date. Upon the effective date of resignation or removal, all obligations of the AGENT hereunder shall cease and terminate, but AGENT shall not be discharged from any liability for actions taken as AGENT under this Agreement prior to such resignation or removal. In the event of resignation or removal, the AGENT shall deliver the registry of owners and all related books and records in accordance with the written instructions of the ISSUER or any successor agent designated in writing by the ISSUER within a reasonable period following the effective date of its removal or resignation.

19. Whenever in the performance of its duties as Agent hereunder, the Bond Document or under the Bonds the AGENT shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, under the Bond Document or under the Bonds, the AGENT may consult with nationally recognized legal counsel in accordance with its internal policies and procedures, including, but not limited to, legal counsel for the ISSUER, with respect to any matter in connection with this Agreement and it shall not be liable for any action taken or omitted by it in good faith in reliance upon the advice or opinion of such counsel.

20. In the event that the Bond Document provides that the initial registered owner of all of the Bond certificates is or may be the Depository Trust Company, or any other securities depository or registered clearing agency qualified under the Securities and Exchange Act of 1934, as amended (a "Securities Depository"), none of the beneficial owners will receive certificates representing their respective interest in the Bonds. Except to the extent provided otherwise in the Bond Document, the following provisions shall apply:

- (a) The registry of owners maintained by the AGENT will reflect as owner of the Bonds only the Securities Depository or its nominee, until and unless the ISSUER authorizes the delivery of Bond certificates to the beneficial owners as described in subsection (d) below.
- (b) It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its participants and receive and transmit payments of principal and interest on the Bonds to the participants, unless and until the ISSUER authorizes the delivery of Bonds to the beneficial owners as described in subsection (d) below.
- (c) The ISSUER may at any time, in accordance with the Bond Document, select and appoint a successor Securities Depository and shall notify the Agent of such selection and appointment in writing.
- (d) If the ISSUER determines that the holding of the Bonds by the Securities Depository is no longer in the best interests of the beneficial owners of the Bonds, then

the AGENT, at the written instruction and expense of the ISSUER, shall notify the beneficial owners of the Bonds by first class mail of such determination and of the availability of certificates to owners requesting the same. The AGENT shall register in the names of and authenticate and deliver certificates representing their respective interests in the Bonds to the beneficial owners or their nominees, in principal amounts and maturities representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption. In such event, all references to the Securities Depository herein shall relate to the period of time when at least one Bond is registered in the name of the Securities Depository or its nominee. For the purposes of this paragraph, the AGENT may conclusively rely on information provided by the Securities Depository and its participants as to principal amounts held by and the names and mailing addresses of the beneficial owners of the Bonds, and shall not be responsible for any investigation to determine the beneficial owners. The cost of printing certificates for the Bonds and expenses of the AGENT shall be paid by the ISSUER.

21. The AGENT shall not be liable for any error in judgment in fulfilling its obligations under this Agreement or the Bond Document that is made in good faith by an officer or employee of the AGENT unless it shall be determined by a court of competent jurisdiction that the AGENT was negligent in ascertaining the pertinent facts or acted intentionally in bad faith. The AGENT shall not be under any obligation to prosecute or defend any action or suit in connection with its duties under the Bond Document or this Agreement or in respect of the Bonds, which, in its opinion, may involve it in expense or liability, unless satisfactory security and indemnity is furnished to the Agent (except as may result from the AGENT's own negligence or willful misconduct). The AGENT shall only be responsible for performing such duties as are set forth herein, required by the Bond Document, or otherwise agreed to in writing by the AGENT.

22. It is mutually understood and agreed that, unless otherwise provided in the Bonds or Bond Document, this Agreement shall be governed by the laws of the State of Iowa, both as to interpretation and performance.

23. The Bond Document and the terms thereof are hereby incorporated by reference and the provisions of this Agreement are to be construed to be consistent with the Bond Document. In the event of inconsistent language between the Bond Document and this Agreement, the terms of the Bond Document shall prevail.

24. AGENT shall comply at all times with such rules, regulations, and requirements as may govern the registration, transfer and payment of registered bonds including without limitation Chapters 76, 384, 403, and Section 554.8101 et seq. Code of Iowa and standards issued from time to time by the Municipal Securities Rulemaking Board of the United States and any other securities industry standard and the requirements of the Internal Revenue Code of 1986.

25. 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, if any, at the maturity or redemption date, if



facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

30. In order to comply with provisions of the USA PATRIOT Act of 2001, as amended from time to time, and the Bank Secrecy Act, as amended from time to time, the AGENT may request certain information and/or documentation to verify confirm and record identification of persons or entities who are parties to this Agreement.

31. If the Bonds are eligible for receipt of any U.S. Treasury Interest Subsidy and if so directed by the Bond Document or, as agreed to in writing between the ISSUER and the AGENT, the AGENT shall comply with the provisions, if any, relating to it as described in the Bond Document or as otherwise agreed upon in writing between the ISSUER and the AGENT. The AGENT shall not be responsible for completion of or the actual filing of Form 8038-CP (or any successor form) with the IRS or any payment from the United States Treasury in accordance with §§ 54AA and 6431 of the Code.

**IN WITNESS WHEREOF**, the parties hereto have, by their duly authorized signatories, set their respective hands and seals as of this 4<sup>th</sup> day of June, 2024.

CITY OF MOUNT VERNON,  
STATE OF IOWA, ISSUER

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
City Clerk

UMB BANK N.A., as PAYING  
AGENT/REGISTRAR

By: \_\_\_\_\_

\_\_\_\_\_  
(Title)

ATTEST:

By: \_\_\_\_\_

\_\_\_\_\_  
(Title)



EXHIBIT A

Paying Agent/Registrar's Fee

**ITEMS TO INCLUDE ON AGENDA FOR MAY 20, 2024**

**CITY OF MOUNT VERNON, IOWA**

\$4,840,000 General Obligation Capital Loan Notes, Series 2024

- Resolution Appointing Paying Agent, Note Registrar, and Transfer Agent, Approving the Paying Agent and Note Registrar and Transfer Agent Agreement and Authorizing the Execution of the Agreement.
- Resolution approving and authorizing a form of Loan Agreement and authorizing and providing for the issuance, and levying a tax to pay the Notes; Approval of the Tax Exemption Certificate and Continuing Disclosure Certificate.

NOTICE MUST BE GIVEN PURSUANT TO IOWA CODE  
CHAPTER 21 AND THE LOCAL RULES OF THE CITY.

May 20, 2024

The City Council of the City of Mount Vernon, State of Iowa, met in \_\_\_\_\_ session, in the Council Chambers, City Hall, 213 First Street NW, Mount Vernon, Iowa, at \_\_\_\_\_ .M., on the above date. There were present Mayor \_\_\_\_\_, in the chair, and the following named Council Members:

\_\_\_\_\_

Absent: \_\_\_\_\_

Vacant: \_\_\_\_\_

\* \* \* \* \*

Council Member \_\_\_\_\_ introduced the following resolution entitled "RESOLUTION APPOINTING UMB BANK, N.A. OF WEST DES MOINES, IOWA, TO SERVE AS PAYING AGENT, NOTE REGISTRAR, AND TRANSFER AGENT, APPROVING THE PAYING AGENT AND NOTE REGISTRAR AND TRANSFER AGENT AGREEMENT AND AUTHORIZING THE EXECUTION OF THE AGREEMENT", and moved that the resolution be adopted. Council Member \_\_\_\_\_ seconded the motion to adopt. The roll was called and the vote was,

AYES: \_\_\_\_\_

\_\_\_\_\_

NAYS: \_\_\_\_\_

Whereupon, the Mayor declared said Resolution duly adopted as follows:

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPOINTING UMB BANK, N.A. OF WEST DES MOINES, IOWA, TO SERVE AS PAYING AGENT, NOTE REGISTRAR, AND TRANSFER AGENT, APPROVING THE PAYING AGENT AND NOTE REGISTRAR AND TRANSFER AGENT AGREEMENT AND AUTHORIZING THE EXECUTION OF THE AGREEMENT

WHEREAS, \$4,840,000 General Obligation Capital Loan Notes, Series 2024, dated June 4, 2024, have been sold and action should now be taken to provide for the maintenance of records, registration of certificates and payment of principal and interest in connection with the issuance of the Notes; and

WHEREAS, this Council has deemed that the services offered by UMB Bank, N.A. of West Des Moines, Iowa, are necessary for compliance with rules, regulations, and requirements governing the registration, transfer and payment of registered notes; and

WHEREAS, a Paying Agent, Bond Registrar and Transfer Agent Agreement (hereafter "Agreement") has been prepared to be entered into between the City and UMB Bank, N.A.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, STATE OF IOWA:

1. That UMB Bank, N.A. of West Des Moines, Iowa, is hereby appointed to serve as Paying Agent, Bond Registrar and Transfer Agent in connection with the issuance of \$4,840,000 General Obligation Capital Loan Notes, Series 2024, dated June 4, 2024.

2. That the Agreement with UMB Bank, N.A. of West Des Moines, Iowa, is hereby approved and that the Mayor and Clerk are authorized to sign the Agreement on behalf of the City.

PASSED AND APPROVED this 20<sup>th</sup> day of May, 2024.

---

Mayor

ATTEST:

---

City Clerk

Council Member \_\_\_\_\_ introduced the following Resolution entitled "RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AGREEMENT AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF \$4,840,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2024, AND LEVYING A TAX TO PAY SAID NOTES; APPROVAL OF THE TAX EXEMPTION CERTIFICATE AND CONTINUING DISCLOSURE CERTIFICATE" and moved that it be adopted. Council Member \_\_\_\_\_ seconded the motion to adopt, and the roll being called thereon, the vote was as follows:

AYES: \_\_\_\_\_

\_\_\_\_\_

NAYS: \_\_\_\_\_

Whereupon, the Mayor declared said Resolution duly adopted as follows:

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AGREEMENT AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF \$4,840,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2024, AND LEVYING A TAX TO PAY SAID NOTES; APPROVAL OF THE TAX EXEMPTION CERTIFICATE AND CONTINUING DISCLOSURE CERTIFICATE

WHEREAS, the Issuer is duly incorporated, organized and exists under and by virtue of the laws and Constitution of the State of Iowa; and

WHEREAS, the Issuer is in need of funds to pay costs of aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including constructing the Glenn Street project roadway and associated utilities and infrastructure improvements in the Stoner Plaza Tenth Addition as authorized in Amendment No. 8 to the Mount Vernon Urban Renewal Plan, essential corporate urban renewal purpose project(s), and it is deemed necessary and advisable that the City issue General Obligation Capital Loan Notes, for such purpose(s) to the amount of \$1,000,000 as authorized by Sections 384.24A, 384.25 and 403.12 of the Code of Iowa; and

WHEREAS, pursuant to notice published as required by Sections 384.24A, 384.25 and 403.12 this Council has held a public meeting and hearing upon the proposal to institute proceedings for the issuance of said Notes, and all objections, if any, to such Council action made by any resident or property owner of the City were received and considered by the

Council; and no petition having been filed, it is the decision of the Council that additional action be taken for the issuance of said Notes for such purpose(s), and that such action is considered to be in the best interests of the City and the residents thereof; and

WHEREAS, the Issuer is in need of funds to pay costs of aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including improvements to the swimming pool and related facilities as authorized in Amendment No. 9 to the Mount Vernon Urban Renewal Plan, essential corporate urban renewal purpose project(s), and it is deemed necessary and advisable that the City issue General Obligation Capital Loan Notes, for such purpose(s) to the amount of \$2,250,000 as authorized by Sections 384.24A, 384.25 and 403.12 of the Code of Iowa; and

WHEREAS, pursuant to notice published as required by Sections 384.24A, 384.25 and 403.12 this Council has held a public meeting and hearing upon the proposal to institute proceedings for the issuance of said Notes, and all objections, if any, to such Council action made by any resident or property owner of the City were received and considered by the Council; and no petition having been filed, it is the decision of the Council that additional action be taken for the issuance of said Notes for such purpose(s), and that such action is considered to be in the best interests of the City and the residents thereof; and

WHEREAS, the Issuer is in need of funds to pay costs of a) opening, widening, extending, grading, and draining of the right-of-way of streets, highways, avenues, alleys and public grounds, and market places, and the removal and replacement of dead or diseased trees thereon; the construction, reconstruction, and repairing of any street improvements, bridges, grade crossing separations and approaches; the acquisition, installation, and repair of sidewalks, culverts, retaining walls, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices; and the acquisition of any real estate needed for any of the foregoing purposes including overlay of 4th Street NW, Cass Street, intersection of 10th and Summit and watermain on 4th St and 5th Ave; and b) acquisition, improvement and equipping of waterworks, water mains, and extensions, and real and personal property, useful for providing potable water including water meter replacements and related equipment. Principal and interest on the proposed Loan Agreement will be payable from the Debt Service Fund , essential corporate purpose(s), and it is deemed necessary and advisable that General Obligation Capital Loan Notes, to the amount of \$1,850,000 be authorized for said purpose(s); and

WHEREAS, pursuant to notice published as required by Sections 384.24A and 384.25 of the Code of Iowa, this Council has held a public meeting and hearing upon the proposal to institute proceedings for the issuance of the Notes, and the Council is therefore now authorized to proceed with the issuance of said Notes for such purpose(s); and

WHEREAS, the above mentioned Notes were heretofore sold and action should now be taken to issue said Notes conforming to the terms and conditions of the best bid received at the sale.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, STATE OF IOWA:

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

- "AGM" shall mean the Assured Guaranty Municipal Corp., or any successor thereto.
- "Authorized Denominations" shall mean \$5,000 or any integral multiple thereof.
- "Beneficial Owner" shall mean, whenever used with respect to a Note, the person in whose name such Note is recorded as the beneficial owner of such Note by a Participant on the records of such Participant or such person's subrogee.
- "Blanket Issuer Letter of Representations" shall mean the Representation Letter from the Issuer to DTC, with respect to the Notes.
- "Cede & Co." shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Notes.
- "Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate approved under the terms of this Resolution and to be executed by the Issuer and dated the date of issuance and delivery of the Notes, as originally executed and as it may be amended from time to time in accordance with the terms thereof.
- "Depository Notes" shall mean the Notes as issued in the form of one global certificate for each maturity, registered in the Registration Books maintained by the Registrar in the name of DTC or its nominee.
- "DTC" shall mean The Depository Trust Company, New York, New York, which will act as security depository for the Note pursuant to the Representation Letter.
- "Issuer" and "City" shall mean the City of Mount Vernon, State of Iowa.
- "Loan Agreement" shall mean a Loan Agreement between the Issuer and a lender or lenders in substantially the form attached to and approved by this Resolution.
- "Note Fund" shall mean the fund created in Section 3 of this Resolution.
- "Notes" shall mean \$4,840,000 General Obligation Capital Loan Notes, Series 2024, authorized to be issued by this Resolution.
- "Participants" shall mean those broker-dealers, banks and other financial institutions for which DTC holds Notes as securities depository.



- "Paying Agent" shall mean UMB Bank, N.A., or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's agent to provide for the payment of principal of and interest on the Notes as the same shall become due.

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

- "Project" shall mean the costs of aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including constructing the Glenn Street project roadway and associated utilities and infrastructure improvements in the Stoner Plaza Tenth Addition as authorized in Amendment No. 8 to the Mount Vernon Urban Renewal Plan; aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including improvements to the swimming pool and related facilities as authorized in Amendment No. 9 to the Mount Vernon Urban Renewal Plan; opening, widening, extending, grading, and draining of the right-of-way of streets, highways, avenues, alleys and public grounds, and market places, and the removal and replacement of dead or diseased trees thereon; the construction, reconstruction, and repairing of any street improvements, bridges, grade crossing separations and approaches; the acquisition, installation, and repair of sidewalks, culverts, retaining walls, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices; and the acquisition of any real estate needed for any of the foregoing purposes including overlay of 4th Street NW, Cass Street, intersection of 10th and Summit and watermain on 4th St and 5th Ave; and acquisition, improvement and equipping of waterworks, water mains, and extensions, and real and personal property, useful for providing potable water including water meter replacements and related equipment.

- "Project Fund" shall mean the fund required to be established by this Resolution for the deposit of the proceeds of the Notes.

- "Rebate Fund" shall mean the fund so defined in and established pursuant to the Tax Exemption Certificate.

- "Registrar" shall mean UMB Bank, N.A. of West Des Moines, Iowa, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Notes. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Notes.

- "Resolution" shall mean this resolution authorizing the Notes.

- "Tax Exemption Certificate" shall mean the Tax Exemption Certificate approved under the terms of this Resolution and to be executed by the Treasurer and delivered at the time of issuance and delivery of the Notes.

- "Treasurer" shall mean the City Clerk/Treasurer or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Notes issued hereunder.

Section 2. Levy and Certification of Annual Tax; Other Funds to be Used.

a) Levy of Annual Tax. That for the purpose of providing funds to pay the principal and interest of the Notes hereinafter authorized to be issued, there is hereby levied for each future year the following direct annual tax on all of the taxable property in the City of Mount Vernon, State of Iowa, to-wit:

AMOUNT	FISCAL YEAR (JULY 1 TO JUNE 30) YEAR OF COLLECTION
\$ 366,986.67*	2024/2025
\$ 446,600.00	2026/2027
\$ 451,200.00	2027/2028
\$ 450,200.00	2028/2029
\$ 453,800.00	2029/2030
\$ 461,800.00	2030/2031
\$ 454,000.00	2031/2032
\$ 461,000.00	2032/2033
\$ 462,200.00	2033/2034
\$ 462,800.00	2034/2035
\$ 237,800.00	2035/2036
\$ 241,200.00	2036/2037
\$ 244,200.00	2037/2038
\$ 246,800.00	2038/2039
\$ 244,000.00	2039/2040
\$ 246,000.00	2040/2041
\$ 247,600.00	2041/2042
\$ 248,800.00	2042/2043
\$ 249,600.00	2043/2044

\*Payable from other available funds.

(NOTE: For example the levy to be made and certified against the taxable valuations of January 1, 2023 will be collected during the fiscal year commencing July 1, 2024.)

b) Resolution to be Filed With County Auditor. A certified copy of this Resolution shall be filed with the Auditor of Linn County, Iowa and the Auditor is hereby instructed in and for each of the years as provided, to levy and assess the tax hereby authorized in Section 2 of this Resolution, in like manner as other taxes are levied and assessed, and such taxes so levied in and for each of the years aforesaid be collected in

like manner as other taxes of the City are collected, and when collected be used for the purpose of paying principal and interest on said Notes issued in anticipation of the tax, and for no other purpose whatsoever.

c) Additional City Funds Available. Principal and interest coming due at any time when the proceeds of said tax on hand shall be insufficient to pay the same shall be promptly paid when due from current funds of the City available for that purpose and reimbursement shall be made from such special fund in the amounts thus advanced.

Section 3. Note Fund. Said tax shall be assessed and collected each year at the same time and in the same manner as, and in addition to, all other taxes in and for the City, and when collected they shall be converted into a special fund within the Debt Service Fund to be known as the "2024 GENERAL OBLIGATION CAPITAL LOAN NOTE FUND NO. 1" (the "Note Fund"), which is hereby pledged for and shall be used only for the payment of the principal of and interest on the Notes hereinafter authorized to be issued; and also there shall be apportioned to said fund its proportion of taxes received by the City from property that is centrally assessed by the State of Iowa.

Section 4. Application of Note Proceeds. Proceeds of the Notes, other than accrued interest except as may be provided below, shall be credited to the Project Fund and expended therefrom for the purposes of issuance. Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Notes at any time that other funds shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law or this Resolution.

Section 5. Investment of Note Fund Proceeds. All moneys held in the Note Fund, provided for by Section 3 of this Resolution shall be invested in investments permitted by Chapter 12B, Code of Iowa, as amended, or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation and the deposits in which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with Chapter 12C of the Code of Iowa, as amended, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All such interim investments shall mature before the date on which the moneys are required for payment of principal of or interest on the Notes as herein provided.

Section 6. Note Details, Execution and Redemption.

a) Note Details. General Obligation Capital Loan Notes of the City in the amount of \$4,840,000, shall be issued to evidence the obligations of the Issuer under the Loan Agreement pursuant to the provisions of Sections 384.24(3)(q), 384.24A, 384.25 and 403.12 of the Code of Iowa for the aforesaid purposes. The Notes shall be issued in one or more series and shall be secured equally and ratably from the sources provided in Section 3 of this Resolution. The Notes shall be designated "GENERAL OBLIGATION CAPITAL LOAN NOTE, SERIES 2024", be dated June 4, 2024, and bear interest from

the date thereof, until payment thereof, at the office of the Paying Agent, said interest payable on December 1, 2024, and semiannually thereafter on the 1st day of June and December in each year until maturity at the rates hereinafter provided.

The Notes shall be executed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the Clerk, and impressed or printed with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying Agent by mailing of a check to the registered owner of the Note. The Notes shall be in the denomination of \$5,000 or multiples thereof. The Notes shall mature and bear interest as follows:

Principal Amount	Interest Rate	Maturity June 1 <sup>st</sup>
\$ 175,000.00	4.000%	2025
\$ 260,000.00	4.000%	2026
\$ 275,000.00	4.000%	2027
\$ 285,000.00	4.000%	2028
\$ 300,000.00	4.000%	2029
\$ 320,000.00	4.000%	2030
\$ 325,000.00	4.000%	2031
\$ 345,000.00	4.000%	2032
\$ 360,000.00	4.000%	2033
\$ 375,000.00	4.000%	2034
\$ 340,000.00	4.000%	2036*
\$ 380,000.00	4.000%	2038*
\$ 410,000.00	4.000%	2040*
\$ 690,000.00	4.000%	2043*

\*Term Notes

b) Redemption.

i. Optional Redemption. Notes maturing after June 1, 2032, may be called for optional redemption by the Issuer on that date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

Thirty days' written notice of redemption shall be given to the registered owner of the Note. Failure to give written notice to any registered owner of the Notes or any defect therein shall not affect the validity of any proceedings for the redemption of the Notes. All Notes or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment. Written notice will be deemed completed upon transmission to the owner of record.

If selection by lot within a maturity is required, the Registrar shall designate the Notes to be redeemed by random selection of the names of the registered owners of the entire annual maturity until the total amount of Notes to be called has been reached.

If less than all of a maturity is called for redemption, the Issuer will notify DTC of the particular amount of such maturity to be redeemed prior to maturity. DTC will determine by lot the amount of each Participant's interest in such maturity to be redeemed and each Participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

ii. Mandatory Payment and Redemption of Term Notes. All Term Notes are subject to mandatory redemption prior to maturity at a price equal to 100% of the portion of the principal amount thereof to be redeemed plus accrued interest at the redemption date on June 1st of each of the years in the principal amount set opposite each year in the following schedule:

Term Note #1

Principal Amount	Interest Rate	Maturity June 1 <sup>st</sup>
\$ 165,000.00	4.000%	2035
\$ 175,000.00	4.000%	2036*

\*Final Maturity

Term Note #2

Principal Amount	Interest Rate	Maturity June 1 <sup>st</sup>
\$ 185,000.00	4.000%	2037
\$ 195,000.00	4.000%	2038*

\*Final Maturity

Term Note #3

Principal Amount	Interest Rate	Maturity June 1 <sup>st</sup>
\$ 200,000.00	4.000%	2039
\$ 210,000.00	4.000%	2040*

\*Final Maturity

Term Note #4

Principal Amount	Interest Rate	Maturity June 1 <sup>st</sup>
\$ 220,000.00	4.000%	2041
\$ 230,000.00	4.000%	2042
\$ 240,000.00	4.000%	2043*

\*Final Maturity

The principal amount of Term Notes may be reduced through the earlier optional redemption, with any partial optional redemption of the Term Notes credited against future mandatory redemption requirements for such Term Notes in such order as the City shall determine.

c) Urban Renewal Purposes.

The Notes are hereby declared to be issued for essential public and governmental purposes for qualified urban renewal projects.

