

TENTATIVE AGENDA  
OTTUMWA CITY COUNCIL

REGULAR MEETING NO. 1  
Council Chambers, City Hall

January 5, 2021  
5:30 O'Clock P.M.

In order to protect the health and safety of our citizens and staff and mitigate the spread of COVID-19, we are following the Proclamation of a State Public Health Disaster Emergency issued at 12:00 P.M. on Tuesday, March 17, 2020, which has been extended through January 8, 2021. Effective 12:01 a.m. on December 17, 2020, and continuing until 11:59 p.m. on January 8, 2021: mass gatherings or events of more than 10 people in attendance may be held but only if the gathering complies with all other relevant provisions in the Proclamation with the following requirements: social distancing: the gathering organizer must ensure at least six feet of physical distance between each group or individual attending alone and implement reasonable measures under the circumstances of each gathering to ensure social distancing of gathering participants, increased hygiene practices, and other public health measures to reduce the risk of transmission of COVID-19 consistent with guidance issued by the IDPH.

PLEDGE OF ALLEGIANCE

A. ROLL CALL: Council Member Meyers, Berg, Dalbey, Roe, Stevens and Mayor Lazio.

B. CONSENT AGENDA:

1. Minutes from Regular Meeting No. 38 on December 15, 2020 as presented.
2. Acknowledge November financial statement and payment of bills as submitted by the Finance Department.
3. Authorize the renewal of Microsoft Exchange Online Plan 1 subscription license with a quantity of 120 users and Office 365 Plan G1 with a quantity of 25 users, totaling \$6,934.30.
4. Approve the purchase from CDW-G for 13 Cradlepoint NewCloud Essentials for Mobile Routers LTE Advanced Pro for the Police Department totaling \$13,260.
5. Approve the amended lease renewal with Pitney Bowes for a term of 60 months for a total of \$21,352.80.
6. Approve the rebuild of Flygt Model 3171 pump from Electric Pump in Des Moines, Iowa for the quoted price of \$5,822.75.
7. Beer and/or liquor applications for: La Guadalupana, 301 Church Street; El Rancho Grande, 232 East Main Street; Cedar Creek Golf Course, 13120 Angle Road; Hy-Vee Food Store #1, 1025 North Quincy Ave.; all applications pending final inspections.

C. APPROVAL OF AGENDA

D. ADMINISTRATORS REPORT TO COUNCIL AND CITIZENS:

1. Anderson Larkin & Co. City of Ottumwa Fiscal Year End June 30, 2020 Audit
2. Review of citizen request to re-establish a local Human Rights Commission
3. Update on Strategic Planning Action Plan

*All items on this agenda are subject to discussion and/or action.*

E. IDENTIFICATION OF CITIZENS DESIRING TO COMMENT ON AGENDA ITEMS:

(When called upon by the Mayor, step to the microphone; state their name, address and agenda item to be addressed. The Mayor will invite you to address the Council when that topic is being discussed. Remarks will be limited to **three minutes or less**. The City Clerk shall keep the time and notify the Mayor when the allotted time limit has been reached. Comments are to be directly germane to the agenda item being discussed; if not directly germane as determined by the Mayor will be ruled out of order.)

F. DEPARTMENTAL RECOMMENDATIONS/REPORTS:

1. Request to reject the sole proposal received for the Fixed Base Operator services at the Ottumwa Regional Airport.

RECOMMENDATION: Reject the sole proposal received for the Fixed Base Operator services at the Ottumwa Regional Airport and re-issue a revised Request for Proposals.

2. Approve a Conflict of Interest Waiver for Ahlers & Cooney, P.C. between the City of Ottumwa and Ottumwa Water Works.

RECOMMENDATION: Approve a Conflict of Interest Waiver for Ahlers & Cooney, P.C. between the City of Ottumwa and Ottumwa Water Works in order to draft a Reimbursement Agreement between the two partners.

G. PUBLIC HEARING:

1. This is the time, place and date set for a public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.

- A. Open the public hearing.
- B. Close the public hearing.
- C. Resolution No. 1-2021, instituting proceedings to take additional action for the issuance of not to exceed \$3,500,000 General Obligation Capital Loan Notes (ECP-4).

RECOMMENDATION: Pass and adopt Resolution No. 1-2021.

2. This is the time, place and date set for a public hearing approving the plans, specifications, form of contract and estimated cost for the Apron Improvements Project at the Ottumwa Regional Airport.

- A. Open the public hearing.
- B. Close the public hearing.
- C. Resolution No. 5-2021, approving the plans, specifications, form of contract and estimated cost for the Apron Improvements Project at the Ottumwa Regional Airport.

RECOMMENDATION: Pass and adopt Resolution No. 5-2021.

3. This is the time, place and date set for a public hearing approving the plans, specifications, form of contract and estimated cost for the WPCF Effluent Diffuser Project.

- A. Open the public hearing.
- B. Close the public hearing.
- C. Resolution No. 10-2021, approving the plans, specifications, form of contract and estimated cost for the WPCF Effluent Diffuser Project.

RECOMMENDATION: Pass and adopt Resolution No. 10-2021.

4. This is the time, place and date set for a public hearing approving the plans, specifications, form of contract and estimated cost for the Marion Street Reconstruction Project.

- A. Open the public hearing.
- B. Close the public hearing.
- C. Resolution No. 11-2021, approving the plans, specifications, form of contract and estimated cost for the Marion Street Reconstruction Project.

RECOMMENDATION: Pass and adopt Resolution No. 11-2021.

H. RESOLUTIONS:

1. Resolution No. 2-2021, approving the Preliminary Official Statement not to Exceed \$9,010,000 of General Obligation Capital Loan Notes, Series 2021A.

RECOMMENDATION: Pass and adopt Resolution No. 2-2021.

2. Resolution No. 3-2021, approving the Preliminary Official Statement not to Exceed \$1,400,000 of Taxable General Obligation Capital Loan Notes, Series 2021B.

RECOMMENDATION: Pass and adopt Resolution No. 3-2021.

3. Resolution No. 6-2021, approving the remodel kitchen project at the Central Fire Station for a cost of \$19,666.

RECOMMENDATION: Pass and adopt Resolution No. 6-2021.

4. Resolution No. 7-2021, approving the purchase of a new Fire Apparatus for the Ottumwa Fire Department for a total cost of \$550,850.52.

RECOMMENDATION: Pass and adopt Resolution No. 7-2021.

5. Resolution No. 9-2021, approving Change Order No. 1 in the amount of \$14,840.40 for the Milner Street Multi-Use Trail Project.

RECOMMENDATION: Pass and adopt Resolution No. 9-2021.

I. ORDINANCES:

J. PUBLIC FORUM:

The Mayor will request comments from the public on topics of city business or operations other than those listed on this agenda. Comments shall not be personalized and limited to three minutes or less. Comments not directly applicable to operations, inappropriate, or an improper utilization of meeting time, as determined by the Mayor, will be ruled out of order. When called upon by the Mayor, step to the microphone; give your name, address and topic on which to address the Council. The Council is not likely to take any action on your comments due to requirements of the Open Meetings Law. Pertinent questions, comments or suggestions may be referred to the appropriate department, city administrator or legal counsel for response, if relevant.

K. PETITIONS AND COMMUNICATIONS

ADJOURN

**\*\*\* It is the goal of the City of Ottumwa that all City Council public meetings are accessible to people with disabilities. If you need assistance in participating in City Council meetings due to a disability as defined under the ADA, please call the City Clerk's Office at (641) 683-0621 at least one (1) business day prior to the scheduled meeting to request an accommodation. \*\*\***



[ CITY OF ]  
O T T U M W A

**FAX COVER SHEET**

City of Ottumwa

DATE: 12/31/2020 TIME: 8:30 AM NO. OF PAGES 4  
(Including Cover Sheet)

TO: News Media CO: \_\_\_\_\_

FAX NO: \_\_\_\_\_

FROM: Christina Reinhard

FAX NO: 641-683-0613 PHONE NO: 641-683-0620

MEMO: Tentative Agenda for the Regular City Council Meeting #01 to be held on 1/05/2021 at 5:30 P.M. Social Distancing and mask or other face covering when inside a building are required for all people two or older. Six feet of physical distance between each group or individual attending alone must be followed at all times.

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\*\*\* FAX MULTI TX REPORT \*\*\*  
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DEPT. ID 4717  
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TRANSACTION OK 96847834  
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ERROR 916416828482

Ottumwa Courier  
KTVO  
Ottumwa Waterworks  
Tom FM



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\*\*\* TX REPORT \*\*\*  
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JOB NO.	2956	
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TRANSACTION OK	96847834	Ottumwa Courier
	916606271885	KTVO
	96823269	Ottumwa Waterworks
ERROR	916416828482	Tom FM



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OTTUMWA CITY COUNCIL MINUTES **Item No. B.-1.**

REGULAR MEETING NO. 38  
Council Chambers, City Hall

December 15, 2020  
5:30 O'Clock P.M.

The meeting convened at 5:30 P.M.

Present were Council Member Stevens, Meyers, Berg, Dalbey, Roe and Mayor Lazio.

Meyers moved, seconded by Roe to approve the following consent agenda: Mins. from Reg. Mtg. No. 37 on Dec. 1, 2020 as presented; Approve appointment of Travis Brown to the position of Operator in WPCF effective Dec. 21, 2020; Approve the Annual Urban Renewal Rpt. for the Westgate URA, Airport URA, Wildwood Drive/Hwy. 34 URA and the Hospital Dist./Pennsylvania Ave. Corridor URA for the FY July 2020 through June 2021 for the City of Ottumwa, IA (Updated with rpt. and ltrs. to Auditor.); Approve the purchase of two in-car camera systems from Safe Fleet Mobile-Vision, Inc. for Police Dept., for \$11,359; Approve participation in the IDOT's paint program to purchase paint for Traffic Maint. Dept. for 2020-21 FY, with an est. total \$10,106.96; Set Jan. 5, 2021 as the date for a PH on the plans, specs., form of contract, and est. cost for the Marion St. Recon. Project; Set Jan. 5, 2021 as the date for a PH on the plans, specs., form of contract, and est. cost for the WPCF Effluent Diffuser Project; Res. No. 248-2020, setting Jan. 19, 2021 as the date of a PH on the disposition of City owned property located at 111 N. Clay; Res. No. 253-2020, approving FY21 and FY22 Capital Improv. Projects; Res. No. 259-2020, setting Jan. 5, 2021 as the date of a PH to approve plans, specs. and form of contract for the Apron Improv. Project at the Ottumwa Reg. Airport; Beer and/or liquor applications for: Red's Pub LLC, 618 Church St.; Tequila Grill, 112 N. Market St.; all applications pending final inspections. All ayes.

Roe moved, seconded by Berg to approve the agenda as presented. All ayes.

City Admin. Rath asked Fin. Dir. Mulder to provide a brief summary of our tax levy and the significance of the bond proceedings listed within the agenda.

Fin. Dir. Mulder reported we are making headway and concentrating on how we can lower taxes; we will no longer have a transit levy for FY22 which helps drop the current tax rate 20 cents; the change in retiree ins. provides cost savings over \$500,000; we will come back in Jan./Feb. during the budget process to see how much more we can lower the tax levys; by bonding/refinancing, we are giving some relief to our general fund.

City Admin. Rath stated he hopes this helps clear up any misinformation in the public about raising taxes.

Mayor Lazio inquired if there was anyone from the audience who wished to address an item on the agenda. Cherielynn Westrich, State Rep. Elect. Dist. 81, introduced herself; stated she will be our voice in DSM.

Roe moved, seconded by Berg to affirm the criteria identified through the council review meets the priorities for the community. The five criteria for community: safe community; infrastructure and transportation; healthy, clean, attractive community; economic development; and desirable, quality neighborhoods. The six criteria for governance: sustainable fiscal policies and operations/fiscal responsibility; communication; leadership; analysis and long range planning; innovative technology, efficient process, continuous improvement; and trust, transparency, accountability. All members wished to keep all six in place for governance. All ayes.

This was the time, place and date set for a PH on the annexation of certain lands (1120 E. Pennsylvania) to the City of Ottumwa, IA. Dir. of bldg. and code enforcement Flanagan reported a written application



for annexation of 1120 E. Pennsylvania was submitted by Shawn and Laura Berry as their property runs contiguous with the City's corp. boundary and they required connection to the City's sewer system. The property is 4.53 acres with a current tax assessed value \$126,740. Legal description: The East Half of Lots Seven and Eight of William H. Hammond's Subdivision of the South Half of the Northwest Quarter of Section Twenty, Township Seventy-two North, Range Thirteen West of the 5<sup>th</sup> P.M. in Wapello County, IA. No objections were received. Meyers moved, seconded by Stevens to close the PH. All ayes.

Dalbey moved, seconded by Roe that Res. No. 241-2020, approving written application for annexation of certain land (1120 E. Pennsylvania) to the City of Ottumwa, IA, be passed and adopted. All ayes.

This was the time, place and date set for a PH on the disposition of City owned property described as Lot 15 and the East One-Half (E ½) of Fourteen Foot (14) alley adjacent to Lot 15 in Hinsey & Hedrick's Addition to the City of Ottumwa, Wapello County, IA, commonly known as 1033 W. Second St. Dir. of bldg. and code enforcement Flanagan reported Elliott Oil Co. wishes to purchase this vacant lot that is adjacent to their West Second BP station. No objections were received. Roe moved, seconded by Dalbey to close the PH. All ayes.

Meyers moved, seconded by Roe that Res. No. 246-2020, accepting the offer and approving the sale of City owned property described as Lot 15 and the East One-Half (E ½) of Fourteen Foot (14) alley adjacent to Lot 15 in Hinsey & Hedrick's Addition to the City of Ottumwa, Wapello County, IA, commonly known as 1033 W. Second St., to the Elliott Oil Co. for \$1,113, be passed and adopted. All ayes.

This was the time, place, and date set for a PH on the auth. of a loan agt. and the issuance of notes to evidence the obligation of the City thereunder. Fin. Dir. Mulder reported the debt will be for essential corp. purposes to provide funds to pay costs of equipping the police and fire dept., acquisition, restoration, or demolition of abandoned, dilapidated, or dangerous bldgs., structures or properties; the construction, reconstruction, and repairing of any street and levee improvements, the acquisition, installation, and repair of sidewalks, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices, including the acquisition of any real estate needed for any of the foregoing purposes and the removed or replacement of dead or diseased trees; reconstruction extension and improvement of the airport; rehab. and improvements of City parks, including facilities, equip. and improvements commonly found in City parks; and financing and refunding certain outstanding indebtedness of the City, including the Taxable Gen. Obligation Bonds, Series 2011 dated Oct. 19, 2011. Principal and interest on the proposed Loan Agt. will be payable from the Debt. Service Fund. No objections were received. Dalbey moved, seconded by Stevens to close the PH. All ayes.

Roe moved, seconded by Berg that Res. No. 254-2020, instituting proceedings to take add'l action for the issuance of not to exceed \$6,000,000 Gen. Obligation Capital Loan Notes (ECP-1), be passed and adopted. All ayes.

This was the time, place, and date set for a PH on the auth. of a loan agt. and the issuance of notes to evidence the obligation of the City thereunder. Fin. Dir. Mulder reported this will be used for gen. corporate purposes, bearing interest at a rate of not to exceed nine per centum per annum, the Notes to be issued will provide funds to pay the costs of funding projects necessary for the operation of the City or for the health and welfare of citizens, including funding for Façade and Roof grants; grant matches for economic develop. or other city projects; and the Healthy Neighbors Program; equipping the parks dept.; and improvements and renovations to the Bridge View Center. Principal and interest on the proposed loan agt. will be payable from Debt. Service Fund. Keith Caviness, 2851 Oak Meadow Dr. wished to



address council on this item. It is important to be clear for the public to understand that these bond proceedings are a line of credit that we haven't decided what to spend it on yet; we are bonding for the capital possibility up to \$6,000,000 and will decide later how much we are going to spend on each item. No objections were received. Meyers moved, seconded by Dalbey to close the PH. All ayes.

Roe moved, seconded by Berg that Res. No. 255-2020, instituting proceedings to take addt'l action for the issuance of not to exceed \$700,000 Gen. Obligation Capital Loan Notes (GCP-2), be passed and adopted. All ayes.

This was the time, place, and date set for a PH on the auth. of a loan agt. and the issuance of notes to evidence the obligation of the City thereunder. Fin. Dir. Mulder reported notes are issued to provide funds to pay the costs of the construction, reconstruction, enlargement, improvement and equipping of city hall, fire stations, police stations, and swimming pools and recreational areas, including the Beach Ottumwa. Principal and interest on the proposed Loan Agt. will be payable from Debt Service Fund. No objections were received. Dalbey moved, seconded by Stevens to close the PH. All ayes.

Roe moved, seconded by Meyers that Res. No. 256-2020, instituting proceedings to take addt'l action for the issuance of not to exceed \$700,000 Gen. Obligation Capital Loan Notes (GCP-3), be passed and adopted. All ayes.

Meyers moved, seconded by Berg that Res. No. 258-2020, approving the annual budget of the Ottumwa Water Works Brd. of Trustees for calendar yr. 2021, be passed and adopted. OWW Gen. Mgr. Heffernan reported this includes a 3% increase effective Jan. 1, 2021. All ayes.

Roe moved, seconded by Dalbey that Res. No. 260-2020, assessing 2020 weed mowing charges against certain lots in the City of Ottumwa, IA, for a total, including admin. fees, of \$58,436.00, be passed and adopted. Dir. of bldg. and code enforcement Flanagan reported one property was paid that was included in this total, so the new total should be \$58,286. All ayes.

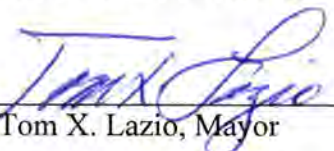
Roe moved, seconded by Meyers that Res. No. 262-2020, fixing date to set Jan. 5, 2021 at 5:30 P.M. for a Public Hearing on the authorization of a loan agt. and the issuance of not to exceed \$3,500,000 Gen. Obligation Capital Loan Notes of the City of Ottumwa, State of IA (for essential corp. purposes), and providing for publication of notice thereof. ECP-4 GO Capital Loan Notes of refinancing and refunding certain outstanding indebtedness of the City, including the taxable GO Bonds, Series 2011 dated Oct. 19, 2011. Fin. Dir. Mulder reported this issuance will be combined with ECP-1 not to exceed \$6,000,000 Gen. Obligation Capital Loan Notes as passed under Res. No. 254-2020. All ayes.

Mayor Lazio inquired if anyone from the audience wished to address an item not on the agenda. There were none.

There being no further business, Roe moved, seconded by Dalbey that the meeting adjourn. All ayes.

Adjournment was at 6:49 P.M.

CITY OF OTTUMWA, IOWA

  
Tom X. Lazio, Mayor

ATTEST:



Christina Reinhard, City Clerk



REPORT DATE 11/30/2020  
 SYSTEM DATE 12/11/2020  
 FILES ID 0

CITY OF OTTUMWA  
 STATEMENT OF CHANGES IN CASH BALANCE  
 AS OF 11/30/2020

Item No. B.-2.