The Notes shall recite in substance that they have been issued by the City in connection with an urban renewal project as defined by Chapter 403 of the Code of Iowa, and in any suit, action or proceeding involving the validity or enforceability of any note issued hereunder or the security therefor, such Note shall be conclusively deemed to have been issued for such purpose and such project shall be conclusively deemed to have been planned, located and carried out in accordance with the provisions of Chapter 403 of the Code of Iowa.

Section 7. Issuance of Notes in Book-Entry Form; Replacement Notes.

a) Notwithstanding the other provisions of this Resolution regarding registration, ownership, transfer, payment and exchange of the Notes, unless the Issuer determines to permit the exchange of Depository Notes for Notes in Authorized Denominations, the Notes shall be issued as Depository Notes in denominations of the entire principal amount of each maturity of Notes (or, if a portion of said principal amount is prepaid, said principal amount less the prepaid amount). The Notes must be registered in the name of Cede & Co., as nominee for DTC. Payment of semiannual interest for any Notes registered in the name of Cede & Co. will be made by wire transfer or New York Clearing House or equivalent next day funds to the account of Cede & Co. on the interest payment date for the Notes at the address indicated or in the Representation Letter.

b) The Notes will be initially issued in the form of separate single authenticated fully registered bonds in the amount of each stated maturity of the Notes. Upon initial issuance, the ownership of the Notes will be registered in the registry books of the UMB Bank, N.A. kept by the Paying Agent and Registrar in the name of Cede & Co., as nominee of DTC. The Paying Agent and Registrar and the Issuer may treat DTC (or its nominee) as the sole and exclusive owner of the Notes registered in its name for the

purposes of payment of the principal or redemption price of or interest on the Notes, selecting the Notes or portions to be redeemed, giving any notice permitted or required to be given to registered owners of Notes under the Resolution of the Issuer, registering the transfer of Notes, obtaining any consent or other action to be taken by registered owners of the Notes and for other purposes. The Paying Agent, Registrar and the Issuer have no responsibility or obligation to any Participant or Beneficial Owner of the Notes under or through DTC with respect to the accuracy of records maintained by DTC or any Participant; with respect to the payment by DTC or Participant of an amount of principal or redemption price of or interest on the Notes; with respect to any notice given to owners of Notes under the Resolution; with respect to the Participant(s) selected to receive payment in the event of a partial redemption of the Notes, or a consent given or other action taken by DTC as registered owner of the Notes. The Paying Agent and Registrar shall pay all principal of and premium, if any, and interest on the Notes only to Cede & Co. in accordance with the Representation Letter, and all payments are valid and effective to fully satisfy and discharge the Issuer's obligations with respect to the principal of and premium, if any, and interest on the Notes to the extent of the sum paid. DTC must receive an authenticated Bond for each separate stated maturity evidencing the obligation of the Issuer to make payments of principal of and premium, if any, and interest. Upon delivery by DTC to the Paying Agent and Registrar of written notice that DTC has determined to substitute a new nominee in place of Cede & Co., the Notes will be transferable to the new nominee in accordance with this Section.

c) In the event the Issuer determines that it is in the best interest of the Beneficial Owners that they be able to obtain Notes certificates, the Issuer may notify DTC and the Paying Agent and Registrar, whereupon DTC will notify the Participants, of the availability through DTC of Notes certificates. The Notes will be transferable in accordance with this Section. DTC may determine to discontinue providing its services with respect to the Notes at any time by giving notice to the Issuer and the Paying Agent and Registrar and discharging its responsibilities under applicable law. In this event, the Notes will be transferable in accordance with this Section.

d) Notwithstanding any other provision of the Resolution to the contrary, so long as any Note is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on the Note and all notices must be made and given, respectively to DTC as provided in the Representation letter.

e) In connection with any notice or other communication to be provided to Noteholders by the Issuer or the Paying Agent and Registrar with respect to a consent or other action to be taken by Noteholders, the Issuer or the Paying Agent and Registrar, as the case may be, shall establish a record date for the consent or other action and give DTC notice of the record date not less than 15 calendar days in advance of the record date to the extent possible. Notice to DTC must be given only when DTC is the sole Noteholder.

f) The Representation Letter is on file with DTC and sets forth certain matters with respect to, among other things, notices, consents and approvals by Noteholders and

payments on the Notes. The execution and delivery of the Representation Letter to DTC by the Issuer is ratified and confirmed.

g) In the event that a transfer or exchange of the Notes is permitted under this Section, the transfer or exchange may be accomplished upon receipt by the Registrar from the registered owners of the Notes to be transferred or exchanged and appropriate instruments of transfer. In the event Note certificates are issued to holders other than Cede & Co., its successor as nominee for DTC as holder of all the Notes, or other securities depository as holder of all the Notes, the provisions of the Resolution apply to, among other things, the printing of certificates and the method or payment of principal of and interest on the certificates. Any substitute depository shall be designated in writing by the Issuer to the Paying Agent. Any such substitute depository shall be a qualified and registered "clearing agency" as provided in Section 17A of the Securities Exchange Act of 1934, as amended. The substitute depository shall provide for (i) immobilization of the Depository Notes, (ii) registration and transfer of interests in Depository Notes by book entries made on records of the depository or its nominee and (iii) payment of principal of, premium, if any, and interest on the Notes in accordance with and as such interests may appear with respect to such book entries.

h) The officers of the Issuer are authorized and directed to prepare and furnish to the purchaser, and to the attorneys approving the legality of Notes, certified copies of proceedings, ordinances, resolutions and records and all certificates and affidavits and other instruments as may be required to evidence the legality and marketability of the Notes, and all certified copies, certificates, affidavits and other instruments constitute representations of the Issuer as to the correctness of all stated or recited facts.

Section 8. Registration of Notes; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

a) Registration. The ownership of Notes may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Notes, and in no other way. UMB Bank, N.A. is hereby appointed as Note Registrar under the terms of this Resolution and under the provisions of a separate agreement with the Issuer filed herewith which is made a part hereof by this reference. Registrar shall maintain the books of the Issuer for the registration of ownership of the Notes for the payment of principal of and interest on the Notes as provided in this Resolution. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and Section 384.31 of the Code of Iowa, subject to the provisions for registration and transfer contained in the Notes and in this Resolution.

b) Transfer. The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of Notes and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the



registered owner of a Note (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Note, a new fully registered Note, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Note, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

c) Registration of Transferred Notes. In all cases of the transfer of the Notes, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Notes, in accordance with the provisions of this Resolution.

d) Ownership. As to any Note, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Notes and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

e) Cancellation. All Notes which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Notes which are cancelled by the Registrar shall be destroyed and a certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Notes to the Issuer.

f) Non-Presentation of Notes. In the event any payment check, wire, or electronic transfer of funds representing payment of principal of or interest on the Notes is returned to the Paying Agent or if any note is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal of or interest on Notes shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Notes shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Notes who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Notes. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Notes of whatever nature shall be made upon the Issuer.

g) Registration and Transfer Fees. The Registrar may furnish to each owner, at the Issuer's expense, one note for each annual maturity. The Registrar shall furnish

additional Notes in lesser denominations (but not less than the minimum denomination) to an owner who so requests.

Section 9. Reissuance of Mutilated, Destroyed, Stolen or Lost Notes. In case any outstanding Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Note of like tenor and amount as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note to Registrar, upon surrender of such mutilated Note, or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 10. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Note, shall be made to the registered holder thereof or to their designated agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Notes to the extent of the payments so made. Upon receipt of the final payment of principal, the holder of the Note shall surrender the Note to the Paying Agent.

Section 11. Execution, Authentication and Delivery of the Notes. Upon the adoption of this Resolution, the Mayor and Clerk shall execute the Notes by their manual or authorized signature and deliver the Notes to the Registrar, who shall authenticate the Notes and deliver the same to or upon order of the Purchaser. No Note shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Note a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Note executed on behalf of the Issuer shall be conclusive evidence that the Note so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

No Notes shall be authenticated and delivered by the Registrar unless and until there shall have been provided the following:

1. A certified copy of the resolution of Issuer approving the execution of a Loan Agreement and a copy of the Loan Agreement;
2. A written order of Issuer signed by the Treasurer of the Issuer directing the authentication and delivery of the Notes to or upon the order of the Purchaser upon payment of the purchase price as set forth therein;
3. The approving opinion of Ahlers & Cooney, P.C., Bond Counsel, concerning the validity and legality of all the Notes proposed to be issued.

Section 12. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered noteholder.

Section 13. Form of Note. Notes shall be printed substantially in the form as follows:

"STATE OF IOWA"  
"COUNTY OF LINN"  
"CITY OF MOUNT VERNON"  
"GENERAL OBLIGATION CAPITAL LOAN NOTE"  
"SERIES 2024"  
ESSENTIAL CORPORATE PURPOSE

Rate: \_\_\_\_\_  
Maturity: \_\_\_\_\_  
Note Date: June 4, 2024  
CUSIP No.: \_\_\_\_\_  
"Registered"  
Certificate No. \_\_\_\_\_  
Principal Amount: \$ \_\_\_\_\_

The City of Mount Vernon, State of Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

(Registration panel to be completed by Registrar or Printer with name of Registered Owner).

or registered assigns, the principal sum of (enter principal amount in long form) THOUSAND DOLLARS in lawful money of the United States of America, on the maturity date shown above, only upon presentation and surrender hereof at the office of UMB Bank, N.A., Paying Agent of this issue, or its successor, with interest on the sum from the date hereof until paid at the rate per annum specified above, payable on December 1, 2024, and semiannually thereafter on the 1st day of June and December in each year.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding such interest payment date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

This Note is issued pursuant to the provisions of Sections 384.24(3)(q), 384.24A, 384.25 and 403.12 of the Code of Iowa, for the purpose of paying costs of aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including constructing the Glenn Street project roadway and associated utilities and infrastructure improvements in the Stoner Plaza Tenth Addition as authorized in Amendment No. 8 to the Mount Vernon Urban Renewal Plan; aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including improvements to the swimming pool and related facilities as authorized in Amendment No. 9 to the Mount Vernon Urban Renewal Plan; opening, widening, extending, grading, and draining of

the right-of-way of streets, highways, avenues, alleys and public grounds, and market places, and the removal and replacement of dead or diseased trees thereon; the construction, reconstruction, and repairing of any street improvements, bridges, grade crossing separations and approaches; the acquisition, installation, and repair of sidewalks, culverts, retaining walls, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices; and the acquisition of any real estate needed for any of the foregoing purposes including overlay of 4th Street NW, Cass Street, intersection of 10th and Summit and watermain on 4th St and 5th Ave; and acquisition, improvement and equipping of waterworks, water mains, and extensions, and real and personal property, useful for providing potable water including water meter replacements and related equipment, and in order to evidence the obligations of the Issuer under a certain Loan Agreement dated the date hereof, in conformity to a Resolution of the Council of said City duly passed and approved. For a complete statement of the funds from which and the conditions under which this Note is payable, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above described Loan Agreement and Resolution.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a limited purpose trust company ("DTC"), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other Issuer as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Notes maturing after June 1, 2032, may be called for optional redemption by the Issuer and paid before maturity on said date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

Thirty days' written notice of redemption shall be given to the registered owner of the Note. Failure to give written notice to any registered owner of the Notes or any defect therein shall not affect the validity of any proceedings for the redemption of the Notes. All notes or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment. Written notice will be deemed completed upon transmission to the owner of record.

If selection by lot within a maturity is required, the Registrar shall designate the Notes to be redeemed by random selection of the names of the registered owners of the entire annual maturity until the total amount of Notes to be called has been reached.

If less than all of a maturity is called for redemption, the Issuer will notify DTC of the particular amount of such maturity to be redeemed prior to maturity. DTC will determine by lot the amount of each Participant's interest in such maturity to be redeemed and each Participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

The Notes maturing on June 1, 2036 are subject to mandatory redemption prior to maturity by application of money on deposit in the Note Fund and shall bear interest at 4.000% per annum at a price of the portion of the principal amount thereof to be redeemed plus accrued interest at the redemption date on June 1st of each of the years in the principal amount set opposite each year in the following schedule:

Principal Amount	Interest Rate	Maturity June 1 <sup>st</sup>
\$ 165,000.00	4.000%	2035
\$ 175,000.00	4.000%	2036*

\*Final Maturity

The Notes maturing on June 1, 2038 are subject to mandatory redemption prior to maturity by application of money on deposit in the Note Fund and shall bear interest at 4.000% per annum at a price of the portion of the principal amount thereof to be redeemed plus accrued interest at the redemption date on June 1st of each of the years in the principal amount set opposite each year in the following schedule:

Principal Amount	Interest Rate	Maturity June 1 <sup>st</sup>
\$ 185,000.00	4.000%	2037
\$ 195,000.00	4.000%	2038*

\*Final Maturity

The Notes maturing on June 1, 2040 are subject to mandatory redemption prior to maturity by application of money on deposit in the Note Fund and shall bear interest at 4.000% per annum at a price of the portion of the principal amount thereof to be redeemed plus accrued interest at the redemption date on June 1st of each of the years in the principal amount set opposite each year in the following schedule:

Principal Amount	Interest Rate	Maturity June 1 <sup>st</sup>
\$ 200,000.00	4.000%	2039
\$ 210,000.00	4.000%	2040*

\*Final Maturity

The Notes maturing on June 1, 2043 are subject to mandatory redemption prior to maturity by application of money on deposit in the Note Fund and shall bear interest at 4.000% per annum at a price of the portion of the principal amount thereof to be redeemed plus accrued interest at the redemption date on June 1st of each of the years in the principal amount set opposite each year in the following schedule:

Principal Amount	Interest Rate	Maturity June 1 <sup>st</sup>
\$ 220,000.00	4.000%	2041
\$ 230,000.00	4.000%	2042
\$ 240,000.00	4.000%	2043*

\*Final Maturity

The principal amount of Term Notes may be reduced through the earlier optional redemption, with any partial optional redemption of the Term Notes credited against future mandatory redemption requirements for such Term Notes in such order as the City shall determine.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by UMB Bank, N.A., the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar as designated below, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and Section 384.31 of the Code of Iowa, subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms has been issued by the City in connection with an urban renewal project as defined in Chapter 403 of the Code of Iowa, and in any suit, action or proceeding involving the validity or enforceability of any note issued hereunder or the security therefor, such Note shall be conclusively deemed to have been issued for such purpose and such project shall be conclusively deemed to have been planned, located and carried out in accordance with the provisions of Chapter 403 of the Code of Iowa.

This Note is a "qualified tax-exempt obligation" designated by the City for purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law; that provision has been made for the levy of a sufficient continuing annual tax on all the taxable property within the territory of the Issuer for the payment of the principal and interest of this Note as the same will respectively become due; that such taxes have been irrevocably pledged for the prompt payment hereof, both principal and interest; and the total indebtedness of the Issuer including this Note, does not exceed the constitutional or statutory limitations.

IN TESTIMONY WHEREOF, the Issuer by its Council, has caused this Note to be signed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, with the seal of the City printed or impressed hereon, and to be authenticated by the manual signature of an authorized representative of the Registrar, UMB Bank, N.A., West Des Moines, Iowa.

Date of authentication: \_\_\_\_\_  
This is one of the Notes described in the within mentioned Resolution, as registered by UMB Bank, N.A.

UMB BANK, N.A., Registrar  
West Des Moines, Iowa 50266

By: \_\_\_\_\_  
Authorized Signature

Registrar and Transfer Agent: UMB Bank, N.A.  
Paying Agent: UMB Bank, N.A.

SEE REVERSE FOR CERTAIN DEFINITIONS

(Seal)  
(Signature Block)

CITY OF MOUNT VERNON, STATE OF IOWA

By: \_\_\_\_\_ (manual or facsimile signature)  
Mayor

ATTEST:

By: \_\_\_\_\_ (manual or facsimile signature)  
City Clerk

(Information Required for Registration)

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. ("AGM"), 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 Note to UMB Bank, n.a., West Des Moines, Iowa, or its successor, as paying agent for the Notes (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from AGM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Note acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Social Security or Tax Identification No. \_\_\_\_\_) the within Note and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_

(Person(s) executing this Assignment sign(s) here)

SIGNATURE )  
GUARANTEED) \_\_\_\_\_

IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the certificate(s) or note(s) in every particular without alteration or enlargement or any change whatever. 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 signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.



INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) \_\_\_\_\_
Address of Transferee(s) \_\_\_\_\_
Social Security or Tax Identification \_\_\_\_\_
Number of Transferee(s) \_\_\_\_\_
Transferee is a(n):
Individual\* \_\_\_\_\_ Corporation \_\_\_\_\_
Partnership \_\_\_\_\_ Trust \_\_\_\_\_

\*If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

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

- TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with rights of survivorship and not as tenants in common
IA UNIF TRANS MIN ACT - ..... Custodian .....
(Cust) (Minor)
Under Iowa Uniform Transfers to Minors Act.....
(State)

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED THOUGH NOT IN THE ABOVE LIST

(End of form of Note)

Section 14. Loan Agreement and Closing Documents. The form of Loan Agreement in substantially the form attached to this Resolution is hereby approved and is authorized to be executed and issued on behalf of the Issuer by the Mayor and attested by the City Clerk. The Mayor and City Clerk are authorized and directed to execute, attest, seal and deliver for and on behalf of the City any other additional certificates, documents, or other papers and perform all other acts, including without limitation the execution of all closing documents, as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 15. Contract Between Issuer and Purchaser. This Resolution constitutes a contract between said City and the purchaser of the Notes.

Section 16. Non-Arbitrage Covenants. The Issuer reasonably expects and covenants that no use will be made of the proceeds from the issuance and sale of the Notes issued hereunder which will cause any of the Notes to be classified as arbitrage notes within the meaning of Sections 148(a) and (b) of the Internal Revenue Code of the United States, as amended, and that

throughout the term of the Notes it will comply with the requirements of statutes and regulations issued thereunder.

To the best knowledge and belief of the Issuer, there are no facts or circumstances that would materially change the foregoing statements or the conclusion that it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be arbitrage notes.

Section 17. Approval of Tax Exemption Certificate. Attached hereto is a form of Tax Exemption Certificate stating the Issuer's reasonable expectations as to the use of the proceeds of the Notes. The form of Tax Exemption Certificate is approved. The Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The City Clerk/Treasurer is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate at issuance of the Notes to certify as to the reasonable expectations and covenants of the Issuer at that date.

Section 18. Continuing Disclosure. The Issuer hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, and the provisions of the Continuing Disclosure Certificate are hereby incorporated by reference as part of this Resolution and made a part hereof. Notwithstanding any other provision of this Resolution, failure of the Issuer to comply with the Continuing Disclosure Certificate shall not be considered an event of default under this Resolution; however, any holder of the Notes or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under the Continuing Disclosure Certificate. For purposes of this section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Note (including persons holding Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Notes for federal income tax purposes.

Section 19. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the purchasers and holders of the Notes from time to time outstanding that the Issuer through its officers, (a) will make such further specific covenants, representations and assurances as may be necessary or advisable; (b) comply with all representations, covenants and assurances contained in the Tax Exemption Certificate, which Tax Exemption Certificate shall constitute a part of the contract between the Issuer and the owners of the Notes; (c) consult with Bond Counsel (as defined in the Tax Exemption Certificate); (d) pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Notes; (e) file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Issuer in such compliance.

Section 20. Amendment of Resolution to Maintain Tax Exemption. This Resolution may be amended without the consent of any owner of the Notes if, in the opinion of Bond Counsel,

such amendment is necessary to maintain tax exemption with respect to the Notes under applicable Federal law or regulations.

Section 21. Qualified Tax-Exempt Obligations. For the sole purpose of qualifying the Notes as "Qualified Tax-Exempt Obligations" pursuant to Section 265(b)(3)(B) of the Internal Revenue Code of the United States, the Issuer hereby designates the Notes as qualified tax-exempt obligations and represents that the reasonably anticipated amount of tax-exempt governmental and qualified 501(c)(3) obligations which will be issued during the current calendar year will not exceed Ten (10) Million Dollars.

Section 22. Repeal of Conflicting Resolutions or Ordinances. All ordinances and resolutions and parts of ordinances and resolutions in conflict herewith are hereby repealed.

Section 23. Severability Clause. If any section, paragraph, clause or provision of this Resolution be held invalid, such invalidity shall not affect any of the remaining provisions hereof, and this Resolution shall become effective immediately upon its passage and approval.

PASSED AND APPROVED this 20<sup>th</sup> day of May, 2024.

\_\_\_\_\_  
Mayor

ATTEST:

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

CERTIFICATE

STATE OF IOWA )  
 ) SS  
COUNTY OF LINN )

I, the undersigned City Clerk of the City of Mount Vernon, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Council vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Council hereto affixed this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
City Clerk, City of Mount Vernon, State of Iowa

(SEAL)

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TAX EXEMPTION CERTIFICATE

of

CITY OF MOUNT VERNON, COUNTY OF LINN, STATE OF IOWA, ISSUER

\$4,840,000 General Obligation Capital Loan Notes, Series 2024

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This instrument was prepared by:

Ahlers & Cooney, P.C.  
100 Court Avenue, Suite 600  
Des Moines, Iowa 50309  
(515) 243-7611

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## TAX EXEMPTION CERTIFICATE

### CITY OF MOUNT VERNON, STATE OF IOWA

THIS TAX EXEMPTION CERTIFICATE made and entered into on June 4, 2024, by the City of Mount Vernon, County of Linn, State of Iowa (the "Issuer").

#### INTRODUCTION

This Certificate is executed and delivered in connection with the issuance by the Issuer of its \$4,840,000 General Obligation Capital Loan Notes, Series 2024 (the "Bonds"). The Bonds are issued pursuant to the provisions of the Resolution of the Issuer authorizing the issuance of the Bonds. Such Resolution provides that the covenants contained in this Certificate constitute a part of the Issuer's contract with the owners of the Bonds.

The Issuer recognizes that under the Code (as defined below) the tax-exempt status of the interest received by the owners of the Bonds is dependent upon, among other things, the facts, circumstances, and reasonable expectations of the Issuer as to future facts not in existence at this time, as well as the observance of certain covenants in the future. The Issuer covenants that it will take such action with respect to the Bonds as may be required by the Code, and pertinent legal regulations issued thereunder in order to establish and maintain the tax-exempt status of the Bonds, including the observance of all specific covenants contained in the Resolution and this Certificate.

#### ARTICLE I

##### DEFINITIONS

The following terms as used in this Certificate shall have the meanings set forth below. The terms defined in the Resolution shall retain the meanings set forth therein when used in this Certificate. Other terms used in this Certificate shall have the meanings set forth in the Code or in the Regulations.

- "Annual Debt Service" means the principal of and interest on the Bonds scheduled to be paid during a given Bond Year.
- "Bonds" means the \$4,840,000 aggregate principal amount of General Obligation Capital Loan Notes, Series 2024, of the Issuer issued in registered form pursuant to the Resolution.
- "Bond Counsel" means Ahlers & Cooney, P.C., Des Moines, Iowa, or an attorney at law or a firm of attorneys of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any State of the United States of America.
- "Bond Fund" means the Sinking Fund described in the Resolution.

- "Bond Purchase Agreement" means the binding contract in writing for the sale of the Bonds.
- "Bond Year" as defined in Regulation 1.148-1(b), means a one-year period beginning on the day after expiration of the preceding Bond Year. The first Bond Year shall be the one-year or shorter period beginning on the Closing Date and ending on a principal or interest payment date, unless Issuer selects another date.
- "Bond Yield" means that discount rate which produces an amount equal to the Issue Price of the Bonds when used in computing the present value of all payments of principal and interest to be paid on the Bonds, using semiannual compounding on a 360-day year as computed under Regulation 1.148-4.
- "Certificate" means this Tax Exemption Certificate.
- "Closing" means the delivery of the Bonds in exchange for the agreed upon purchase price.
- "Closing Date" means the date of Closing.
- "Code" means the Internal Revenue Code of 1986, as amended, and any statutes which replace or supplement the Internal Revenue Code of 1986.
- "Computation Date" means each five-year period from the Closing Date through the last day of the fifth and each succeeding fifth Bond Year.
- "Excess Earnings" means the amount earned on all Nonpurpose Investments minus the amount which would have been earned if such Nonpurpose Investments were invested at a rate equal to the Bond Yield, plus any income attributable to such excess.
- "Final Bond Retirement Date" means the date on which the Bonds are actually paid in full.
- "Governmental Obligations" means direct general obligations of, or obligations the timely payment of the principal of and interest on which is unconditionally guaranteed by the United States.
- "Gross Proceeds" as defined in Regulation 1.148-1(b), means any Proceeds of the Bonds and any replacement proceeds (as defined in Regulation 1.148-1(c)) of the Bonds.
- "Gross Proceeds Funds" means the Project Fund, Proceeds held to pay cost of issuance, and any other fund or account held for the benefit of the owners of the Bonds or containing Gross Proceeds of the Bonds except the Bond Fund and the Rebate Fund.



- "Issue Price" as defined in Regulation 1.148-1(b) and (f)(2), means the price determined pursuant to the Special Rule for Competitive Sales in accordance with Regulation 1.148-1(f)(2)(iii). The Issuer hereby elects to utilize the Special Rule for Competitive Sales and treats the reasonably expected initial offering price to the public as of the sale date as the issue price of the Bonds. The Purchasers have certified the Issue Price to be not more than \$5,006,171.20, as set forth in Exhibit A.

- "Issuer" means the City of Mount Vernon, a municipal corporation in the County of Linn, State of Iowa.

- "Minor Portion of the Bonds", as defined in Regulation 1.148-2(g), means the lesser of five (5) percent of Proceeds or \$100,000. The Minor Portion of the Bonds is computed to be \$100,000.

- "Nonpurpose Investments" means any investment property which is acquired with Gross Proceeds and is not acquired to carry out the governmental purpose of the Bonds, and may include but is not limited to U.S. Treasury bonds, corporate bonds, or certificates of deposit.

- "Proceeds" as defined in Regulation 1.148-1(b), means Sale Proceeds, investment proceeds and transferred proceeds of the Bonds.

- "Project" means the aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including constructing the Glenn Street project roadway and associated utilities and infrastructure improvements in the Stoner Plaza Tenth Addition as authorized in Amendment No. 8 to the Mount Vernon Urban Renewal Plan; aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including improvements to the swimming pool and related facilities as authorized in Amendment No. 9 to the Mount Vernon Urban Renewal Plan; opening, widening, extending, grading, and draining of the right-of-way of streets, highways, avenues, alleys and public grounds, and market places, and the removal and replacement of dead or diseased trees thereon; the construction, reconstruction, and repairing of any street improvements, bridges, grade crossing separations and approaches; the acquisition, installation, and repair of sidewalks, culverts, retaining walls, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices; and the acquisition of any real estate needed for any of the foregoing purposes including overlay of 4th Street NW, Cass Street, intersection of 10th and Summit and watermain on 4th St and 5th Ave; and acquisition, improvement and equipping of waterworks, water mains, and extensions, and real and personal property, useful for providing potable water including water meter replacements and related equipment as more fully described in the Resolution.

- "Project Fund" shall mean the fund required to be established by the Resolution for the deposit of the Proceeds of the Notes.

- "Purchasers" means Robert W. Baird & Co., Inc. of Milwaukee, Wisconsin, constituting the initial purchasers of the Bonds from the Issuer.

- "Rebate Amount" means the amount computed as described in this Certificate.
- "Rebate Fund" means the fund to be created, if necessary, pursuant to this Certificate.
- "Rebate Payment Date" means a date chosen by the Issuer which is not more than 60 days following each Computation Date or the Final Bond Retirement Date.
- "Regulations" means the Income Tax Regulations, amendments and successor provisions promulgated by the Department of the Treasury under Sections 103, 148 and 149 of the Code, or other Sections of the Code relating to "arbitrage bonds", including without limitation Regulations 1.148-1 through 1.148-11, 1.149(b)-1, 1.149-d(1), 1.150-1 and 1.150-2.
- "Replacement Proceeds" include, but are not limited to, sinking funds, amounts that are pledged as security for an issue, and amounts that are replaced because of a sufficiently direct nexus to a governmental purpose of an issue.
- "Resolution" means the resolution of the Issuer adopted on May 20, 2024, authorizing the issuance of the Bonds.
- "Sale Proceeds" as defined in Regulation 1.148-1(b), means any amounts actually or constructively received from the sale of the Bonds, including amounts used to pay underwriter's discount or compensation and accrued interest other than pre-issuance accrued interest.
- "Sinking Fund" means the Bond Fund.
- "SLGS" means demand deposit Treasury securities of the State and Local Government Series.
- "Tax Exempt Obligations" means bonds or other obligations the interest on which is excludable from the gross income of the owners thereof under Section 103 of the Code and include certain regulated investment companies, stock in tax-exempt mutual funds and demand deposit SLGS.
- "Taxable Obligations" means all investment property, obligations or securities other than Tax Exempt Obligations.
- "Verification Certificate" means the certificate attached to this Certificate as Exhibit A, setting forth the offering prices at which the Purchaser will reoffer and sell the Bonds to the public.

## ARTICLE II

### SPECIFIC CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS

The Issuer hereby certifies, represents and agrees as follows:

#### Section 2.1 Authority to Certify and Expectations

(a) The undersigned officer of the Issuer along with other officers of the Issuer, are charged with the responsibility of issuing the Bonds.

(b) This Certificate is being executed and delivered in part for the purposes specified in Section 1.148-2(b)(2) of the Regulations and is intended (among other purposes) to establish reasonable expectations of the Issuer at this time.

(c) The Issuer has not been notified of any disqualification or proposed disqualification of it by the Commissioner of the Internal Revenue Service as a bond issuer which may certify bond issues under Section 1.148-2(b)(2) of the Regulations.

(d) The certifications, representations and agreements set forth in this Article II are made on the basis of the facts, estimates and circumstances in existence on the date hereof, including the following: (1) with respect to amounts expected to be received from delivery of the Bonds, amounts actually received, (2) with respect to payments of amounts into various funds or accounts, review of the authorizations or directions for such payments made by the Issuer pursuant to the Resolution and this Certificate, (3) with respect to the Issue Price, the certifications of the Purchasers as set forth in the Verification Certificate, (4) with respect to expenditure of the Proceeds of the Bonds, actual expenditures and reasonable expectations of the Issuer as to when the Proceeds will be spent for purposes of the Project, (5) with respect to Bond Yield, review of the Verification Certificate, and (6) with respect to the amount of governmental and qualified 501(c)(3) bonds to be issued during the calendar year, the budgeting and present planning of Issuer. The Issuer has no reason to believe such facts, estimates or circumstances are untrue or incomplete in any material way.

(e) To the best of the knowledge and belief of the undersigned officer of the Issuer, there are no facts, estimates or circumstances that would materially change the representations, certifications or agreements set forth in this Certificate, and the expectations herein set out are reasonable.

(f) No arrangement exists under which the payment of principal or interest on the Bonds would be directly or indirectly guaranteed by the United States or any agency or instrumentality thereof.

(g) After the expiration of any applicable temporary periods, and excluding investments in a bona fide debt service fund or reserve fund, not more than five percent (5%) of the Proceeds of the Bonds will be (a) used to make loans which are guaranteed

by the United States or any agency or instrumentality thereof, or (b) invested in federally insured deposits or accounts.

(h) The Issuer will file with the Internal Revenue Service in a timely fashion Form 8038-G, Information Return for Tax-Exempt Governmental Obligations with respect to the Bonds and such other reports required to comply with the Code and applicable Regulations.

(i) The Issuer will take no action which would cause the Bonds to become "private activity bonds" as defined in Section 141 (a) of the Code, including any use of the Project by any person other than a governmental unit if such use will be by other than a member of the general public. None of the Proceeds of the Bonds will be used directly or indirectly to make or finance loans to any person other than a governmental unit.

(j) The Issuer will make no change in the nature or purpose of the Project except as provided in Section 6.1 hereof.

(k) Except as provided in the Resolution, the Issuer will not establish any sinking fund, bond fund, reserve fund, debt service fund or other fund reasonably expected to be used to pay debt service on the Bonds (other than the Bond Fund), exercise its option to redeem Bonds prior to maturity or effect a refunding of the Bonds.

(l) No bonds or other obligations of the Issuer (1) were sold in the 15 days preceding the date of sale of the Bonds, (2) were sold or will be sold within the 15 days after the date of sale of the Bonds, (3) have been delivered in the past 15 days or (4) will be delivered in the next 15 days pursuant to a common plan of financing for the issuance of the Bonds and payable out of substantially the same source of revenues.

(m) None of the Proceeds of the Bonds will be used directly or indirectly to replace funds of the Issuer used directly or indirectly to acquire obligations having a yield higher than the Bond Yield.

(n) No portion of the Bonds is issued for the purpose of investing such portion at a higher yield than the Bond Yield.

(o) The Issuer does not expect that the Proceeds of the Bonds will be used in a manner that would cause them to be "arbitrage bonds" as defined in Section 148(a) of the Code. The Issuer does not expect that the Proceeds of the Bonds will be used in a manner that would cause the interest on the Bonds to be includible in the gross income of the owners of the Bonds under the Code. The Issuer will not intentionally use any portion of the Proceeds to acquire higher yielding investments.

(p) The Issuer will not use the Proceeds of the Bonds to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage.

(q) The Issuer has not issued more Bonds, issued the Bonds earlier, or allowed the Bonds to remain outstanding longer than is reasonably necessary to accomplish the governmental purposes of the Bonds and in fact, the Bonds will not remain outstanding

longer than 120% of the economic useful life of the assets financed with the Proceeds of the Bonds.

(r) The Bonds will not be Hedge Bonds as described in Section 149(g)(3) of the Code because the Issuer reasonably expects that it will meet the Expenditure test set forth in Section 2.5(b) hereof and that 50% or more of the Proceeds will not be invested in Nonpurpose Investments having a substantially guaranteed yield for four or more years.

Except for costs of issuance, all Sale Proceeds and investment earnings thereon will be expended for costs of the type that would be chargeable to capital accounts under the Code pursuant to federal income tax principles if the Issuer were treated as a corporation subject to federal income taxation.

#### Section 2.2 Receipts and Expenditures of Sale Proceeds

Sale Proceeds (par plus re-offering premium of \$166,171.20), less underwriter's discount of \$57,092.00, received at Closing are expected to be deposited and expended as follows:

(a) \$ 0 representing pre-issuance accrued interest will be deposited into the Bond Fund and will be used to pay a portion of the interest accruing on the Bonds on the first interest payment date; and

(b) \$57,335.00 representing costs of issuing the Bonds will be used within six months of the Closing Date to pay the costs of issuance of the Bonds (with any excess remaining on deposit in the Project Fund); and

(c) \$4,891,744.20 will be deposited into the Project Fund and will be used together with earnings thereon to pay the costs of the Project and will not exceed the amount necessary to accomplish the governmental purposes of the Bonds; and

#### Section 2.3 Purpose of Bonds

The Issuer is issuing the Bonds to pay the costs of aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including constructing the Glenn Street project roadway and associated utilities and infrastructure improvements in the Stoner Plaza Tenth Addition as authorized in Amendment No. 8 to the Mount Vernon Urban Renewal Plan; aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including improvements to the swimming pool and related facilities as authorized in Amendment No. 9 to the Mount Vernon Urban Renewal Plan; opening, widening, extending, grading, and draining of the right-of-way of streets, highways, avenues, alleys and public grounds, and market places, and the removal and replacement of dead or diseased trees thereon; the construction, reconstruction, and repairing of any street improvements, bridges, grade crossing separations and approaches; the acquisition, installation, and repair of sidewalks, culverts, retaining walls, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices; and the acquisition of any real estate needed for any of the foregoing purposes including overlay of 4th Street NW, Cass Street, intersection of 10th and Summit and watermain on 4th St and 5th Ave; and acquisition,

improvement and equipping of waterworks, water mains, and extensions, and real and personal property, useful for providing potable water including water meter replacements and related equipment.

#### Section 2.4 Facts Supporting Tax-Exemption Classification

##### Governmental Bonds

##### Private Business Use/Private Security or Payment Tests

The Bonds are considered to be governmental bonds, not subject to the provisions of the alternate minimum tax. The Proceeds will be used for the purposes described in Section 2.3 hereof. These bonds are not private activity bonds because no amount of Proceeds of the Bonds is to be used in a trade or business carried on by a non-governmental unit. Rather, the Proceeds will be used to finance the general government operations and facilities of the Issuer described in Section 2.3 hereof. None of the payment of principal or interest on the Bonds will be derived from, or secured by, money or property used in a trade or business of a non-governmental unit. In addition, none of the governmental operations or facilities of the Issuer being financed with the Proceeds of the Bonds are subject to any lease, management contract or other similar arrangement or to any arrangement for use other than as by the general public.

##### Private Loan Financing Test

No amount of Proceeds of the Bonds is to be used directly or indirectly to make or finance loans to persons other than governmental units.

#### Section 2.5 Facts Supporting Temporary Periods for Proceeds

(a) Time Test. Not later than six months after the Closing Date, the Issuer will incur a substantial binding obligation to a third party to expend at least 5% of the net Sale Proceeds of the Bonds.

(b) Expenditure Test. Not less than 85% of the net Sale Proceeds will be expended for Project costs, including the reimbursement of other funds expended to date, within a three-year temporary period from the Closing Date.

(c) Due Diligence Test. Not later than six months after Closing, work on the Project will have commenced and will proceed with due diligence to completion.

(d) Proceeds of the Bonds representing less than six months accrued interest on the Bonds will be spent within six months of this date to pay interest on the Bonds, and will be invested without restriction as to yield for a temporary period not in excess of six months.

## Section 2.6 Resolution Funds at Restricted or Unrestricted Yield

(a) Proceeds of the Bonds will be held and accounted for in the manner provided in the Resolution. The Issuer has not and does not expect to create or establish any other bond fund, reserve fund, or similar fund or account for the Bonds. The Issuer has not and will not pledge any moneys or Taxable Obligations in order to pay debt service on the Bonds or restrict the use of such moneys or Taxable Obligations so as to give reasonable assurances of their availability for such purposes.

(b) Any monies which are invested beyond a temporary period are expected to constitute less than a major portion of the Bonds or to be restricted for investment at a yield not greater than one-eighth of one percent above the Bond Yield.

(c) The Issuer has established and will use the Bond Fund primarily to achieve a proper matching of revenues and debt service within each Bond Year and the Issuer will apply moneys deposited into the Bond Fund to pay the principal of and interest on the Bonds. Such Fund will be depleted at least once each Bond Year except for a reasonable carryover amount. The carryover amount will not exceed the greater of (1) one year's earnings on the Bond Fund or (2) one-twelfth of Annual Debt Service. The Issuer will spend moneys deposited from time to time into such fund within 13 months after the date of deposit. Revenues, intended to be used to pay debt service on the Bonds, will be deposited into the Bond Fund as set forth in the Resolution. The Issuer will spend interest earned on moneys in such fund not more than 12 months after receipt. Accordingly, the Issuer will treat the Bond Fund as a bona fide debt service fund as defined in Regulation 1.148-1(b).

Investment of amounts on deposit in the Bond Fund will not be subject to arbitrage rebate requirements as the Bonds meet the safe harbor set forth in Regulation 1.148-3(k), because the average annual debt service on the Bonds will not exceed \$2,500,000 .

(d) The Minor Portion of the Bonds will be invested without regard to yield.

## Section 2.7 Pertaining to Yields

(a) The purchase price of all Taxable Obligations to which restrictions apply under this Certificate as to investment yield or rebate of Excess Earnings, if any, has been and shall be calculated using (i) the price taking into account discount, premium and accrued interest, as applicable, actually paid or (ii) the fair market value if less than the price actually paid and if such Taxable Obligations were not purchased directly from the United States Treasury. The Issuer will acquire all such Taxable Obligations directly from the United States Treasury or in an arm's length transaction without regard to any amounts paid to reduce the yield on such Taxable Obligations. The Issuer will not pay or permit the payment of any amounts (other than to the United States) to reduce the yield on any Taxable Obligations. Obligations pledged to the payment of debt service on the Bonds, after they have been acquired by the Issuer will be treated as though they were acquired for their fair market value on the date of such pledge or deposit.

(b) Qualified guarantees in the form of Assured Guaranty Municipal Corp. insurance premium have been used in computing yield.

(c) The Bond Yield has been computed as not less than 3.511856 percent. This Bond Yield has been computed on the basis of a purchase price for the Bonds equal to the Issue Price.

## ARTICLE III

### REBATE

#### Section 3.1 Records

Sale Proceeds of the Bonds will be held and accounted for in the manner provided in the Resolution. The Issuer will maintain adequate records for funds created by the Resolution and this Certificate including all deposits, withdrawals, transfers from, transfers to, investments, reinvestments, sales, purchases, redemptions, liquidations and use of money or obligations until six years after the Final Bond Retirement Date.

#### Section 3.2 Rebate Fund

(a) In the Resolution, the Issuer has covenanted to pay to the United States the Rebate Amount, an amount equal to the Excess Earnings on the Gross Proceeds Funds, if any, at the times and in the manner required or permitted and subject to stated special rules and allowable exceptions.

(b) The Issuer may establish a fund pursuant to the Resolution and this Certificate which is herein referred to as the Rebate Fund. The Issuer will invest and expend amounts on deposit in the Rebate Fund in accordance with this Certificate.

(c) Moneys in the Rebate Fund shall be held by the Issuer or its designee and, subject to Sections 3.4, 3.5 and 6.1 hereof, shall be held for future payment to the United States as contemplated under the provisions of this Certificate and shall not constitute part of the trust estate held for the benefit of the owners of the Bonds or the Issuer.

(d) The Issuer will pay to the United States from legally available money of the Issuer (whether or not such available money is on deposit in any fund or account related to the Bonds) any amount which is required to be paid to the United States.

#### Section 3.3 Exceptions to Rebate

The Issuer reasonably expects that the Bonds are eligible for one or more exceptions from the arbitrage rebate rules set forth in the Regulations. If any Proceeds are ineligible, or become ineligible, for an exception to the arbitrage rebate rules, the Issuer will comply with the provisions of this Article III. A description of the applicable rebate exception(s) is as follows:

- \$5,000,000 Small Issuer Exception



The reasonably anticipated amount of tax-exempt bonds (other than private activity bonds) which will be issued by the Issuer and all subordinate entities of the Issuer during the calendar year will not exceed \$5,000,000.

- Election to Treat as Construction Bonds.

The Issuer reasonably expects that more than 75 percent of the "available construction proceeds" ("ACP") of the Bonds, as defined in Section 148(f)(4)(C)(vi) of the Code, will be used for construction expenditures. ACP includes the issue price of the issue plus the earnings on such issue. Not less than the following percentages of the ACP will be spent within the following periods:

- 1) 10 percent spent within six months of the Closing Date;
- 2) 45 percent spent within one year of the Closing Date;
- 3) 75 percent spent within eighteen months of the Closing Date;
- 4) 100 percent spent within two years of the Closing Date (subject to 5 percent retainage for not more than one year).

In any event, the Issuer expects that the 5% reasonable retainage will be spent within a three-year period beginning on the Closing Date. A failure to spend an amount that does not exceed the lesser of (i) 3% of the issue price or (ii) \$250,000, is disregarded if the Issuer exercises due diligence to complete the Project.

- Election with respect to future earnings

Pursuant to Section 1.148-7(f)(2) of the Regulations, the Issuer elects to use actual investment earnings of the ACP in determining compliance with the above schedule.

If the Issuer fails to meet the foregoing expenditure schedule, the Issuer shall comply with the arbitrage rebate requirements of the Code.

#### Section 3.4 Calculation of Rebate Amount

(a) As soon after each Computation Date as practicable, the Issuer shall, if necessary, calculate and determine the Excess Earnings on the Gross Proceeds Funds (the "Rebate Amount"). All calculations and determinations with respect to the Rebate Amount will be made on the basis of actual facts as of the Computation Date and reasonable expectations as to future events.

(b) If the Rebate Amount exceeds the amount currently on deposit in the Rebate Fund, the Issuer may deposit an amount in the Rebate Fund such that the balance in the Rebate Fund after such deposit equals the Rebate Amount. If the amount in the Rebate Fund exceeds the Rebate Amount, the Issuer may withdraw such excess amount provided that such withdrawal can be made from amounts originally transferred to the

Rebate Fund and not from earnings thereon, which may not be transferred, and only if such withdrawal may be made without liquidating investments at a loss.

### Section 3.5 Rebate Requirements and the Bond Fund

It is expected that the Bond Fund described in the Resolution and Section 2.6(c) of this Certificate will be treated as a bona fide debt service fund as defined in Regulation 1.148-1(b). As such, any amount earned during a Bond Year on the Bond Fund and amounts earned on such amounts, if allocated to the Bond Fund, will not be taken into account in calculating the Rebate Amount for the reasons outlined in Section 2.6(c) hereof. However, should the Bond Fund cease to be treated as a bona fide debt service fund, the Bond Fund will become subject to the rebate requirements set forth in Section 3.4 hereof.

### Section 3.6 Investment of the Rebate Fund

(a) Immediately upon a transfer to the Rebate Fund, the Issuer may invest all amounts in the Rebate Fund not already invested and held in the Rebate Fund, to the extent possible, in (1) SLGS, such investments to be made at a yield of not more than one-eighth of one percent above the Bond Yield, (2) Tax Exempt Obligations, (3) direct obligations of the United States or (4) certificates of deposit of any bank or savings and loan association. All investments in the Rebate Fund shall be made to mature not later than the next Rebate Payment Date.

(b) If the Issuer invests in SLGS, the Issuer shall file timely subscription forms for such securities (if required). To the extent possible, amounts received from maturing SLGS shall be reinvested immediately in zero yield SLGS maturing on or before the next Rebate Payment Date.

### Section 3.7 Payment to the United States

(a) On each Rebate Payment Date, the Issuer will pay to the United States at least ninety percent (90%) of the Rebate Amount less a computation credit of \$1,000 per Bond Year for which the payment is made.

(b) The Issuer will pay to the United States not later than sixty (60) days after the Final Bond Retirement Date all the rebatable arbitrage as of such date and any income attributable to such rebatable arbitrage as described in Regulation 1.148-3(f)(2).

(c) If necessary, on each Rebate Payment Date, the Issuer will mail a check to the Internal Revenue Service Center, Ogden, UT 84201. Each payment shall be accompanied by a copy of Form 8038-T, Arbitrage Rebate, filed with respect to the Bonds or other information reporting form as is required to comply with the Code and applicable Regulations.

### Section 3.8 Records

(a) The Issuer will keep and retain adequate records with respect to the Bonds, the Gross Proceeds Funds, the Bond Fund, and the Rebate Fund until six years

after the Final Bond Retirement Date. Such records shall include descriptions of all calculations of amounts transferred to the Rebate Fund, if any, and descriptions of all calculations of amounts paid to the United States as required by this Certificate. Such records will also show all amounts earned on moneys invested in such funds, and the actual dates and amounts of all principal, interest and redemption premiums (if any) paid on the Bonds.

(b) Records relating to the investments in such Funds shall completely describe all transfers, deposits, disbursements and earnings including:

(1) a complete list of all investments and reinvestments of amounts in each such Fund including, if applicable, purchase price, purchase date, type of security, accrued interest paid, interest rate, dated date, principal amount, date of maturity, interest payment dates, date of liquidation, receipt upon liquidation, market value of such investment on the Final Bond Retirement Date if held by the Issuer on the Final Bond Retirement Date, and market value of the investment on the date pledged to the payment of the Bonds or the Closing Date if different from the purchase date.

(2) the amount and source of each payment to, and the amount, purpose and payee of each payment from, each such Fund.