PAGE  
 TIME 13:44:29  
 USER TJ

ACCOUNT NUMBER	BEG. PERIOD	CASH	CASH	END PERIOD	OUTSTANDING	TREASURY	
ACCOUNT DESCRIPTION	BALANCE	DEBITS	CREDITS	BALANCE	CHECKS	BALANCE	
TOTALS FOR FUND 001	GENERAL OPER	3663427.85	1554698.03	1099531.86	4118594.02	35325.93	4153919.95
TOTALS FOR FUND 002	PARKING RAMP	31208.19	836.00	351.57	31692.62		31692.62
TOTALS FOR FUND 110	ROAD USE TAX	6928790.21	408744.57	317120.56	7020414.22	33215.99	7053630.21
TOTALS FOR FUND 112	EMPLOYEE BEN	1147818.79	236009.51	462173.00	921655.30		921655.30
TOTALS FOR FUND 119	EMERGENCY FU		5470.04	5470.04			
TOTALS FOR FUND 121	SALES TAX 14	1094772.02	1082060.64	26735.00	2150097.66		2150097.66
TOTALS FOR FUND 122	*****						
TOTALS FOR FUND 123	AGASSI TIF D						
TOTALS FOR FUND 124	VOGEL URBAN						
TOTALS FOR FUND 125	WESTGATE TIF	-81748.52	6456.72	1250.00	-76541.80		-76541.80
TOTALS FOR FUND 126	AIRPORT TIF	100945.91	17000.77	19050.00	98896.68		98896.68
TOTALS FOR FUND 127	PENNSYLVANIA						
TOTALS FOR FUND 128	WILDWOOD HWY	57813.56	16.53	25720.00	32110.09		32110.09
TOTALS FOR FUND 129	RISK MANAGEM	1102104.47	37147.02	24814.21	1114437.28		1114437.28
TOTALS FOR FUND 131	AIRPORT FUND	249562.11	90242.35	39400.18	300404.28	12285.91	312690.19
TOTALS FOR FUND 133	LIBRARY FUND	274033.62	67852.54	60611.14	281275.02	707.27	281982.29
TOTALS FOR FUND 135	CEMETERY FUN	-25291.25	20578.80	27736.65	-32449.10	3777.18	-28671.92
TOTALS FOR FUND 137	HAZ-MAT FUND	143736.34	3620.48	5573.43	141783.39	220.48	142003.87
TOTALS FOR FUND 141	2018 UPPER S	8078.12			8078.12		8078.12
TOTALS FOR FUND 142	HOAP/HILP ES						
TOTALS FOR FUND 143	EPA BROWNFIE						
TOTALS FOR FUND 144	2013 CDBG HO						
TOTALS FOR FUND 145	DOWNTOWN REV						
TOTALS FOR FUND 146	DOWNTOWN STR	-211877.91	12800.00	327102.61	-526180.52		-526180.52
TOTALS FOR FUND 147	CDBG P-2 MAS	17628.32			17628.32		17628.32
TOTALS FOR FUND 148	2016 OWW CDB						
TOTALS FOR FUND 151	OTHER BOND P	504164.67	679.00	41676.68	463166.99	12500.00	475666.99
TOTALS FOR FUND 162	SSMID DISTRI	16635.06	634.39		17269.45		17269.45
TOTALS FOR FUND 167	FIRE BEQUEST	18507.57			18507.57		18507.57
TOTALS FOR FUND 169	START UP/DON	-165.20			-165.20		-165.20
TOTALS FOR FUND 171	RETIREE HEAL	1128939.59	98494.00	140500.56	1086933.03		1086933.03
TOTALS FOR FUND 173	LIBRARY BEQU	135322.18	4069.76	18988.06	120403.88	2698.32	123102.20
TOTALS FOR FUND 174	COMMUNITY DE	78822.87			78822.87		78822.87
TOTALS FOR FUND 175	POLICE BEQUE	97647.74	8.00	7299.90	90355.84	16.00	90371.84
TOTALS FOR FUND 177	HISTORIC PRE	1479.64			1479.64		1479.64
TOTALS FOR FUND 200	DEBT SERVICE	1533310.36	153350.36	200223.75	1486436.97		1486436.97
TOTALS FOR FUND 301	STREET PROJE	277778.79	26610.58	502784.22	-198394.85	50139.78	-148255.07
TOTALS FOR FUND 303	AIRPORT PROJ	-159829.39		3216.93	-163046.32		-163046.32
TOTALS FOR FUND 307	SIDEWALK & C	-11847.20		308.40	-12155.60		-12155.60
TOTALS FOR FUND 309	PARK PROJECT	22647.76		288191.50	-265543.74	5444.93	-260098.81
TOTALS FOR FUND 311	LEVEE PROJEC	185579.36		1059.50	184519.86		184519.86
TOTALS FOR FUND 313	EVENT CENTER	3496.55			3496.55		3496.55
TOTALS FOR FUND 315	SEWER CONSTR	12428688.75		1448218.98	10980469.77		10980469.77
TOTALS FOR FUND 320	WEST END FLO						
TOTALS FOR FUND 501	CEMETERY MEM		3538.33		3538.33		3538.33
TOTALS FOR FUND 503	CEMETERY PER	1350.00	341.00	1350.00	341.00	1350.00	1691.00
TOTALS FOR FUND 610	SEWER UTILIT	3385892.74	540814.68	479470.98	3447236.44	30107.11	3477343.55
TOTALS FOR FUND 611	SEWER SINKIN	522332.00	106833.00		629165.00		629165.00
TOTALS FOR FUND 612	STORM WATER						
TOTALS FOR FUND 613	SEWER IMPROV	3216668.00	41667.00		3258335.00		3258335.00
TOTALS FOR FUND 670	LANDFILL FUN	1592334.01	57942.64	191034.41	1459242.24	3260.22	1462502.46
TOTALS FOR FUND 671	LANDFILL RES	1145278.00			1145278.00		1145278.00

REPORT DATE 11/30/2020  
 SYSTEM DATE 12/11/2020  
 FILES ID 0

CITY OF OTTUMWA  
 STATEMENT OF CHANGES IN CASH BALANCE  
 AS OF 11/30/2020

PAGE 2  
 TIME 13:44:29  
 USER TJ

ACCOUNT NUMBER	BEG. PERIOD	CASH	CASH	END PERIOD	OUTSTANDING	TREASURY
ACCOUNT DESCRIPTION	BALANCE	DEBITS	CREDITS	BALANCE	CHECKS	BALANCE
TOTALS FOR FUND 673 RECYCLING	122812.65	43427.35	44582.31	121657.69	6669.45	128327.14
TOTALS FOR FUND 690 TRANSIT FUND	580446.03	19405.50	35252.27	564599.26	351.86	564951.12
TOTALS FOR FUND 695 1015 TRANSIT						
TOTALS FOR FUND 720 BRIDGEVIEW E	62836.16			62836.16		62836.16
TOTALS FOR FUND 750 GOLF COURSE	25111.62			25111.62		25111.62
TOTALS FOR FUND 810 POOLED INVES	-45670747.30	12210.39		-45658536.91		-45658536.91
TOTALS FOR FUND 820 PAYROLL CLEA	418267.80	1009150.28	1122172.69	305245.39	2352.39	307597.78
TOTALS FOR FUND 840 EQUIPMENT PU	1457432.32		184116.51	1273315.81		1273315.81
TOTALS FOR FUND 860 GROUP HEALTH	4310548.63	326503.37	349312.01	4287739.99		4287739.99
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TOTALS FOR ALL LISTED FUNDS	1932743.59	5989213.63	7502399.91	419557.31	200422.82	619980.13



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STATEMENT OF CHANGES IN CASH BALANCE  
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Vendor #	Vendor Name	Check Number	Check Date	Amount	Reason
00198	ABC PEST CONTROL INC.	208798	11/20/2020	42.95	BLDG MAINT & REPAIR
00231	AMANIEL ABRHA	208704	11/13/2020	100.00	REFUNDS
00320	ACCO	208705	11/13/2020	188.65	EQUIP REPAIR
00321	ACCO UNLIMITED CORPORATIO	208875	11/25/2020	5,444.93	CAPITAL IMPROVEMENTS
00626	SCOTT ADAMS	208706	11/13/2020	200.00	SUSTENANCE SUPPLIES
00690	AFLAC	208629	11/06/2020	2,557.50	AFLAC DEDUCTION PAYABLE
00778	AGRILAND FS, INC.	208876	11/25/2020	125.40	VHCL MTCE SUPPLIES
00800	AHLERS & COONEY P.C.	208630	11/06/2020	7,115.29	LEGAL FEES
00855	AIRGAS USA LLC	208801	11/20/2020	525.20	SUSTENANCE SUPPLIES
01197	ALBIA NEWSPAPER INC	208631	11/06/2020	45.00	LIBRARY MAT.-JAMES ESTATE
01700	ALLIANT ENERGY/IPL	208632	11/06/2020	69,604.38	ELECTRIC
01701	ALLIANT ENERGY	208878	11/25/2020	590.20	ELECTRIC
01713	ALLIANT ENERGY/IPL	208804	11/20/2020	1,840.37	ELECTRIC
01717	ALLIED 100 LLC	208708	11/13/2020	233.00	SUSTENANCE SUPPLIES
02080	ALTORFER INC.	208805	11/20/2020	6,827.03	VHCL MTCE SUPPLIES
05668	A-TEC RECYCLING INC	208633	11/06/2020	742.81	HAZARDOUS WASTE DISPOSAL
05687	AT&T MOBILITY	208634	11/06/2020	59.37	TELEPHONE/IT
05700	ATOMIC TERMITE & PEST	208709	11/13/2020	185.00	GROUNDS MAINT & REPAIR
05860	AUTOZONE INC	208710	11/13/2020	376.37	VHCL MTCE SUPPLIES
05873	AVESIS THIRD PARTY	208635	11/06/2020	1,575.42	AVESIS PAYABLE
06481	BAILEY OFFICE OUTFITTERS	208711	11/13/2020	728.78	OFFICE SUPPLIES
06941	BALCON	208880	11/25/2020	860.38	LAB SUPPLIES
07013	CINDY BARKER	208807	11/20/2020	500.00	CONTRACTUAL SERVICES
09328	SARAH BLACK	208881	11/25/2020	1,000.00	CONTRACTUAL SERVICES
09352	BLACKSTONE PUBLISHING	208808	11/20/2020	360.00	LIBRARY MAT.-JAMES ESTATE
09360	BLACK'S TIRE COMPANY LLC	208882	11/25/2020	208.48	VHCL MTCE SUPPLIES
09515	BLOOMFIELD COMMUNICATIONS	208712	11/13/2020	105.00	MISCELLANEOUS
09522	WELLMARK BC & BS OF IOWA	208810	11/20/2020	22,175.00	MEDICARE PREMIUMS
10079	BOUND TREE MEDICAL LLC	208713	11/13/2020	1,563.94	SUSTENANCE SUPPLIES
10695	ZENNA BOYD	208714	11/13/2020	50.00	REFUNDS
11496	BRIDGE CITY SANITATION LL	208811	11/20/2020	143,981.10	OTHER PROF SERV
11506	BRIDGE VIEW CENTER	208637	11/06/2020	283.59	MISCELLANEOUS
12500	BUB'S TREE CARE	208885	11/25/2020	7,250.00	TREE TRIMMING
13272	CBE GROUP INC	208886	11/25/2020	268.39	GARNISHMENTS PAYABLE
14315	CAPITAL CITY BOILER &	208717	11/13/2020	451.60	BUILDING MAINTENANCE REPA
15760	CARROLL CONSTRUCTION SUPP	208639	11/06/2020	449.71	STREET MAINT SUPPLIES
15788	CATERPILLAR GOLBAL SERVIC	208640	11/06/2020	12,076.40	VHCL MTCE SUPPLIES
16265	CENTER POINT LARGE PRINT	208718	11/13/2020	85.08	LIBRARY MAT.-JAMES ESTATE
16300	CENTRAL IOWA FASTENERS	208887	11/25/2020	290.22	MISCELLANEOUS
16402	CENTURYLINK	208815	11/20/2020	4,439.72	TELEPHONE/IT
16403	CENTURYLINK	208816	11/20/2020	100.63	TELEPHONE/IT
16414	CERTIFIED POWER, INC.	208817	11/20/2020	573.38	VHCL MTCE SUPPLIES
17520	CHRISTY CONSTRUCTION CO	208642	11/06/2020	21,216.48	CAPITAL IMPROVEMENTS
17620	CINTAS CORPORATION	208818	11/20/2020	145.15	SUSTENANCE SUPPLIES
17825	CITY OF OTTUMWA, CEMETERY	208643	11/06/2020	1,350.00	CASH INVESTED PASSBK SVNG
18834	COLD SPRING GRANITE COMPA	208819	11/20/2020	311.00	MERCHANDISE - RESALE
18980	COLLECTION SERVICES	208889	11/25/2020	4,850.12	CHILD SUPPORT PAYABLE
21245	CORE DISTINCTION, GROUP,	208644	11/06/2020	4,000.00	MISCELLANEOUS
21825	CREDIT UNION	208890	11/25/2020	36,068.46	CREDIT UNION PAYABLE
21830	LORI CREECH	208891	11/25/2020	281.84	TRAINING
21842	CRESCENT ELECTRIC SUP CO	208892	11/25/2020	7.62	STREET MAINT SUPPLIES
22210	STEVE CULLINAN	208821	11/20/2020	105.03	SUSTENANCE SUPPLIES
22457	DC CONCRETE & CONST. LLC	208822	11/20/2020	59,521.11	MISCELLANEOUS
22594	DANIELS FILTER SERVICE	208646	11/06/2020	258.70	OPERATING SUPPLIES

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22608	DANI'S AUTO SUPPLY LLC	208648	11/06/2020	2,778.36	VHCL MTCE SUPPLIES
22626	DAN'S OVERHEAD DOORS & MO	208649	11/06/2020	936.00	BLDG MAINT & REPAIR
23934	DECATUR COUNTY	208723	11/13/2020	220.48	GRANT
24325	DEMCO, INC	208650	11/06/2020	608.85	OPERATING SUPPLIES
24330	DERANS TOWING SERVICE	208893	11/25/2020	135.00	GROUPS MAINT & REPAIR
24549	DES MOINES REGISTER	208894	11/25/2020	547.04	BOOKS FILMS RECORDING/ART
24988	DIVE IOWA	208651	11/06/2020	900.00	OTHER MAINT & REPAIR
25390	R. D. DRENKOW & CO INC	208895	11/25/2020	4,556.46	R.D. DRENKOW/FLEX PAY
25394	DRISH CONSTRUCTION, INC.	208823	11/20/2020	50,139.78	ENGINEERING
25593	DXP ENTERPRISES, INC.	208896	11/25/2020	60.30	VHCL MTCE SUPPLIES
26580A	EBSCO INFORMATION SERVICE	208824	11/20/2020	7,792.49	LIBRARY MAT.-JAMES ESTATE
26640	ECOSYSTEMS INC	208725	11/13/2020	21,114.00	SLUDGE HAULING
27005	ELECTRIC PUMP, INC.	208825	11/20/2020	7,505.65	OTHER MAINT & REPAIR
27010	ELECTRICAL ENGINEERING &	208726	11/13/2020	1,700.70	VHCL MTCE SUPPLIES
27272	ELLIOTT BULK SERVICES LLC	208727	11/13/2020	7,962.35	MISCELLANEOUS
27280	ELLIOTT OIL COMPANY	208655	11/06/2020	14,312.26	VHCL-FUEL
27515	EMERGENCY APPARATUS	208827	11/20/2020	12,459.66	VHCL MTCE SUPPLIES
27784	ENVIRONMENTAL PRODUCTS &	208729	11/13/2020	860.00	VHCL MTCE SUPPLIES
28208	EUROFINS- TEST AMERICA	208898	11/25/2020	1,066.80	LAB SUPPLIES
28208A	EUROFINS TESTAMERICA	208730	11/13/2020	826.25	LAB SUPPLIES
28449	EVORA CONSULTING, LTD	208731	11/13/2020	5,772.10	ENGINEERING
28450	EVOQUA WATER TECHNOLOGIES	208899	11/25/2020	2,340.00	OPERATING SUPPLIES
28869	FAIR/IMPARTIAL POLICING	208900	11/25/2020	1,184.00	TRAINING
29260	FARM & HOME PUB	208732	11/13/2020	187.00	ADVERT/LEGAL PUBL
29300	FASTENAL COMPANY	208733	11/13/2020	563.59	OPERATING SUPPLIES
31302	FRASE COMPANY INC.	208734	11/13/2020	8,944.00	OTHER CAPITAL EQUIP
31302A	FRASE COMPANY LUMBER	208735	11/13/2020	283.00	OPERATING SUPPLIES
31459	GRP & ASSOCIATES	208828	11/20/2020	97.00	HAZARDOUS WASTE DISPOSAL
31682	GALLS LLC-DBA CARPENTER	208736	11/13/2020	487.55	SUSTENANCE SUPPLIES
31797	GARDEN & ASSOCIATES LTD	208829	11/20/2020	20,661.59	ENGINEERING
32792	GLOBAL EQUIPMENT COMPANY	208830	11/20/2020	76.94	EQUIP REPAIR
32914	GOLDEN WEST INDUSTRIAL	208657	11/06/2020	349.07	SUSTENANCE SUPPLIES
33201	GRACE FELLOWSHIP	208904	11/25/2020	35.00	REFUNDS
33385	GRAINGER	208905	11/25/2020	16.60	OPERATING SUPPLIES
33635	GREAT WESTERN SUPPLY CO	208658	11/06/2020	630.90	OPERATING SUPPLIES
34662	PAM HALL	208737	11/13/2020	175.22	SUSTENANCE SUPPLIES
34900	HAMILTON PRODUCE COMPANY	208659	11/06/2020	606.27	PROPANE GAS
36083	HAWKEYE TRUCK EQUIPMENT	208738	11/13/2020	117.05	OPERATING SUPPLIES
37476	HILL PRODUCTIONS & MEDIA	208831	11/20/2020	148.00	ADVERT/LEGAL PUBL
37560	HINDMAN PERSON HEATING	208660	11/06/2020	350.00	OPERATING SUPPLIES
39184	HUNTER BROS TREE FARM	208906	11/25/2020	120.00	OPERATING SUPPLIES
39438	HY-VEE ACCOUNTS RECEIVABL	208832	11/20/2020	13.99	SUSTENANCE SUPPLIES
40320	IOWA DEPT/TRANSPORTATION	208907	11/25/2020	2,435.08	STREET MAINT SUPPLIES
40325	IOWA DEPT TRANSPORTATION	208908	11/25/2020	1,440.00	TRAINING
41480	ICMA RETIREMENT TRUST 457	208909	11/25/2020	2,141.52	ICMA DEF COMP PAYABLE
41505A	IMWCA	208910	11/25/2020	15,465.27	WORKMENS COMPENSATION
41600	IDEAL READY MIX	208661	11/06/2020	4,530.14	STREET MAINT SUPPLIES
41920A	INDUSTRIAL CHEMICAL	208912	11/25/2020	28.00	BLDG MAINT & REPAIR
41925	INDUSTRIAL MEDICINE	208834	11/20/2020	622.00	EMPLOYEE PHYSICALS/TESTS
42090	INFOMAX OFF SYSTEMS INC	208662	11/06/2020	2,127.43	PHOTOCOPIES
42160	INGRAM LIBRARY SERVICES	208836	11/20/2020	9,373.79	LIBRARY MAT.-JAMES ESTATE
43265	INTERSTATE BATTERY	208664	11/06/2020	309.90	VHCL MTCE SUPPLIES
43310	IOWA BRIDGE & CULVERT INC	208665	11/06/2020	278,635.04	CONTRACTUAL SERVICES
43388	IOWA CIVIL CONTRACTING, IN	208837	11/20/2020	367,093.04	STREET MAINT

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43497	IOWA DEPT AGRICULTURE	208743	11/13/2020	168.00	PERMITS
43999	IOWA ONE CALL	208838	11/20/2020	486.00	TELEPHONE/IT
44037	IOWA PRISON INDUSTRIES	208744	11/13/2020	2,419.91	STREET MAINT SUPPLIES
45057	J & J MOWING	208914	11/25/2020	18,607.36	LANDFILL FEES
45974	JOHN DEERE FINANCIAL	208915	11/25/2020	198.28	OPERATING SUPPLIES
48017	KELTEK INCORPORATED	208840	11/20/2020	123.12	VHCL MTCE SUPPLIES
48769	KEYSTONE LABORATORIES INC	208668	11/06/2020	391.00	LAB SUPPLIES
48798	KIECK'S CAREER APPAREL	208841	11/20/2020	54.40	OPERATING SUPPLIES
48809	KIESLER'S POLICE SUPPLY,	208745	11/13/2020	3,394.80	TOOLS & SMALL EQUIP
49038	KAROL KIRKPATRICK	208916	11/25/2020	97.50	MERCHANDISE - RESALE
49039	KIRKHAM MICHAEL	208669	11/06/2020	3,216.93	INFRASTRUCTURE
49042	KIRKHAM MICHAEL	208917	11/25/2020	9,450.00	CAPITAL IMPROVEMENTS
49206	KLODT DOOR SERVICE LLC	208746	11/13/2020	752.00	GROUPS MAINT & REPAIR
49687	KOHL WHOLESALE	208842	11/20/2020	372.73	OPERATING SUPPLIES
50427	L-TRON CORPORATION	208843	11/20/2020	18,348.90	OTHER SMALL CAPITAL
50620	LANGMAN CONSTRUCTION, INC	208919	11/25/2020	1,372,721.85	UTILITY SYSTEM
50845A	DAN LAURSEN EXCAVATING	208670	11/06/2020	15,390.00	CONTRACTUAL SERVICES
52254	LISCO	208747	11/13/2020	270.00	TECHNOLOGY SERVICES
52990	LOKTRONICS SECURITY CORP	208748	11/13/2020	236.39	OTHER PROF SERV
53691A	MACQUEEN EQUIPMENT, LLC	208672	11/06/2020	302.34	VHCL MTCE SUPPLIES
54390	MANATT'S INC	208750	11/13/2020	4,200.20	STREET MAINT SUPPLIES
54396	MANATTS INC.	208922	11/25/2020	8,261.77	STREET MAINT
55265	JEREMY MARTS	208673	11/06/2020	171.19	SUSTENANCE SUPPLIES
55311	MASSMUTUAL RETIREMENT SER	208923	11/25/2020	700.00	HARTFORD DEF COMP PAYABLE
56642	MCGOWEN, HURST, CLARK &	208752	11/13/2020	3,000.00	OTHER PROF SERV
57385	MENARDS	208754	11/13/2020	3,781.46	STREET MAINT SUPPLIES
57518	SYMETRA LIFE INSURANCE CO	208924	11/25/2020	4,262.36	GROUP LIFE PREMIUMS
58500	MIDAMERICAN ENERGY CO	208675	11/06/2020	1,098.39	NATURAL GAS
58555	MID-IOWA SOLID WASTE	208755	11/13/2020	6,310.59	VHCL MTCE SUPPLIES
59323	MIDWEST MUNICIPAL CONSULT	208845	11/20/2020	3,177.37	TRAINING
59382	MIDWEST TAPE	208676	11/06/2020	113.92	LIBRARY MAT.-JAMES ESTATE
59753	MIKES TIRE AND	208756	11/13/2020	10.00	VHCL MTCE SUPPLIES
60084	LORI MILLER	208757	11/13/2020	1,000.00	CONTRACTUAL SERVICES
60286	MINTURN, INC.	208847	11/20/2020	16,225.00	MISCELLANEOUS
60780	MOBILE LOCKSMITH & ALARM,	208677	11/06/2020	20.00	TOOLS & SMALL EQUIP
61785	MOTION INDUSTRIES	208758	11/13/2020	708.47	VHCL MTCE SUPPLIES
62560	MUNICIPAL CODE CORP	208759	11/13/2020	1,445.00	ADVERT/LEGAL PUBL
62575	MUNICIPAL FIRE & POLICE	208678	11/06/2020	174,821.87	FIRE RETIREMENT
62580	MUNICIPAL PIPE TOOL CO LL	208679	11/06/2020	549.58	SEWER/DRAINAGE SUPPLIES
62840	MURPHY TRACTOR & EQUIPMNT	208680	11/06/2020	184,116.51	OTHER CAPITAL EQUIP
63032	NCL OF WISCONSIN INC	208848	11/20/2020	506.06	LAB SUPPLIES
64400	NATIONWIDE RETIREMENT SOL	208925	11/25/2020	3,390.00	NRS-NATION RETIRE SOL
65985	NORSOLV SYSTEMS ENVIRONM	208849	11/20/2020	331.90	OPERATING SUPPLIES
66561	OFFICIAL PEST CONTROL	208681	11/06/2020	55.00	SUSTENANCE SUPPLIES
66730	OHARA HARDWARE	208763	11/13/2020	727.55	OPERATING SUPPLIES
67098	O'REILLY AUTOMOTIVE	208682	11/06/2020	107.10	CENTRAL GARAGE/VEHICLES
67101	OTC BRANDS INC	208850	11/20/2020	613.43	PROGRAM SUPPLIES
67224	ORSBORN MITCHELL GOEDKEN	208764	11/13/2020	7,580.00	LEGAL FEES
67759	OTTUMWA COMMUNITY SCHOOLS	208851	11/20/2020	356.62	PRINTING
68000	OTTUMWA COURIER	208852	11/20/2020	1,319.37	ADVERT/LEGAL PUBL
68001	OTTUMWA COURIER	208765	11/13/2020	195.12	OPERATING SUPPLIES
68002	OTTUMWA COURIER	208766	11/13/2020	86.11	ADVERT/LEGAL PUBL
68560	OTTUMWA PRINTING, INC.	208853	11/20/2020	2,300.00	OFFICE SUPPLIES
69040	OTTUMWA WATER AND HYDRO	208854	11/20/2020	11,194.16	WATER