#### Section 3.9 Additional Payments

The Issuer hereby agrees to pay to the United States from legally available money of the Issuer (whether or not such available money is on deposit in any fund or account related to the Bonds) any amount which is required to be paid to the United States, but which is not available in a fund related to the Bonds for transfer to the Rebate Fund or payment to the United States.

### ARTICLE IV

#### INVESTMENT RESTRICTIONS

#### Section 4.1 Avoidance of Prohibited Payments

The Issuer will not enter into any transaction that reduces the amount required to be deposited into the Rebate Fund or paid to the United States because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Bond Yield not been relevant to either party. The Issuer will not invest or direct the investment of any funds in a manner which reduces an amount required to be paid to the United States because such transaction results in a small profit or larger loss than would have resulted if the transaction had been at arm's length and had the Bond Yield not been relevant to the Issuer. In particular, notwithstanding anything to the contrary contained herein or in the Resolution, the Issuer will not invest or direct the investment of any funds in a manner which would violate any provision of this Article IV.

#### Section 4.2 Market Price Requirement

(a) The Issuer will not purchase or direct the purchase of Taxable Obligations for more than the then available market price for such Taxable Obligations. The Issuer will not sell, liquidate or direct the sale or liquidation of Taxable Obligations for less than the then available market price.

(b) For purposes of this Certificate, United States Treasury obligations purchased directly from the United States Treasury will be deemed to be purchased at the market price.

#### Section 4.3 Investment in Certificates of Deposit

(a) Notwithstanding anything to the contrary contained herein or in the Resolution, the Issuer will invest or direct the investment of funds on deposit in the Gross Proceeds Fund, the Bond Fund, and the Rebate Fund, in a certificate of deposit of a bank or savings bank which is permitted by law and by the Resolution only if the purchase price of such a certificate of deposit is treated as its fair market value on the purchase date and if the yield on the certificate of deposit is not less than (1) the yield on reasonably comparable direct obligations of the United States; and (2) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(b) The certificate of deposit described in paragraph 4.3(a) above must be executed by a dealer who maintains an active secondary market in comparable certificates of deposit and must be based on actual trades adjusted to reflect the size and term of that certificate of deposit and the stability and reputation of the bank or savings bank issuing the certificate of deposit.

#### Section 4.4 Investment Pursuant to Investment Contracts and Agreements

The Issuer will invest or direct the investment of funds on deposit in the Gross Proceeds Funds, the Bond Fund, and the Rebate Fund pursuant to an investment contract (including a repurchase agreement) only if all of the following requirements are satisfied:

(a) The Issuer makes a bona fide solicitation for the purchase of the investment. A bona fide solicitation is a solicitation that satisfies all of the following requirements:

(1) The bid specifications are in writing and are timely forwarded to potential providers.

(2) The bid specifications include all material terms of the bid. A term is material if it may directly or indirectly affect the yield or the cost of the investment.

(3) The bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider

did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the issuer or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the issuer or any other person for purposes of satisfying the requirements of paragraph (d)(6)(iii)(B)(1) or (2) of Section 1.148-5 of the Regulations.

(4) The terms of the bid specifications are commercially reasonable. A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the investment.

(5) For purchases of guaranteed investment contracts only, the terms of the solicitation take into account the Issuer's reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) All potential providers have an equal opportunity to bid and no potential provider is given the opportunity to review other bids (i.e., a last look) before providing a bid.

(7) At least three reasonably competitive providers are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased.

(b) The bids received by the Issuer meet all of the following requirements:

(1) The Issuer receives at least three bids from providers that the Issuer solicited under a bona fide solicitation meeting the requirements of paragraph (d)(6)(iii)(A) of Section 1.148-5 of the Regulations and that do not have a material financial interest in the issue. A lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue. In addition, any entity acting as a financial advisor with respect to the purchase of the investment at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue. A provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(2) At least one of the three bids described in paragraph (d)(6)(iii)(B)(1) of Section 1.148-5 of the Regulations is from a reasonably competitive provider, within the meaning of paragraph (d)(6)(iii)(A)(7) of Section 1.148-5 of the Regulations.

(3) If the Issuer uses an agent to conduct the bidding process, the agent did not bid to provide the investment.

(c) The winning bid meets the following requirements:

(1) Guaranteed investment contracts. If the investment is a guaranteed investment contract, the winning bid is the highest yielding bona fide bid (determined net of any broker's fees).

(2) Other investments. If the investment is not a guaranteed investment contract, the winning bid is the lowest cost bona fide bid (including any broker's fees).

(d) The provider of the investments or the obligor on the guaranteed investment contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the investment.

(e) The Issuer will retain the following records with the bond documents until three years after the last outstanding bond is redeemed:

(1) For purchases of guaranteed investment contracts, a copy of the contract, and for purchases of investments other than guaranteed investment contracts, the purchase agreement or confirmation.

(2) The receipt or other record of the amount actually paid by the Issuer for the investments, including a record of any administrative costs paid by the Issuer, and the certification under paragraph (d)(6)(iii)(D) of Section 1.148-5 of the Regulations.

(3) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(4) The bid solicitation form and, if the terms of the purchase agreement or the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(5) For purchases of investments other than guaranteed investment contracts, the cost of the most efficient portfolio of State and Local Government Series Securities, determined at the time that the bids were required to be submitted pursuant to the terms of the bid specifications.

#### Section 4.5 Records

The Issuer will maintain records of all purchases, sales, liquidations, investments, reinvestments, redemptions, disbursements, deposits, and transfers of amounts on deposit.

#### Section 4.6 Investments to be Legal

All investments required to be made pursuant to this Certificate shall be made to the extent permitted by law. In the event that any such investment is determined to be ultra vires, it

shall be liquidated and the proceeds thereof shall be invested in a legal investment, provided that prior to reinvesting such proceeds, the Issuer shall obtain an opinion of Bond Counsel to the effect that such reinvestment will not cause the Bonds to become arbitrage bonds under Sections 103, 148, 149, or any other applicable provision of the Code.

## ARTICLE V

### GENERAL COVENANTS

The Issuer hereby covenants to perform all acts within its power necessary to ensure that the reasonable expectations set forth in Article II hereof will be realized. The Issuer reasonably expects to comply with all covenants contained in this Certificate.

## ARTICLE VI

### AMENDMENTS AND ADDITIONAL AGREEMENTS

#### Section 6.1 Opinion of Bond Counsel; Amendments

The various provisions of this Certificate need not be observed and this Certificate may be amended or supplemented at any time by the Issuer if the Issuer receives an opinion or opinions of Bond Counsel that the failure to comply with such provisions will not cause any of the Bonds to become "arbitrage bonds" under the Code and that the terms of such amendment or supplement will not cause any of the Bonds to become "arbitrage bonds" under the Code, or otherwise cause interest on any of the Bonds to become includable in gross income for federal income tax purposes.

#### Section 6.2 Additional Covenants, Agreements

The Issuer hereby covenants to make, execute and enter into (and to take such actions, if any, as may be necessary to enable it to do so) such agreements as may be necessary to comply with any changes in law or regulations in order to preserve the tax-exempt status of the Bonds to the extent that it may lawfully do so. The Issuer further covenants (1) to impose such limitations on the investment or use of moneys or investments related to the Bonds, (2) to make such payments to the United States Treasury, (3) to maintain such records, (4) to perform such calculations, and (5) to perform such other lawful acts as may be necessary to preserve the tax-exempt status of the Bonds.

#### Section 6.3 Internal Revenue Service Audits

The Internal Revenue Service has not audited the Issuer regarding any obligations issued by or on behalf of the Issuer. To the best knowledge of the Issuer, no such obligations of the Issuer are currently under examination by the Internal Revenue Service.

Section 6.4 Amendments

Except as otherwise provided in Section 6.1 hereof, all the rights, powers, duties and obligations of the Issuer shall be irrevocable and binding upon the Issuer and shall not be subject to amendment or modification by the Issuer.

ARTICLE VII

QUALIFIED TAX EXEMPT OBLIGATIONS

The Issuer, a "qualified small issuer," designates the Bonds as "qualified tax exempt obligations" as defined in Code Section 265(b)(3) and represents that the reasonably anticipated amount of tax-exempt governmental and qualified 501(c)(3) obligations (including for this purpose tax exempt installment sales, lease or lease purchase agreements or other tax exempt obligations) which will be issued during the current calendar year will not exceed ten million dollars (\$10,000,000).

In support of the foregoing, the Issuer states:

(a) In the current calendar year the Issuer has issued governmental or qualified 501(c)(3) obligations as follows:

\$4,840,000 General Obligation Capital Laon Notes, Series 2024 (issue covered by this Certificate)

(b) The Issuer expects to issue during the remainder of the calendar year governmental or qualified 501(c)(3) obligations as follows:

None

(c) The Issuer has subordinate entities or is subordinate to another entity governed by separate governing bodies which have issued or expect to issue governmental or qualified 501(c)(3) obligations on behalf of the Issuer during the calendar year which must be aggregated under Code Section 265(b)(3)(E) as follows:

N/A

(d) The Issuer is a member of or affiliated with one or more organizations (such as an Iowa Code Chapter 28E or 28F organization or other multimember body under which more than one governmental entity receives benefits) governed by a separate governing body which has or expects to issue governmental or qualified 501(c)(3) obligations during the calendar year all or a portion of which are allocable to the Issuer under Code Section 265(b)(3)(C)(iii) as follows:

N/A



IN WITNESS WHEREOF, the Issuer has caused this Certificate to be executed by its duly authorized officer, all as of the day first above written.

\_\_\_\_\_  
City Clerk/Treasurer, City of Mount Vernon,  
State of Iowa

(SEAL)

EXHIBIT "A"

MOUNT VERNON, IOWA  
\$4,840,000  
GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2024

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Robert W. Baird & Co., Inc. ("Purchaser"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Bonds").

**1. Reasonably Expected Initial Offering Price.**

a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by Purchaser are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by Purchaser to purchase the Bonds.

b) Purchaser was not given the opportunity to review other bids prior to submitting its bid.

c) The bid submitted by Purchaser constituted a firm offer to purchase the Bonds.

**2. Defined Terms.**

a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is May 6, 2024.

d) *Underwriter* means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and its advisors with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax

purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[Signature Page Follows]

Robert W. Baird & Co., Inc.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Dated: June 4, 2024

**SCHEDULE A**  
**EXPECTED OFFERING PRICES**

*(Attached)*

**SCHEDULE B**

**COPY OF UNDERWRITER'S BID**

*(Attached)*

**MOUNT VERNON, IOWA**  
**\$4,840,000**  
**GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2024**

**CERTIFICATE OF MUNICIPAL ADVISOR**

The undersigned, on behalf of Speer Financial, Inc. (the "Municipal Advisor"), as the municipal advisor to the City of Mount Vernon, Iowa in connection with the issuance of the above-captioned obligations (the "Bonds"), has assisted the Issuer in soliciting and receiving bids from potential underwriters in connection with the sale of the Bonds in a competitive bidding process in which bids were requested for the purchase of the Bonds at specified written terms, and hereby certifies as set forth below with respect to the bidding process and award of the Bonds.

1. The Bonds were offered for sale at specified written terms more particularly described in the Notice of Sale, which was distributed to potential bidders, a copy of which is attached to this certificate as Attachment 1.

2. The Notice of Sale was disseminated electronically through SPEERAUCTION. The method of distribution of the Notice of Sale is regularly used for purposes of disseminating notices of sale of new issuances of municipal bonds, and notices disseminated in such manner are widely available to potential bidders.

3. To the knowledge of the Municipal Advisor, all bidders were offered an equal opportunity to bid to purchase the Bonds so that, for example, if the bidding process afforded any opportunity for bidders to review other bids before providing a bid, no bidder was given an opportunity to review other bids that was not equally given to all other bidders (that is, no exclusive "last-look").

4. The Issuer received bids from at least three bidders who represented that they have established industry reputations for underwriting new issuances of municipal bonds. Based upon the Municipal Advisor's knowledge and experience in acting as the municipal advisor for other municipal issues, the Municipal Advisor believes those representations to be accurate. Copies of the bids received are attached to this certificate as Attachment 2.

5. The winning bidder was Robert W. Baird & Co., Inc. (the "Purchaser"), whose bid was determined to be the best conforming bid in accordance with the terms set forth in the Notice of Sale, as shown in the bid comparison attached as Attachment 3 to this certificate. The Issuer awarded the Bonds to the Purchaser.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Municipal Advisor's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and the Borrower with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for

federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer [ and the Borrower] from time to time relating to the Bonds. No other persons may rely on the representations set forth in this certificate without the prior written consent of the Municipal Advisor.

Speer Financial, Inc.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Dated: June 4, 2024



**ATTACHMENT 1**  
**NOTICE OF SALE**

*(Attached)*

**ATTACHMENT 2**

**BIDS RECEIVED**

*(Attached)*

**ATTACHMENT 3**

**BID COMPARISON**

*(Attached)*

EXHIBIT "B"

CONSTRUCTION ISSUE CERTIFICATION

I, the undersigned, do hereby certify that I am the \_\_\_\_\_ of the City of Mount Vernon, Iowa. I acknowledge that this Certificate is given as the basis for certain representations made in the Tax Exemption Certificate delivered by the City of Mount Vernon, State of Iowa (the "Issuer"), as of the date hereof, in connection with the issuance of \$4,840,000 General Obligation Capital Loan Notes, Series 2024, of the Issuer (the "Bonds").

The Issuer has elected to satisfy the requirements of Code Section 148(f)(4)(C)(iv)(I) based upon its reasonable expectations that more than 75% of the "available construction proceeds" of the Bonds, as defined in Section 148(f)(4)(C)(vi) of the Code, are to be used for construction expenditures with respect to property to be owned by the Issuer as a governmental unit.

Construction expenditures means capital expenditures, as defined in Regulation 1.150-1(b), that, on or before the date the property financed by the expenditures is placed in service, as defined in Regulation 1.150-2(c), will be properly chargeable to or may be capitalized as part of the basis of (1) real property, other than expenditures for the acquisition of any interest in land or real property other than land, (2) constructed personal property as defined in Regulation 1.148-7(g)(3), or (3) specially developed computer software as defined in Regulation 1.148-7(g)(4), that is functionally related and subordinate to real property or constructed personal property.

As of the date of issue of the Bonds, it is my opinion that at least 75% of the available construction proceeds of the Issue will be used for construction expenditures as defined above.

IN WITNESS WHEREOF, I hereunto affix my official signature this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

## CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Mount Vernon, State of Iowa (the "Issuer"), in connection with the issuance of \$4,840,000.00 General Obligation Capital Loan Notes, Series 2024 (the "Notes") dated June 4, 2024. The Notes are being issued pursuant to a Resolution of the Issuer approved on May 20, 2024 (the "Resolution"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate; Interpretation. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Notes and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5). This Disclosure Certificate shall be governed by, construed and interpreted in accordance with the Rule, and, to the extent not in conflict with the Rule, the laws of the State. Nothing herein shall be interpreted to require more than required by the Rule.

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean financial information or operating data of the type included in the final Official Statement, provided at least annually by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Notes for federal income tax purposes.

"Business Day" shall mean a day other than a Saturday or a Sunday or a day on which banks in Iowa are authorized or required by law to close.

"Dissemination Agent" shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with S.E.C. Rule 15c2-12.

"Holders" shall mean the registered holders of the Notes, as recorded in the registration books of the Registrar.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"Municipal Securities Rulemaking Board" or "MSRB" shall mean the Municipal Securities Rulemaking Board, 1300 I Street NW, Suite 1000, Washington, DC 20005.

"National Repository" shall mean the MSRB's Electronic Municipal Market Access website, a/k/a "EMMA" (emma.msrb.org).

"Official Statement" shall mean the Issuer's Official Statement for the Notes, dated May 6, 2024, 2024.

"Participating Underwriter" shall mean any of the original underwriters of the Notes required to comply with the Rule in connection with offering of the Notes.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission (S.E.C.) under the Securities Exchange Act of 1934, and any guidance and procedures thereunder published by the S.E.C., as the same may be amended from time to time.

"State" shall mean the State of Iowa.

### Section 3. Provision of Annual Financial Information.

a) The Issuer shall, or shall cause the Dissemination Agent to, not later than two hundred seventy (270) days after the end of the Issuer's fiscal year (presently June 30th), commencing with information for the 2023/2024 fiscal year, provide to the National Repository an Annual Financial Information filing consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Financial Information filing must be submitted in such format as is required by the MSRB (currently in "searchable PDF" format). The Annual Financial Information filing may be submitted as a single document or as separate documents comprising a package. The Annual Financial Information filing may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Financial Information filing and later than the date required above for the filing of the Annual Financial Information if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

b) If the Issuer is unable to provide to the National Repository the Annual Financial Information by the date required in subsection (a), the Issuer shall send a notice to the Municipal Securities Rulemaking Board, if any, in substantially the form attached as Exhibit A.

c) The Dissemination Agent shall:

i. each year file Annual Financial Information with the National Repository; and

ii. (if the Dissemination Agent is other than the Issuer), file a report with the Issuer certifying that the Annual Financial Information has been filed pursuant to this Disclosure Certificate, stating the date it was filed.

Section 4. Content of Annual Financial Information. The Issuer's Annual Financial Information filing shall contain or incorporate by reference the following:

a) The last available audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under State law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with generally accepted accounting principles, noting the discrepancies therefrom and the effect thereof. If the Issuer's audited financial statements for the preceding years are not available by the time Annual Financial Information is required to be filed pursuant to Section 3(a), the Annual Financial Information filing shall contain unaudited financial statements of the type included in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Financial Information when they become available.

b) A table, schedule or other information prepared as of the end of the preceding fiscal year, of the type contained in the final Official Statement under the caption Debt Information: "Debt Limitation", "Summary of Outstanding General Obligation Bonded Debt", "General Obligation Debt", "Statement of Bonded Indebtedness" ; Property Assessment and Tax Information (formerly identified as "Property Tax Information"): "Actual (100%) Valuations for the City", "Taxable (Rollback) Valuations for the City", "Tax Extensions and Collections", "Principal Taxpayers", "Property Tax Rates"; Financial Information: "Cash Basis Statement of Activities and Net Position", "Statement of Cash Receipts, Disbursements, and Changes in Cash Balances".

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been filed with the National Repository. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

a) Pursuant to the provisions of this Section, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Notes in a timely manner not later than 10 Business Days after the day of the occurrence of the event:

- i. Principal and interest payment delinquencies;
- ii. Non-payment related defaults, if material;
- iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
- iv. Unscheduled draws on credit enhancements relating to the Notes reflecting financial difficulties;

v. Substitution of credit or liquidity providers, or their failure to perform;

vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series Notes, or material events affecting the tax-exempt status of the Notes;

vii. Modifications to rights of Holders of the Notes, if material;

viii. Note calls (excluding sinking fund mandatory redemptions), if material, and tender offers;

ix. Defeasances of the Notes;

x. Release, substitution, or sale of property securing repayment of the Notes, if material;

xi. Rating changes on the Notes;

xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;

xiii. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

xv. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and

xvi. Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

b) Whenever the Issuer obtains the knowledge of the occurrence of a Listed Event, the Issuer shall determine if the occurrence is subject to notice only if material, and if so shall as soon as possible determine if such event would be material under applicable federal securities laws.

c) If the Issuer determines that knowledge of the occurrence of a Listed Event is not subject to materiality, or determines such occurrence is subject to materiality and would be material under applicable federal securities laws, the Issuer shall promptly, but



not later than 10 Business Days after the occurrence of the event, file a notice of such occurrence with the Municipal Securities Rulemaking Board through the filing with the National Repository.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate with respect to each Series of Notes shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Notes of that Series or upon the Issuer's receipt of an opinion of nationally recognized bond counsel to the effect that, because of legislative action or final judicial action or administrative actions or proceedings, the failure of the Issuer to comply with the terms hereof will not cause Participating Underwriters to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

- a) If the amendment or waiver relates to the provisions of Section 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Notes, or the type of business conducted;
- b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Notes, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- c) The amendment or waiver either (i) is approved by the Holders of the Notes in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Notes.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Financial Information filing, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Financial Information filing for the year in which the change is made

will present a comparison or other discussion in narrative form (and also, if feasible, in quantitative form) describing or illustrating the material differences between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Financial Information filing or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Financial Information filing or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Financial Information filing or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Notes may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. Direct, indirect, consequential and punitive damages shall not be recoverable by any person for any default hereunder and are hereby waived to the extent permitted by law. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Notes.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Notes, and shall create no rights in any other person or entity.

Section 13. Rescission Rights. The Issuer hereby reserves the right to rescind this Disclosure Certificate without the consent of the Holders in the event the Rule is repealed by the S.E.C. or is ruled invalid by a federal court and the time to appeal from such decision has expired. In the event of a partial repeal or invalidation of the Rule, the Issuer hereby reserves the right to rescind those provisions of this Disclosure Certificate that were required by those parts of the Rule that are so repealed or invalidated.

Date: 4th day of June, 2024.

CITY OF MOUNT VERNON, STATE OF  
IOWA

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
City Clerk

EXHIBIT A

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: City of Mount Vernon, Iowa.

Name of Note Issue: \$\_\_\_\_\_ General Obligation Capital Loan Notes, Series 2024

Dated Date of Issue: June 6, 2024

NOTICE IS HEREBY GIVEN that the Issuer has not provided Annual Financial Information with respect to the above-named Notes as required by Section 3 of the Continuing Disclosure Certificate delivered by the Issuer in connection with the Notes. The Issuer anticipates that the Annual Financial Information will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

CITY OF MOUNT VERNON, STATE OF IOWA

By: \_\_\_\_\_  
Its: \_\_\_\_\_

## LOAN AGREEMENT

This Loan Agreement is entered into as of the 4<sup>th</sup> day of June, 2024, by and between the City of Mount Vernon, State of Iowa (the "City") acting through its City Council (the "Council") and Robert W. Baird & Co., Inc. of Milwaukee, Wisconsin (the "Lender"). The parties agree as follows:

1. The Lender shall loan to the City the sum of \$5,006,171.20, and the City's obligation to repay hereunder shall be evidenced by the issuance of General Obligation Capital Loan Notes, Series 2024, in the aggregate principal amount of \$4,840,000 (the "Notes").

2. The loan proceeds shall be used to pay costs of aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including constructing the Glenn Street project roadway and associated utilities and infrastructure improvements in the Stoner Plaza Tenth Addition as authorized in Amendment No. 8 to the Mount Vernon Urban Renewal Plan; aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403 including improvements to the swimming pool and related facilities as authorized in Amendment No. 9 to the Mount Vernon Urban Renewal Plan; opening, widening, extending, grading, and draining of the right-of-way of streets, highways, avenues, alleys and public grounds, and market places, and the removal and replacement of dead or diseased trees thereon; the construction, reconstruction, and repairing of any street improvements, bridges, grade crossing separations and approaches; the acquisition, installation, and repair of sidewalks, culverts, retaining walls, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices; and the acquisition of any real estate needed for any of the foregoing purposes including overlay of 4th Street NW, Cass Street, intersection of 10th and Summit and watermain on 4th St and 5th Ave; and acquisition, improvement and equipping of waterworks, water mains, and extensions, and real and personal property, useful for providing potable water including water meter replacements and related equipment (the "Project"). Any remaining loan proceeds, including accrued interest, if any, shall be deposited in the Note Fund (defined in the Resolution hereinafter referred to) and shall be held therein and used, along with other amounts therein, to pay interest on the Notes on December 1, 2024.