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69688	DIXIE L PARKER	208767	11/13/2020	1,400.00	JANITORIAL
70180	PATTERSON MONUMENT CO	208855	11/20/2020	900.00	MERCHANDISE - RESALE
70610	PAYMENT REMITTANCE CENTER	208928	11/25/2020	5,435.85	POSTAGE & SHIPPING
71761	PHENOVA, INC.	208768	11/13/2020	439.76	LAB SUPPLIES
72035	PIPESTONE VET CLINIC OF	208856	11/20/2020	263.00	OTHER PROF SERV
72250	PITNEY BOWES GLOBAL	208857	11/20/2020	181.53	CONTRACTUAL SERVICES
72253	PPG ARCHITECTURAL FINISHE	208769	11/13/2020	387.66	OPERATING SUPPLIES
72561	PLUMB SUPPLY COMPANY-OT	208770	11/13/2020	1,203.84	OPERATING SUPPLIES
72986	PORTZEN CONSTRUCTION INC	208929	11/25/2020	307,912.62	CONTRACTUAL SERVICES
73125	POSTMASTER (CEMETERY)	208930	11/25/2020	55.00	POSTAGE & SHIPPING
73432	PRE-APPROVED AUTO	208771	11/13/2020	56.00	MISCELLANEOUS
73926	PRODUCTIVITY PLUS ACCOUNT	208772	11/13/2020	218.45	VHCL MTCE SUPPLIES
73960	PROFESSIONAL COMPUTER	208773	11/13/2020	29.97	TECHNOLOGY SERVICES
73971	PROFESSIONAL JANITORIAL	208685	11/06/2020	2,000.00	JANITORIAL
74626	QUALITY SERVICES CORP	208686	11/06/2020	770.13	VHCL MTCE SUPPLIES
74751	R.G. CONSTRUCTION, LLC	208687	11/06/2020	8,931.95	CONTRACTUAL SERVICES
74799	R & R INDUSTRIES, INC.	208688	11/06/2020	155.22	SUSTENANCE SUPPLIES
74955	RACOM CORPORATION	208774	11/13/2020	468.75	EQUIP REPAIR
75902	RECREONICS CORPORATION	208689	11/06/2020	255.10	OPERATING SUPPLIES
76321A	RELIANT FIRE APPARATUS, IN	208931	11/25/2020	795.48	VHCL MTCE SUPPLIES
76357	RESOURCE EXPLORATION, LLC	208932	11/25/2020	11,500.00	TECHNOLOGY SERVICES
77764	HALEY ROSE	208933	11/25/2020	115.18	TRAVEL & CONFERENCE
78105	ROYAL PORTABLE TOILETS	208775	11/13/2020	194.40	OPERATING SUPPLIES
78279	S & L ALL SEASON	208934	11/25/2020	839.34	TOOLS & SMALL EQUIP
78718	SANDRY FIRE SUPPLY LLC	208858	11/20/2020	745.20	TOOLS & SMALL EQUIP
79154	SAVE OTTUMWA WEEKLY	208777	11/13/2020	84.00	MISCELLANEOUS
79358	SCHUMACHER ELEVATOR CO	208859	11/20/2020	484.18	BUILDING MAINTENANCE REPA
81429	AARON SHORT	208935	11/25/2020	154.08	SUSTENANCE SUPPLIES
81507	SHRED-IT USA	208860	11/20/2020	87.90	CONTRACTUAL SERVICES
82135	SINCLAIR TRACTOR	208691	11/06/2020	5,211.72	VHCL MTCE SUPPLIES
82136	SINCLAIR NAPA	208692	11/06/2020	1,006.73	VHCL MTCE SUPPLIES
82187	EMILY SIX	208936	11/25/2020	100.00	REFUNDS
82416	SMITH AND SON	208778	11/13/2020	100.00	OPERATING SUPPLIES
83920	SOUTHERN IOWA ELECTRIC	208779	11/13/2020	77.99	ELECTRIC
85262	STATE HYGIENIC LABORATORY	208780	11/13/2020	54.00	CONTRACTUAL SERVICES
85289	JORDAN STATON	208781	11/13/2020	127.11	SUSTENANCE SUPPLIES
86661	SUEZ TREATMENT SOLUTIONS	208693	11/06/2020	2,835.00	OPERATING SUPPLIES
86970	SUPREME STAFFING INC	208694	11/06/2020	12,595.43	CONTRACT EMPLOYEES
87250	SWANA	208783	11/13/2020	223.00	DUES & MEMBERSHIPS
87390	SWANK MOVIE LICENSING USA	208784	11/13/2020	564.00	CONTRACTUAL SERVICES
88000	TEAMSTER LOCAL UNION 238	208938	11/25/2020	1,258.84	TRANSIT UNION DUES PAYABL
88053	TECHNOLOGY SERV & SOLUTIO	208785	11/13/2020	130.00	TECHNOLOGY SERVICES
88858	TIFCO INDUSTRIES	208939	11/25/2020	574.35	TOOLS & SMALL EQUIP
89090	TOTAL CHOICE SHIPPING	208787	11/13/2020	21.89	POSTAGE & SHIPPING
89494	IA LAW ENFORCEMENT ACADEM	208862	11/20/2020	125.00	DUES & MEMBERSHIPS
89855	TRUITT ABSTRACT COMPANY	208788	11/13/2020	150.00	CONTRACTUAL SERVICES
90844	U S CELLULAR	208863	11/20/2020	297.51	CONTRACTUAL SERVICES
90846	UPS	208695	11/06/2020	77.19	POSTAGE & SHIPPING
90885	UNITYPOINT CLINIC	208865	11/20/2020	210.00	EMPLOYEE PHYSICALS/TESTS
91835	USA BLUE BOOK	208866	11/20/2020	209.40	LAB SUPPLIES
91835A	USA BLUE BOOK ACCT. REC.	208696	11/06/2020	202.98	LAB SUPPLIES
92000	UTILITY EQUIPMENT COMPANY	208790	11/13/2020	2,024.70	SEWER/DRAINAGE SUPPLIES
92006	VETERANS OF FOREIGN WARS	208697	11/06/2020	211.25	REFUNDS
92008	VETERAN CONSTRUCTION &	208698	11/06/2020	16,741.27	CONTRACTUAL SERVICES

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CITY OF OTTUMWA  
 VENDOR PAYMENT REPORT

PAGE 5  
 TIME 13:46:23  
 USER TJ

Vendor #	Vendor Name	Check Number	Check Date	Amount	Reason
92555	THE VAN METER COMPANY	208793	11/13/2020	2,434.63	OPERATING SUPPLIES
92648	VEENSTRA & KIMM INC	208941	11/25/2020	73,882.70	MISCELLANEOUS
94000	WALMART COMMUNITY/SYNCR	208942	11/25/2020	509.57	OFFICE SUPPLIES
94490	WAPELLO COUNTY TREASURER	208794	11/13/2020	75.00	RECORDING & COURT FEES
94704	WAPELLO COUNTY RECORDER	208868	11/20/2020	144.00	RECORDING & COURT FEES
94965	WAPELLO CO RECORDER	208699	11/06/2020	27.00	RECORDING & COURT FEES
95000	WAPELLO COUNTY UNITED WAY	208943	11/25/2020	26.00	UNITED WAY DED PAYABLE
95120	WAPELLO RURAL WATER ASSC	208869	11/20/2020	43.93	WATER
95368	WAYNE'S TIRE	208700	11/06/2020	550.00	VHCL MTCE SUPPLIES
95451	BRENDA WEEKS	208944	11/25/2020	1,000.00	CONTRACTUAL SERVICES
95611	WELLMARK BC & BS OF IOWA	208871	11/20/2020	440,708.56	GROUP HEALTH CLAIMS
96525	JAY WHEATON	208701	11/06/2020	170.16	SUSTENANCE SUPPLIES
97305	WINDSTREAM	208702	11/06/2020	93.35	TELEPHONE/IT
97334	WINN CORP	208872	11/20/2020	16,488.38	STREET MAINT SUPPLIES
97535	WOLVERINE SEALCOATING LLC	208873	11/20/2020	14,629.80	CONTRACTUAL SERVICES
97577	WOODRIVER ENERGY LLC	208797	11/13/2020	3,398.26	NATURAL GAS
98320	YATES & YATES GLASS CO IN	208874	11/20/2020	20.00	RAMP MAINT & REPAIR

TOTAL NUMBER OF CHECKS 467 WRITTEN TO 233 VENDORS FOR 4,123,271.19

US Treasury	60731.12	Employer Share of FICA
us Treasury	33,565.27	Employer Share of FICA
Treasurer St of IA	40,943.00	Employer Share State Tax
Treasurer St of IA	19,232.00	Employer Share State Tax
Ifers	65668.47	Employer portion Retirement Benefit
Unemployment Exp	34,370.74	Employer Unemployment Expense
	<u>\$ 4,356,754.22</u>	

ERRORS DETECTED:

0


2021-01-05 PM 2:00

City of Ottumwa  
Staff Summary

Council Meeting of: January 5, 2021

Item No. \_\_\_\_\_

\_\_\_\_\_  
Finance  
Department

\_\_\_\_\_  
Edward Wilson  
Prepared By  
Kala Mulder   
Department Head

\_\_\_\_\_  
  
City Administrator

Agenda Title: Authorize the renewal of Microsoft Exchange Online Plan 1 subscription license with a quantity of 120 users and Office 365 Plan G1 with a quantity of 25 users.

.....  
Purpose: This renewal will allow us use Microsoft Exchange hosted in the Microsoft Government Community Cloud.

Recommendation: Authorize the purchase.

Discussion: We budgeted \$10,000.00 to renew Microsoft Hosted Exchange. The city upgraded 25 of the 160 licenses on 11/18/2020 to Office 365 Plan G1 for \$375.00. This leaves \$9,625 available for the renewal. Our current licensing expires January 31, 2021. CDW-G quoted Exchange Online Plan 1 at the same cost per subscription as last budget year. The total for 120 Exchange Online Plan 1 and 25 office 365 Plan G1 subscription is \$6,934.30.

Source of Funds 21/22 Finance Budget

Budgeted Item Yes Budget Amendment Needed No



# QUOTE CONFIRMATION



DEAR EDWARD WILSON,

Thank you for considering CDW•G for your computing needs. The details of your quote are below. [Click here](#) to convert your quote to an order.

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
LTZQ038	12/11/2020	LTZQ038	3809591	\$6,934.30

QUOTE DETAILS				
ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
<u>Microsoft Exchange Online Plan 1G - subscription license - 1 user</u> Mfg. Part#: AAA-11624-CCD-12MO UNSPSC: 43233501 Electronic distribution - NO MEDIA Contract: Iowa NVP Software (ADSP016-130652)	120	3678998	\$40.79	\$4,894.80
<u>Microsoft Office 365 (Plan G1) - subscription license - 1 user</u> Mfg. Part#: AAA-11646-CCD-12MO UNSPSC: 43231513 Electronic distribution - NO MEDIA Contract: Iowa NVP Software (ADSP016-130652)	25	3678974	\$81.58	\$2,039.50

PURCHASER BILLING INFO	SUBTOTAL	AMOUNT
<b>Billing Address:</b> CITY OF OTTUMWA ACCTS PAYABLE 105 E 3RD ST OTTUMWA, IA 52501-2999 <b>Phone:</b> (641) 683-0600 <b>Payment Terms:</b> DO NOT SHIP	SUBTOTAL	\$6,934.30
	SHIPPING	\$0.00
	SALES TAX	\$0.00
	<b>GRAND TOTAL</b>	<b>\$6,934.30</b>
<b>DELIVER TO</b> <b>Shipping Address:</b> CITY OF OTTUMWA EDWARD WILSON 105 E 3RD ST OTTUMWA, IA 52501-2999 <b>Phone:</b> (641) 683-0600 <b>Shipping Method:</b> ELECTRONIC DISTRIBUTION	<b>Please remit payments to:</b> CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515	

Need Assistance? CDW•G SALES CONTACT INFORMATION



Neal Zolt

(866) 843-0749

nealzol@cdwg.com

LEASE OPTIONS			
FMV TOTAL	FMV LEASE OPTION	BO TOTAL	BO LEASE OPTION
\$6,934.30	\$194.78/Month	\$6,934.30	\$222.52/Month

Monthly payment based on 36 month lease. Other terms and options are available. Contact your Account Manager for details. Payment quoted is subject to change.

Why finance?

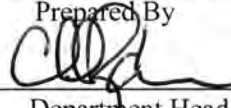
**CITY OF OTTUMWA**  
**Staff Summary**

**\*\* ACTION ITEM \*\***

Council Meeting of: Jan 5, 2021

Police  
Department

Lt. Mickey Hucks

Prepared By  
  
Department Head

  
City Administrator Approval

AGENDA TITLE: Approve the purchase from CDW-G for 13 Cradlepoint NewCloud Essentials for Mobile Routers LTE Advanced Pro for \$13,260.00.

\*\*\*\*\*

**\*\*Public hearing required if this box is checked.\*\***

—The Board or Publication of each Public Hearing must be attached to the Staff Summary. If the Proof of Publication is not attached, the same shall be placed on the agenda.—

RECOMMENDATION: Approve the purchase from CDW-G for 13 Cradlepoint NewCloud Essentials for Mobile Routers LTE Advanced Pro for \$13,260.00.

DISCUSSION: The 13 Cradlepoint routers will replace the current routers used in the Police fleet. The routers are used for the purpose of connectivity to the Internet for communication between the fleet vehicles used by the Police department. Communication include Police dispatch, Iowa system, MACH (DOT mapping client). The current routers were purchased in Q1 of 2016 by the Wapello County 911 Board. The 911 Board has agreed to purchase 13 Cradlepoint routers replacing the old routers during the Dec. 17, 2020 meeting. Prior Cradlepoint routers were not able to utilize the AT&T FirstNet public safety band. The replacement routers will be able to fully utilize FirstNet.

Source of Funds: 001-1-110-6727

Budgeted Item:  Budget Amendment Needed: No



# QUOTE CONFIRMATION



DEAR EDWARD WILSON,

Thank you for considering CDW•G for your computing needs. The details of your quote are below. [Click here](#) to convert your quote to an order.

QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
LRWP715	10/19/2020	LRWP715	3809591	<b>\$13,260.00</b>

QUOTE DETAILS				
ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
<a href="#">Cradlepoint NetCloud Essentials for Mobile Routers LTE Advanced Pro - subsc</a>	13	5766206	\$1,020.00	\$13,260.00
Mfg. Part#: MA5-0900120B-NNA UNSPSC: 43233204 Contract: SYNEX GSA SCHEDULE (SLED) (47QTCA19D00MM)				

PURCHASER BILLING INFO		SUBTOTAL	\$13,260.00
<b>Billing Address:</b> CITY OF OTTUMWA ACCTS PAYABLE 105 E 3RD ST OTTUMWA, IA 52501-2999 <b>Phone:</b> (641) 683-0600 <b>Payment Terms:</b> Net 30 Days-Govt State/Local		SHIPPING	\$0.00
		SALES TAX	\$0.00
		<b>GRAND TOTAL</b>	<b>\$13,260.00</b>
DELIVER TO		<b>Please remit payments to:</b>	
<b>Shipping Address:</b> CITY OF OTTUMWA EDWARD WILSON 105 E 3RD ST OTTUMWA, IA 52501-2999 <b>Phone:</b> (641) 683-0600 <b>Shipping Method:</b> DROP SHIP-GROUND		CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515	

Need Assistance? CDW•G SALES CONTACT INFORMATION			
	Neal Zolt	(866) 843-0749	nealzol@cdwg.com

LEASE OPTIONS			
FMV TOTAL	FMV LEASE OPTION	BO TOTAL	BO LEASE OPTION
\$13,260.00	\$372.47/Month	\$13,260.00	\$425.51/Month

Monthly payment based on 36 month lease. Other terms and options are available. Contact your Account Manager for details. Payment quoted is subject to change.

Why finance?

- Lower Upfront Costs. Get the products you need without impacting cash flow. Preserve your working capital and existing credit line.
- Flexible Payment Terms. 100% financing with no money down, payment deferrals and payment schedules that match your company's business cycles.
- Predictable, Low Monthly Payments. Pay over time. Lease payments are fixed and can be tailored to your budget levels or revenue streams.
- Technology Refresh. Keep current technology with minimal financial impact or risk. Add-on or upgrade during the lease term and choose to return or purchase the equipment at end of lease.

- Bundle Costs. You can combine hardware, software, and services into a single transaction and pay for your software licenses over time! We know your challenges and understand the need for flexibility.

General Terms and Conditions:

This quote is not legally binding and is for discussion purposes only. The rates are estimate only and are based on a collection of industry data from numerous sources. All rates and financial quotes are subject to final review, approval, and documentation by our leasing partners. Payments above exclude all applicable taxes. Financing is subject to credit approval and review of final equipment and services configuration. Fair Market Value leases are structured with the assumption that the equipment has a residual value at the end of the lease term.

This quote is subject to CDW's Terms and Conditions of Sales and Service Projects at <http://www.cdw.com/content/terms-conditions/product-sales.aspx>  
For more information, contact a CDW account manager

© 2020 CDW•G LLC, 200 N. Milwaukee Avenue, Vernon Hills, IL 60061 | 800.808.4239





Rates are fixed and will not increase for the duration of the lease agreement. The City also received the government discount for pricing. Our Pitney Bowes representative has provided a renewal lease that includes upgraded equipment, software upgrades, and maintenance.



# City of Ottumwa

City Hall • 105 East Third  
Ottumwa, Iowa 52501

PURCHASE ORDER

18445

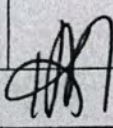
Vendor's Copy

To Pitney Bowes City Clerk

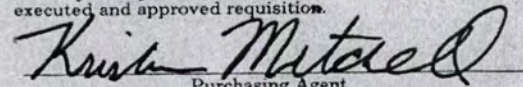
Ship To:

Date	Fund	Dept.	Object
10-13-20	001-6	620	64LS
	001-3	340	6508

Ship Best Way Prepaid

Quantity	Unit	Description	Unit Price	Amount
		Postage Machine Pro Series 60 month lease Quarterly Payment 874.02		
Total Amount				17,480.40

I hereby certify that this order is authorized by a properly executed and approved requisition.

  
Purchasing Agent







1	F9DD	USPS Special Services Welcome Kit
1	M9SS	Mailstream Intellilink Services
1	ME1C	Meter Equipment - P Series, LV
1	MSD1	10" Color Touch Display
1	MW90007	SendPro P Series Drop Stacker
1	MW96000	Weighing Platform
1	NV10	InView TMR Web Acct Bundle Single only
1	NV90	InView Subscription
1	NV90KIT	InView Welcome Kit
1	NV99	InView MMS Base Software
1	NV99KIT	InView Welcome Kit
1	NVMA	InView Dashboard - Single Meter
1	PTJ1	SendPro Online
1	PTJN	Single User Access
1	PTJR	50 User Access with Hardware or Meter
1	PTK1	Web Browser Integration
1	PTK3	SendPro P Series Meter Integration
1	SJM1	SoftGuard for SendPro P1000
1	STDSLA	Standard SLA-Equipment Service Agreement (for SendPro P Series)
1	T6CS	Receiving - Standard

### Your Payment Plan

Initial Term: 60 months		Initial Payment Amount:	
Number of Months	Monthly Amount	Billed Quarterly at*	
60	\$ 355.88	\$ 1,067.64	

\*Does not include any applicable sales, use, or property taxes which will be billed separately.

- Tax Exempt Certificate Attached
- Tax Exempt Certificate Not Required
- Purchase Power® transaction fees included
- Purchase Power® transaction fees extra

**Your Signature Below**

By signing below, you agree to be bound by your State's/Entity's/Cooperative's contract, which is available at <http://www.pb.com/states> and is incorporated by reference. The terms and conditions of this contract will govern this transaction and be binding on us after we have completed our credit and documentation approval process and have signed below.

NASPO VALUEPOINT ADSP016-169897  
State/Entity's Contract#  
\_\_\_\_\_  
*Christina Reinhard*  
Lessee Signature  
\_\_\_\_\_  
Christina Reinhard  
Print Name  
\_\_\_\_\_  
City Clerk  
Title  
\_\_\_\_\_  
12/21/2020  
Date  
\_\_\_\_\_  
reinhardc@ottumwa.us  
Email Address

\_\_\_\_\_  
Pitney Bowes Signature  
\_\_\_\_\_  
Print Name  
\_\_\_\_\_  
Title  
\_\_\_\_\_  
Date

**Sales Information**

Gregory Kirk	gregory.kirk@pb.com	
Account Rep Name	Email Address	PBGFS Acceptance

CITY OF OTTUMWA

Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: January 5, 2020

Public Works - WPCF  
Department

\_\_\_\_\_  
Ron Jacobsen  
Prepared By

\_\_\_\_\_  
Larry Seals *Larry Seals*  
Department Head

*[Signature]*  
\_\_\_\_\_  
City Administrator Approval

AGENDA TITLE: Approve the rebuild of one of the Airport Station Pumps.

\*\*\*\*\*

\*\*Public hearing required if this box is checked. \*\*

\*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda.\*\*

RECOMMENDATION:

Approve the repair of a Flygt Model 3171 pump from Electric Pump in Des Moines, IA for the quoted price of \$5,822.75

DISCUSSION:

This pump is located at the Main Airport Pump Lift Station and is one of three pumps that serves the Greater Ottumwa Industrial Complex.

This Flygt Model 3171 has been in service 10 years and the level sensor, and seals have failed causing the motor to go to ground. The price of a new one is \$20,853. There would be a 90 day warranty on this rebuild and 1 year on parts.

WPCF budgets \$75,000 annually for plant and pump station repair.

Budgeted	\$75,000.00	610-8-815-6399
Airport pump repair	<u>\$ 5,822.75</u>	
Balance	\$69,177.25	



# QUOTATION

4280 E 14th Street  
Des Moines IA 50313-2604 USA

Telephone: (515) 265-2222 / FAX (515) 265-8079  
Toll Free 1-800-383-PUMP

www.electricpump.com

QUOTE NUMBER: 0134140  
QUOTE DATE: 11/25/2020  
EXPIRE DATE: 12/25/2020

SALESPERSON: CHAD SPARKS  
CUSTOMER NO: 6830641  
QUOTED BY:

FLYGT 3171.181-0827 5

QUOTED TO:  
OTTUMWA WATER POLL CONTROL  
2222 SOUTH EMMA  
OTTUMWA, IA 52501

JOB LOCATION:  
OTTUMWA WATER POLL CONTROL  
2222 SOUTH EMMA  
OTTUMWA, IA 52501

CONFIRM TO:

\*\*\* QUOTE ORDER - DO NOT PAY \*\*\*

CUSTOMER P.O.	SHIP VIA	F.O.B.	TERMS			
	OURTRK	ORIGIN	Net 30 Days			
ITEM NUMBER	UNIT	ORDERED	SHIPPED	BACK ORDER	PRICE	AMOUNT
		FLYGT, 3171.181-0827, SN1070130				
		CAUSE OF FAILURE: POWER CABLE SHOWING GROUND - SMALL AMOUNT OF GLYCOL FOUND DURING INSPECTION				
0000006571701	EACH	1.00	0.00	0.00	4,114.00	4,114.00
		KIT,REPAIR BASIC 3171.090/180+NITRILE				
0000006630400	EACH	1.00	0.00	0.00	313.00	313.00
		SENSOR,LEVEL FLS-10				
0000000942110	EACH	25.00	0.00	0.00	0.43	10.75
		CABLE,SUBCAB AWG 4/3-2-1-GC+33.8MM				
/MISC	EACH	1.00	0.00	0.00	25.00	25.00
		MISC. SHOP SUPPLIES				
/ENVI	EACH	1.00	0.00	0.00	60.00	60.00
		OIL AND ENVIRONMENTAL CHARGE				
/PSMD	hour	10.00	0.00	0.00	130.00	1,300.00
		PUMP LABOR SEWAGE/SUBMERSIBLE				

THE PRICING IN THIS QUOTE DOES NOT INCLUDE FREIGHT,  
INSTALLATION AND START UP

THANK YOU, JULIE ROKES  
julier@electricpump.com  
CC: CHAD SPARKS (515) 707-1929

All return goods must have written approval from Electric Pump, Inc. before returning. Credit will not be issued without written approval and if applicable there will be a Restock Fee.

Net Order:	5,822.75
Less Discount:	0.00
Freight:	0.00
Sales Tax:	0.00
<b>Order Total</b>	<b>5,822.75</b>

ABOVE PRICING EFFECTIVE FOR 30 DAYS



Kenneth E. Crosser, CPA  
April D. Crosser, CPA  
Michael J. Podliska, CPA  
Alexander T. Barr, CPA



ANDERSON, LARKIN & CO., P.C.  
Certified Public Accountants  
"Your Success Is Our Business."

December 21, 2020

To the Mayor and Members of the City Council  
City of Ottumwa, Iowa

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Ottumwa, Iowa, for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 20, 2020. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Ottumwa, Iowa, are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2020. We noted no transactions entered into by the City of Ottumwa, Iowa, during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City of Ottumwa, Iowa's financial statements were:

Management's estimates of landfill closure and post – closure costs and depreciation are based upon the City's past history and other relevant factors. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

To the Mayor and Members of the City Council  
December 21, 2020  
Page Two

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 21, 2020

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City of Ottumwa, Iowa's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City of Ottumwa, Iowa's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

*Other Matters*

We applied certain limited procedures to the Management Discussion and Analysis, Budgetary Comparison Schedule, Schedules of Proportionate Share of Municipal Fire and Police Retirement System of Iowa and Iowa Public Employees' Retirement System Net Pension Liability, Schedules of City Municipal Fire and Police Retirement System of Iowa and Iowa Public Employees' Retirement System Contributions and Schedule of Changes in the City's Total OPEB Liability, Related Ratios and Notes, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the other supplementary information, as identified in the table of contents, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United State of America, the method of preparing it has not changed from the prior period, and the information is appropriate and

To the Mayor and Members of the City Council  
December 21, 2020  
Page Three

complete in relation to our audit of the financial statements. We compared and reconciled the other supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Mayor and the City Council and management of the City of Ottumwa, Iowa, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

ANDERSON, LARKIN & CO., P.C.

*Anderson, Larkin & Co., P.C.*



11-23 AM 9:30

# CITY OF OTTUMWA Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: Jan 5, 2021

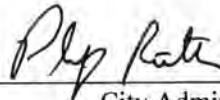
Philip Rath

Prepared By

Administration

Department

Department Head



City Administrator Approval

AGENDA TITLE: Request to reject the sole proposal received for Fixed Base Operator services and re-issue a revised Request For Proposal.

\*\*\*\*\*

\*\*Public hearing required if this box is checked.\*\*

RECOMMENDATION: Reject the sole proposal received for Fixed Base Operator services and re-issue a revised Request For Proposal

DISCUSSION: On October 27, 2020 the City Council approved the issuance of a Request For Proposal (RFP) for a successor agreement for a Fixed Base Operator (FBO) at the Ottumwa Regional Airport. Several entities expressed interest in the RFP; however, the City only received a single proposal. The proposal came in much higher than anticipated and the Airport Advisory Board along with staff has recommended the proposal be rejected.

Following conversations with entities who were interested, but did not submit a proposal it was identified the structure of the operations and cost to provide the requested services may not be feasible as drafted in the

Source of Funds: N/A

Budgeted Item:

Budget Amendment Needed:



RFP. As a result staff is requesting to re-issue as a negotiable, qualifications-based Request For Proposals. The new RFP would provide the general framework of desired services; however would allow for the submitting entities to provide a recommended scope and associated price. In the end the Airport Board would recommend and the City Council would approve a vendor based upon their qualifications and approach to the FBO role. The final contract and associated cost would be negotiated between the City and the vendor.

FILE  
2021 JAN -5 PM 12:5

**CITY OF OTTUMWA, IOWA**

**REQUEST FOR PROPOSALS  
FOR THE PURPOSE OF:**

**FIXED BASE OPERATOR (FBO) SERVICES**

**Issue Date: January 05, 2021**

**Submissions due:**

**January 28, 2021 at 11:00 AM CST**

**To the following:**

City of Ottumwa  
Attn: City Clerk  
105 East Third Street  
Ottumwa, IA 52501

## **I. STATEMENT OF PURPOSE**

The City of Ottumwa (the "City") invites qualified individuals or firms to submit a proposal to provide services for the City's regional airport. Proposals are due to the office of the City Clerk by 11:00 AM CST on January 28, 2021. The City seeks a Fixed Base Operator (FBO) with the knowledge, skills, ability, and vision to efficiently operate, promote, and expand our regional, enhanced service airport. The initial period of this Agreement is five-years; with an option for an additional five-year "renewal" period.

## **II. Introduction and Background**

The City of Ottumwa, population 25,023, is a municipal corporation governed by a mayor-council form of government, with a mayor and five city council members. The elected officials employ a City Administrator to carry out their policies and oversee the daily operations of the City. The Ottumwa Regional Airport is staffed with an airport manager and professional maintenance staff which provides airfield maintenance including Snow Removal/Runway De-Icing, Mowing, Lighting, Pavement/Marking maintenance and issuance of NOTAMs. FBO will occasionally be requested to issue NOTAM's and attend Airport Advisory Board Meetings. The City and FBO will coordinate and communicate on the issuance of NOTAM's for the safe operation of the airport.

The Ottumwa Regional Airport is recognized as an "enhanced service" airport located in Southeast Iowa. The Airport has an Airport Reference Code of C-II with two runways of over 4,600 ft. in length. Runway 13/31 is 5,885 ft. in length (recently re-constructed as 6,000 ft.) and 100 ft. wide with a Category I ILS system and full parallel taxiway. Runway 4/22 is 4,600 ft. in length and 100 ft. wide with a full parallel taxiway. The airport boasts an 8,500 sq. ft. terminal building constructed in 2002 which offers pilot lounge, meeting/conference room, FBO office, Airport Management offices, commercial service operations area, and large public waiting area. Additionally, Ottumwa Regional Airport provides an above-ground fuel farm consisting of 12,000 gallon Jet A Tank and 12,000 gallon Aviation Fuel tank. The fuel farm is located adjacent to the Ramp area. Annual fuel sales average 125,000 gallons annually for Jet A and 22,000 gallons annually for Aviation Gas (100 LL).

Ottumwa is also a popular stop for pilots going to and from the annual Experimental Aircraft Association (EAA) AirVenture air show held in Oshkosh, Wisconsin. In addition, there is an antique airfield in close proximity which generates a considerable amount of traffic and fuel sales in addition to the EAA event and Labor Day weekend. The airport has approximately 24,000 annual operations, and Indian Hills Community College operates a flight training school for their students. Mobile Crane Service provides charter service with a Citation jet. There is a considerable amount of traffic from corporate aircraft, including many operations of Gulfstream V and Citation series aircraft. Additionally, there are 24 single engine; 1 twin engine; 3 jet engine aircrafts based on the field.

### **III. Scope of Work**

The City is seeking a vendor to perform the services of a Fixed Base Operator (FBO) for the Ottumwa Regional Airport. Previously, the FBO was responsible for the lease, utilities, and maintenance of several on-site facilities. The FBO held regular hours and was to provide on-call services such as fueling, ground services, and aircraft maintenance. While these services are important to the City, ultimately we are looking for a vendor who shares the interest of the City in promoting, enhancing, and growing the airport as an asset. Additional services<sup>1</sup> that have been discussed or provided in the past include:

- Janitorial services for entire terminal building and other leased facilities
- Snow removal to all sidewalks in Terminal Area (Bordered by Terminal St., 2<sup>nd</sup> Ave. & to Terminal Ramp) & Building #62 - in front of hangar doors
- Aircraft fueling
- Facilitate a Charter service
- Aircraft Rental
- Aircraft Sales
- Flight Instruction
- Aircraft maintenance provided by a licensed A&P mechanic (with IA rating preferred)
- Ground services including tug and ground power unit
- Man the Unicom Radio System during business hours
- Courtesy Car(s)

Vendors interested in submitting a proposal will be requested to provide a cost effective operational plan spanning the first five years. This plan should identify the responsibilities of both the vendor and the City. If services are to be phased in over the course of the Agreement, vendors should also include a tentative time table. The City has the following facilities available for use by the vendor in implementing its operations:

- Building #83, Portion of Terminal Building - consisting of 1,346 sq. ft. of office/counter space
- Building #62, Maintenance Hangar - consisting of 6,912 sq. ft.
- Building #23, the North Half of the Large Hangar consisting of 19,706 sq. ft.
- Building #20, 6 Unit T-Hangar
- Building #65, 3 Box Hangar
- Fuel tank - Aviation Gas (100 LL), 12,000 gallons - above ground
- Fuel tank - Jet A, 12,000 gallons - above ground

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<sup>1</sup> These are included for reference - the vendor is encouraged to identify the services best suited for an efficient operation



#### **IV. Timeline and Submittal Information**

The City has set the following timeline and process for this Request for Proposal

- January 6, 2021: Issue Request for Proposal
- January 21, 2021: Deadline for Questions
- January 28, 2021 at 11:00 AM: Proposals Due
- January 28-29, 2021: Evaluation of Proposals
- February 9, 2021: Tentative Interview (As needed)
- February 16, 2021: City Council Confirms
- March 1, 2021: Tentative Start Date

All questions related to this Request For Proposal must be submitted in writing to Chris Cobler at [coblerc@ottumwa.us](mailto:coblerc@ottumwa.us) no later than 2:00 PM on January 21, 2021. Any questions and associated responses will be provided to those vendors who have expressed an interest in submitting a proposal. Additionally, responses will be placed on the [website for the City of Ottumwa](#).

Prior to the final selection, Vendors may be required to submit additional written or oral information regarding the Vendor's qualifications and experience that the City may deem necessary to further clarify and evaluate the proposal's qualifications.

This RFP does not commit the City to award a contract, nor shall the City be responsible for any cost or expense that may be incurred by the Vendor in preparing and submitting the proposal called for in this RFP, or any cost or expense incurred by the Vendor prior to the execution of a contract agreement.

The City reserves the right to accept or reject any or all proposals waive technicalities or irregularities, and to accept any proposal if such action is believed to be in the best interest of the City. Additionally, the City reserves the right to award a contract to the next most qualified attorney/firm if the successful attorney/firm does not execute a contract within thirty (30) days after award of the proposal. The City reserves the right to negotiate any or all items and terms of the proposal as deemed in the best interest of the City.

A proposal may not be withdrawn before the expiration of sixty (60) days from the proposal due date.

## V. Submission Requirements

Submittals must be clearly marked "**Fixed Base Operator Proposal**" on the exterior of the envelope and **received by 11:00 AM CST on January 28, 2021<sup>2</sup>** to:

**City of Ottumwa**  
**Attn: City Clerk**  
**105 East Third Street**  
**Ottumwa, IA 52501**

Those interested in responding to the City of Ottumwa Request for Proposal shall provide three copies of a written proposal, signed by the contact person of the proposing firm. All submittals shall become the property of the City. No public opening will be held. Proposals must reference "Fixed Base Operator Proposal" on the exterior of the sealed envelope and are required to submit the following items in order to be considered:

- (A) **Cover Letter:** Provide a cover letter from a contact person who has authority to bind the vendor contractually, giving his or her title. The letter must certify that all of the information contained in the submission is accurate and complete.
- (B) **Firm Experience:** Provide a narrative description of the firm and identify the experience regarding FBO operations.
- (C) **References:** Provide a minimum of two references as a Fixed Base Operator.
  - 1. The City prefers references that include municipal airport experience. References should include: name, title, phone number, email address, and a brief description of the nature of the client relationship and what this reference can speak to of your work.
  - 2. The City may contact any companies or individuals, whether offered as references or otherwise, to obtain information that will assist the City in evaluating the proposal. The City retains the right to use such information to make selection decisions. Submittal of a proposal is agreement that the City may contact and utilize such information.
- (D) **Proposed FBO Team:** Provide a resume or similar description for each team member, with considerable detail in the experience and qualifications for key personnel (CEO, Mechanic, Pilot(s), Flight Instructor(s), etc.)
- (E) **Proposed Schedule of Services:** Provide an outline of services to be provided over the course of the initial five-year period. Identify the responsibilities of both parties, including the estimated cost to the City.
- (F) **Proposed Inventory / Equipment:** Provide a list of equipment and/or inventory (e.g. Fuel Trucks, Towbars, GPU, De-icer, Rental Plane(s), Courtesy Vehicle(s), Charter Plane(s), etc.) vendor will provide in the provision of services as outlined in this Request.

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<sup>2</sup> Any proposal received after due date and time will not be considered.

- (G) **Other Information:** Provide any other information that may be helpful in assessing the firm's ability to perform the work and in applying the evaluation criteria set out in the Request for Proposal.

## **VI. Evaluation Criteria**

The City of Ottumwa will evaluate each proposal fairly and impartially utilizing an evaluation committee consisting of city staff and the Airport Board members. Once this material is reviewed, the top firm(s) may be invited to interview with staff and/or members of the Airport Advisory Board. The City may complete the selection process based solely on the response to the RFP. Candidates selected will be subject to a background and security check and be required to submit a personal and business financial statement. The personal and business financial records will be confidential.

Selection of firms for interview will be based on the following standards:

- (A) Responsiveness and completeness of the written proposal to the purpose and scope of services.
- (B) Location and accessibility of individual/firm.
- (C) Experience of the individual/firm in providing aviation services.
- (D) Reputation and professional qualifications of the FBO team.
- (E) Additional inventory and/or equipment individual/firm provides to the airport.
- (F) References.
- (G) Perceived effectiveness of the identified approach based upon the team, schedule of services, associated equipment, and related cost<sup>3</sup>.

## **VII. General Terms and Conditions**

- (A) **Contract:** Any award of a contract resulting from this RFP will be made only by written authorization from City of Ottumwa upon approval by the City of Ottumwa City Council. The contract between City of Ottumwa and the Vendor shall consist of (1) the Request for Proposal (RFP) and any amendments thereto and (2) the proposal submitted by the Vendor in response to the RFP. In the event of a conflict in language between these two documents, the provisions and requirements set forth and/or referenced in the RFP shall govern. The City also reserves the right to clarify any contractual relationship in writing with the concurrence of the Vendor, and such written clarification shall govern in case of conflict with the applicable requirements stated in the RFP or the Vendor's proposal. In all other matters not affected by the written clarifications, if any, the RFP shall govern.
- (B) **Independent Contractor:** Nothing contained in this RFP is intended or should be construed as creating the relationship of co-partners or joint ventures within the City. The Contractor shall remain an independent contractor, and all employees of the Contractor or its subcontractors shall remain the employees of the Contractor or subcontractor and shall not become the employees of the City.

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<sup>3</sup> **Note:** While cost is always important it will not be the most important selection criteria.

- (C) **Nondiscrimination:** All Contractors agree that during the life of the contract, the Contractor shall not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, marital status, disability, sexual orientation, age, religion, or status with regard to public assistance, and shall intend a similar provision in all subcontracts entered into for the performance thereof.
- (D) **Compliance with Laws:** In connection with the furnishing of supplies or performance of work under the contract, the Vendor agrees to comply with the Fair Labor Standard Act, Equal Opportunity Employment Act, and all other applicable Federal and State laws, regulations, and executive orders to the extent that the same may be applicable, and further agrees to insert the foregoing provision in all subcontracts awarded hereunder. Additionally, vendor shall know, obey, and abide by all rules and regulations of the Federal Aviation Administration, Homeland Security, Iowa Department of Transportation, Iowa Department of Natural Resources, Environmental Protection Agency, National Fire Prevention Association, and the City of Ottumwa. Finally, Vendor shall be responsible for assuring that patrons of the airport observe and abide by these rules and regulations.
- (E) **Insurance:** The successful firm must provide the City a certificate of insurance with the following coverage limits and maintain said coverages at all times during the term of a Contract. The City shall be names as an additional insured under the liability policy required above.
- Comprehensive General Liability, bodily injury, and property \$1,000,000 / occurrence (\$2,000,000 aggregate)
  - Worker's Compensation as required by law
- (F) **Acceptance by Firm:** Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and the firm selected.



**CITY OF OTTUMWA**  
**Staff Summary**

**\*\* ACTION ITEM \*\***

Council Meeting of : Jan 5, 2021

Philip Rath

Prepared By

Administration

Department

Department Head



City Administrator Approval

AGENDA TITLE: Approve a Conflict of Interest Waiver for Ahlers & Cooney, P.C.  
between the City of Ottumwa and Ottumwa Water Works.

\*\*\*\*\*

\*\*Public hearing required if this box is checked.\*\*

RECOMMENDATION: Approve a Conflict of Interest Waiver for Ahlers & Cooney, P.C.  
between the City of Ottumwa and Ottumwa Water Works in order  
to draft a Reimbursement Agreement between the two partners.

DISCUSSION: On November 14, 2020 the City Council identified a goal of improving cooperation with its community partners. One of the key components for improved relationships is clearly defined roles and responsibilities. The City works with Ottumwa Water Works on a number of public works projects - some planned and some emergency. A structured reimbursement agreement between the two entities could help define expectations for planning projects and cost reimbursements for each party, improving cooperation and communication. Administrator Rath had contacted Attorney Stone to draft such an agreement. When a potential conflict of interest was identified, Stone forwarded the attached waiver for approval. If both parties approve the waiver A&C may proceed.