3. The City agrees to repay the loan and interest thereon as hereinafter provided. The Notes, in substantially the form set forth in the Resolution hereinafter referred to, shall be executed and delivered to the Lender to evidence the City's obligation to repay the amounts payable hereunder. The Notes shall be dated June 4, 2024, shall bear interest payable December 1, 2024, and semiannually thereafter on the first day of June and December in each year at the respective rates and shall mature in principal amounts in each of the respective years, as follows:

Principal Amount	Interest Rate	Maturity June 1 <sup>st</sup>
\$ 175,000.00	4.000%	2025
\$ 260,000.00	4.000%	2026
\$ 275,000.00	4.000%	2027
\$ 285,000.00	4.000%	2028
\$ 300,000.00	4.000%	2029
\$ 320,000.00	4.000%	2030
\$ 325,000.00	4.000%	2031
\$ 345,000.00	4.000%	2032
\$ 360,000.00	4.000%	2033
\$ 375,000.00	4.000%	2034
\$ 340,000.00	4.000%	2036*
\$ 380,000.00	4.000%	2038*
\$ 410,000.00	4.000%	2040*
\$ 690,000.00	4.000%	2043*

\*Term Notes

4. The Council has adopted a Resolution (the "Resolution") authorizing and approving the form of this Loan Agreement and providing for the issuance and securing the payment of the Notes and establishing the terms thereof, and the Resolution is incorporated herein by reference, and the parties agree to abide by the terms and provisions of the Resolution. The Notes and the interest thereon shall be payable from the levy of a sufficient continuing annual tax on all the taxable property within the territory of the City and provision has been made in the Resolution for the levy and collection of such tax.

5. The City may borrow additional money, issue general obligation bonds or enter into other loan agreements and issue additional Notes which are at the time of their issuance on a parity and equality of rank with the Notes with respect to the lien and claim of such collection of taxes thereof provided that the total indebtedness of the City including this Loan Agreement and Notes issued hereunder does not exceed the Constitutional or statutory limitations.

6. The Lender is acquiring the Notes with the intent of making offers and sales of the Notes to the public. The Lender agrees to comply with all federal and state securities laws and the rules and regulations of the Securities and Exchange Commission and the Municipal Securities Rulemaking Board, including but not limited to Rules 15c2-12 and 10b-5, in making offers and sales of the Notes to the public.

7. The Lender and the City represent and agree that no financial advisory relationship as defined by Rule G-23 of the Municipal Securities Rulemaking Board has existed between them with respect to this Loan Agreement or presently exists between them with respect

to other similar matters and that no employee of the Lender is an employee or official of the City.

8. This Loan Agreement is executed pursuant to the provisions of Sections 384.24(3)(q), 384.24A, 384.25 and 403.12 of the Code of Iowa, as amended, and shall be read and construed as conforming to all provisions and requirements thereof.

9. The City and the Lender agree this Agreement and all documents related thereto and referenced herein may be entered into and provided for pursuant to and in accordance with Chapter 554D of the Code of Iowa (providing for electronic execution).

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

CITY OF MOUNT VERNON, STATE OF  
IOWA (City)

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
City Clerk

(SEAL)

ROBERT W. BAIRD & CO., INC. (Lender)

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

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

02351488\13932-043



DELIVERY CERTIFICATE

We the undersigned City Officials, do hereby certify that we are the officers, respectively below indicated, of a municipal corporation in the State of Iowa, known as the City of Mount Vernon, State of Iowa; that in pursuance of the provisions of Sections 384.24(3)(q), 384.24A, 384.25, and 403.12, Code of Iowa, there have been heretofore lawfully authorized and this day by us lawfully executed, issued, caused to be registered, authenticated and delivered fully registered General Obligation Capital Loan Notes, Series 2024, of the City of Mount Vernon, State of Iowa, in the amount of \$4,840,000, dated June 4, 2024, bearing interest and maturing as follows:

Principal Amount	Interest Rate	Maturity June 1 <sup>st</sup>
\$ 175,000.00	4.000%	2025
\$ 260,000.00	4.000%	2026
\$ 275,000.00	4.000%	2027
\$ 285,000.00	4.000%	2028
\$ 300,000.00	4.000%	2029
\$ 320,000.00	4.000%	2030
\$ 325,000.00	4.000%	2031
\$ 345,000.00	4.000%	2032
\$ 360,000.00	4.000%	2033
\$ 375,000.00	4.000%	2034
\$ 340,000.00	4.000%	2036*
\$ 380,000.00	4.000%	2038*
\$ 410,000.00	4.000%	2040*
\$ 690,000.00	4.000%	2043*

\*Term Notes

Each of the Notes has been executed with the manual or facsimile signature of the Mayor and the manual or facsimile signature of the City Clerk of the City.

The Notes have been delivered to DTC on behalf of:

Robert W. Baird & Co., Inc. of Milwaukee, Wisconsin

and have been paid for in accordance with the terms of the contract of sale and at a price of \$5,006,171.20, and accrued interest.

We further certify that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City, or the titles of the undersigned City officers to their respective positions, or the validity of the Notes, or the power and duty of the City to provide and apply adequate taxes for the full and prompt payment of the principal and interest of the Notes, and that no measure or provision for the authorization or issuance of the Notes has been repealed or rescinded.

We further certify that due provision has been made for the collection of sufficient taxes to meet all payments coming due, whether of principal or of interest on the Note Issue; that all payments coming due before the next collection of the tax provided for as aforesaid will be paid promptly when due from cash on hand; and that the proceedings authorizing the issuance and delivery of the Notes remain in full force and effect and have not been withdrawn, amended or rescinded.

To the best of our knowledge, information and belief, we further certify that the Official Statement dated May 6, 2024, as of its date and the date hereof, did not and does not contain any untrue statement of material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

We further certify that each of the officers whose signatures appear on the Notes were in occupancy and possession of their respective offices at the time the Notes were executed and do hereby adopt and affirm their signatures appearing in the Notes.

We further certify that the present financial condition of the Note is as follows:

Assessed and taxable value of all taxable property within the City, except moneys and credits and tax free lands (Year 2023/2024), according to the last completed State and County tax lists (100% - Before Rollback)	\$337,246,681
Total general obligation bonded indebtedness of the City, <u>including this issue</u>	\$14,186,422
All other general obligation indebtedness, (including warrants, judgments, contracts of purchase or lease/purchase, self-insurance or local government risk pool obligations, loan agreements, and revenue bonds issued under Code Section 403.9), of the City of any kind	_____

IN WITNESS WHEREOF, we have hereunto affixed our hands at the City of Mount Vernon, State of Iowa, this 4<sup>th</sup> day of June, 2024.

---

Mayor

---

City Clerk/Treasurer

(CITY SEAL)

02348574\13932-043

## TRANSCRIPT CERTIFICATE

I, the undersigned, being first duly sworn, do hereby depose and certify that I am the duly appointed, qualified and acting City Clerk of the City of Mount Vernon, State of Iowa, and that as such Clerk I have in my possession or have access to the complete corporate records of the City and of its Council and officials, and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that the transcript hereto attached is a true and complete copy of all the corporate records in relation to the authorization, issuance and disposition of \$4,840,000 General Obligation Capital Loan Notes, Series 2024, of the City dated June 4, 2024, and that the transcript hereto attached contains a true 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 authorization, issuance and disposition of the Notes, and that the City Council consists of a Mayor and five (5) Council Members, and that the offices were duly and lawfully filled by the individuals listed in the attached transcript as of the dates and times referred to therein.

I further certify that the City is and throughout the period of such proceedings has been governed under the Mayor/Council form of municipal government authorized by Chapter 372, Code of Iowa, under the provisions of its charter as recorded with the Secretary of State.

I further certify that according to the records in my office, the named members of the Council were duly and regularly elected to such office, and were, during all of the year 2024, and now are, the legally elected, constituted and acting City Council of the City.

I further certify that no litigation is pending, prayed or threatened affecting the validity of the Notes hereinabove referred to, nor affecting the title of any of the City officers and Council Members to their official positions.

I further certify that all meetings of the City Council of the City at which action was taken in connection with the Notes were open to the public at all times in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Council and was duly given at least twenty-four hours prior to the commencement of the meeting by notification of the communications media having requested such notice and posted on a bulletin board or other prominent place designated for the purpose and easily accessible to the public at the principal office of the Council all pursuant to the provisions and in accordance with the conditions of the local rules of the Council and Chapter 21, Code of Iowa.

I further certify that no City officer or employee has any interest in the contract for the sale of the Notes or any matter incidental thereto, according to my best knowledge and belief.

WITNESS my hand and the seal of the City hereto attached this \_\_\_\_\_ day of \_\_\_\_\_, 2024, at Mount Vernon, Iowa.

\_\_\_\_\_  
City Clerk, City of Mount Vernon, State of Iowa

(SEAL)

Finally, the below stated officers whose signatures appear hereafter are now the duly qualified and acting officials of the City, possessed of the offices as designated below, to-wit:

Mayor:

Thomas M. Wieseler

\_\_\_\_\_  
(Original Signature)

City Clerk/Treasurer:

Marsha Dewell

\_\_\_\_\_  
(Original Signature)

STATE OF IOWA

)

) SS

COUNTY OF LINN

)

Subscribed and sworn to before me by Thomas M. Wieseler and Marsha Dewell on this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Notary Public in and for Linn County, Iowa

(SEAL)

AUTHENTICATION ORDER

The undersigned City Clerk/Treasurer of the City of Mount Vernon, State of Iowa (the "Issuer"), pursuant to a resolution of the City Council of the City of Mount Vernon, authorizing the execution of a loan agreement and the issuance and delivery of the Notes, acting for and on behalf of the Issuer, hereby deliver to UMB Bank, N.A. (the "Registrar") \$4,840,000 aggregate principal amount of Issuer's General Obligation Capital Loan Notes, Series 2024, dated June 4, 2024 in fully registered form, bearing interest, maturing and conforming to the specifications set forth in the Resolution (the "Notes").

Each Note has been executed on behalf of the Issuer with the manual or facsimile signature of the Mayor and the manual or facsimile signature of the City Clerk. The signatures are hereby ratified, affirmed and adopted.

The seal of the Issuer is printed or impressed thereon.

The Registrar is hereby requested to authenticate the Notes and to complete the records with respect to registration as provided in the Note Resolution and the instructions of the Original Purchaser as to designation of owners of the Notes.

Upon such authentication, the Registrar is authorized to deliver the Notes on behalf of Issuer to the Original Purchaser, Robert W. Baird & Co., Inc., or their registered assigns, upon receipt of payment therefor in immediately available funds of the agreed purchase price plus accrued interest to the date of delivery as shown on Exhibit A attached hereto and incorporated herein, subject to the receipt at closing of the opinion of bond counsel. The Original Purchaser shall deposit the monies to the account of Issuer as designated in Exhibit A.

The acknowledgment of receipt of the Notes by the Original Purchasers, or registered assigns, shall be evidenced by separate signed receipts or certificates.

Dated: this \_\_\_\_\_ day of \_\_\_\_\_, 2024

\_\_\_\_\_  
City Clerk/Treasurer

(SEAL)

EXHIBIT A

Closing Amounts

Deposit of Funds Instructions

(See attached closing letter of the Financial Consultant)



COUNTY AUDITOR'S CERTIFICATE

I, \_\_\_\_\_, County Auditor of Linn County, State of Iowa, hereby certify that on the \_\_\_\_\_ day of \_\_\_\_\_, 2024 there was filed in my office the Resolution of the City Council of the City of Mount Vernon, State of Iowa, adopted on the 20<sup>th</sup> day of May, 2024, the Resolution authorizing execution of a Loan Agreement and authorizing the issuance of \$4,840,000 of General Obligation Capital Loan Notes, Series 2024, and levying a tax therefor, dated June 4, 2024.

(COUNTY SEAL)

\_\_\_\_\_  
County Auditor of Linn County, State of Iowa

## Lori Boren

---

**From:** Quiana McFadden <qmcfadden@ahlerslaw.com>  
**Sent:** Wednesday, May 15, 2024 7:43 AM  
**To:** Chris Nosbisch  
**Cc:** Marsha Dewell; Lori Boren; mburger@speerfinancial.com; Charlotte Nielsen; Jason Comisky  
**Subject:** Mount Vernon, Iowa - \$4,840,000 General Obligation Capital Loan Notes, Series 2024 - Issuance Documents  
**Attachments:** Mount Vernon, Iowa - Letter of Instruction - Issuance.pdf; Mount Vernon (43) - Registrar's Agreement 2024 GO CLN (02348606x7F7E1).docx; Mount Vernon (43) - County Auditor's Certificate 2024 GO CLN (02348605x7F7E1).docx; Mount Vernon (43) - Authentication Order 2024 GO CLN (02348604x7F7E1).docx; Mount Vernon (43) - Delivery Certificate 2024 GO CLN (02348574x7F7E1).docx; Mount Vernon (43) - Loan Agreement 2024 GO CLN (02351488x7F7E1).docx; Mount Vernon (43) - Tax Exemption Certificate 2024 GO CLN (02348908x7F7E1).docx; Mount Vernon (43) - Authorizing Resolution 2024 GO CLN (02348773x7F7E1).docx; Mount Vernon (43) - Transcript Certificate 2024 GO CLN (02348580x7F7E1).docx; Mount Vernon (43) - Continuing Disclosure Certificate 2024 GO CLN (02330958x7F7E1).docx

**External Sender - From: (Quiana McFadden**  
<qmcfadden@ahlerslaw.com>)

[Learn More](#)

This message came from outside your organization.

Good Morning,

Attached please find correspondence from Jason Comisky with proceedings for action on May 20, 2024. We are also enclosing the Closing Certificates for the above referenced issuance.

Please complete and execute each document. Note the additional copies required for each document as indicated in the letter of instruction. Return scanned copies via email, followed up with the indicated number of originals for each document in the mail to our office. Return executed documents to us by Friday, May 24<sup>th</sup> to allow sufficient time for review prior to closing on June 4<sup>th</sup>.

The 8038-G and Original Notes will be mailed to you for execution.

If you have any questions regarding the documents, please do not hesitate to contact us.

Thank you!

**Quiana McFadden**  
PARALEGAL



Ahlers & Cooney, P.C.  
100 Court Avenue, Suite 600  
Des Moines, Iowa 50309-2231  
Phone: (515) 246-4406 | Fax: (515) 243-2149



Ahlers & Cooney, P.C.  
Attorneys at Law  
100 Court Avenue, Suite 600  
Des Moines, Iowa 50309-2231  
Phone: 515-243-7611  
Fax: 515-243-2149  
www.ahlerslaw.com  
Jason L. Comisky  
515.246.0337  
jcomisky@ahlerslaw.com

May 14, 2024

Via E-mail Only

Chris Nosbisch  
City Administrator  
City of Mount Vernon  
213 First St. NW  
Mount Vernon, IA 52314

Re: City of Mount Vernon, State of Iowa  
\$4,840,000 General Obligation Capital Loan Notes, Series 2024

Dear Chris:

Enclosed are documents to complete Council action in connection with the authorization for the issuance of the above Notes. **Please print additional copies for execution as indicated in the following itemization of authorizing documents.**

The Council procedure consists of the following:

Resolution Appointing Registrar and Paying Agent. This resolution appoints UMB Bank, N.A. to serve as Registrar and Paying Agent.

Resolution authorizing the issuance of the Notes. The resolution also incorporates by reference the form of the Tax Exemption Certificate and the Continuing Disclosure Certificate.

There are blank spaces appearing in the form of Note set out in the resolution. These need not be completed but may be left blank as a guide since different amounts, dates and percents will be inserted within the blank spaces.

The resolution must be adopted by an affirmative vote equal to a majority of the full Council membership. **Please return one executed copy to us for the transcript.**

Tax Exemption Certificate. The Tax Exemption Certificate sets out in detail a number of facts, promises and obligations which must be met and agreed to by the City in order to maintain these Notes as tax exempt. This Certificate may contain some blank spaces relating to matters of information dependent upon the resale price of the Notes which are not known and available at this time. The information will be calculated and added to this certificate prior to closing and completed copies of pages with blank spaces will be provided to you. This certificate should be signed and dated. **Please return two executed copies to us for the transcript.**

Continuing Disclosure Certificate. The form of Continuing Disclosure Certificate, which is described in detail below, is included for approval by the Council under the Resolution authorizing issuance. This Certificate also should be signed by the Mayor and the Clerk. **Please return two executed copies to us for the transcript.**

Closing Certificates and Documents:

Loan Agreement. **Please execute two copies and return the same to our office.** We will obtain the signature of the purchaser and return a fully executed copy for your file.

Original Notes. The Notes will be delivered under separate cover.

Delivery Certificate. This certificate also should be signed, but not dated. **Please complete and confirm the financial data on page 2,** execute and **return two copies to us for the transcript.** An executed copy will be provided to you after closing.

Transcript Certificate. This certificate is to be executed and sealed in the manner indicated on the second page and may be dated at the time of completion. A notary attestation for all official signatures is required. **Please execute and return two copies to us for the transcript.** An executed copy will be provided to you after closing.

Authentication Order. **Please execute and return two copies to us for the transcript.** An executed copy will be provided to you after closing.

County Auditor's Certificate. A true copy of the authorizing resolution as adopted is to be certified and filed with the Auditor of Linn County. The Auditor is asked to certify to such filing on the certificate. **Please return one executed copy to us for the transcript.**

Form 8038-G -- Information Return for Tax Exempt Governmental Obligations. The 8038-G will be delivered under separate cover.

Paying Agent; Note Registrar and Transfer Agent Agreement. **Please execute and return two copies to us for the transcript.** We will obtain signatures from UMB Bank, N.A. and an executed copy will be provided to you after closing.

Tax Exemption

The Tax Exemption Certificate is an important document and contains important information concerning the calculated yield on the Notes and a number of covenants and obligations on the part of the City. This certificate should be retained along with all of your records regarding the use of proceeds, expenditure dates and investment information needed to comply with IRS guidelines. I will not attempt to summarize all of the matters which are included in this certificate but I do want to point out some important ones.

Tax exemption is based in part upon the fact that the use of the facilities to be acquired by the City with the proceeds will be for the benefit of the public and will not be used in the private trade or business of any business or non-tax-exempt entity. The properties acquired with the Note proceeds must not be sold or diverted to any private or nonpublic use unless the significance of that action is reviewed by bond counsel.

The Tax Exemption Certificate sets forth the best knowledge and belief which you have as of today concerning the timely expenditure of the proceeds as the City reasonably expects

expenditures to occur. If for any reason the City finds it will be prevented from expending the Note proceeds fully within three years, that matter should be referred to us.

These Notes are issued under the expectation that the City will be exempt from the requirement to rebate arbitrage earnings to the United States Government since you intend to spend the proceeds of the Notes for construction purposes within two (2) years of issuance and meet the other requirements of the two-year expenditure exemption from the rebate provisions.

These Notes are also issued under the expectation that you will be exempt from the requirement to rebate arbitrage earnings to the United States Government, because you will issue \$5,000,000 or less of Notes or any similar obligations for public purposes during the calendar year. (This excludes Industrial Development Revenue Notes.) If for any reason you should need to exceed that amount of Note issuance, the matter should be brought to our attention immediately. For this purpose, "Notes" generally includes any debt obligation including warrants, lease-purchase contracts, contracts to purchase, bonds and others.

Also, these Notes are designated as qualified tax-exempt obligations, making them desirable for certain banks as investments and making possible a more favorable interest rate. For this designation to be proper, it is necessary that the City reasonably expects to issue \$10,000,000 or less of Notes or other obligations in the course of this calendar year. If that amount should be exceeded, it would be necessary to review the situation immediately.

There are a number of other general promises and commitments by the City to take or refrain from action, which are necessary to maintain the tax exemption of these Notes. You should recognize that these promises and commitments are required of the City on an ongoing basis and that the possibility of some additional future action does exist.

#### Continuing Disclosure Certificate

Securities and Exchange Commission Rule 15c2-12, prohibits underwriting and recommendation to the public of the purchase of municipal securities for which adequate secondary market information is not available. The rules apply generally to any municipal offering over \$1,000,000. The City therefore has an obligation to provide continuing disclosure to the marketplace while the Notes are outstanding. The applicable covenants and duties of the City are outlined in the Continuing Disclosure Certificate.

The Continuing Disclosure Certificate requires the City to provide annual financial information and operating data to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system ("EMMA") so long as the Notes are outstanding, and also to provide notice to EMMA if certain events occur. This information and data must be sent in "searchable PDF" form. You should ensure that your audit and operating data will be available in that format so you may comply. The events which must be reported are detailed in the certificate, but other events which would be of concern to the rating agencies or Note holders also should be considered for disclosure under the anti-fraud provisions of the federal securities laws.

These disclosure requirements are ongoing and it will be important to designate an appropriate contact person who will have a primary responsibility for preparing and

coordinating the filing of the annual financial information, operating data and any event notices.

The penalties for violation of the rule fall ultimately on the issuer of the Notes, because underwriters may be precluded from agreeing to underwrite or bid on Notes of issuers who have not complied with their disclosure obligations. Failure to comply therefore may result in fewer bids and ultimately no bids or the inability to secure an underwriter for an issue.

Closing Matters.

As you know, closing of this issue is scheduled to occur on or about June 4, 2024. At the time of closing, the "Purchaser's" copies of the above items will be delivered to the Purchaser of the Notes in exchange for the agreed purchase price. Our legal opinion also will be delivered to the Purchaser at that time.

**Please return executed documents to us by May 24, 2024 to allow sufficient time for review prior to closing.**

Should you have any questions, or if we can be of any assistance in completing the enclosed items, please don't hesitate to contact me.

Ahlers & Cooney, P.C.

Sincerely,



Jason L. Comisky  
FOR THE FIRM

JLC:qm

Enclosures

cc: Marsha Dewell (via email)  
Lori Boren (via email)  
Maggie Burger (via email)  
Charlotte Nielsen (via email)

**AGENDA ITEM # G – 4**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

**DATE:** May 20, 2024

**AGENDA ITEM:** Resolution #5-20-2024D

**ACTION:** Motion

**SYNOPSIS:** A request was made to include the Jewish-American Flag as part of the ceremonial flags flown each month at City Hall. Councilperson Andresen requested this be brought forward to the Council for consideration. Per the City of Mount Vernon Display of Flags Policy, Council may approve additional flags not listed in the policy.

**BUDGET ITEM:** N/A

**RESPONSIBLE DEPARTMENT:** Assistant City Administrator

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** Resolution #5-20-2024D & Flags Policy

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024

**RESOLUTION NO. 5-20-2024D**

**RESOLUTION APPROVING THE ADDITION OF JEWISH AMERICAN HERITAGE  
FLAG/MONTH TO THE CITY OF MOUNT VERNON DISPLAY OF FLAGS POLICY**

WHEREAS, on August 7, 2023, the City of Mount Vernon adopted a Display of Flags Policy, and,

WHEREAS, the Display of Flags Policy identifies eleven commemorative flags that may be displayed on City-owned properties, and

WHEREAS, the Display of Flags Policy allows the Mayor, a member of City Council or the City Manager to request consideration of additional flags that are not identified in the original policy, and

WHEREAS a current city councilperson has requested the Jewish American Heritage flag/month be considered for inclusion into the commemorative flag's designation,

NOW, THEREFORE, BE IT RESOLVED: The City Council does hereby approve the addition of the Jewish American Heritage Month/Flag into the City of Mount Vernon Display of Flags Policy.

APPROVED and ADOPTED this 20<sup>th</sup> day of May, 2024.

\_\_\_\_\_  
Thomas M. Wieseler, Mayor

ATTEST:

\_\_\_\_\_  
Marsha Dewell, City Clerk



## CITY OF MOUNT VERNON DISPLAY OF FLAGS POLICY

Section 1. Statement of Purpose. The purpose of this policy is to establish guidelines for the flying of commemorative, special occasion, and other ceremonial flags at City of Mount Vernon ("City")-owned properties. The flying of these commemorative, special occasion, and other ceremonial flags and their flagpoles are government speech. This policy does not govern the flying of Federal, State, and/or City flags.

Section 2. Policy. It is the City's policy that flagpoles on City-owned properties shall only be used to display flags that express the views, values and goals of the City, as determined by the City Council. The City's flagpoles are not intended to serve as a forum for free expression by the public. The City will not display any flag based upon a request from a third party, nor will the City use its flagpoles to sponsor the expression of a third party.