Source of Funds: N/A

Budgeted Item:

Budget Amendment Needed:



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](http://www.ahlerslaw.com)  
Kristine Stone  
515.246.0314  
[kstone@ahlerslaw.com](mailto:kstone@ahlerslaw.com)

Dec. 9, 2020

Philip Rath  
City Administrator  
105 East 3<sup>rd</sup> St.  
Ottumwa, IA 52501

Michael Heffernan  
Ottumwa Water Works  
230 Turner Drive  
Ottumwa, IA 52501

Sent via email only

RE: Reimbursement Agreement – Ottumwa and Ottumwa Water Works

Dear Mr. Rath and Mr. Heffernan:

This waiver letter confirms that our Firm has been asked to represent the City of Ottumwa with respect to the preparation of a Reimbursement Agreement with the Ottumwa Water Works.

As you know, our Firm has existing client relationships with the City of Ottumwa and the Ottumwa Water Works. Given the proposed concurrent representation of the Parties, we cannot undertake a representation where we will advocate or negotiate for one party against the other. However, our ethical rules allow us to undertake representation of both parties to a transaction provided that we can competently and diligently represent each client, and each client provided informed consent in writing to the representation.

We believe that we can competently and diligently represent both the City of Ottumwa and the Ottumwa Water Works in the limited role of memorializing a Reimbursement Agreement as determined by the Parties. The City of Ottumwa and Ottumwa Water Works must determine the terms to include in the Agreement (between you) and then provide such terms to us to include in the Agreement. In our limited role as the scrivener, the more details you work out between you and provide to us, the better. In the course of drafting we may identify categories of essential terms you have not addressed, in which case we will suggest that both parties coordinate and let us know what specific terms you mutually agree on for each such category. We may also include stock or customary terms in the draft we provide with no intent of favoring either party over the other. Any such terms may be rejected or modified by either of you and, as with all terms in the Agreement, are subject to mutual agreement between you and can be revised by you. Through the proposed limited joint representation, we can assist you in documenting the Agreement you reach on an amicable and mutually advantageous basis.

In the event there are actual disagreements of substance or content between the Parties, we will decline to advise either party with respect to such issue. Should an issue arise for which

Dec. 9, 2020

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the Parties cannot reach agreement on your own, we would need to withdraw from further representation of both Parties with respect to the proposed Agreement. Such withdrawal would not, however, impact our on-going representation of the City of Ottumwa or the Ottumwa Water Works on all other matters.

In the course of the joint representation of the Agreement, we will not have communications with one party relevant to the Agreement that are confidential from the other. For matters relevant to this limited joint representation, we have a legal and ethical duty to share with both of you the information we receive and the comments that we give. In other words, your conversations with us with respect to the Agreement are not privileged as between the two of you and could not be claimed as privileged should any dispute arise between you. If you want independent advice concerning the terms of the Agreement, or if you wish to be able to discuss matters in complete privacy, you will need to seek such advice from alternate counsel.

In deciding whether or not to consent to the joint representation, the Parties should consider how our limited representation as described above could or may affect them. For example, clients that are asked to consent to conflicts should consider whether there is any material risk that their attorney will be less diligent on their behalf due to the conflict. Similarly, clients should consider whether there is any material risk that their confidential information or other proprietary matters will be used adversely to them due to the conflict. We do not believe that our obligations of loyalty and confidentiality to any party will impair our ability to represent the Parties in this matter in the limited manner described herein, but of course you may ask us any questions you may have regarding the contents of this letter and/or seek the independent advice of a lawyer outside of our Firm regarding the contents of this letter.

Please respond to this request by either signing and returning this letter or informing us that you decline to approve and consent to this joint representation. We will only be able to represent the Parties in this matter if both Parties are in agreement regarding this limited representation.

Sincerely,

AHLERS & COONEY, P.C.

By *Kristine Stone*

Kristine Stone

Dec. 9, 2020

Page 3

**The City Council of the City of Ottumwa hereby waives and consents to any actual, potential, or perceived conflict of interest associated with Ahlers & Cooney, P.C.'s representation of the Ottumwa Water Works and the City of Ottumwa regarding the Reimbursement Agreement.**

Dated this 5<sup>th</sup> day of January, 2021.

City Council of the City of Ottumwa:

By: Tom X. Lizio  
Mayor



Dec. 9, 2020

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**The Board of Trustees of the Ottumwa Water Works hereby waives and consents to any actual, potential, or perceived conflict of interest associated with Ahlers & Cooney, P.C.'s representation of the Ottumwa Water Works and the City of Ottumwa regarding the Reimbursement Agreement.**

**Dated this \_\_\_\_ day of \_\_\_\_\_, 2021.**

**Board of Trustees of the Ottumwa Water Works:**

**By: \_\_\_\_\_  
Board Chair**

City of Ottumwa  
Staff Summary

Item No. G.-1.


Council Meeting of: January 5, 2021

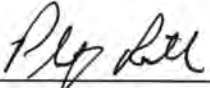
Item No. 1-2021

Finance Department  
Department

Kala Mulder

Prepared By

  
Department Head

  
City Administrator

Agenda Title: Resolution No. 1-2021 Resolution for Public Hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligations of the City thereunder and instituting proceedings to take additional action. Not to Exceed \$3,500,000 General Obligation Capital Loan Notes (ECP-4).

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Purpose: The City Council is required to hold a public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligations of the City thereunder and instituting proceedings to take additional action. Not to Exceed \$3,500,000 General Obligation Capital Loan Notes (ECP-4).

Recommendation: Open public hearing.  
Call for written and oral objections.  
Close public hearing.

Discussion: We're asking the Council to take additional action on the matter of the authorization of a Loan Agreement and the issuance of not to exceed \$3,500,000 General Obligation Capital Loan Notes, in order to provide funds to pay the costs of equipping the police and fire departments; the acquisition, restoration, or demolition of abandoned, dilapidated, or dangerous buildings, structures or properties; the construction, reconstruction, and repairing of any street, bridge and levee improvements, the acquisition, installation, and repair of sidewalks, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices, including the acquisition of any real estate needed for any of the foregoing purposes and the removal or replacement of dead or diseased trees; the reconstruction extension and improvement of the airport; the rehabilitation and improvements of City parks, including facilities, equipment and improvements commonly found in City parks; and refinancing and refunding certain outstanding indebtedness of the City, including the Taxable General Obligation Bonds, Series 2011 dated October 19, 2011, for essential corporate purposes, and that notice of the proposed action by the Council to institute proceedings for the authorization of the Loan Agreement and the issuance of the Notes had been published as provided by Sections 384.24A and 384.25 of the Code of Iowa. Principal and interest on the proposed Loan Agreement will be payable from the Debt Service Fund.

## **ITEMS TO INCLUDE ON AGENDA**

### **CITY OF OTTUMWA, IOWA**

Not to Exceed \$3,500,000 General Obligation Capital Loan Notes (ECP-4)

- Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
- Resolution instituting proceedings to take additional action.

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

January 5, 2021

The City Council of the City of Ottumwa, State of Iowa, met in regular session, in the Council Chambers, City Hall, 105 East 3<sup>rd</sup> Street, Ottumwa, Iowa, at 5:30 P.M., on the above date. There were present Mayor Lazio, in the chair, and the following named Council Members:

Bob Meyers, Holly Berg, Matt Dalbey, Marc Roe, Skip Stevens

Absent: None

Vacant: None

\* \* \* \* \*



The Mayor announced that this was the time and place for the public hearing and meeting on the matter of the authorization of a Loan Agreement and the issuance of not to exceed \$3,500,000 General Obligation Capital Loan Notes, in order to provide funds to pay the costs of equipping the police and fire departments; the acquisition, restoration, or demolition of abandoned, dilapidated, or dangerous buildings, structures or properties; the construction, reconstruction, and repairing of any street, bridge and levee improvements, the acquisition, installation, and repair of sidewalks, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices, including the acquisition of any real estate needed for any of the foregoing purposes and the removal or replacement of dead or diseased trees; the reconstruction extension and improvement of the airport; the rehabilitation and improvements of City parks, including facilities, equipment and improvements commonly found in City parks; and refinancing and refunding certain outstanding indebtedness of the City, including the Taxable General Obligation Bonds, Series 2011 dated October 19, 2011, for essential corporate purposes, and that notice of the proposed action by the Council to institute proceedings for the authorization of the Loan Agreement and the issuance of the Notes had been published as provided by Sections 384.24A and 384.25 of the Code of Iowa.

The Mayor then asked the Clerk whether any written objections had been filed by any resident or property owner of the City to the issuance of the Notes. The Clerk advised the Mayor and the Council that zero written objections had been filed. The Mayor then called for oral objections to the issuance of the Notes and none were made. Whereupon, the Mayor declared the time for receiving oral and written objections to be closed.

(Attach here a summary of objections received or made, if any)

Whereupon, the Mayor declared the hearing on the authorization of entering into a Loan Agreement and the issuance of the Notes to be closed.

The Council then considered the proposed action and the extent of objections thereto.

Whereupon, Council Member Roe introduced and delivered to the Clerk the Resolution hereinafter set out entitled "RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE ISSUANCE OF NOT TO EXCEED \$3,500,000 GENERAL OBLIGATION CAPITAL LOAN NOTES", and moved:

- that the Resolution be adopted.
- to ADJOURN and defer action on the Resolution and the proposal to institute proceedings for the issuance of notes to the meeting to be held at \_\_\_\_\_ .M. on the \_\_\_\_\_ day of \_\_\_\_\_, 2021, at this place.

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

AYES: Bob Meyers, Holly Berg, Matt Dalbey, Marc Roe, Skip Stevens

NAYS: None

Whereupon, the Mayor declared the measure duly adopted.

RESOLUTION NO. 1-2021

RESOLUTION INSTITUTING PROCEEDINGS TO TAKE  
ADDITIONAL ACTION FOR THE ISSUANCE OF NOT TO  
EXCEED \$3,500,000 GENERAL OBLIGATION CAPITAL  
LOAN NOTES

WHEREAS, pursuant to notice published as required by law, the City Council has held a public meeting and hearing upon the proposal to institute proceedings for the authorization of a Loan Agreement and the issuance of not to exceed \$3,500,000 General Obligation Capital Loan Notes, for the essential corporate purposes, in order to provide funds to pay the costs of equipping the police and fire departments; the acquisition, restoration, or demolition of abandoned, dilapidated, or dangerous buildings, structures or properties; the construction, reconstruction, and repairing of any street, bridge and levee improvements, the acquisition, installation, and repair of sidewalks, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices, including the acquisition of any real estate needed for any of the foregoing purposes and the removal or replacement of dead or diseased trees; the reconstruction extension and improvement of the airport; the rehabilitation and improvements of City parks, including facilities, equipment and improvements commonly found in City parks; and refinancing and refunding certain outstanding indebtedness of the City, including the Taxable General Obligation Bonds, Series 2011 dated October 19, 2011, and has considered the extent of objections received from residents or property owners as to the proposed issuance of Notes; and following action is now considered to be in the best interests of the City and residents thereof.

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

Section 1. That this Council does hereby institute proceedings and take additional action for the authorization and issuance in the manner required by law of not to exceed \$3,500,000 General Obligation Capital Loan Notes, for the foregoing essential corporate purposes.

expenditures which are to be paid from the proceeds of the above Notes. The amounts so advanced shall be reimbursed from the proceeds of the Notes not later than eighteen months after the initial payment of the capital expenditures or eighteen months after the property is placed in service. Such advancements shall not exceed the amount authorized in this Resolution unless the same are for preliminary expenditures or unless another declaration of intention is adopted.

PASSED AND APPROVED this 5<sup>th</sup> day of January, 2021.

  
\_\_\_\_\_  
Mayor

ATTEST:

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



CERTIFICATE

STATE OF IOWA

)

) SS

COUNTY OF WAPELLO

)

I, the undersigned City Clerk of the City of Ottumwa, 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 5th day of January, 2021.

Christina Penhard  
City Clerk, City of Ottumwa, State of Iowa



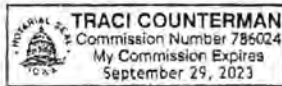


# PROOF OF PUBLICATION

STATE OF IOWA  
WAPELLO COUNTY

I, Ron Gutierrez, being duly sworn on my oath, say I am the Publisher of the Ottumwa Courier, a newspaper printed in said Wapello County, Iowa and of general circulation there in, and that the advertisement

Notice of Meeting  
City of Ottumwa hereto attached was  
published in said newspaper for 1 consecutive weeks to wit: 12/19/2020 Subscribed and sworn to  
before me, and in my presence, by the said 19th day of December, 2020



*Traci Counterman*

Notary Public

In and for Wapello County

Printer's fee \$ 36.78

COPY

MENT

NOTICE OF MEETING OF THE CITY COUNCIL OF THE CITY OF OTTUMWA, STATE OF IOWA, ON THE MATTER OF THE PROPOSED AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED \$3,500,000 GENERAL OBLIGATION CAPITAL LOAN NOTES OF THE CITY (FOR ESSENTIAL CORPORATE PURPOSES), AND THE HEARING ON THE ISSUANCE THEREOF PUBLIC NOTICE is hereby given that the City Council of the City of Ottumwa, State of Iowa, will hold a public hearing on the 5th day of January, 2020, at 5:30 P.M., in the Council Chambers, City Hall, 105 East 3rd Street, Ottumwa, Iowa, at which meeting the Council proposes to take additional action for the authorization of a Loan Agreement and the issuance of not to exceed \$3,500,000 General Obligation Capital Loan Notes, for essential corporate purposes, to provide funds to pay the costs of equipping the police and fire departments; the

acquisition, restoration, or demolition of abandoned, dilapidated, or dangerous buildings, structures or properties; the construction, reconstruction, and repairing of any street, bridge and levee improvements, the acquisition, installation, and repair of sidewalks, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices, including the acquisition of any real estate needed for any of the foregoing purposes and the removal or replacement of dead or diseased trees; the reconstruction extension and improvement of the airport, the rehabilitation and improvements of City parks, including facilities, equipment and improvements commonly found in City parks; and refinancing and refunding certain outstanding indebtedness of the City, including the Taxable General Obligation Bonds, Series 2011 dated October 19, 2011. Principal and interest on the proposed Loan Agreement will be payable from the Debt Service Fund. At the above meeting the Council shall receive oral or written objections from any resident or property owner of the City to the above action. After all objections have been received and considered, the Council will at the meeting or at any adjournment thereof, take additional action for the authorization of a Loan Agreement and the issuance of the Notes to evidence the obligation of the City thereunder or will abandon the proposal to issue said Notes. This notice is given by order of the City Council of the City of Ottumwa, State of Iowa, as provided by Sections 384.24A and 384.25 of the Code of Iowa. Dated this 19th day of December, 2020. Christina Reinhard City Clerk, City of Ottumwa, State of Iowa

NOTICE OF MEETING OF THE CITY COUNCIL OF THE  
CITY OF OTTUMWA, STATE OF IOWA, ON THE MATTER  
OF THE PROPOSED AUTHORIZATION OF A LOAN  
AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED  
\$3,500,000 GENERAL OBLIGATION CAPITAL LOAN NOTES  
OF THE CITY (FOR ESSENTIAL CORPORATE PURPOSES),  
AND THE HEARING ON THE ISSUANCE THEREOF

PUBLIC NOTICE is hereby given that the City Council of the City of Ottumwa, State of Iowa, will hold a public hearing on the 5<sup>th</sup> day of January, 2021, at 5:30 P.M., in the Council Chambers, City Hall, 105 East 3rd Street, Ottumwa, Iowa, at which meeting the Council proposes to take additional action for the authorization of a Loan Agreement and the issuance of not to exceed \$3,500,000 General Obligation Capital Loan Notes, for essential corporate purposes, to provide funds to pay the costs of equipping the police and fire departments; the acquisition, restoration, or demolition of abandoned, dilapidated, or dangerous buildings, structures or properties; the construction, reconstruction, and repairing of any street, bridge and levee improvements, the acquisition, installation, and repair of sidewalks, storm sewers, sanitary sewers, water service lines, street lighting, and traffic control devices, including the acquisition of any real estate needed for any of the foregoing purposes and the removal or replacement of dead or diseased trees; the reconstruction extension and improvement of the airport; the rehabilitation and improvements of City parks, including facilities, equipment and improvements commonly found in City parks; and refinancing and refunding certain outstanding indebtedness of the City, including the Taxable General Obligation Bonds, Series 2011 dated October 19, 2011. Principal and interest on the proposed Loan Agreement will be payable from the Debt Service Fund.

At the above meeting the Council shall receive oral or written objections from any resident or property owner of the City to the above action. After all objections have been received and considered, the Council will at the meeting or at any adjournment thereof, take additional action for the authorization of a Loan Agreement and the issuance of the Notes to evidence the obligation of the City thereunder or will abandon the proposal to issue said Notes.

This notice is given by order of the City Council of the City of Ottumwa, State of Iowa, as provided by Sections 384.24A and 384.25 of the Code of Iowa.

Dated this 19th day of December, 2020.

Christina Reinhard  
City Clerk, City of Ottumwa, State of Iowa

(End of Notice)

**CITY OF OTTUMWA**  
**Staff Summary**

**\*\* ACTION ITEM \*\***

Council Meeting of : Jan 5, 2021

Airport  
Department

Chris Cobler  
Prepared By  
Phillip Rath  
Department Head

  
\_\_\_\_\_  
City Administrator Approval

AGENDA TITLE: Resolution # 5-2021 Approving the Plans, Specifications, Form of Contract and Estimated Cost for the Apron Improvements Project at the Ottumwa Regional Airport.

\*\*\*\*\*

**\*\*Public hearing required if this box is checked.\*\***

\*\*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda.\*\*\*

RECOMMENDATION: Pass and adopt Resolution No. 5-2021

DISCUSSION: This is a public hearing on the proposed plans, specifications, form of contract and estimated cost for the Apron Improvements Project at the Ottumwa Regional Airport. Plans and Specifications for this project have been drafted by our airport consultants, Kirkham Michael. Estimated cost for this project is \$350,000.00. The Airport received a grant from the IDOT for \$297,500.00 to pay for 85% of the project.

Bids will be received and opened by the City of Ottumwa on January 28th, 2021 at 2:00 P.M. at City Hall, 105 East Third St., Ottumwa, IA. The bid report and bid award recommendation will be presented at the City Council meeting on February 16, 2021 or at a later date as determined by staff.

Source of Funds: 85% IDOT 15% Airport Fund

Budgeted Item:  Budget Amendment Needed:

**RESOLUTION # 5 - 2021**

**A RESOLUTION APPROVING THE PLANS, SPECIFICATIONS, FORM OF CONTRACT, AND ESTIMATE OF COST FOR THE APRON IMPROVEMENTS PROJECT AT THE OTTUMWA REGIONAL AIRPORT.**

WHEREAS, The City Council of the City of Ottumwa, Iowa has conducted a public hearing on the plans, specifications, form of contract and estimated cost for the above referenced project; and,

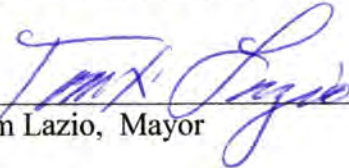
WHEREAS, The estimated cost of the project is \$350,000.00 and,

WHEREAS, No objections to the said plans, specifications, form of contract and estimated cost were received.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA. THAT: The plans, specifications, form of contract, and estimate of cost for the Apron Improvements Project at the Ottumwa Regional Airport are hereby approved and adopted.

PASSED AND ADOPTED this January 5<sup>th</sup>, 2021

City of Ottumwa, Iowa

  
\_\_\_\_\_  
Tom Lazio, Mayor

ATTEST:

  
\_\_\_\_\_  
Christina Reinhard, City Clerk





**Ottumwa Regional Airport (OTM)  
2021 Apron Improvements**

Item No.	Description	Estimated Quantity	Units	Unit Price	Amount
1	Safety Plan, Traffic Control & Mobilization	1	LS	\$ 20,000.00	\$ 20,000.00
2	12" Pavement Removal	3,375	SY	\$ 10.00	\$ 33,750.00
3	12" Subgrade Preparation	3,375	SY	\$ 6.00	\$ 20,250.00
4	5" Modified Subbase	3,375	SY	\$ 10.00	\$ 33,750.00
5	7" PCC	3,375	SY	\$ 54.00	\$ 182,250.00
6	Tie-Down Anchors	21	EA	\$ 300.00	\$ 6,300.00
<b>BASE BID</b>					<b>\$ 296,300.00</b>

Item No.	Description	Estimated Quantity	Amount
A	Engineering, Testing, & Administration	LS	\$ 51,500.00
<b>TOTAL</b>			<b>\$ 51,500.00</b>

**Estimated Construction Cost**

Item No.	Description	Estimated Quantity	Amount
Base	Bid Bid Items 1 thru 6		\$ 296,300.00

<b>TOTAL PROJECT COSTS:</b>	
<b>BASE BID PLUS CONSTRUCTION ENGINEERING</b>	<b>\$ 347,800.00</b>

**TOTAL PROJECT (BASE)= \$347,800.00**  
 Iowa DOT Share (85%)= \$295,630.00  
 Local share = \$52,170.00

Max. Grant=\$297,500



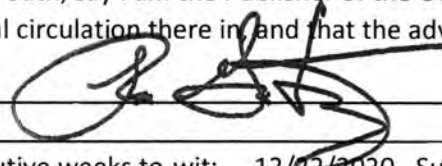
# PROOF OF PUBLICATION

STATE OF IOWA  
WAPELLO COUNTY

I, Ron Gutierrez, being duly sworn on my oath, say I am the Publisher of the Ottumwa Courier, a newspaper printed in said Wapello County, Iowa and of general circulation there in, and that the advertisement

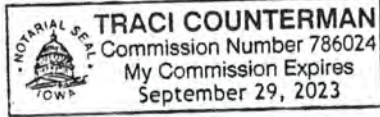
Notice of Hearing and Letting

City of Ottumwa



hereto attached was published in

said newspaper for 1 consecutive weeks to-wit: 12/22/2020 Subscribed and sworn to before me, and in my presence, by the said 22nd day of December, 2020



Notary Public

In and for Wapello County

Printer's fee \$ 83.18

### NOTICE OF HEARING AND LETTING Notice is Hereby Given:

A hearing on the proposed Plans, Specifications, Form of Contract, and Estimate of Cost for the project described as Apron Improvements, Ottumwa Regional Airport, will be held at City Hall, 105 E Third Street, in Ottumwa, Iowa, at 5:30 P.M. local time on January 5, 2021. At said time and place any interested person may appear and file objections thereto. Sealed proposals will be received by the City Clerk of the City of Ottumwa, Iowa, in City Hall until 11 A.M. local time on January 28, 2021, for the project described as Apron Improvements, Ottumwa Municipal Airport, as hereinafter described in general and as described in detail in the Plans and Specifications for said improvements now on file in the office of the City Clerk. Proposals will be opened and read aloud at that time. Proposals will be acted upon by the City Council at a meeting to be held at City Hall, 105 E Third Street, Ottumwa, Iowa, at 5:30 P.M. local time on February 16, 2021, or at such later time and place as may then be fixed. The extent of work on this project is the furnishing of all labor, equipment, and materials for the construction of improvements in Ottumwa generally described as follows: **Base Bid Schedule 1** Traffic Control, Mobilization, and Safety 1 LS 2 Pavement Removal 3,375 SY 3 Subgrade Preparation, 12-Inch 3,375 SY 4 5-Inch Subbase - Asphalt Millings 3,375 SY 5 7-Inch PCC 3,375 SY 3 Tie-Down Anchors 21 EA The kinds of materials, estimated quantities, and work to be done for the project on which bids will be received are as shown on the bid proposal for said project. All work is to be done in strict compliance with the Plans and Specifications prepared by Kirkham Michael and Associates, Inc. which have been heretofore approved by the City Council and which are now on file for public examination in the office of the City Clerk. All bids shall be made on a form furnished by the City and shall be filed on or before the time specified above, in a sealed envelope addressed to the City Clerk of Ottumwa, Iowa, clearly stating that the envelope contains a bid on this project. No oral, facsimile, telegraphic or telephonic bids or modifications will be considered. Each proposal shall be accompanied by a bid bond, a cashier's or certified check drawn on an Iowa bank or a bank chartered under the laws of the United States, or a certified share draft drawn on a credit union in Iowa or chartered under the laws of the United States in an amount equal to ten percent (10%) of the totals amount of the bid. If a bid bond is submitted it must be on the form provided with the contract documents. The bid security submitted should be

any conditions either in the body or as an endorsement thereon. This bid security is provided to the City of Ottumwa as security that if the bidder is awarded the contract by the City, the bidder will enter into a contract on the form provided by the City at prices bid and shall furnish the required performance and payment bond to the City. If the bidder fails to execute the contract and to furnish an acceptable performance and payment bond or provide a Certificate of Insurance within fifteen (15) days after acceptance of the bid by the City, the bid security may be forfeited or cashed by the City as liquidated damages. The successful bidder will be required to furnish a performance and payment bond in the amount of one hundred percent (100%) of the contract price guaranteeing faithful performance of the contract and guaranteeing payment to all persons supplying labor and/or materials in the execution of the work provided for in the contract. Additionally, the contractor must provide the City with a guarantee of maintenance of said improvement for a period of one (1) year from the time of acceptance by the City. By virtue of statutory authority preference will be given to products and provisions grown and coal produced within the State of Iowa and to Iowa domestic labor. A sales tax exemption certificate will be available for all material purchased for incorporation in the project. Work on said project shall commence within ten (10) days of a written notice to proceed and shall complete all work within Thirty (30) working days. Liquidated damages in the amount of **Five Hundred Dollars (\$500.00)** per working day will be assessed for each day that the work remains uncompleted after the end of the contract period. Project shall be completed by October 16, 2020. Payment for the work will be made by the City in cash from such funds as may be legally available including cash on hand, proceeds from the sale and issuance of General Obligation Bonds and such other funds including the proceeds from the sale and issuance of such other bonds as may lawfully be issued as the City Council may at its sole discretion determine and provide. Payment will be made to the contractor based on monthly estimates in amounts equal to ninety-five (95%) percent of the contract value of the work completed during the preceding calendar month, and will be based upon an estimate prepared by the Contractor on the first day of the month, subject to the approval of the Engineer. Any such payment by the City shall in no way be construed as an act of acceptance for any part of the work partially or totally completed. Final payment by the City will be made in accordance with Iowa statutes and the con-

Michael and Associates, Inc., 4390 114th Street, Urbandale, IA, 50322; 515-270-0848. Copies of Plans and Specifications and contract documents can be obtained at the same address. The City reserves the right to reject any and/or all bids, or any part thereof, and to waive informalities, and to enter into such contract or contracts as shall be deemed to be in the best interests of the City. Bids will be required to be submitted under a condition of irrevocability for a period of 30 days after submission. Publish: December 22, 2020 Chris Reinhard, City Clerk

*PH-ap. P/s apron imp. airport*



CITY OF OTTUMWA

Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: January 5, 2021

Engineering  
Department

Alicia Bankson  
Prepared By  
*Larry Seals*  
Department Head

*[Signature]*  
City Administrator Approval

AGENDA TITLE: Resolution #10-2021. Approving the Plans, Specifications, Form of Contract and Estimated Cost for the WPCF Effluent Diffuser Project.

\*\*\*\*\*

**\*\*Public hearing required if this box is checked. \*\***

**\*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda.\*\***

RECOMMENDATION: Pass and adopt Resolution #10-2021.

DISCUSSION: The effluent diffuser consists of a 30" diameter manifold with 30 – 6" diffuser ports spread out over a 175 feet length. Spreading the effluent over a wider area of river decreases the concentration of residual ammonia nitrogen in the immediate vicinity of the outfall, protecting fish and the ecosystem. The duckbills on the diffuser today are the original ones installed when the diffuser was built in 1995. The valves are in constant use and have reached the end of their useful life. They no longer spread the effluent flow uniformly across the length of the diffuser.

Our IDNR discharge permit limits are tied to the effective operation and directly impacts the available waste water plant loadings.

New duckbills are scheduled to arrive 01-25-21. These valves have a 1 year warranty and we expect they will last 20-25 years.

Funding will be from the WPCF maintenance and repair fund (610-8-815-6399). Because the diffuser is shared with JBS they have agreed to pay 1/3 of maintenance and installation costs.

Bids will be received and opened by the City of Ottumwa on January 27, 2021 at 2:00 p.m. The bid report and bid award recommendation will be presented at the City Council meeting on February 2, 2021, or at a later date as determined by staff.

Source of Funds: Sewer Fund

Budgeted Item: Yes

Budget Amendment Needed: No

Opinion of probable cost	Base bid	\$40,000
Alternate 1 Cleaning		\$25,000

Source of Funds: Sewer Fund

Budgeted Item: Yes

Budget Amendment Needed: No



RESOLUTION #10-2021

A RESOLUTION APPROVING THE PLANS, SPECIFICATIONS, FORM OF CONTRACT,  
AND ESTIMATED COST FOR THE WPCF EFFLUENT DIFFUSER PROJECT


WHEREAS, The City Council of the City of Ottumwa, Iowa has conducted a public hearing on the plans, specifications, form of contract, and estimated cost for the above referenced project; and,

WHEREAS, No objections to the said plans, specifications, form of contract and estimated cost were received.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA THAT: The plans, specifications, form of contract, and estimated cost for the above referenced project are hereby approved and adopted.

APPROVED, PASSED, AND ADOPTED, this 5<sup>th</sup> day of January, 2021.

CITY OF OTTUMWA, IOWA

  
\_\_\_\_\_  
Tom X. Lazio, Mayor

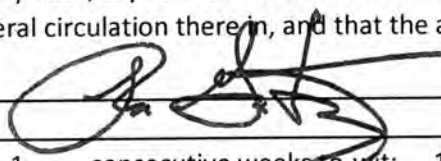
ATTEST:

  
  
\_\_\_\_\_  
Christina Reinhard, City Clerk

# PROOF OF PUBLICATION

STATE OF IOWA  
WAPELLO COUNTY

I, Ron Gutierrez, being duly sworn on my oath, say I am the Publisher of the Ottumwa Courier, a newspaper printed in said Wapello County, Iowa and of general circulation therein, and that the advertisement

Section 00010  
City of Ottumwa  hereto attached was published in said newspaper for 1 consecutive weeks to-wit: 12/22/2020 Subscribed and sworn to before me, and in my presence, by the said 22nd day of December, 2020





Notary Public

In and for Wapello County

Printer's fee \$ 22.57

## COPY OF NOTICE

SECTION 00010 NOTICE OF PUBLIC HEARING The City Council of Ottumwa, Iowa, will hold a public hearing on the proposed Plans and Specifications, form of contract and estimate of cost for the construction of said improvements described in general as WPCF Effluent Diffuser Project, Ottumwa, Iowa at 5:30 o'clock p.m. on the 5th day of January, 2021, in the Council Chambers, City Hall, Ottumwa, Iowa. At said hearing any interested person may appear and file objections thereto or to the cost of the improvements. At the hearing, the City will receive and consider any objections made by any interested party, to the Plans and Specifications, proposed form of Contract, and the estimate of cost for the project. The work to be done includes furnishing all labor, material, and equipment to perform the following: Replace 30 - 6" diameter duckbill check valve with new ones provided by the City. The check valves are located on the Ottumwa Water Pollution Control Facility's Effluent Diffuser in the Des Moines River. An alternate bid item will be for providing personnel and equipment to clean the 30" manifold pipe. All work and materials are to be in strict compliance with the Plans and Specifications prepared by the City of Ottumwa Engineering Department which together with the proposed form of contract and estimate of cost have heretofore been approved by the City and are now on file for public examination in the office of the Clerk, and are by this reference made a part hereof as though fully set out and incorporated herein. CITY OF OTTUMWA, IOWA By: Tom X. Lazio, Mayor ATTEST: Christina Reinhard, City Clerk

PH-approve P/S  
WPCF Effluent Diffuser

CITY OF OTTUMWA

Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: January 5, 2021

Engineering  
Department

Alicia Bankson  
Prepared By  
*Darryl Seal*  
Department Head

*Aly Pitt*  
City Administrator Approval

AGENDA TITLE: Resolution #11-2021. Approving the Plans, Specifications, Form of Contract and Estimated Cost for the Marion Street Reconstruction Project.

\*\*\*\*\*

\*\*Public hearing required if this box is checked. \*\*

\*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda. \*\*

RECOMMENDATION: Pass and adopt Resolution #11-2021.

DISCUSSION: This project involves full-width, full depth PCC Reconstruction of Marion Street from 4<sup>th</sup> Street to North Court. This project includes replacing the existing sanitary sewer and adding storm sewer to separate the combined system. Marion Street has suffered extensive damage from water main breaks. We are currently working on a cost share amount with Ottumwa Water and Hydro and will finalize before start of construction. Ottumwa Water has installed a new water main from 4<sup>th</sup> Street to North Court. ADA HC ramps will be installed and sidewalk will be replaced where required to allow paving.

Bids will be received and opened by the City of Ottumwa on January 27, 2021 at 2:00 p.m. The bid report and bid award recommendation will be presented at the City Council meeting on February 2, 2021, or at a later date as determined by staff.

Funding: \$500,000 LOST  
\$300,000 RU

Estimated cost: \$785,237

Budgeted amount: \$800,000

Source of Funds: LOST/RU

Budgeted Item: YES

Budget Amendment Needed: NO



RESOLUTION #11-2021

A RESOLUTION APPROVING THE PLANS, SPECIFICATIONS, FORM OF CONTRACT,  
AND ESTIMATED COST FOR THE MARION STREET RECONSTRUCTION PROJECT

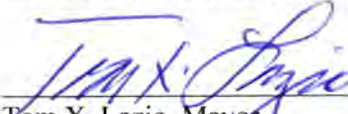
WHEREAS, The City Council of the City of Ottumwa, Iowa has conducted a public hearing on the plans, specifications, form of contract, and estimated cost for the above referenced project; and,

WHEREAS, No objections to the said plans, specifications, form of contract and estimated cost were received.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA THAT: The plans, specifications, form of contract, and estimated cost for the above referenced project are hereby approved and adopted.

APPROVED, PASSED, AND ADOPTED, this 5<sup>th</sup> day of January, 2021.

CITY OF OTTUMWA, IOWA

  
Tom X. Lazio, Mayor

ATTEST:

  
Christina Reinhard, City Clerk

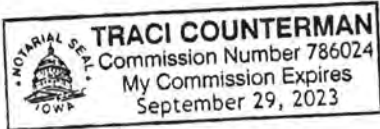
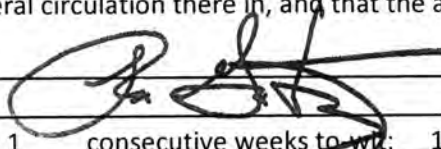


# PROOF OF PUBLICATION

STATE OF IOWA  
WAPELLO COUNTY

I, Ron Gutierrez, being duly sworn on my oath, say I am the Publisher of the Ottumwa Courier, a newspaper printed in said Wapello County, Iowa and of general circulation there in, and that the advertisement

Section 00010  
City of Ottumwa hereto attached was published in said newspaper for 1 consecutive weeks to-wit: 12/22/2020 Subscribed and sworn to before me, and in my presence, by the said 22nd day of December, 2020



Notary Public

In and for Wapello County

Printer's fee \$ 22.15

C

TISMENT

SECTION 00010 NOTICE OF PUBLIC HEARING The City Council of Ottumwa, Iowa, will hold a public hearing on the proposed Plans and Specifications, form of contract and estimate of cost for the construction of said improvements described in general as Marion Street Reconstruction Project, Ottumwa, Iowa at 5:30 o'clock p.m. on the 5th day of January 2021, in the Council Chambers, City Hall, Ottumwa, Iowa. At said hearing any interested person may appear and file objections thereto or to the cost of the improvements. At the hearing, the City will receive and consider any objections made by any interested party, to the Plans and Specifications, proposed form of Contract, and the estimate of cost for the project. This project involves full-width, full depth PCC Reconstruction of Marion Street from 4th Street to North Court. This project also includes sanitary sewer improvements and adding new storm sewer to separate the combined system. Marion Street has suffered extensive damage from water main breaks, causing irreparable damage to the existing street surface. All work and materials are to be in strict compliance with the Plans and Specifications prepared by the City of Ottumwa Engineering

Department which together with the proposed form of contract and estimate of cost have heretofore been approved by the City and are now on file for public examination in the office of the Clerk, and are by this reference made a part hereof as though fully set out and incorporated herein. CITY OF OTTUMWA, IOWA By: Tom X. Lazio, Mayor ATTEST: Christina Reinhard, City Clerk

PH-approve P/ls  
Marion St. Recon

Item No. H.-1.

City of Ottumwa  
Staff Summary

Council Meeting of: January 5, 2020

Item No. 2-2021

Finance Department  
Department

Kala Mulder

Prepared By

*Kala Mulder*  
Department Head

*P. H. Roth*  
City Administrator

Agenda Title: Resolution No. 2-2021, Approving the Preliminary Official Statement not to exceed \$9,010,000 of General Obligation Capital Loan Notes, Series 2021A.

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Recommendation: Pass and adopt Resolution No. 2-2021

Discussion: The City Council held a Public Hearing on the proposition to authorize a Loan Agreement and the issuance of Notes to evidence the obligations of the City thereunder, not to exceed \$9,010,000 General Obligation. In conjunction with its Financial Advisor, Piper Sandler, the City has caused a Preliminary Official Statement to be prepared outlining the details of the proposed sale of the Notes.

**ITEMS TO INCLUDE ON AGENDA**

**CITY OF OTTUMWA, IOWA**

\$9,010,000\* (Subject to Adjustment) General Obligation Capital Loan Notes, Series 2021A

- Resolution Approving Distribution of Preliminary Official Statement.

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

January 5, 2021

The City Council of the City of Ottumwa, State of Iowa, met in regular session, in the Council Chambers, City Hall, 105 East 3<sup>rd</sup> Street, Ottumwa, Iowa, at 5:30 P.M., on the above date. There were present Mayor Lazio, in the chair, and the following named Council Members:

Bob Meyers, Holly Berg, Matt Dalbey, Marc Roe, Skip Stevens

Absent: None

Vacant: None

\* \* \* \* \*



Council Member Roe introduced the following resolution entitled "RESOLUTION APPROVING DISTRIBUTION OF PRELIMINARY OFFICIAL STATEMENT", and moved that the resolution be adopted. Council Member Meyers seconded the motion to adopt. The roll was called and the vote was,

AYES: Bob Meyers, Holly Berg, Matt Dalbey, Marc Roe, Skip Stevens

---

NAYS: None

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

RESOLUTION NO. 2-2021

RESOLUTION APPROVING DISTRIBUTION OF  
PRELIMINARY OFFICIAL STATEMENT

WHEREAS, in conjunction with the Underwriter, Piper Sandler & Co., the City has caused a Preliminary Official Statement to be prepared outlining the details of the proposed sale of the Notes; and

WHEREAS, the Council deems it in the best interests of the City and the residents thereof to approve the distribution of the Preliminary Official Statement in connection with the offering of the Notes.

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

Section 1. That the preliminary Official Statement in the form presented to this meeting be and the same hereby is approved as to form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to such revisions, corrections or modifications as the Mayor, Finance Director and Clerk, upon the advice of bond counsel and disclosure counsel shall determine to be appropriate, and is authorized to be distributed in connection with the offering of the Notes for sale.

PASSED AND APPROVED this 5<sup>th</sup> day of January, 2021.

  
\_\_\_\_\_  
Mayor

ATTEST:  
  
  
\_\_\_\_\_  
City Clerk

CERTIFICATE

STATE OF IOWA

)

) SS

COUNTY OF WAPELLO

)

I, the undersigned City Clerk of the City of Ottumwa, 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 5th day of January, 2021.

Christine Reinhard  
City Clerk, City of Ottumwa, State of Iowa





## NEW ISSUE - DTC BOOK ENTRY ONLY

Moody's Rating: "\_\_\_"

Subject to the Issuer's compliance with certain covenants, under present law, in the opinion of Bond Counsel, interest on the Series 2021A Notes is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Notes is not exempt from present Iowa income taxes. The Issuer intends to designate the Series 2021A Notes as "qualified tax-exempt obligations." Interest on the Series 2021B Notes is subject to federal and State of Iowa taxation. See "TAX MATTERS" herein.



## City of Ottumwa, Iowa

**\$9,010,000\* General Obligation Capital Loan Notes Series 2021A**  
**\$1,400,000\* Taxable General Obligation Refunding Capital Loan Notes, Series 2021B**

Dated: Date of Delivery

The General Obligation Capital Loan Notes, Series 2021A (the "Series 2021A Notes") and the Taxable General Obligation Refunding Capital Loan Notes, Series 2021B (the "Series 2021B Notes") described above (collectively the "Notes") are issuable as fully registered Notes in the denomination of \$5,000 or any integral multiple thereof and, when issued, will be registered in the name of Cede & Co., as Noteholder and nominee of the Depository Trust Company, New York, NY ("DTC"). DTC will act as securities depository for the Notes. Purchases of the Notes will be made in book-entry form. Purchasers of the Notes will not receive certificates representing their interest in the Notes purchased. So long as DTC or its nominee, Cede & Co., is the Noteholder, the principal of, premium, if any, and interest on the Notes will be paid by UMB Bank, n.a., as Registrar and Paying Agent (the "Registrar" and the "Paying Agent"), or its successor, to DTC, or its nominee, Cede & Co. Disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants as more fully described herein. Neither the Issuer nor the Registrar will have any responsibility or obligation to such DTC Participants, indirect participants or the persons for whom they act as nominee with respect to the Notes.

Interest on the Series 2021A Notes is payable on June 1, and December 1 in each year, beginning June 1, 2021 to the registered owners thereof. Interest on the Series 2021B Notes is payable on June 1, and December 1 in each year, beginning June 1, 2021 to the registered owners thereof.

Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

The Notes maturing after June 1, 2029, may be called for 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 or other random method selected by the Registrar. The terms of redemption shall be par, plus accrued interest to date of call.

The Notes are being offered when, as and if issued by the Issuer and accepted by the Underwriter, subject to receipt of an opinion as to legality, validity and tax exemption by Ahlers & Cooney P.C., Des Moines, Iowa, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Bryan Cave Leighton Paisner LLP. It is expected that the Notes in the definitive form will be available for delivery on or about February 16, 2021. The Underwriter intends to engage in secondary market trading of the Notes subject to applicable securities laws. The Underwriter is not obligated, however, to repurchase any of the Notes at the request of the holder thereof.

**PIPER | SANDLER**

The Date of this Official Statement is \_\_\_\_\_, 2021

\* Preliminary, subject to change

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.