### Section 3. Standards.

A. Commemorative Flags. The City and the City Council value diversity, equity, and inclusion. As an expression of these values, commemorative flags selected by a majority of the City Council may be displayed on City-owned properties to commemorate the following occasions:

1. Black History Month
2. Women's History Month
3. Arab American Heritage Month
4. Asian American and Native Hawaiian/Pacific Islander Heritage Month
5. Mental Health Awareness Month
6. LGBTQ+ Pride Month
7. Juneteenth
8. Hispanic Heritage Month
9. National Disability Employment Awareness Month
10. Native American Heritage Month
11. National Veterans and Military Families Month

B. Other special occasion, commemorative and ceremonial flags. In addition to the foregoing, other commemorative, special occasion, and ceremonial flags selected by the City Council may be displayed on City-owned properties as follows:

1. To recognize Federal or State holidays
2. To commemorate any period recognized by local proclamation
3. To accompany any official action or ceremony of the City

C. Display Period. The City Council shall determine the appropriate time period for any display of a commemorative, special occasion, or ceremonial flag provided for herein.

D. Other Flags. Upon the request of the Mayor, a member of the City Council, or the City Manager, the City Council may approve by resolution the display on City-owned property of additional flags not addressed in this policy.

**AGENDA ITEM # G – 5**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

<b>DATE:</b>	May 20, 2024
<b>AGENDA ITEM:</b>	Resolution #5-20-2024E
<b>ACTION:</b>	Motion

**SYNOPSIS:** This resolution is for the approval of contracts and bonds from Ferguson Waterworks to move forward with the water meter replacement program set to begin in September 2024.

**BUDGET ITEM:** Bond

**RESPONSIBLE DEPARTMENT:** Assistant City Administrator

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** Resolution #5-20-2024E

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024

**RESOLUTION NO. 5-20-2024E**

**RESOLUTION APPROVING CONTRACT AND BOND  
FOR  
MOBILIZATION AND INSTALLATION  
OF  
THE WATER METER REPLACEMENT IMPROVEMENTS 2024  
TO  
FERGUSON WATERWORKS.**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MT. VERNON,  
IOWA:

That the construction contract and bond executed and insurance coverage for the construction of certain public improvements described in general as the WATER METER REPLACEMENT IMPROVEMENTS 2024 and described more specifically in the plans and specifications heretofore approved, and which have been signed by the Mayor and Clerk on behalf of the City be and the same are hereby approved as follows:

**MOBILIZATION AND INSTALLATION**

Contractor: FERGUSON WATERWORKS.

Amount of Bid: \$672,943.20

Surety: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All labor and materials needed to complete the work identified as water metering installation in private and municipal structures, design and implementation of municipal billing software system, and identification and documentation of lead water service lines for the Water Meter Replacement Improvements 2024.

PASSED and ADOPTED this 20<sup>th</sup> day of May, 2024.

\_\_\_\_\_  
Thomas M. Wieseler, Mayor

ATTEST:

\_\_\_\_\_  
Marsha Dewell, City Clerk



**VEENSTRA & KIMM INC.**

2600 University Parkway, Suite 1  
Coralville, Iowa 52241

319.466.1000 // 888.241.8001  
www.v-k.net

May 16, 2024

Chris Nosbisch  
City Administrator  
City of Mount Vernon  
213 First Street West  
Mount Vernon, Iowa 52314

MOUNT VERNON, IOWA  
METERING & BILLING INFRASTRUCTURE PROGRAM  
CONTRACT DOCUMENTS

Enclosed are three copies each of the contract and bond executed by the Contractor. Also enclosed are the copies of the certificate of insurance. We have reviewed these documents, and they appear to be in order. The contracts should be signed by the Mayor and attested to by the City Administrator.

Please return two copies of each of the documents to this office. One copy should remain in your files. If you have any questions or comments regarding the contract documents, please contact us at 319-466-1000.

VEENSTRA & KIMM, INC.

Dave Schechinger  
DRS:mmc  
51351  
Enclosures

**SECTION 00510**

**CONTRACT**

THIS AGREEMENT, made and entered into this 6<sup>th</sup> day of May, 2024, by and between the City of Mount Vernon, Iowa, party of the first part, hereinafter referred to as the "Owner", and Ferguson Waterworks party of the second part, hereinafter referred to as the "Contractor".

WITNESSETH: THAT WHEREAS, the Owner has heretofore caused to be prepared certain plans, specifications and proposal blanks, dated the 16<sup>th</sup> day of April, 2024, for Metering and Billing Infrastructure Program, under the terms and conditions therein fully stated and set forth, and,

WHEREAS, said plans, specifications and proposal blanks accurately and fully describe the terms and conditions upon which the Contractor is willing to perform the work specified:

NOW, THEREFORE, IT IS AGREED:

1. That the Owner hereby accepts the proposal of the Contractor for the work, as follows:

**METERING AND BILLING INFRASTRUCTURE (MBI) PROGRAM**

The MBI shall consist of three components: Water metering installation in private and municipal structures, design and implementation of municipal billing software system, and identification and documentation of lead water service lines; and miscellaneous associated work, including cleanup. Contract is for Base Bid and Alternate Bid Item for the total contract amount of Six Hundred Seventy-Two Thousand Nine Hundred Forty-Three and 20/100 Dollars (\$672,943.20) based on the lump sum prices as shown on the Proposal.

2. That this contract consists of the following component parts which are made a part of this agreement and contract as fully and absolutely as if they were set out in detail in this contract:

- A. Contract Documents, including:
  - 1. Notice to Bidders
  - 2. Notice of Public Hearing
  - 3. Instructions to Bidders
  - 4. Proposal
  - 5. Bond
  - 6. General Conditions
  - 7. Special Conditions
  - 8. Plans List
  - 9. Detailed Specifications
  - 10. Plans listed in the specifications
  - 11. Numbered addenda issued to the foregoing.

B. This Instrument.

C. The above components are complementary and what is called for by one shall be as binding as if called for by all.

3. That payments are to be made to the Contractor in accordance with and subject to the provisions embodied in the documents made a part of this contract.

4. That this contract is executed in triplicate.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hand and seals the date first written above.

**CONTRACTOR:**

**CITY OF MOUNT VERNON, IOWA**

Ferguson Waterworks

By \_\_\_\_\_  
Mayor

By [Signature]

Title Area Sales Manager

**ATTEST:**

**ATTEST:**

[Signature]

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

Title Inside Sales

### SECRETARIAL CERTIFICATE OF AUTHORIZATION

The undersigned Assistant Secretary of **Ferguson Enterprises, LLC**, duly organized and existing under the laws of Virginia (the "Company"), hereby designates and certifies that the following employee of the Company, is authorized, on behalf of the Company to take the action(s) designated herein and to execute any and all documents necessary to further such actions:

**Individual Name:** Bradley Klein

**Title:** Area Sales Manager II

**Authorized Action(s):**

1. To enter into contracts, agreements or other documents, and to execute such documents and undertake all such acts as may deemed in the best interest of the Company.
2. To prepare and submit bids and proposals to the Company's customers.

This certificate of authorization shall be effective from the date hereof until **August 8, 2024** unless withdrawn sooner in writing. The provisions of this Certificate are in conformity with a Resolution adopted by the Board of Directors of the Company effective *July 31, 2023*.

In witness whereof, I have hereunto subscribed my name and affixed the seal of the Company, effective **August 9, 2023**.



(Company Seal)



**Ferguson Enterprises, LLC**

*Eric A. Gallo*  
Eric A. Gallo  
Assistant Secretary

Commonwealth of Virginia  
City of Newport News

Sworn to subscribe and acknowledged before me on **August 9, 2023**, by **Eric A. Gallo**, personally known to me, in his capacity as Assistant Secretary of **Ferguson Enterprises, LLC**, a Virginia LLC, on behalf of such Company

*Emilie D. Parcell*  
Notary – Emilie D. Parcell  
My commission expires: **September 30, 2025**

(Notary Seal)





SECTION 00610

BOND #K41879786

KNOW ALL MEN BY THESE PRESENTS: that Ferguson Enterprises, LLC dba Ferguson Waterworks  
(Name of Contractor)

400 SE 41<sup>st</sup> Street, Suite 100, Grimes, Iowa 50111  
(Address of Contractor)

a Corporation hereinafter called the PRINCIPAL,  
(Corporation, Partnership or Individual)

and Federal Insurance Company  
(Name of Surety)

202B Hall's Mill Road, Whitehouse Station, NJ 08889  
(Address of Surety)

hereinafter called the Surety, are held and firmly bound unto

City of Mount Vernon  
(Name of Owner)

213 1<sup>st</sup> Street NW, Mount Vernon, Iowa 52314  
(Address of Owner)

hereinafter called the OWNER, in the sum of Six Hundred Seventy-Two Thousand Nine Hundred Forty-Three  
and 20/100 Dollars (\$ 672,943.20),

in lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the PRINCIPAL entered into a certain contract with the OWNER, dated the 6<sup>th</sup> day of, May, 2024, a copy of which is hereto attached and made a part hereof for the construction of **METERING AND BILLING INFRASTRUCTURE PROGRAM** which Agreement includes a guarantee of all work against defective workmanship and materials for a period of two (2) years from the date of final acceptance of the work by the OWNER, a copy of which Agreement is by reference made a part hereof;

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if the PRINCIPAL shall faithfully perform the Contract on his part and shall fully indemnify and save harmless the OWNER from all costs and damage which he may suffer by reason of failure so to do and shall fully reimburse and repay the OWNER all outlay and expense which the OWNER may incur in making good any such default,

AND FURTHER, that if the PRINCIPAL shall pay all persons who have contracts directly with the PRINCIPAL for labor or materials, failing which such persons shall have a direct right of action against the PRINCIPAL and Surety under this Obligation, subject to the OWNER's priority,

Then this OBLIGATION shall be null and void, otherwise it shall remain in full force and effect.

PROVIDED, however, that no suit, action or proceeding by reason of any default whatever shall be brought on this Bond after three (3) years from the date of final acceptance of the work.

AND PROVIDED, that any alterations which may be made in the terms of the Contract, or in the work to be done under it, or the giving by the OWNER of any extension of time for the performance of the Contract, or any other forbearance on the part of either the OWNER or the PRINCIPAL to the other shall not in any way release the PRINCIPAL and the Surety, or either of them, their heirs, executors, administrators, successors or assigns from their liability hereunder, notice to the Surety of any such alteration, extension or forbearance being hereby waived.

AND FURTHER PROVIDED, the PRINCIPAL and Surety on this Bond hereby agree to pay all persons, firms, or corporations having contracts directly with the PRINCIPAL or with subcontractors all just claims due them for labor performed or material furnished, in the performance of the Contract on account of which this Bond is given, when the same are not satisfied out of the portion of the contract price which the OWNER shall retain until completion of the improvements, but the PRINCIPAL and Surety shall not be liable to said persons, firms, or corporations unless the claims of said claimants against said portions of the contract price shall have been established as provided by law.

THE SURETY ON THIS BOND shall be deemed and held, any contract to the contrary notwithstanding, to consent without notice:

- a. To the extension of time to the PRINCIPAL in which to perform the Contract.
- b. To changes in the plans, specifications, or Contract, when such changes do not involve an increase of more than twenty percent (20%) of the total contract price, and shall then be released only as to such excess increase.
- c. That no provision of this Bond or of any other contract shall be valid which limits to less than three (3) years from the date of final acceptance of the work the right to sue on this Bond for defects in workmanship or materials not discovered or known to the OWNER at the time such work was accepted.

IN WITNESS WHEREOF, this instrument is executed in 3 counterparts, each one of which shall be deemed an original, this 8th day of May, 2024.

PRINCIPAL: Ferguson Enterprises, LLC dba Ferguson Waterworks  
Contractor

[Signature]  
Signature  
Assistant Secretary  
Title

SURETY: Federal Insurance Company  
Surety Company  
[Signature]  
Signature Attorney-in-Fact

Wendy Lee Wadkins  
Name of Attorney-in-Fact

Willis Towers Watson Northeast, Inc.  
Company Name

200 N. Warner Road, Suite 300  
Company Address

King of Prussia, PA 19406  
(Including Zip Code)

610-964-8700  
Company Telephone Number



NOTE: Date of BOND must not be prior to date of Contract.  
If CONTRACTOR is Partnership, all partners should execute BOND.

IMPORTANT: Surety companies executing BONDS must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State where the PROJECT is located.



Power of Attorney

Federal Insurance Company | Vigilant Insurance Company | Pacific Indemnity Company
Westchester Fire Insurance Company | ACE American Insurance Company

Know All by These Presents, that FEDERAL INSURANCE COMPANY, an Indiana corporation, VIGILANT INSURANCE COMPANY, a New York corporation, PACIFIC INDEMNITY COMPANY, a Wisconsin corporation, WESTCHESTER FIRE INSURANCE COMPANY and ACE AMERICAN INSURANCE COMPANY corporations of the Commonwealth of Pennsylvania, do each hereby constitute and appoint Kaitlyn Malkowski, Christopher F. Mulvaney, Pablo Rios Jr. and Wendy Lee Wadkins of King of Prussia, Pennsylvania

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, PACIFIC INDEMNITY COMPANY, WESTCHESTER FIRE INSURANCE COMPANY and ACE AMERICAN INSURANCE COMPANY have each executed and attested these presents and affixed their corporate seals on this 3rd day of April, 2024.

[Signature of Rupert HD Swindells]

Rupert HD Swindells, Assistant Secretary

[Signature of Warren Eichhorn]

Warren Eichhorn, Vice President



STATE OF NEW JERSEY
County of Hunterdon

SS.

On this 3rd day of April, 2024 before me, a Notary Public of New Jersey, personally came Rupert HD Swindells and Warren Eichhorn, to me known to be Assistant Secretary and Vice President, respectively, of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, PACIFIC INDEMNITY COMPANY, WESTCHESTER FIRE INSURANCE COMPANY and ACE AMERICAN INSURANCE COMPANY, the companies which executed the foregoing Power of Attorney, and the said Rupert HD Swindells and Warren Eichhorn, being by me duly sworn, severally and each for himself did depose and say that they are Assistant Secretary and Vice President, respectively, of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, PACIFIC INDEMNITY COMPANY, WESTCHESTER FIRE INSURANCE COMPANY and ACE AMERICAN INSURANCE COMPANY and know the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of said Companies; and that their signatures as such officers were duly affixed and subscribed by like authority.

Notarial Seal



Albert Contursi
NOTARY PUBLIC OF NEW JERSEY
No 50202369
Commission Expires August 22, 2027

[Signature of Albert Contursi]
Notary Public

CERTIFICATION

Resolutions adopted by the Boards of Directors of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY on August 30, 2016; WESTCHESTER FIRE INSURANCE COMPANY on December 11, 2006; and ACE AMERICAN INSURANCE COMPANY on March 20, 2009:

\*RESOLVED, that the following authorizations relate to the execution, for and on behalf of the Company, of bonds, undertakings, recognizances, contracts and other written commitments of the Company entered into in the ordinary course of business (each a "Written Commitment"):

- (1) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise.
(2) Each duly appointed attorney-in-fact of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise, to the extent that such action is authorized by the grant of powers provided for in such person's written appointment as such attorney-in-fact.
(3) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to appoint in writing any person the attorney-in-fact of the Company with full power and authority to execute, for and on behalf of the Company, under the seal of the Company or otherwise, such Written Commitments of the Company as may be specified in such written appointment, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.
(4) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to delegate in writing to any other officer of the Company the authority to execute, for and on behalf of the Company, under the Company's seal or otherwise, such Written Commitments of the Company as are specified in such written delegation, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.
(5) The signature of any officer or other person executing any Written Commitment or appointment or delegation pursuant to this Resolution, and the seal of the Company, may be affixed by facsimile on such Written Commitment or written appointment or delegation.

FURTHER RESOLVED, that the foregoing Resolution shall not be deemed to be an exclusive statement of the powers and authority of officers, employees and other persons to act for and on behalf of the Company, and such Resolution shall not limit or otherwise affect the exercise of any such power or authority otherwise validly granted or vested.

I, Rupert HD Swindells, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, PACIFIC INDEMNITY COMPANY, WESTCHESTER FIRE INSURANCE COMPANY and ACE AMERICAN INSURANCE COMPANY (the "Companies") do hereby certify that

- (i) the foregoing Resolutions adopted by the Board of Directors of the Companies are true, correct and in full force and effect,
(ii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Whitehouse Station, NJ, this 8th day of May, 2024



[Signature of Rupert HD Swindells]

Rupert HD Swindells, Assistant Secretary

IN THE EVENT YOU WISH TO VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT:
Telephone (908) 903- 3493 Fax (908) 903- 3656 e-mail: surety@chubb.com



The Companies affording coverage and the Additional Insured, City of Mount Vernon, Linn County, Iowa expressly agree and state that the purchase of this policy of insurance by the insured and the listing of the City of Mount Vernon as an Additional Insured hereunder to not waive any of the defenses of governmental immunity available to the Additional Insured under Iowa Code Section 670.4 as it now exists and as it may be amended from time to time. The Companies and the Additional Insured further agree that this policy of insurance shall cover only those claims not subject to the defense of governmental immunity under Iowa Code Section 670.4 as it now exists and as it may be amended from time to time. The Additional Insured shall be responsible for asserting any defense of governmental immunity and may do so at any time and shall do so upon the timely written request of the Companies. The Companies shall not deny coverage under this policy and the Companies shall not deny any of the rights and benefits accruing to the Insured or the Additional Insured under this policy for reasons of governmental immunity unless and until a court of competent jurisdiction has ruled in favor of the defense(s) of governmental immunity asserted by the Additional Insured

Effective Date	Company	Effective Date	Company
4/1/1975	Acquisition - Charleston, SC	3/16/1992	Chatham Pipe & Supply
5/1/1976	Southern States Supply Company, Inc.	11/2/1992	U.S. Supply Company
11/1/1977	Atlas Supply Company, Inc.	8/2/1993	Armstrong Plumbing Supply Company, Inc.
12/31/1980	SCL Equipment Corporation	10/4/1993	Hub Inc.
1/28/1983	Universal Supply Company, Inc.	6/27/1994	Automatic Temperature Supplies Inc.
3/10/1983	Central Plumbing Supply Company	6/5/1995	Lyon, Conklin & Co., Inc.
1/1/1984	Riverside Supply Company, Inc.	7/10/1995	Wilmington Plumbing Supply Co., Inc.
5/1/1984	McKenna Supply Company	11/13/1995	Walden Industrial Supply Co., Inc.
10/30/1984	Cooper Supply Company	12/18/1995	Wisconsin River Supply Company
1/15/1985	Plumbers Supply Company, Inc.	2/26/1996	Columbia Supply Corporation
6/4/1985	R. W. Farmer Supply Co., Inc.	9/30/1996	Great Lakes Plumbing Supply, Inc.
1/7/1986	The Warner Company, Inc.	10/15/1996	General Plumbing Supply Co. of MD, Inc.
10/1/1986	Underground Supply Company, Inc.	11/23/1996	J&G Products Company, Inc.
12/30/1986	Terry Supply Company	5/5/1997	Central Engineering and Supply, Co., Inc.
12/31/1986	Virginia Supply and Well Company	6/30/1997	Standard of Lynn, Inc.
1/5/1988	Geo. McGintey Supply Co., Inc.	8/25/1997	Cities Supply Company, Inc.
1/29/1988	LBS Supply, Inc.	9/22/1997	Raleigh Supply Company, Inc.
12/29/1989	C. Selzer & Sons, Inc.	10/8/1997	Climate Makers of Charleston, Inc.
4/1/1990	Consumer's Supply Company, Inc.	11/3/1997	South Bend Supply Company, Inc.
5/20/1991	Gonnar Air Conditioning Company, Inc.	12/15/1997	Jalme Salicrup, Inc.
3/4/1992	Cain & Bullman, Inc.	1/7/1998	Steel City Wholesalers
3/30/1998	Tozour Unitary Product Division	6/18/2001	Mid-Cities - Dallas, TX
6/1/1998	Forward Enterprises	6/30/2001	Westburne Supply, Inc.
7/1/1998	Esco Supply Company	4/8/2002	Clayton Acquisition Company
10/29/1998	L&H Plumbing & Heating Supply	5/6/2002	Sumner & Dunbar
12/23/1998	Fields & Company of Lubbock, Inc.	5/13/2002	Tahoe Truckee Supply
1/25/1999	Dunaway's Wides Pipe & Supply Co., Inc.	1/13/2003	York Factory Branch - Corona, CA
3/30/1999	Alamo Plumbing Supply Co.	1/13/2003	Triangle Supply, Inc.
4/26/1999	Plumbers Specialty Company, Inc.	4/7/2003	Linwood Pipe and Supply Co., Inc.
6/1/1999	Midwest Pipe & Supply	4/14/2003	Hanco Supply, Inc.
6/2/1999	Thrall Distribution, Inc.	6/2/2003	Huskey, Inc.
6/4/1999	Goldberg Company (GCI)	6/16/2003	A-1 Pipe
8/30/1999	The Gage Company	9/15/2003	Liberty Equipment
9/15/1999	Baker Pipe and Supply Company	12/15/2003	High Country
1/24/2000	Donovan Industrial Supply Corporation	1/19/2004	Bullder's Plumbing Supply
3/6/2000	Plumbing & Mill Supplies, Incorporated	3/29/2004	Municipal Pipe

Effective Date	Company	Effective Date	Company
6/12/2000	Eastern Sewer Pipe Corp.	9/1/2004	Cline Contract Sales
8/21/2000	Pesco Pipe and Supply Co.	11/22/2004	Clark Supply
9/11/2000	Fire Protection Supply Company	12/7/2004	R Supply
1/8/2001	Sunbelt Marketing	12/31/2004	Parnell Martin
3/1/2001	Red Hed Supply	1/31/2005	JD Daddario
5/21/2001	Mid-Cities - Plant City, FL	2/8/2005	Meckco Supply
5/1/2005	Full Service Supply	5/22/2006	Central Lighting Supply
5/23/2005	United Supply & Distributing	8/1/2006	Palermo
6/26/2005	Webb Distributors, Inc.	8/1/2006	Waterworks Supply
8/15/2005	Park Supply	8/21/2006	United Automatic
8/29/2005	S&S Fabricators	10/2/2006	Castle Supply
9/12/2005	Contractor's Field Products	10/2/2006	Castle North
9/19/2005	Economy Plumbing Supply	10/2/2006	Lawrence Supply
9/30/2005	Endries International	10/2/2006	Northern Water Works Supply
10/17/2005	Camella Valley Supply	10/16/2006	Gulf Refrigeration
11/7/2005	LAB Appliances	10/16/2006	Kandall
11/15/2005	Mobile Supply	12/4/2006	Ondalay Pipe
11/30/2005	Frischkorn	12/11/2006	Page's Appliance
12/19/2005	South Lake Tahoe	12/18/2006	Guntersville Fab
1/9/2006	Colgan	12/29/2006	Cal-Steam
2/21/2006	Dixie Plumbing Supply	2/7/2007	Grif-Fab
3/13/2006	Alamo Pipe	2/28/2007	Improvement Direct
3/20/2006	Indiana Plumbing Supply	7/30/2007	Fire Fab
4/10/2006	Pipe Products	8/13/2007	Western Air
4/24/2006	Davles Water	8/27/2007	Davidson Pipe & Supply
5/8/2006	Central Supply	11/5/2007	JD Wholesale
5/22/2006	Supply North Central Group	12/30/2007	JC Plumbing
2/18/2008	Mastercraft Cabinets	2/9/2015	Builders Appliance Center
9/1/2009	DPS	2/23/2015	The Ar-Jay Center
12/31/2010	Summit Pipe & Supply	3/9/2015	Equarius Waterworks, Inc.
8/29/2011	Louisiana Chemical PVF	3/16/2015	Redlon & Johnson Supply
9/26/2011	SG Supply	4/27/2015	Arkansas Supply, Inc.
11/7/2011	Groeniger	5/18/2015	Ecomfort Holdings Inc.
4/23/2012	Reese Kitchens	6/8/2015	WR White Supply
9/25/2012	Power Equipment Direct, Inc. (PED)	8/24/2015	S&P Investment, Inc. (dba - Central Pipe & Supply)