**MATURITY SCHEDULE \***

**Series 2021A**

<u>Notes Due</u>	<u>Amount *</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip Num.**</u>	<u>Notes Due</u>	<u>Amount</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip Num.**</u>
June 1, 2021	\$530,000				June 1, 2033	\$515,000			
June 1, 2022	930,000				June 1, 2034	520,000			
June 1, 2024	360,000				June 1, 2035	530,000			
June 1, 2024	365,000				June 1, 2036	540,000			
June 1, 2028	485,000				June 1, 2037	550,000			
June 1, 2029	490,000				June 1, 2038	555,000			
June 1, 2030	495,000				June 1, 2039	565,000			
June 1, 2031	500,000				June 1, 2040	575,000			
June 1, 2032	505,000								

\$

Term Note due

Priced to yield

Cusip Num\*\*

**Series 2021B**

<u>Notes Due</u>	<u>Amount *</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip Num.**</u>	<u>Notes Due</u>	<u>Amount</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip Num.**</u>
June 1, 2021	\$100,000				June 1, 2027	\$135,000			
June 1, 2022	115,000				June 1, 2028	135,000			
June 1, 2023	120,000				June 1, 2029	135,000			
June 1, 2024	125,000				June 1, 2030	135,000			
June 1, 2025	130,000				June 1, 2031	140,000			
June 1, 2026	130,000								

\$

Term Note due

Priced to yield

Cusip Num\*\*

\* Preliminary, subject to change

\*\* CUSIP numbers shown above have been assigned by a separate organization not affiliated with the Issuer. The Issuer has not selected nor is responsible for selecting the CUSIP numbers assigned to the Notes nor do they make any representation as to the correctness of such CUSIP numbers on the Notes or as indicated above.

No dealer, salesman or any other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such information or representations must not be relied upon as having been authorized by the Issuer or the Underwriter. This Official Statement does not constitute an offer to sell or a solicitation of any offer to buy any of the securities offered hereby in any state to any persons to whom it is unlawful to make such offer in such state. Except where otherwise indicated, this Official Statement speaks as of the date hereof. Neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer since the date hereof

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IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE NOTES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

This Official Statement is not to be construed as a contract with the purchasers of the Notes. The Issuer considers the Official Statement to be "near final" within the meaning of Rule 15c2-12 of the Securities Exchange Commission. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF THE PROVISIONS OF SECTIONS 3(a)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED. THE REGISTRATION OR QUALIFICATIONS OF THESE SECURITIES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THESE SECURITIES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SECURITIES OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

## **FORWARD-LOOKING STATEMENTS**

This Official Statement, including Appendix A, contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as "plan," "expect," "estimate," "budget" or similar words. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT EXPECT OR INTEND TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

**OFFICIAL STATEMENT**  
**CITY OF OTTUMWA, IOWA**  
**\$9,010,000\* GENERAL OBLIGATION CAPITAL LOAN NOTES SERIES 2021A**  
**\$1,400,000\* TAXABLE GENERAL OBLIGATION REFUNDING CAPITAL LOAN NOTES, SERIES 2021B**

**INTRODUCTORY STATEMENT**

This Official Statement presents certain information relating to the City of Ottumwa, Iowa (the "Issuer" or the "City"), in connection with the sale of the Issuer's General Obligation Capital Loan Notes, Series 2021A (the "Series 2021A Notes") and the Taxable General Obligation Refunding Capital Loan Notes, Series 2021B (the "Series 2021B Notes"), collectively called (the "Notes"). The Series 2021A Notes are being issued by the Issuer pursuant to a resolution (the "Note Resolution" or the "Resolution") to provide funds for (i) various capital improvements and equipment acquisition projects in the City, and (ii) paying the costs associated with the issuance of the Notes. The Series 2021B Notes are being issued by the Issuer to provide funds (i) to refund the Issuer's outstanding Taxable General Obligation Bonds, Series 2011A, dated October 19, 2011 and (ii) to pay costs of issuance associated with the issuance of the Notes. See "SOURCES AND USES OF FUNDS" herein.

This Official Statement is deemed to be a final official statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, except for the omission of certain pricing and other information which is to be made available through a final Official Statement.

This Introductory Statement is only a brief description of the Notes and certain other matters. Such description is qualified by reference to the entire Official Statement and the documents summarized or described herein. This Official Statement should be reviewed in its entirety.

The Notes are general obligations of the Issuer, payable from and secured by a continuing annual ad-valorem tax levied against all of the property valuation of the Issuer. See "THE NOTES – Source of Security for the Notes" herein.

All statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

**THE NOTES**

**General**

The Series 2021A Notes are dated as of the Date of Delivery, and will bear interest at the rates to be set forth on the cover page herein, interest payable on June 1 and December 1 in each year, beginning on June 1, 2021, calculated on the basis of a year of 360 days and twelve 30-day months. The Series 2021B Notes are dated as of the Date of Delivery, and will bear interest at the rates to be set forth on the cover page herein, interest payable on June 1 and December 1 in each year, beginning on June 1, 2021, calculated on the basis of a year of 360 days and twelve 30-day months. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

**Authorization for the Issuance**

The Notes are being issued pursuant to the Code of Iowa, 2019 as amended, Sections 384.24A; 384.25 and 384.26.

**Book Entry Only System**

*The following information concerning The Depository Trust Company ("DTC"), New York, New York and DTC's book-entry system has been obtained from sources the Issuer believes to be reliable. However, the Issuer takes no responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.*

The Depository Trust Company ("DTC"), New York, NY will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues and money market instrument from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct

\* Preliminary, subject to change

Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates.

Direct Participations include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC").

DTCC is the holding company for DTC, national Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered in the transaction. Transfers of ownership interest in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment transmission to them notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit have agreed to obtain and transmit notices to Beneficial Owners, in the alternative, Beneficial owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participants in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issue as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or successor securities depository). In that event Security certificates will be printed and delivered to DTC.

The Issuer cannot and does not give any assurances that DTC, the Direct Participants or the Indirect Participants will distribute to the Beneficial Owners of the Notes (i) payments of principal of or interest and premium, if any, on the Notes, (ii) certificates representing an ownership interest or other



confirmation of beneficial ownership interest in the Notes, or (iii) redemption or other notices sent to DTC or Cede & Co., its nominee, as the Registered Owner of the Notes, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities Exchange Commission, and the current "Procedures" of DTC to be followed in dealing with Direct Participants are on file with DTC.

Neither the Issuer nor the Paying Agent will have any responsibility or obligation to any Direct Participant, Indirect Participant or any Beneficial Owner or any other person with respect to: (1) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant; (2) the payment by DTC or any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal or redemption price of or interest on the Notes; (3) the delivery by DTC or any Direct Participant or Indirect Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Indenture to be given to owners of Notes; (4) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Notes; or (5) any consent given or other action taken by DTC as a Noteholder.

### **Transfer and Exchange**

In the event that the Book Entry System is discontinued, any Note may, in accordance with its terms, be transferred by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Note for cancellation at the principal corporate office of the Registrar accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Registrar. Whenever any Note or Notes shall be surrendered for transfer, the Registrar shall execute and deliver a new Note or Notes of the same maturity, interest rate, and aggregate principal amount.

Notes may be exchanged at the principal corporate office of the Registrar for a like aggregate principal amount of Notes or other authorized denominations of the same maturity and interest rate; provided, however, that the Registrar is not required to transfer or exchange any Notes which have been selected for prepayment and is not required to transfer or exchange any Notes during the period beginning 15 days prior to the selection of Notes for prepayment and ending the date notice of prepayment is mailed. The Registrar may require the payment by the Note Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. All Notes surrendered pursuant to the provisions of this and the preceding paragraph shall be canceled by the Registrar and shall not be redelivered.

### **Prepayment**

Optional Prepayment. The Notes maturing after June 1, 2029, may be called for 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.

Mandatory Sinking Fund Redemption. The Notes maturing on \_\_\_\_\_ are subject to mandatory redemption (by lot, as selected by the Registrar) on \_\_\_\_\_ and \_\_\_\_\_ in each of the years \_\_\_\_\_ through \_\_\_\_\_ at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date in the following principal amounts:

#### Term Note

<u>Mandatory Sinking Fund Date</u>	<u>Principal Amount</u>
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(maturity)

Selection of Notes for Redemption Notes subject to redemption will be selected in such order of maturity as the Issuer may direct. If less than all of the Notes of a single maturity are to be redeemed, the Notes to be redeemed will be selected by lot or other random method by the Registrar in such a manner as the Registrar may determine.

Notice of Redemption. Prior to the redemption of any Notes under the provisions of the Resolution, the Registrar shall give notice by regular mail not less than thirty (30) days prior to the redemption date to each registered owner thereof.

On the dates so designated for redemption, notice having been given in the manner and under the conditions hereinabove, provided and moneys for payment of the redemption price being held in the Sinking Fund, the Notes so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Notes on such date. Interest on the Notes so called for redemption shall cease to accrue; such Notes shall cease to be entitled to any benefit hereunder, and the Note Holders shall have no rights in respect thereof except to receive payment of the redemption price thereof.

Notes which have been duly called for redemption, with respect to which irrevocable instructions to call for redemption at a stated redemption have been given to the Registrar, and moneys for the payment the face amount thereof, premium, if any, and interest on are held in separate accounts by the Registrar in trust for Noteholders shall not thereafter be deemed to be outstanding under the provisions of the Resolution, other than be entitled to receive payment from such sources.

## Source of Security for the Notes

These Notes are general obligations of the Issuer. All taxable property within the corporate boundaries of the Issuer is subject to the levy of taxes to pay the principal of and interest on the Notes without constitutional or statutory limitation as to amount.

## NOTEHOLDERS' RISKS

### Secondary Market

There can be no guarantee that there will be a secondary market for the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, and secondary marketing practices in connection with a particular Note or Notes issue are suspended or terminated. Additionally, prices of Note or note issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Notes.

### Reduction in or Less of Rating

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "\_\_\_" to the Notes. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of Moody's, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Notes.

Additional regulation of rating agencies could materially alter the methodology, rating levels, and types of ratings available, for example, and these changes, if ever, could materially affect the market value of the Notes.

### Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward looking statements and the actual results. These differences could be material and could impact the availability of funds of the Issuer to pay debt service when due on the Notes.

### Tax Matters, Bank Qualification and Loss of Tax Exemption

As discussed under the heading "Tax Matters" herein, the interest on the Notes could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Notes, as a result of acts or omissions of the Issuer in violation of its covenants in the Resolution. Should such an event of taxability occur, the Notes would not be subject to a special prepayment and would remain outstanding until maturity or until prepaid under the prepayment provisions contained in the Notes, and there is no provision for an adjustment of the interest rate on the Notes.

It is possible that further legislation will be proposed or introduced that could result in changes in the way that tax exemption is calculated, or whether interest on certain securities are exempt from taxation at all. Prospective purchasers should consult with their own tax advisors regarding any pending or proposed federal income tax legislation.

The Notes are designated as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and the Issuer has further covenanted to comply with certain other requirements, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code. Actions, or inactions, by the Issuer in violation of its covenants could affect the designation, which could also affect the pricing and marketability of the Notes.

It is also possible that actions of the Issuer after the closing of the Notes will alter the tax status of the Notes, and, in the extreme, remove the tax exempt status from the Notes. In that instance, the Notes are not subject to mandatory prepayment, and the interest rate on the Notes does not increase or otherwise reset. A determination of taxability on the Notes, after closing of the Notes, could materially adversely affect the value and marketability of the Notes.

### Bankruptcy

The rights and remedies available to holders of the Notes may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditor's rights, to the exercise of judicial discretion in appropriate cases and to limitations in legal remedies against exercise of judicial discretion in appropriate cases and to limitations on legal remedies against municipal corporations in the State of Iowa. The various opinions of counsel to be delivered with respect to the Notes and the resolution for the Notes, including the opinions of Bond Counsel,

will be similarly qualified. If the City were to file a petition under Chapter 9 of the Bankruptcy Code, the owners of the Notes could be prohibited from taking any steps to enforce their rights under the resolution for the Notes. In the event the City fails to comply with its covenants under the resolution for the Notes or fails to make payments on the Notes, there can be no assurance of the availability of remedies adequate to protect the interests of the holders of the Notes.

### **DTC-Beneficial Owners**

Beneficial Owners of the Notes may experience some delay in the receipt of distributions of principal of and interest on the Notes since such distributions will be forwarded by the Paying Agent to DTC and DTC will credit such distributions to the accounts of the Participants which will thereafter credit them to the accounts of the Beneficial Owner either directly or indirectly through indirect Participants. Neither the Issuer nor the Paying Agent will have any responsibility or obligation to assure that any such notice or payment is forwarded by DTC to any Participants or by any Participant to any Beneficial Owner.

In addition, since transactions in the Notes can be effected only through DTC Participants, indirect participants and certain banks, the ability of a Beneficial Owner to pledge the Notes to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Notes, may be limited due to lack of a physical certificate. Beneficial Owners will be permitted to exercise the rights of registered Owners only indirectly through DTC and the Participants. See "THE NOTES— Book Entry Only System."

### **Other Factors**

An investment in the Notes involves an element of risk. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including the Appendices hereto) in order to make a judgment as to whether the Notes are an appropriate investment.

### **Pending Federal Tax Legislation**

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals are pending in Congress that could, if enacted, alter or amend one or more of the federal (or state) tax matters described herein in certain respects or would adversely affect the market value of the Notes or otherwise prevent holders of the Notes from realizing the full benefit of the tax exemption of interest on the Notes. Further such proposals may impact the marketability or market value of the Notes simply by being proposed. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Notes. In addition, regulatory actions are from time to time announced or proposed, and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Notes. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Notes would be impacted thereby

### **Tax Levy Procedures**

The Notes are general obligations of the Issuer, payable from and secured by a continuing ad valorem tax levied against all of the property valuation within the Issuer. As part of the budgetary process each fiscal year, the Issuer will have an obligation to request a debt service levy to be applied against all of the taxable property within the Issuer. A failure on the part of the Issuer to make a timely levy request or a levy request by the Issuer that is inaccurate or is insufficient to make full payments of the debt service of the Notes for a particular fiscal year may cause Noteholders to experience delay in the receipt of distributions of principal of and/or interest on the Notes. In the event of a default in the payment of principal of or interest on the Notes, there is no provision for acceleration of maturity of the principal of the Notes. Consequently, the remedies of the owners of the Notes (consisting primarily of an action in the nature of mandamus requiring the Issuer and certain other public officials to perform the terms of the resolution for the Notes) may have to be enforced from year to year.

### **Federal Funds Orders, and State Funds Legislation**

Various federal executive orders, and a law (SF 481) enacted in Iowa and effective July 1, 2018 (collectively "ICE Enforcement Initiatives"), impose requirements intended to ensure compliance with the federal immigration detainment processes. The ICE Enforcement Initiatives impose various penalties for non-compliance, including the loss of state and/or federal funding under certain circumstances. The loss of state and/or federal funds in any significant amount could negatively impact the Issuer's overall financial position and may affect its rating. However, the Notes are secured by a debt service levy upon real property in the jurisdictional limits of the Issuer, and are not secured by state or federal funds.

### **Cybersecurity**

The Issuer, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the Issuer will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.



## **COVID-19**

The outbreak of COVID-19, a respiratory illness caused by a new strain of coronavirus has affected the globe, including the State of Iowa and the City. Efforts to contain the virus from spreading have shuttered businesses and altered the behavior of businesses and people in a way that may negatively impact economies. Federal, State and local officials are taking steps to prevent further spread of the virus by limiting public gatherings and issuing mandatory closings or additional restrictions on certain businesses. Many schools have also moved to online instruction. On March 17, 2020, Iowa Governor Kim Reynolds issued a State of Public Health Disaster Emergency. Proclamations issued by Governor Reynolds have taken various significant steps to require social distancing and limit community spread of the virus by implementing temporary measures including moving restaurants to drive-through, carry-out, and delivery only and closures of certain entities such as bars and recreational facilities. The proclamation have allowed agencies additional flexibility in responding to the unprecedented COVID-19 situation, and supported the critical work of public health.

The Issuer cannot predict whether continued spread of the disease will materially impact its financial condition or ability to provide essential services. Continued spread and mitigation efforts may reduce sales tax or other collections. The Notes are general obligations of the Issuer secured by an unlimited ad valorem property tax as described more fully in the "THE NOTES – Source of Security for the Notes" herein. However, an additional State Public Health Emergency Declaration issued on March 20, 2020 temporarily suspends the provisions that require the imposition of penalty and interest for delay in property tax payments and directs that no such penalty or interest may be imposed for the duration of the proclamation and any future extension of the suspension, which have since expired. It is impossible to predict whether future proclamations would have a material effect on the Issuer's ability to collect property taxes necessary for the payment of interest on the Notes.

### **Loss of Tax Base**

Economic and other factors beyond the City's control, such as economic recession, deflation of property values, or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire or other natural disaster, could cause a reduction in the assessed value within the corporate boundaries of the City. In addition, the State of Iowa has been susceptible to tornados, flooding and other extreme weather wherein winds and flooding have from time to time caused significant damage, which may have an adverse impact on the City's financial position.

### **Pension and OPEB Information**

The Issuer contributes to the Iowa Public Employees' Retirement System ("IPERS"), and the Municipal Fire and Police Retirement System of Iowa ("MFPERSI"). For information concerning Net Pension Liability and contribution rates, see Appendices A and D.

### **Continuing Disclosure**

A failure by the Issuer to comply with continuing disclosure obligations (see "CONTINUING DISCLOSURE" herein) will not constitute an event of default on the Notes. Any such failure must be disclosed in accordance with Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and may adversely affect the transferability and liquidity of the Notes and their market price.

### **Suitability of Investment**

The interest rate borne by the Notes is intended to compensate the investor for assuming the risk of investing in the Notes. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Notes are an appropriate investment for such investor.

### **Summary**

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Notes. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should become thoroughly familiar with this entire Official Statement and the Appendices hereto.

## **LITIGATION**

The City encounters litigation occasionally, as a course of business, however, no litigation currently exists that is not believed to be covered by current insurance carriers and no litigation has been proposed that questions the validity of these Notes.

## **ACCOUNTANT**

The accrual-basis financial statements of the Issuer included as **APPENDIX D** to this Official Statement have been examined by Anderson, Larkin & Co., PC to the extent and for the periods indicated in their report thereon. Such financial statements have been included herein without permission of said CPA, and said CPA expresses no opinion with respect to the Notes or the Official Statement.



## UNDERWRITING

The Series 2021A Notes are being purchased, subject to certain conditions, by Piper Sandler & Co. (the "Underwriter"). The Underwriter has agreed, subject to certain conditions, to purchase all, but not less than all, of the Series 2021A Notes at an aggregate purchase price of \$ \_\_\_\_\_ plus accrued interest to the Closing Date.

The Series 2021B Notes are being purchased, subject to certain conditions, by Piper Sandler & Co. (the "Underwriter"). The Underwriter has agreed, subject to certain conditions, to purchase all, but not less than all, of the Series 2021B Notes at an aggregate purchase price of \$ \_\_\_\_\_ plus accrued interest to the Closing Date.

The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing the Notes into unit investment trusts, certain of which may be sponsored or managed by the Underwriter) at prices lower than the initial public offering prices stated on the cover page. The initial public offering prices of the Notes may be changed, from time to time, by the Underwriter.

The Underwriter intends to engage in secondary market trading of the Notes subject to applicable securities laws. The Underwriter is not obligated, however, to repurchase any of the Notes at the request of the holder thereof.

The Underwriter has entered into a distribution agreement ("Distribution Agreement") with Charles Schwab & Co., Inc. ("CS&Co") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Notes from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Notes that CS&Co. sells.

## THE PROJECT

The Notes are being issued to provide funds for (i) various capital improvement and equipment acquisition projects; and (ii) paying the costs associated with the issuance of the Notes. The Series 2021B Notes are being issued to provide funds for (i) the current refunding of the Issuer's outstanding Taxable General Obligation Bonds, Series 2011A, dated October 19, 2011 and (ii) paying the costs associated with the issuance of the Notes.

### SOURCES AND USES OF FUNDS \*

<u>Sources of Funds</u>		<u>Series 2021A</u>	<u>Series 2021B</u>
Note Proceeds		\$9,010,000	\$1,400,000
Reoffering Premium		25,658	
<u>Total Sources of Funds</u>		\$9,035,658	\$1,400,000
<u>Uses of Funds</u>			
Deposit to Project Fund		\$7,283,429	\$
Deposit to Redemption Fund		1,607,056	1,371,145
Costs of Issuance		55,073	13,527
Underwriter's Discount		90,100	13,950
Contingency		0	1,378
<u>Total Uses of Funds</u>		\$9,035,658	\$1,400,000

### TAX MATTERS - Series 2021A Notes

#### Tax Exemption

Federal tax law contains a number of requirements and restrictions that apply to the Series 2021A Notes (also referred to herein as the "Tax Exempt Notes"), including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of tax-exempt bond proceeds and facilities financed with tax-exempt note proceeds, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest on the Tax-Exempt Notes to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Tax-Exempt Notes to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Tax-Exempt Notes.

Subject to the City's compliance with the above referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Tax-Exempt Notes is excludable from gross income of the owners thereof for federal income tax purposes. Interest on the Tax-Exempt Notes is not an item of tax preference for federal alternative minimum tax purposes.

Prospective purchasers of the Tax-Exempt Notes should be aware that ownership of the Tax-Exempt Notes may result in collateral federal income tax

consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Tax-Exempt Notes should consult their tax advisors as to collateral federal income tax consequences.

The interest on the Tax-Exempt Notes is not exempt from present Iowa income taxes. Ownership of the Tax- Exempt Notes may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Tax-Exempt Notes. Prospective purchasers of the Tax-Exempt Notes should consult their tax advisors regarding the applicability of any such state and local taxes.