Effective Date	Company	Effective Date	Company
10/1/2012	Davis & Warshaw	10/1/2015	Living Direct, Inc.
2/11/2013	Fluid Systems Hawaii, Inc.	10/19/2015	Atlantic American Fire Equipment Company
1/20/2014	Karl's Sales and Service - Karls Appliance	10/27/2015	Renwes Appliances, Inc.
3/31/2014	Waterworks Industries	11/16/2015	Action Fire Fab & Supply, Inc.
4/28/2014	Factory Direct Appliance	1/25/2016	Professional Cleaning Service and Supply Corporation (PCS Industries)
5/31/2014	Capstone Global Solutions	4/4/2016	Andrews Lighting Gallery, Inc.
6/9/2014	HP Products (and HP Logistics)	4/18/2016	Dealemet, LLC
8/18/2014	Joseph G. Pollard Co. Inc.	4/18/2016	The Bath + Beyond
9/14/2014	Powell Pipe & Supply Co.	5/23/2016	Bruce-Rogers Company
10/6/2014	Spillius, Inc. (dba City Lights and Design)	6/13/2016	Michigan Pipe and Valve-Flint, Inc.
11/17/2014	Global HVAC Distributors, Inc.	6/27/2016	Michigan Pipe and Valve-Lansing, Inc.
12/8/2014	Ship-Pac, Inc.	7/11/2016	Michigan Meter Technology Group, Inc.
12/8/2014	McFarland Supply Co., Inc.	8/1/2016	Clawfoot Supply LLC d/b/a Signature Hardware
8/29/2016	Westfield Lighting Co., Inc.	10/22/2018	Dogwood Building Supply
10/10/2016	Ramapo Wholesalers Inc.	10/29/2018	Capital Distributing
10/24/2016	The Plumbing Source, Inc.	11/19/2018	Roberston Supply
11/14/2016	Underground Pipe & Valve, Inc.	12/10/2018	Walwork Bros., Inc.
12/12/2016	Matera Paper Company, Inc.	12/11/2018	Blackman
2/13/2017	P.V. Sullivan	1/28/2019	James Martin Furniture
2/20/2017	Custom Lighting & Hardware	2/4/2019	Kitchen Art
3/27/2017	Lighting Unlimited, LLC	6/3/2019	Mission Valley Pipe and Supply
8/7/2017	Wholesale Group, Inc.	7/15/2019	Action Supply Co.
9/18/2017	HM Wallace, Inc.	7/29/2019	Innovative Soil Solutions
1/22/2018	Duhig Stainless	9/9/2019	Process Instruments & Controls
5/14/2018	National Fire	11/11/2019	SW Anderson
7/2/2018	Wright Plumbing	3/13/2020	Columbia Pipe Supply
7/9/2018	Lighting Design Center	3/16/2020	Rencor Controls
7/16/2018	Appliance Distributors of Louisiana	3/25/2020	MFP Design
7/30/2018	Brock McVey	10/26/2020	Old Dominion Supply



Effective Date	Company	Effective Date	Company
7/31/2018	Safe Step Walk-In Tub Co	11/16/2020	Atlantic Construction Fabrics
8/13/2018	Jones Stephens	1/11/2021	Amerock Corporation
8/20/2018	Action Automation	1/11/2021	Clarksville Lighting and Appliance
8/27/2018	Millennium Lighting	6/21/2021	Kitchen Showcase
9/24/2018	Grand Junction Pipe & Supply	7/12/2021	Moore Industrial Supply, Co.
7/26/2021	Canyon Pipe & Supply	12/5/2022	Power Process Equipment Co
9/20/2021	Meyer Appliances, Kitchens and Baths	1/30/2023	Pipelnes, INC
10/25/2021	Sunstate Meters and Supply, Inc	6/13/2023	S.G. Torrice
11/1/2021	Galkos Construction (Safe Step Walk In Tubs)	7/25/2023	Kennedy Companies
11/13/2021	Hot Water Products, Inc.	7/31/2023	Bruce Supply Corp
11/22/2021	RP Lighting & Fans (Royal Pacific)	10/16/2023	SecureVision of America
1/24/2022	Plumbers Supply Company of St Louis	1/8/2024	Harway Supply, LLC
2/7/2022	Uncle Sam Piping Solutions, Inc.	1/8/2024	Capital City Appliances LLC dba Harway Appliances
3/21/2022	AP Supply Company	1/8/2024	Texas State Appliances, LLC
4/4/2022	Lighting Plus	1/29/2024	Grove Supply, Inc.
4/25/2022	Founders Kitchen & Bath, Inc.	1/29/2024	Wolfe Family Partnership, Ltd
5/9/2022	Canadian Safe-Step Tubs, Inc.	1/29/2024	Wwhc Enterprises, LLC
5/23/2022	Aaron & Company, LLC	1/29/2024	PLCC Enterprises LLC
5/25/2022	STE LLC	3/4/2024	Yorkwest Plumbing Supply Inc.
6/27/2022	Triton Environmental, LLC		
7/18/2022	D2 Land & Water Resource, Inc		
7/25/2022	Minka Lighting LLC		
7/26/2022	Rybak Engineering, Inc		
8/29/2022	Monark Premium Appliance (Transform Micoo LLC)		
11/7/2022	Guarino Distributing Co, LLC		
12/1/2022	Airefco, Inc		
4/15/2024	Safe Step Walk In Tub, LLC		
	Lincoln Products		

## Mount Vernon, IA Production Schedule

<b>Week</b>	<b>Number of Installers</b>	<b>Weekly Installs</b>	<b>Install Total</b>
9/16/2024	3	120	120
9/23/2024	3	120	240
9/30/2024	3	120	360
10/7/2024	3	120	480
10/14/2024	3	120	600
10/21/2024	3	120	720
10/28/2024	3	120	840
11/4/2024	3	120	960
11/11/2024	3	120	1080
11/18/2024	3	120	1200
11/25/2024	3	120	1320

**AGENDA ITEM # G – 6**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

**DATE:** May 20, 2024

**AGENDA ITEM:** Resolution #5-20-2024F

**ACTION:** Motion

**SYNOPSIS:** This transfer resolution is in conjunction Resolution #5-20-2024A authorizing the transfer of funds from the Water Treatment Plant Depreciation Fund (163) to the Police Station Construction Fund (314) to cover the deficit in that fund.

**BUDGET ITEM:** Water

**RESPONSIBLE DEPARTMENT:** Assistant City Administrator

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** Resolution #5-20-2024F

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024

RESOLUTION #5-20-2024F

A resolution approving transfer:

<b>FROM FUND:</b>	<b>TO FUND:</b>	
Water Treatment Plant Depreciation (#163) (Interfund Loan to Cover Construction Deficit)	Police Station Construction (#314)	\$136,431.50

Motion made by \_\_\_\_\_ seconded by \_\_\_\_\_ to \_\_\_\_\_  
Resolution #5-20-2024F

Resolution #5-20-2024F \_\_\_\_\_ on May 20, 2024 by the following roll call vote:

YES:

NO:

ABSTAIN:

ABSENT:

MOUNT VERNON, IOWA

\_\_\_\_\_  
Thomas M. Wieseler, Mayor

ATTEST:

\_\_\_\_\_  
Marsha Dewell  
City Clerk

# **I. Old Business**

**AGENDA ITEM # I – 1**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

<b>DATE:</b>	May 20, 2024
<b>AGENDA ITEM:</b>	Trail Art Funding Request
<b>ACTION:</b>	Motion

**SYNOPSIS:** Staff is asking for this item to remain tabled until the Park and Rec Board has an opportunity to review their CIP requests. The Park and Rec Board should have a report available by the next Council meeting. (tabled on May 6, 2024)

**BUDGET ITEM:** LOST

**RESPONSIBLE DEPARTMENT:** Assistant City Administrator

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** None

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024

## **J. Motions for Approval**

CITY OF MOUNT VERNON  
CLAIMS FOR APPROVAL, MAY 20, 2024

PAYROLL	CLAIMS	104,651.69
ARDENT LIGHTING GROUP LLC	PAY APP #3-DAVIS PARK LIGHTING	77,260.48
EMPLOYEE BENEFIT SYSTEMS	GROUP INSURANCE-ALL DEPTS	36,539.54
REPUBLIC SERVICES #897	GB,RECYL-SW	23,486.68
RICKARD SIGN AND DESIGN CORP	SIGN-FD LOST I	17,955.00
S&P GLOBAL	ANALYTICAL SERVICES-2024 GO	16,250.00
REPUBLIC SERVICES #897	GB,RECYL-SW	15,302.42
TOTAL TREE CARE OF IOWA CITY	TREE MAINT-RUT	9,918.75
RED LION RENEWABLES	SOLAR ELECTRIC-P&A,PD,LBC	4,533.17
IOWA SOLUTIONS INC	COMPUTER EQUIP/MAINT-ALL DEPTS	3,983.00
IOWA SOLUTIONS INC	COMPUTER MAINT-PD	3,065.00
BARNYARD SCREEN PRINTER LLC	T-SHIRTS-P&REC	2,635.50
PNP	FUEL-PD	1,962.63
MOUNT VERNON ACE HARDWARE	SUPPLIES-ALL DEPTS	1,716.63
TRI-CITY ELECTRIC CO OF IOWA	KEY CARDS-LBC	1,704.00
BANKCARD 8076	CREDIT CARD FEES-LBC,POOL,P&REC	1,389.54
ECICOG	ZONING ORD REVIEW-P&A	1,350.00
LYNCH DALLAS PC	LEGAL FEES-P&A	1,341.89
BRADLEY HAUGE CPA	PROFESSIONAL SERVICES-ALL DEPTS	1,310.00
UPPER IOWA UNIVERSITY	TUITION-PD	1,244.00
PLUMB SUPPLY CO	FILTERS-CITY HALL	1,123.12
STUDENT PUBLICATIONS INC	CTW ADS-P&REC	1,064.00
EVER-GREEN LANDSCAPE NURSERY	MULCH-P&REC	1,050.00
IOWA SOLUTIONS INC	MONTHLY MAINT-PD	1,035.00
WHITE CAP, L.P.	SUPPLIES-P&REC	1,031.07
TAYLOR CONCESSIONS	CTW FOOD VENDOR-P&REC	1,020.00
EMPLOYEE BENEFIT SYSTEMS	INSURANCE CLAIMS-ALL DEPTS	1,017.63
RICHARD BURROUGHS	CEMETERY MAINT	2,020.00
KIEFER AQUATICS	SUPPLIES-POOL	934.33
HAWKINS INC	CHEMICALS-WAT	839.50
NEXT GENERATION WIRELESS	CELL PHONE-PD	819.76
CUSTOM HOSE & SUPPLIES INC	ADAPTER-WAT	726.24
EMPLOYEE BENEFIT SYSTEMS	INSURANCE CLAIMS-ALL DEPTS	609.97
ECICOG	GENERATOR GRANT-LBC	600.00
USA BLUE BOOK	SUPPLIES-WAT	597.28
KROMMINGA MOTORS INC	VEHICLE MAINT-FD RANGER	420.82
SHERWIN WILLIAMS CO.	PAINT/SUPPLIES-POOL	372.47
TRAFFIC & TRANSPORTATION PRODUCTS	TRAFFIC LIGHT PARTS-RUT	325.39
BRADY LANHAM	CTW POWER-CDG	320.00
SJ SMITH CO, INC	WELDER PARTS-PW	275.77
CITY LAUNDERING CO	SERVICES-LBC	253.92
MOUNT VERNON, CITY OF	START UP CASH-POOL	250.00
CAUSE TEAM	UNIFORMS-ALL DEPTS	225.00
BASS FARMS	CTW FOOD VENDOR-P&REC	225.00
MATT STEIGERWALD	REFUND-LBC	191.82
RC TECH	CAMERA SERVICE-SW	186.50
RC TECH	CAMERA REPAIRS-SW	183.75
SIRCHIE	SUPPLIES-PD	151.55
STUDENT PUBLICATIONS INC	ADS/PUBLICATIONS-PD	149.76
MARKET STREET	ONLINE TECH SUPPORT-MVHPC	100.80
AIRGAS INC	CYLINDER RENTAL FEE-PW	99.68
MARK ANDRESEN	TRAINING-P&A	90.00
AMAZON CAPITAL SERVICES	SUPPLIES-PW	89.99
STAPLES INC	SUPPLIES-P&A	88.56
CITY LAUNDERING CO	SERVICES-CITY HALL	79.69
IOWA FIRE CHIEFS ASSOCIATION	MEMBERSHIP-FD	75.00



CITY OF MOUNT VERNON  
CLAIMS FOR APPROVAL, MAY 20, 2024

CENTURY LINK	PHONE CHARGES-PD	72.00
LYNCH FORD	VEHICLE MAINT-PW	63.68
PRESTO-X	PEST CONTROL-PD	62.00
LUKE RUSHFORD	REFEREE-P&REC	50.00
KAYNE KAMBERLING	REFEREE-P&REC	50.00
KONICA MINOLTA BUSINESS SOLUTIONS	MAINT PLAN/COPIES-PD	47.89
MELINDA SNYDER	INSTRUCTOR-LBC	40.00
AMAZON CAPITAL SERVICES	SUPPLIES-LBC	33.99
THE GAZETTE	ADS/PUBLICATIONS-PD	30.41
BANKCARD 8076	REFUND-POOL	28.00
LISBON MT VERNON AMBULANCE	CPR TRAINING-FD	27.00
AMAZON CAPITAL SERVICES	SUPPLIES-LBC	22.59
STAPLES INC	SUPPLIES-P&A	10.02
MOUNT VERNON BANK & TRUST CO	WIRE TRANSFER FEE-2024 GO	5.35
<b>TOTAL</b>		<b>346,786.22</b>

<b>FUND EXPENSE TOTALS</b>		<b>104,651.69</b>
PAYROLL		77,260.48
DAVIS PARK IMPROVEMENTS		47,597.33
GENERAL FUND		41,255.87
SOLID WASTE		17,955.00
LOST I-FD/EQUIPMENT		14,276.47
ROAD USE TAX FUND		10,698.10
LBC		9,202.85
WATER FUND		6,350.67
SEWER FUND		4,063.84
2024 INFRASTRUCTURE		4,063.84
COTTONWOOD LMI PROJECT		4,063.84
REMOTE READ METER PROJECT		4,063.83
POOL RENOVATIONS		1,282.41
STORM WATER FUND		<b>346,786.22</b>
<b>TOTAL</b>		

CITY OF MOUNT VERNON  
**ADDITIONAL CLAIMS FOR APPROVAL, MAY 20, 2024**

MOUNT VERNON BANK & TRUST	2020 GO LOAN NOTE PRIN & INTEREST	87,520.00
HILLS BANK & TRUST	2015 GO LOAN NOTE PRIN & INTEREST	40,984.50
ALLIANT ENERGY	ENERGY USAGE-ST LIGHTS	4,703.35
ALLIANT ENERGY	ENERGY USAGE-WAT	2,790.34
ALLIANT ENERGY	ENERGY USAGE-WAT	1,050.08
US CELLULAR	CELL PHONE-PD	802.94
ALLIANT ENERGY	ENERGY USAGE-P&REC	622.77
ALLIANT ENERGY	ENERGY USAGE-FD	577.92
ALLIANT ENERGY	ENERGY USAGE-RUT	551.32
ALLIANT ENERGY	ENERGY USAGE-SEW	511.97
ALLIANT ENERGY	ENERGY USAGE-ST LIGHTS	377.79
MEDIACOM	PHONE/INTERNET-PW	322.17
ALLIANT ENERGY	ENERGY USAGE-CITY HALL	255.99
CITY LAUNDERING	SERVICES-LBC	253.92
KONICA MINOLTA BUSINESS SOLUTIONS	MAINT PLAN/COPIES-PD	207.31
ALLIANT ENERGY	ENERGY USAGE-LBC	139.04
ALLIANT ENERGY	ENERGY USAGE-RUT,P&A,WAT,SEW	129.10
ALLIANT ENERGY	ENERGY USAGE-PD	105.10
STAPLES INC	SUPPLIES-P&A	102.16
VESTIS	RUGS,SERVICES-FD	84.81
CITY LAUNDERING	SERVICES-CITY HALL	79.69
ALLIANT ENERGY	ENERGY USAGE-POOL	78.85
KIEFER AQUATICS	SUPPLIES-POOL	52.00
KIECKS	UNIFORMS-PD	51.95
ALLIANT ENERGY	ENERGY USAGE-RUT,WAT,SEW,SW	27.36
ALLIANT ENERGY	ENERGY USAGE-SW	26.54
HAWKINS INC	CHEMICALS-WAT	20.00
<b>TOTAL</b>		<b>142,428.97</b>

<b>FUND EXPENSE TOTALS</b>		
DEBT SERVICE FUND		128,504.50
ROAD USE TAX FUND		5,778.97
WATER FUND		4,006.93
GENERAL FUND		3,053.77
SEWER FUND		658.46
LBC		392.96
SOLID WASTE		33.38
<b>TOTAL</b>		<b>142,428.97</b>

**AGENDA ITEM # J – 2**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

**DATE:** May 20, 2024

**AGENDA ITEM:** Auditing Services

**ACTION:** Motion

**SYNOPSIS:** Staff is recommending the City of Mount Vernon continue to utilize the services of Gronewold, Bell, Kyhnn & Co. P.C. for the annual audit. This would be a one-year proposal with a proposed cost of \$14,640.00.

**BUDGET ITEM:** All

**RESPONSIBLE DEPARTMENT:** Finance

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** Proposal

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024

# Gronewold, Bell, Kyhnn & Co. P.C.

CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS AND FINANCIAL CONSULTANTS

1910 EAST 7th STREET BOX 369  
ATLANTIC, IOWA 50022-0369  
(712) 243-1800  
FAX (712) 243-1265  
CPA@GBKCO.COM

KENNETH P. TEGELS  
CHRISTOPHER J. NELSON  
DAVID A. GINTHER  
DUSTIN T. VEENSTRA  
FAITH E. HINRICHS

May 10, 2024

City of Mount Vernon  
213 1<sup>st</sup> Street NW  
Mount Vernon, Iowa 52314

To the Mayor and Members of the City Council

We are pleased to confirm our understanding of the services we are to provide for the City of Mount Vernon for the year ended June 30, 2024.

## **Audit Scope and Objectives**

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of the City of Mount Vernon, as of and for the year ended June 30, 2024.

We have also been engaged to report on supplementary information that accompanies the City of Mount Vernon's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America (GAAS), and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements:

1. Schedule of Cash Receipts, Disbursements and Changes in Cash Balances - Nonmajor Governmental Funds
2. Schedule of Receipts by Source and Disbursements by Function - All Governmental Funds

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

1. Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances - Budget and Actual - All Governmental Funds and Proprietary Funds
2. Notes to Other Information - Budgetary Reporting
3. Schedule of the City's Proportionate Share of the Net Pension Liability (Asset)
4. Schedule of City Contributions
5. Notes to Other Information - Pension Liability

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with the cash basis of accounting; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of the City of Mount Vernon and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgement and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request written representation from your attorneys as part of the engagement.

### **Audit Procedures - Internal Control**

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

### **Audit Procedures - Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Mount Vernon's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with the cash basis of accounting, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. You are responsible for including all informative disclosures that are appropriate for the cash basis of accounting. Those disclosures will include (1) a description of the cash basis of accounting, including a summary of significant accounting policies, and how the cash basis of accounting differs from accounting standards generally accepted in the United States of America (GAAP); (2) informative disclosures similar to those required by GAAP; and (3) additional disclosures beyond those specifically required that may be necessary for the financial statements to achieve fair presentation.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with the cash basis of accounting. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with the cash basis of accounting; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with the cash basis of accounting; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

**Other Services**

We will also assist in preparing the financial statements and related notes of the City of Mount Vernon in conformity with the cash basis of accounting based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with the preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

**Engagement Administration, Fees and Other**

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the City of Mount Vernon; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Gronewold, Bell, Kyhnn & Co. P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Auditor of State or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Gronewold, Bell, Kyhnn & Co. P.C.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Auditor of State. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Dustin Veenstra is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately July, 2024 and to issue our reports no later than October 31, 2024.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed our maximum fee per the attached Exhibit A. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.



**Reporting**

We will issue a written report upon completion of our audit of the City of Mount Vernon's financial statements. Our report will be addressed to Management, the Mayor and Members of the City Council of the City of Mount Vernon. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express an opinion or issue reports, or we may withdraw from this engagement.

We will also provide a report (which does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that the City of Mount Vernon is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to the City of Mount Vernon and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

GRONEWOLD, BELL, KYHNN & CO. P.C.



Dustin T. Veenstra, CPA

DTV:js

RESPONSE:

This letter correctly sets forth the understanding of the City of Mount Vernon.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Proposal for Audit Services  
 CITY OF MOUNT VERNON  
 Years Ending June 30, 2024 - 2026

<u>Proposed audit fee:</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
1. Estimated total hours	<u>120</u>	<u>120</u>	<u>120</u>
2. Proposed fee for the audit of the City's financial statements	\$ 13,440	\$ 14,380	\$ 15,380
3. Estimated out-of-pocket expenses	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>
4. Total maximum proposed cost	<u>\$ 14,640</u>	<u>\$ 15,580</u>	<u>\$ 16,580</u>
5. Compliance testing in accordance with the Single Audit Act and Uniform Guidance, if required	<u>\$ 3,200</u>	<u>\$ 3,400</u>	<u>\$ 3,600</u>

Should unusual circumstances be discovered during our audit which would require additional work or investigation, this would be brought to your attention. We would then discuss the matter and make separate arrangements if you wish to have us perform additional work.

If requested, cost for presentation to the City Council would be in addition to the above proposed fees.

6. Progress billings are submitted monthly on approximately the 10th of the month following the month of service and are payable upon presentation.
7. Additional consulting services are billed at our standard billing rates. Our current hourly billing rates are as follows:

Partners	\$130 - \$210
Manager/Supervisor	100-130
Senior	70-100
Other staff	50-70

**AGENDA ITEM # J – 3**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

**DATE:** May 20, 2024

**AGENDA ITEM:** Bradley Hauge

**ACTION:** Motion

**SYNOPSIS:** Mr. Hauge assists the City with the completion of state budget forms, TIF reports and monthly bank reconciliations. The yearly contract amount is \$7,575.00.

**BUDGET ITEM:** All Funds

**RESPONSIBLE DEPARTMENT:** Finance

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** Proposal

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024

**Bradley L. Hauge, CPA  
4807 Mary Green Court NE  
Cedar Rapids, Iowa 52411  
319-560-5237**

April 3, 2024

Mr. Chris Nosbisch, City Administrator  
City of Mt. Vernon  
213 1<sup>st</sup> Street West  
Mt. Vernon, Iowa 52314

Dear Chris:

I am pleased to provide accounting services for the City of Mt. Vernon, Iowa (the City) for the fiscal year ending June 30, 2024. The purpose of this engagement letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services to be provided.

**Services to be provided:**

- Review receipts and disbursements ledgers for the fiscal year ending June 30, 2024.
- Prepare adjusting journal entries as needed.
- Reconcile transfers made during the year.
- Prepare and/or update various workpapers for the auditor.
- Prepare the financial statement (excel portion) of the City's year-end financial report to be audited by the City's auditors.
- Reconcile the year-end Clerk's Report balances to the year-end financial report.
- Review final draft of the year-end audited financial statements.
- Prepare the City Street Financial Report.
- Prepare the State of Iowa City Annual Financial Report.

**Fees and payment terms**

The charges for this work are to be based upon the time involved. Bills for services are due when submitted. It is estimated that fees for the above services will be approximately \$7,575.

I will not audit or review your financial statements, or any other accounting documents and information you provide, in accordance with generally accepted auditing standards. Accordingly, I ask that you do not in any manner refer to this as an audit or review.

This engagement is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, I will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to my attention.

You are responsible for adopting sound accounting policies, for maintaining an adequate and efficient accounting system, for safeguarding assets, for authorizing transactions, for retaining supporting documentation for those transactions, and for devising a system of internal controls that will, among other things, help assure the preparation of proper financial statements. Furthermore, you are responsible for management decisions and functions, for designating a competent employee to oversee any of the services I provide, and for evaluating the adequacy and results of those services.

If, after full consideration, you agree that the foregoing terms shall govern this engagement, please sign this letter in the space provided and mail or email the signed letter back to me, keeping a fully-executed copy for your records.

I very much appreciate the opportunity to serve you and will be pleased to discuss any questions that you may have.

Very truly yours,

*Bradley L. Hauge, CPA*

Bradley L. Hauge, CPA

**ACCEPTED AND AGREED:**

**City of Mt. Vernon, Iowa**

\_\_\_\_\_  
By

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

**AGENDA ITEM # J – 4**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

**DATE:** May 20, 2024

**AGENDA ITEM:** Invoice #150549 - JEO

**ACTION:** Motion

**SYNOPSIS:** This is the third invoice for the Uptown Streetscape Project. Included with the \$68,702.00 invoice is a monthly progress report from JEO Consulting Group.

**BUDGET ITEM:** LOST

**RESPONSIBLE DEPARTMENT:** Assistant City Administrator

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** Invoice 150549 & Progress Report

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024



Engineering | Architecture | Surveying | Planning

Invoice

May 15, 2024
Project No: R231567.00
Invoice No: 150549
Invoice Amount: 68,702.00

Chris Nosbisch
City of Mount Vernon
213 First St. NW
Mount Vernon, IA 52314

Project Manager Jeremy Kaemmer
Project R231567.00 Mount Vernon Downtown Streetscape Improvements
Professional Services through May 3, 2024

Table with 6 columns: Phase(s), Contract Amount, Percent Complete, Billed-to-Date, Previous Billing, Current Billing. Rows include Lump Sum Phase(s) like Project Management, Survey, Discovery, etc., and Hourly Phase(s) like Reimbursable Expenses. Total amount due is \$68,702.00.

Please email to: cnosbisch@cityofmtvernon-ia.gov; lboren@cityofmtvernon-ia.gov



# Monthly Progress Report

**PROJECT NAME** | Mt. Vernon Uptown Streetscape Design  
**JEO PROJECT NO.** | R231567.00  
**CONTRACT DATE** | January 3, 2024  
**DATE PREPARED** | May 14, 2024

## 1. Work Completed During Current Period (4/15/24 – 5/10/24)

### Task 1: Project Management

- Project management and internal team coordination.
- Quality control of task work and deliverables.

### Task 2: Survey

- Lidar Survey & Processing

### Task 3: Discovery

- Visual Preference Survey is live and collecting data.
- Fact Sheets, Postcards, Brochures, and other informational/promotional materials developed for public engagement and awareness.
- Coffee Conversations
- Newspaper Article
- Uptown Stroll
- Existing Conditions Analysis.

### Task 4: Visioning & Concept Development

- Design/concept workshop.
- Chalk the Walk Open House
- 3D Renders

### Task 5: Master Plan Documentation

- Concepts Refined for final plan.
- Master Plan Documentation Underway.

### Task 6: Design Services

- Preliminary Design for Utilities.
- Accessibility Review.

### Task 7: Utility Coordination & Permitting

- No activity to report at this time.

### Task 8: Bidding & Negotiation

- No activity to report at this time.

### Task 9: Construction Administration/Inspection

- No activity to report at this time.



**2. Planned Work for Next Period**

- Continue public engagement efforts.
- Finalize Master Plan Document, and present to City for review.
- Design Phase Kickoff.

**3. Project Schedule**

- No schedule issues to report

**4. Information Needed from Mt Vernon**

- Review Draft Master Plan Document when delivered, and provide comments.

**5. Issues or Concerns**

- Nothing to report at this time

**6. Next Advisory Committee Meeting**

- June 4, 2024

**AGENDA ITEM # J – 5**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

**DATE:** May 20, 2024

**AGENDA ITEM:** Pool Vacuum

**ACTION:** Motion

**SYNOPSIS:** The existing pool vacuum is no longer operable and replacement parts are not available for that model. Staff recommends purchasing a new unit with a proposed cost of \$11,252.00 and \$500.00 for shipping. This purchase would be made using bond proceeds as the unit is needed for the pool renovation.

**BUDGET ITEM:** Bond

**RESPONSIBLE DEPARTMENT:** Assistant City Administrator

**MAYOR/COUNCIL ACTION:** Motion

**ATTACHMENTS:** Information Sheet

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024

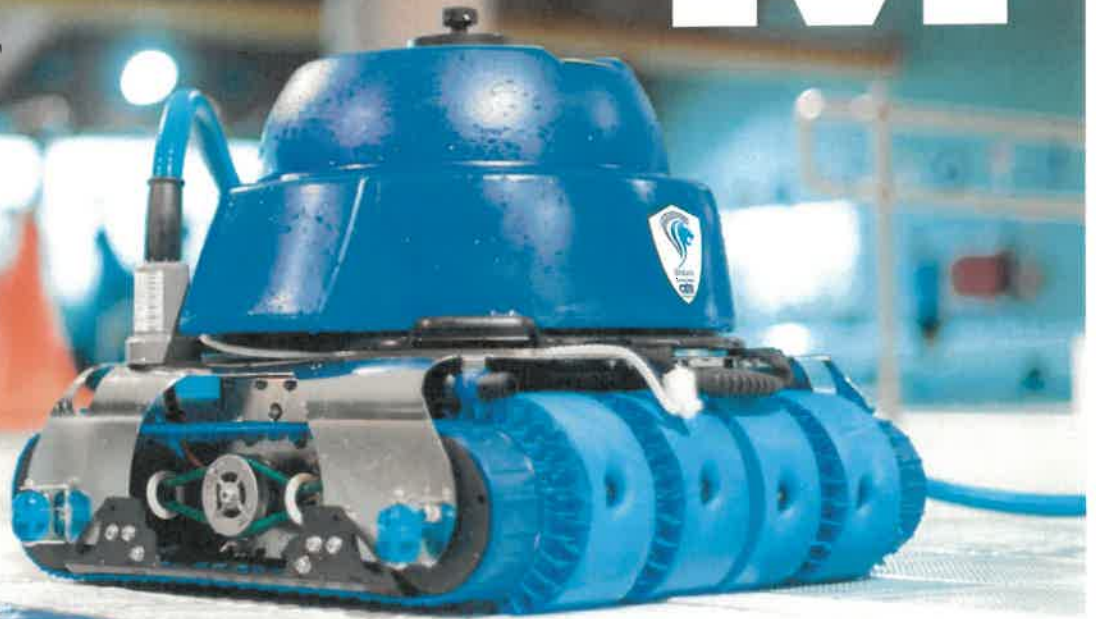
MID SIZE POOLS

TECHNICAL DATA

ENDURO  
TURBO  
CLEAN  
M



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YOU KNEW ABOUT ROBOTIC VACUUMS !...”

TRUST  
in the Enduro-TurboClean™



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VERSATILE

  
ON-DECK  
MAINTENANCE

  
POWERFUL  
SUCTION

  
DURABLE  
7-YEAR WARRANTY

  
AFFORDABLE  
\$199 PER MONTH

  
HEAVY DUTY  
COMPONENTS

# ENDURO TURBO CLEAN M

# TRUST

in the Enduro-TurboClean™

**NO CABLE TWISTING**  
Equipped as standard  
with a Gyroscope



Filtering options  
105, 250 or 1000 microns filter bag



Pump accessed without tools.  
Suction power 13,208 Gal/ HR

MAGELLAN  
CLEANING  
SYSTEM



Magellan  
cross system



Magellan  
line by line



With 2 infra red sensors,  
tilt sensor



Combination of PVC/PBA or mixed  
brushes

Remote Control  
8 functions



Stainless steel  
casing  
7-Year warranty



**TECHNICAL DATA**

Robot width  
Weight in water/out of water  
Trolley  
Cable Length  
Power  
Pump  
Cleaning Speed  
Filtration Capacity  
Wall and obstacles detection  
Minimum Depth

**M**

20.07"  
6.61/ 55 lbs  
Stainless steel with cable reel  
25 m. 32 m option  
120/220 vac / 24V DC  
Turbo pump 13.208 Gal/ HR  
5,600 sq. ft. per hour  
6.61 lbs of sand  
With 2 infra red sensors, tilt sensor  
15"



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\$199 PER MONTH

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COMPONENTS

## **K. Reports-Received/File**



# Mt. Vernon-Lisbon Police Department

Douglas J. Shannon  
Chief of Police

## APRIL 2024 POLICE REPORT

### Vehicle Collisions

There was a total of 4 reported collisions during the month. There were 4 collisions in Mount Vernon. Collision 1 occurred on the 600 block of 5<sup>th</sup> Ave. SW when unit 1 backed out a driveway and struck unit 2, which was legally parked. Damage was estimated at \$1,500 and no injuries were reported. Collision 2 occurred on the 100 block of W. 1<sup>st</sup> St. when unit 1 was backing out of a parking spot and struck unit 2, which was legally parked. Damage was estimated at \$2,000 and no injuries were reported. Collision 3 occurred on the 100 block of N. 1<sup>st</sup> Ave. unit 1 was leaving a parking spot and struck unit 2, which was legally parked. Damage was estimated at \$1,500 and no injuries were reported. Collision 4 occurred on the Hwy 1 roundabout when unit 1 was in the roundabout going north and unit 2 failed to yield, striking unit 1. Damage was estimated at \$12,000 and no injuries were reported.

There were 0 collisions in Lisbon.

### Incidents/Arrest

There were 36 reported incidents during the month. In Mount Vernon, there were 32 reports which included: animal bite, assault (x3), under age alcohol purchase, disturbance, harassment, under age possession of tobacco (x3), possession of controlled substance (x2), found property (x2), fraud, forgery, harassment (x4), OWI, medical (x2), missing (found) person, violation of no contact order, property damage, prohibited parking, theft (x2), trespassing, operating without a valid license (x2), and welfare check.

In Lisbon, there were 4 reports which included: possession of controlled substance, driving while barred, forgery, and OWI.

During the month, officers had 11 arrests. In Mount Vernon there were 6, including: OWI, assault (x3), possession of controlled substance, and violation of no contact order.

In Lisbon there were 5, including: assault (x2), OWI, possession of controlled substance, and driving while barred.

### K-9 Report

Monster was deployed 3 times resulting in 2 alerts with narcotics present. Officer Moel and Monster also participated in a joint project with Buchanan County and Iowa State Patrol on April 20.

380 Old Lincoln Highway  
Mount Vernon, Iowa 52314

319-895-6141 (office)  
319-895-6617 (fax)



# Mt. Vernon-Lisbon Police Department

Douglas J. Shannon  
Chief of Police

## Community Service/Training/Misc.:

- Chief Shannon, Officer Gehrke and Sergeant Daubs presented Active Threat Training at Lisbon Community School
- Officer Moel and Monster presented at Mt. Vernon Middle School
- Officer Gutierrez and Sergeant Daubs attended Kirkwood's Job Fair
- Officer Moel and Monster attended training
- Officers Frankfurt and Oates participated in the DEA Take Back event on 4/27 at Lisbon City Hall
- Lisbon time (administration, call for service, patrol): 313 hours

	Apr	Mar	Feb	Jan	Dec	Nov
Administrative	37	41	53	55	46	71
Call for service	14	33	24	24	19	30
Patrol	263	266	247	247	257	207
	313	341	324	326	323	307

## GTSB:

During April, officers worked 27 hours of STEP which resulted in: 2 speed citations, 7 speed warnings, 2 other traffic violations citations, and 5 other traffic warnings. Officer Moel and Monster also worked a joint project with Buchanan County and Iowa State Patrol on April 20.

Respectfully Submitted,

Chief of Police

380 Old Lincoln Highway  
Mount Vernon, Iowa 52314

319-895-6141 (office)  
319-895-6617 (fax)



**Mount  
Vernon**  
IOWA

Chris Nusbisch, City Administrator  
Douglas Shannon, Chief of Police

**Thomas M. Wieseler, Mayor**

**Council:**

Scott Rose  
Stephanie West  
Mark Andresen  
Paul Tuerler  
Craig Engel

**Public Works Report  
5/20/2024  
Council Meeting**

**ROW's**

The team has placed new and replaced old signs and signposts in several spots around time.

Shoulder work has been completed along Business HWY 30 on the west side of Hwy 1. The shoulders have been mowed there as well.

There has been some tree trimming done in various places around time. Stump grinding has begun where we have had full tree removals.

**Streets**

Concrete patches have been poured back where there were water main breaks this winter. There are still some curb and gutter pieces that need replaced from plow damage. Those will be done soon, along with the gas main malfunction patchwork on the corner of 2<sup>nd</sup> Ave. and 4<sup>th</sup> St. NW. There has been some sidewalk replacement done in places where we had to grind out tree stumps. Potholing has been done in several places. This will be a continuing effort as the year goes on.

There were two tricky water main breaks. One next to the pool entrance on Cass Street on the old main and the other was right next to an Alliant Energy pole that borders the skate park. Exciting stuff!! These two patches have not been poured back yet.

**Parks**

Ball field prep, soccer fields, mowing and Turf Tang painting have been in full force. The school added a LaCross field to our schedule at the old football field. The LBC has needed our help with some minor building maintenance and on some sport equipment.





Mount  
Vernon  
IOWA

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Paul Tuerler  
Craig Engel

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The pool is full and will be ready for swimmers after the heater repair is done next week. Several building maintenance items have been done to the pool house and pump house.

**City Facilities**

There was a big effort in getting the PD ready for the open house. Between building maintenance projects and exterior landscaping Chief and our team were on fire! Sounds like the open house turned out great too!

**Staff**

The Public Works Department will gain a new teammate on May 28<sup>th</sup>. His name is Ted Sieter and he will be filling the gap we have had after losing Jacob See earlier this year. Ted resides locally and we believe he will be a great addition to our team. We all look forward to his arrival!

**Miscellaneous**

Chalk the Walk was another hit this year with little to no hang ups for the Public Works Team. Set-up and opening of the streets went smoothly.

Jayne and the Team got all the hanging baskets hung uptown and Jayne has finished all the flower planting for the spring! She planted 500 annuals in 4 days!! She is our little Jayne-E-Ack!!

There has been about 15 headstone mark outs and 4 graves that needed to be marked out, dug, and backfilled.

Eldon Downs  
City of Mt. Vernon  
Public Works Director  
563-331-0424  
[edowns@cityofmtverno-ia.gov](mailto:edowns@cityofmtverno-ia.gov)



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Parks and Recreation Department  
Directors Report  
April 15 – May 15

Parks-

- Held our first game at Davis Park on April 22<sup>nd</sup> with the new lights. They worked great and we had a lot of compliments on them. Thank you City Council.***
- Park and Rec Board have spent the past couple of months reviewing and revising Capital Improvements Plans for Park and Rec. The new information regarding the LOST has allowed the Board to look at parks and trails as a whole. They hope to have a revised plan presented to Council in next few months in time for FY 24-25 budget discussions.***

Sports

- Spring Soccer will end this week. Thank you to all the great coaches and volunteers to help make our spring soccer season a success. Tball/ Coach Pitch/ Player Pitch programs registration ended April 29. We will end up with 10 t-ball, 10 coach pitch, and 4 player pitch teams. Looking forward to a great season.***

Pool

- Preparation work has begun at the pool. Staff are working hard to prepare for a Memorial weekend opening. We are down to one working heater at the pool.***

Misc

- LBC has been averaging about 218 patrons/day for April, up from 204 in 2023. Facility Rentals are steady and Group Fitness Classes are remaining steady. There were a lot of renewals in April. We are seeing a slow incline in usage. This can be attributed to many rainy days in April.***



Mount  
Vernon  
IOWA

Chris Nosbisch, City Administrator  
Douglas Shannon, Chief of Police

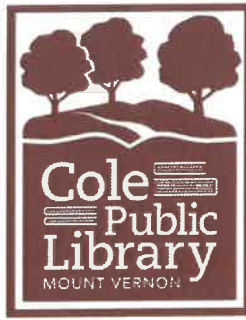
**Thomas M. Wieseler, Mayor**

**Council:**

Scott Rose  
Stephanie West  
Paul Tuerler  
Craig Engel  
Mark Andresen

---

***-Chalk the Walk was an awesome event. Saturday's rain set us back a bit and provided some challenges, but with some awesome volunteers we bounced back better than ever. Sunday's crowd was the best we have ever seen. Please provide feedback as we will be hosting a "Lessons Learned" meeting in June.***



April 5, 2024

**Mayor Tom Wieseler and City Council Members,**

Cole Public Library celebrated March with spring-themed programs all month long. We held two feature programs: Master Gardener Talks and Spring Seed Sowing, and our weekly Story Time included spring themes as well. We also hosted a special Story Time with young violinist Mira Gibbons during MVCSD's Spring Break. The Board of Trustees met on Tuesday, March 19th and made significant headway on their policy reviews for the year. This included consulting with The Plain Language Group, to ensure the language in our policies is accessible to our patrons.

April is book talk month! Twice a year, Cole Library hosts a book talk luncheon generously sponsored by Hills Bank. Public Library Assistant Director Cathy Boggs and Cornell Library Director Greg Cotton will "book talk" titles to inspire your spring and summer reading. The Spring Book Talk is on Thursday, April 18th at noon on the library's 2nd floor. Along with Story Time, it is the public library's longest running program. We'll continue with all our regular programs: Story Time, Lego Club, Learn to Play Bridge, Matinee Movie, Yarn Squad, and our 3 book groups. We also started preparing for our Summer Reading Program activities, which begin in June. We'll announce the library's summer schedule, the date of our Summer Reading Program Kickoff, and open registration for summer programs in May. The Board of Trustees meets on Tuesday, April 16th at 8:30 in Room 108.

Regards,  
Grace Chamberlain  
Cole Public Library Director

## **L. Discussion Items (No Action)**

**AGENDA ITEM # L- 1**

**AGENDA INFORMATION  
MT. VERNON CITY COUNCIL COMMUNICATION**

**DATE:** May 20, 2024

**AGENDA ITEM:** 457(b) Retirement Plan

**ACTION:** None

**SYNOPSIS:** Numerous city employees have expressed interest in the possibility of having a 457(b) retirement account. Recently we had a call with Mission Square Retirement and received a high-level view of this program. Staff would like to pursue researching a 457(b) plan.

**BUDGET ITEM:** N/A

**RESPONSIBLE DEPARTMENT:** Assistant City Administrator

**MAYOR/COUNCIL ACTION:** None

**ATTACHMENTS:** Information Sheet

**PREPARED BY:** Lori Boren

**DATE PREPARED:** 5/17/2024



## MissionSquare RETIREMENT

# Get to Know Your 457 Deferred Compensation Plan

## A Retirement Plan with Benefits

With your 457 plan, you're in control of how much you save and where you invest those savings, while enjoying tax advantages.



Contributions are made during your employment, and you can change, stop, and restart them at any time.



Your account's value is based on those contributions and subsequent investment returns.



Earnings are not subject to tax until withdrawn.

A smart addition to any pension or Social Security benefits you may receive, your **457 Deferred Compensation Plan** offers simple and flexible ways to increase your retirement savings for a more secure and confident financial future.

### You have control over:

- How your money is invested
- How funds are withdrawn following your separation from service
- Who receives any remaining assets upon your death

(continued) →

## Contributions

**Pre-tax contributions** you make reduce your taxable income for the year. These contributions and all associated earnings won't be taxed until you withdraw them – boosting account growth.

You also may be able to make after-tax **Roth contributions**, if offered by your employer. While they don't reduce your taxable income for the year, future withdrawals may be tax-free. Alternatively, you can contribute to a Roth IRA. For more information, visit: [www.missionsq.org/ira](http://www.missionsq.org/ira).

## Investment Control

A wide range of investment options are available to help you build a diversified portfolio. You control all investment decisions, including:

- How your contributions are invested
- How to manage your investments on an ongoing basis.



### Contribute what you can.

For 2023, you can contribute up to \$22,500, or \$30,000 if age 50 or over.

More information about current contribution limits, including Age 50 Catch-Up and Pre-Retirement Catch-Up limits, is available:

[www.missionsq.org/contributionlimits](http://www.missionsq.org/contributionlimits)

## Access to Your Money

Based on your employer's plan rules, withdrawals may be allowed while you're still working.

When you leave your employer, you can withdraw assets regardless of the reason and your years of service.

Enjoy flexible withdrawal options for vested assets like:

- Withdrawal of your entire balance
- Periodic, partial withdrawals as you see fit
- Installment payments of a certain dollar amount and frequency, such as monthly or quarterly, that you can change at any time
- Lifetime income payments

After you reach age 72 or separate from service, whichever is later, you'll be required to withdraw at least a minimum amount from your account each year, per IRS rules.

If plan rules and/or IRS rules allow, you can also borrow against your vested assets through a loan.

## 457 plans are unique.

Unlike other retirement accounts, you don't have to qualify for an exception to avoid the 10% IRS penalty tax on withdrawals of your contributions and associated earnings before age 59½. Just remember that your 457 plan is designed to help you meet your retirement goals. Any withdrawals prior to retirement may reduce your future retirement security.

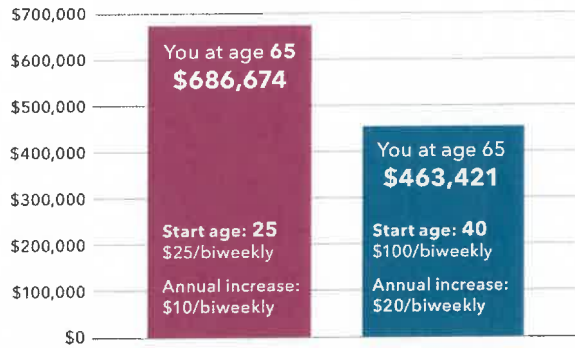




### Don't delay, start saving today!

Saving now can help alleviate the pressure to catch up later. Starting early can give you an advantage due to compounding, in which your investments produce earnings from previous earnings.

For illustrative purposes only. Assumes an effective annual rate of 6%, compounded biweekly.



### Designate Beneficiaries

You designate a beneficiary, or beneficiaries, to receive any remaining assets upon your death. Beneficiaries control investment decisions, receive the most flexible withdrawal options allowed by law, and aren't subject to any additional fees. If you don't designate beneficiaries, your estate is the default beneficiary, in which case:

- Assets may not be distributed per your wishes.
- Assets are subject to probate costs, potential delays, and creditor claims.
- Non-spouse heirs may receive fewer tax benefits.

### Learn More

Get to know your 457 plan:

[www.missionsq.org/457](http://www.missionsq.org/457)

Log into your account to manage your savings and visit MissionSquare's Financial Wellness Center for 100+ interactive, fun, short videos, charts, calculators, articles, and tutorials. Get answers to your questions about debt, emergency savings, college tuition planning, investing, retirement planning, and much more:

[www.missionsq.org](http://www.missionsq.org)



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MissionSquare can help you decide how much to save and how to invest through **Guided Pathways®**.

[www.missionsq.org/guidedpathways](http://www.missionsq.org/guidedpathways)

Founded in 1972, **MissionSquare Retirement** helps those who serve their communities build toward a secure and confident financial future. MissionSquare is a mission-based, nonstock, nonprofit, financial services company that focuses on delivering results-oriented retirement plans, education, investments, and advice for over 1.6 million public participant accounts.\* To learn more, visit [www.missionsq.org](http://www.missionsq.org).

\* As of September 30, 2022.



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(800) 669-7400 [www.missionsq.org](http://www.missionsq.org)

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**M. Reports Mayor/Council/Admin.**