### **Qualified Tax Exemption Obligations (Series 2021A Notes)**

The Series 2021A Notes will be designated as “qualified tax-exempt obligations” under the exception provided in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the “Code”).

### **Discount and Premium Notes**

The initial public offering price of certain Tax-Exempt Notes may be less than the amount payable on such Tax- Exempt Notes at maturity (“Discount Notes”). Owners of Discount Notes should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Notes for income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Notes. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Notes may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Tax-Exempt Notes may be greater than the amount of such Tax-Exempt Notes at maturity (“Premium Notes”). An amount equal to the difference between the initial public offering price of Premium Notes (assuming that a substantial amount of the Premium Notes of that maturity are sold to the public at such price) and the amount payable at maturity constitutes a premium to the initial purchaser of such Premium Notes. Purchasers of the Premium Notes should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Notes for income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Notes.

### **Other Tax Advice**

In addition to the income tax consequences described above, potential investors should consider the additional tax consequences of the acquisition, ownership, and disposition of the Tax-Exempt Notes. For instance, state income tax law may differ substantially from state to state, and the foregoing is not intended to describe any aspect of the income tax laws of any state. Therefore, potential investors should consult their own tax advisors with respect to federal tax issues and with respect to the various state tax consequences of an investment in Tax-Exempt Notes.

### **Audits**

The Internal Revenue Service (the “Service”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. To the best of the City’s knowledge, no obligations of the City are currently under examination by the Service. It cannot be predicted whether or not the Service will commence an audit of the Tax-Exempt Notes. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Noteholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Tax-Exempt Notes until the audit is concluded, regardless of the ultimate outcome.

### **Reporting and Withholding**

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Notes, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Tax-Exempt Note owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any the Tax-Exempt Note owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

### **Tax Legislation**

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may be considered by the Iowa legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Notes will not have an adverse effect on the tax status of interest or other income on the Notes or the market value or marketability of the Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Notes from gross income for federal or state income tax purposes for all or certain taxpayers.

Current and future legislative proposals, including some that carry retroactive effective dates, if enacted into law, court decisions, or clarification of the Code may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation, or otherwise prevent owners of the Notes from realizing the full current benefit of the tax status of such interest. For example, on December 22, 2017, the Tax Cuts and Jobs Act ("TCJA") was signed into law. For tax years beginning after December 31, 2017, the TCJA, among other things, significantly changes the income tax rates on individuals and corporations, modifies the current provisions relative to the federal alternative minimum tax on individuals, and eliminates the federal alternative minimum tax for corporations. The TCJA, or the introduction or enactment of any other legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding the TCJA, as well as any pending or proposed tax legislation, as to which Bond Counsel expresses no opinion other than as set forth in its legal opinion.

### **The Opinion**

The FORM OF LEGAL OPINION, in substantially the form set out in APPENDIX B to this Preliminary Official Statement, will be delivered at closing.

Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service, nor does the rendering of the opinion guarantee the outcome of any legal dispute that may arise out of the transaction. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise.

### **Enforcement**

There is no trustee or similar person to monitor or enforce the terms of the resolution for issuance of the Notes. In the event of a default in the payment of principal of or interest on the Notes, there is no provision for acceleration of maturity of the principal of the Notes. Consequently, the remedies of the owners of the Notes (consisting primarily of an action in the nature of mandamus requiring the City and certain other public officials to perform the terms of the resolution for the Notes) may have to be enforced from year to year.

The owners of the Notes cannot foreclose on property within the boundaries of the City or sell such property in order to pay the debt service on the Notes. In addition, the enforceability of the rights and remedies of owners of the Notes may be subject to limitation as set forth in Bond Counsel's opinion. The opinion will state, in part, that the obligations of the City with respect to the Notes may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, to the exercise of judicial discretion in appropriate cases and to the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

### **Bond Counsel Review**

Bond Counsel has approved the language included in this "Tax Exemption and Related Considerations" Section but has not otherwise participated in the preparation of this Preliminary Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has not examined, nor attempted to examine or verify, any of the financial or statistical statements or data contained in this Preliminary Official Statement, and will express no opinion with respect thereto.

**ALL POTENTIAL PURCHASERS OF THE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE TAX-EXEMPT NOTES (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).**

## **TAXABILITY OF INTEREST – TAXABLE NOTES (SERIES 2021B)**

### **Taxability and Related Considerations (Taxable Notes)**

In the opinion of Bond Counsel, under existing law, interest on the Series 2021B Notes (also referred to herein as the "Taxable Notes") will be included in gross income of the owners thereof for federal income tax purposes.

**Interest on the Taxable Notes is included in gross income for State of Iowa income tax purposes.**

Ownership of the Taxable Notes may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Taxable Notes. Prospective purchasers of the Taxable Notes should consult their tax advisors regarding the applicability of any such state and local taxes.



## **Tax Accounting Treatment of Discount and Premium on Certain Taxable Notes**

The initial public offering price of certain Taxable Notes ("Taxable Discount Notes") may be less than the amount payable on such Taxable Discount Notes at maturity. An amount equal to the difference between the initial public offering price of the Taxable Discount Notes (assuming that a substantial amount of the Taxable Discount Notes of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Notes. Owners of Taxable Discount Notes should consult with their own tax advisors with respect to the determination of accrued original issue discount on Taxable Discount Notes for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Taxable Discount Notes. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Taxable Discount Notes may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Taxable Notes ("Taxable Premium Notes") may be greater than the amount of such Taxable Premium Notes at maturity. An amount equal to the difference between the initial public offering price of Taxable Premium Notes (assuming that a substantial amount of the Taxable Premium Notes of that maturity are sold to the public at such price) and the amount payable at maturity constitutes a premium to the initial purchaser of such Taxable Premium Notes. Purchasers of the Taxable Premium Notes should consult with their own tax advisors with respect to the determination of amortizable bond premium on Taxable Premium Notes for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Taxable Premium Notes.

## **Enforcement**

Holders of the Taxable Notes shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa and of the United States of America for the enforcement of payment of the Taxable Notes, including, but not limited to, the right to a proceeding in law or in equity by suit, action or mandamus to enforce and compel performance of the duties required by Iowa law and the resolution authorizing issuance of the Taxable Notes (the "Taxable Note Resolution".)

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Taxable Note Resolution. The remedies available to the owners of the Taxable Notes upon an event of default under the Taxable Note Resolution, in certain respects, may require judicial action, which is often subject to discretion and delay. Under existing law, including specifically the federal bankruptcy code, certain of the remedies specified in the Taxable Note Resolution may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in these documents. The legal opinions to be delivered concurrently with the delivery of the Taxable Notes will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and public policy and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

No representation is made, and no assurance is given, that the enforcement of any remedies with respect to such assets will result in sufficient funds to pay all amounts due under the Taxable Note Resolution, including principal of and interest on the Taxable Notes.

## **Opinion**

Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise. See "APPENDIX B" for the form of Bond Counsel opinion for the Taxable Notes.

**ALL POTENTIAL PURCHASERS OF THE TAXABLE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE TAXABLE NOTES (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).**

## **CONTINUING DISCLOSURE**

The Issuer has covenanted for the benefit of the holders of the Notes to provide certain financial information and operating data relating to the Issuer, and to provide notices of the occurrence of certain enumerated events, if deemed by the Issuer to be material (the "Undertaking"). The specific nature of the information that the Issuer may provide pursuant to the Undertaking is summarized herein under the caption "**APPENDIX C - Form of Continuing Disclosure Certificate.**"

Within the last five years, the City did not timely file certain financial and operating data tables and did not timely file notice of its failure to provide the information on or before the date specified in its prior continuing disclosure undertakings. Failure to file notices have now been posted for all Undertakings related to currently outstanding obligations.



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I have reviewed the information contained within the Official Statement of the City of Ottumwa, Iowa, and said Official Statement does not contain any material misstatements of fact nor omissions of any material fact regarding the issue of \$9,010,000\* General Obligation Capital Loan Notes, Series 2021A and \$1,400,000\* Taxable General Obligation Refunding Capital Loan Notes, Series 2021B of said Issuer to be issued under date of delivery.

OTTUMWA, IOWA

/s/ Kala Mulder  
Finance Director

\* Preliminary, subject to change

**APPENDIX A - INFORMATION ABOUT THE ISSUER**

**CITY OF OTTUMWA, IOWA**

**CITY OFFICIALS**

<b>MAYOR</b>	Tom Lazio
<b>COUNCIL MEMBERS:</b>	Matt Dalby, Mayor Pro Tem Holly Berg Bob Meyers Marc Roe Skip Stevens
<b>INTERIM CITY ADMINISTRATOR:</b>	Philip Rath
<b>CITY CLERK:</b>	Chris Reinhard
<b>CITY TREASURER:</b>	Kala Mulder
<b>CITY ATTORNEY</b>	Kristine Stone

**CONSULTANTS**

<b>BOND/DISCLOSURE COUNSEL:</b>	Ahlers & Cooney, PC Des Moines, IA
<b>UNDERWRITER:</b>	Piper Sandler & Co. Des Moines, IA
<b>REGISTRAR/PAYING AGENT:</b>	UMB Bank, n.a. West Des Moines, IA

## General Information

The City of Ottumwa (the "City" or the "Issuer") is located in southeastern Iowa approximately 90 miles southeast of Des Moines. Ottumwa, the County seat of Wapello County (the "County"), is the eighteenth largest city in the state of Iowa, with population (2010 Census) totaling 25,023. Ottumwa is the largest city in a 90 mile radius of southeastern Iowa and northeastern Missouri, and includes substantial retail, commercial and industrial capacity.

The City is served by U.S. Highways 34 and 63; Iowa highways 23, 137 and 16 and an excellent network of paved county roads. Freight rail service is provided by I&M Rail Link, the Burlington Northern and the Chicago and North Western. AMTRAK service is provided in the City of Ottumwa. Charter air service is available at the Ottumwa Municipal Airport by Ottumwa Flying Service.

The City is home to major employers, including: John Deere, Inc.; JBS Pork Ottumwa and Al-Jon Inc. IES operates an electric generating plant near Chillicothe in the northwestern part of the County. Substantial employment is also available in the Eddyville area from major employers including: Heartland Lysine Inc.; Cargill Inc.; and Ajinomoto Inc. of Japan.

## Utilities

The following utilities operate within the Issuer providing the services indicated:

Electric Power:	Alliant Utilities
Natural Gas:	Mid American Utilities
Telephone:	CenturyLink
Water:	Ottumwa Water Works and Hydro
Sanitary Waste:	City of Ottumwa

## Employee Pension Plan

### Defined Benefit Plan – Iowa Public Employees' Retirement System

Plan Description. Iowa Public Employees' Retirement System ("IPERS") membership is mandatory for employees of the Issuer. The Issuer's employees are provided with pensions through a cost-sharing multiple employer defined pension plan administered by IPERS. IPERS benefits are established under Iowa Code, Chapter 97B and the administrative rules thereunder. The Issuer's employee who completed seven years of covered service or has reached the age of 65 while in IPERS covered employment becomes vested. If the Issuer's employee retires before normal retirement age, the employees' monthly retirement benefit will be permanently reduced by an early-retirement reduction. IPERS provides pension benefits as well as disability benefits to Issuer employees and benefits to the employees' beneficiaries upon the death of the eligible employee. See "APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER–NOTES TO THE FINANCIAL STATEMENTS" for additional information on IPERS. Additionally, copies of IPERS annual financial report may be obtained from [www.ipers.org](http://www.ipers.org). Moreover, IPERS maintains a website at [www.ipers.com](http://www.ipers.com). However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Contributions. Effective July 1, 2012, as a result of a 2010 law change, IPERS contribution rates for the Issuer and its employees are established by IPERS following the annual actuarial valuation (which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization method.) State statute, however, limits the amount rates can increase or decrease each year to one (1) percentage point. Therefore, any difference between the actuarial contribution rates and the contributions paid is due entirely to statutorily set contributions that may differ from the actual contribution rates. As a result, while the contribution rate in the fiscal year ended June 30, 2017 equaled the actuarially required rate, there is no guarantee, due to this statutory limitation on rate increases, that the contribution rate will meet or exceed the actuarially required rate in the future.

The Issuer's contributions to IPERS is not less than that which is required by law. The Issuer's share of the contribution, payable from the applicable funds of the Issuer, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The Issuer has always made its full required contributions to IPERS.

The following table sets forth the contributions made by the Issuer and its employees to IPERS for the period indicated. The Issuer cannot predict the levels of funding that will be required in the future.

**Table 1 – Issuer and Employees Contribution to IPERS.**

Fiscal Year	Issuer Contribution		Issuer Employees' Contribution	
	Amount Contributed	% of Covered Payroll	Amount Contributed	% of Covered Payroll
2015	\$553,872	8.93	369,290	5.95
2016	571,948	8.93	381,531	5.95
2017	604,546	8.93	401,905	5.95
2018	593,469	8.93	382,133	5.95
2019	636,669	9.44	424,006	6.29

SOURCE: The Issuer

The Issuer cannot predict the levels of funding that will be required in the future as any IPERS unfunded pension benefit obligation could be reflected in future years in higher contribution rates. The investment of moneys, assumptions underlying the same and the administration of IPERS is not subject to the direction of the Issuer. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of IPERS (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, adjustments, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAAL could be substantial in the future, requiring significantly increased contributions from the Issuer which could affect other budgetary matters.

The following table sets forth certain information about the funding status of IPERS that has been extracted from the comprehensive annual financial reports of IPERS for the fiscal years ended June 30, 2019 through, and including, 2015 (collectively, the “IPERS CAFRs (2015-2019)”), and the actuarial valuation reports provided to IPERS by Cavanaugh MacDonald Consulting, LLC (collectively, the “IPERS Actuarial Reports (2015-2019)”). Additional information regarding IPERS and its latest actuarial valuations can be obtained by contacting IPERS administrative staff.

**Table 2 – Funding Status of IPERS**

Valuation Date	Actuarial Value of Assets [a]	Market Value of Assets [b]	Actuarial Accrued Liability [c]	Unfunded Actuarial Accrued Liability (Actuarial Value) [c]-[a]	Funded Ratio (Actuarial Value) [a]/[c]	Unfunded Actuarial Accrued Liability (Market Value) [c]-[b]	Funded Ratio (Market Value) [b]/[c]	Covered Payroll [d]	UAAL as a Percentage of Covered Payroll (Actuarial Value) [(c-a)/[d]]
2015	27,915,379,103	28,429,834,829	33,370,318,731	5,454,939,628	83.65	4,940,483,902	85.19	7,326,348,141	74.46
2016	29,033,696,587	28,326,433,656	34,619,749,147	5,586,052,560	83.86	6,293,315,491	81.82	7,556,515,720	73.92
2017	30,472,423,914	30,779,116,326	37,440,382,029	6,967,958,115	81.39	6,661,265,703	82.21	7,863,160,443	88.62
2018	31,827,755,864	32,314,588,595	38,642,833,653	6,815,077,789	82.36	6,328,245,058	83.62	7,983,219,527	85.37
2019	33,324,327,606	34,010,680,731	39,801,338,797	6,477,011,191	83.73	5,790,658,066	85.45	8,151,043,468	71.04

Source: IPERS CAFRs and IPERS Actuarial Reports for the periods indicated

For a description of the assumptions used when calculating the funding status of IPERS, see IPERS CAFRs

**Table 3 – Recent returns of IPERS**

According to IPERS, the market value investment return on program assets is as follows:

Fiscal Year Ended June 30	Investment Return %
2015	3.96
2016	2.15
2017	11.70
2018	7.97
2019	8.35

**Net Pension Liabilities.**

Effective for fiscal years beginning after June 15, 2014, GASB Statement 68 requires all reporting units in a multi-employer cost sharing pension plan to record a balance sheet liability for their proportionate share of the net pension liability of the plan. The Issuer was required to implement GASB 68 in their year end June 30, 2015 financial statements.



At June 30, 2019, the Issuer reported a liability of \$5,596,287 for its proportional share of the IPERS net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The discount rate used to measure the total pension liability was 7.0%. The Issuer's proportion of the net pension liability was based on the Issuer's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. See "APPENDIX D-AUDITED FINANCIAL STATEMENTS OF THE ISSUER-NOTES TO THE FINANCIAL STATEMENTS" for additional information related to the Issuer's deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity.

Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

Bond Counsel, Disclosure Counsel, the Issuer, the Underwriter undertake no responsibility for and make no representations as to the accuracy or completeness of the material available from IPERS as discussed above or included on the IPERS website, including, but not limited to, updates of such information on the Auditor of State's website or links to other websites through the IPERS website.

Defined Benefit Pension Plan - Municipal Fire and Police Retirement System of Iowa

The Municipal Fire and Police Retirement System of Iowa (MFPRSI), created under Chapter 411.35 of the Code of Iowa, is the administrator of a multiple-employer, cost sharing, defined benefit pension plan for the exclusive benefit of eligible employees of participating cities (substantially all full-time employees of the respective fire and police departments). It is governed by a nine-member board of trustees who are elected by the employers and participants of MFPRSI. The City's responsibility is limited to payment of contributions. MFPRSI provides retirement disability and death benefits that are established by state statute to plan members and beneficiaries.

Plan members and their employer cities are required to contribute as shown below:

<u>Fiscal Year</u>	<u>Combined contribution rate</u>	<u>% of Payroll paid by Issuer</u>	<u>% of Payroll paid by Employee</u>
2015	39.81	30.41	9.40
2016	37.17	27.77	9.40
2017	35.32	25.92	9.40
2018	33.81	24.41	9.40
2019	34.71	25.31	9.40

MFPRSI is administered by the Board with administration costs paid from income derived from invested funds. MFPRSI has an unfunded actuarial liability and unrecognized actuarial loss. The following table sets forth certain information about the funding status of MFPRSI that has been extracted from the Actuarial Valuation Report for fiscal years noted below (the "MFPRSI Reports").

<u>Fiscal Year Ended June 30</u>	<u>Actuarial Value of Assets [a]</u>	<u>Actuarial Accrued Liability [b]</u>	<u>Unfunded Actuarial Accrued Liability Actuarial Value [b] - [a]</u>	<u>Funded Ratio {Actuarial Value} [a] / [b]</u>	<u>Covered Payroll [c]</u>	<u>UAL as a % of Covered Payroll (Actuarial Value) [(b-a) / [c]]</u>
2015	2,239,539,373	2,769,994,684	530,455,311	80.85	273,319,323	1.941
2016	2,333,944,800	2,867,807,326	533,862,526	81.38	283,639,887	1.882
2017	2,436,896,111	3,023,371,171	562,209,754	81.40	296,237,982	1.980
2018	2,578,863,993	3,145,031,474	566,167,481	82.00	302,420,313	1.872
2019	2,649,186,492	3,269,051,818	619,865,326	81.04	315,937,395	1.962

Source: MFPRSI Actuarial Reports (2015-2019)

For a description of the assumptions used when calculating the funding status of MFPRSI for each fiscal year ended June 30, see MFPRSI CAFRs (2012-2017)

The investment return on the market value of program assets is as follows:

<u>Fiscal Year Ended June 30</u>	<u>Investment Return %</u>
2015	3.07
2016	0.22
2017	11.75
2018	7.63
2019	5.44

Net Pension Liabilities. Effective for fiscal years beginning after June 15, 2014, GASB Statement 68 requires all reporting units in a multi-employer cost sharing pension plan to record a balance sheet liability for their proportionate share of the net pension liability of the plan. The Issuer was required to implement GASB 68 in their year end June 30, 2015 financial statements.

At June 30, 2019, the Issuer reported a liability of \$8,116,594 for its proportional share of the MFPRSI net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial

valuation as of that date. The discount rate used to measure the total pension liability was 7.5%. The Issuer's proportion of the net pension liability was based on the Issuer's share of contributions to the pension plan relative to the contributions of all MFPRSI participating employers. See "APPENDIX D—AUDITED FINANCIAL STATEMENTS OF ISSUER - NOTES TO THE FINANCIAL STATEMENTS-PENSION PLAN" for additional information related to the Issuer's deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity.

Detailed information about the pension plan's fiduciary net position is available in the separately issued MFPRSI financial report which is available on MFPRSI' website at [www.mfprsi.org](http://www.mfprsi.org).

Bond Counsel, Disclosure Counsel, the Issuer, and the Underwriter undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the MFPRSI discussed above or included on the MFPRSI website, including, but not limited to, updates of such information on the State Auditor's website or links to other Internet sites accessed through the MFPRSI website.

#### Other Post-Employment Benefits (OPEB)

**Plan Description.** The City administers a single-employer benefit plan which provides medical, prescription drug, dental and life insurance benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**Benefits provided.** Employees hired before February 22, 1993 with at least 20 years of service are eligible for retiree health care benefits. Individuals who are employed by the City and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for medical, prescription drug and dental benefits as active employees, which results in an implicit rate subsidy and an OPEB liability. The City does not offer a post-employment benefit subsidy to employees hired on or after February 22, 1993. These employees can receive health care benefits on a pay-all basis. Life insurance for retirees is \$3,000 with no additional reductions. Retirees do not contribute for this coverage. Life insurance is not offered to the dependents of retirees. The OPEB liability is general liquidated by the General fund for governmental activities and the respective funds for business-type activities.

Employees covered by the benefit terms. At June 30, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	119
Active employees	<u>20</u>
	139

**Total OPEB liability.** The City's total OPEB liability of \$10,123,398 was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date.

#### Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at the beginning of year	\$10,551,047
Changes for the year:	
Service Cost	46,196
Interest Cost	367,189
Differences between expected and actual experience	(24,013)
Changes in assumptions or other inputs	136,614
Benefit payments	(568,899)
Other Changes	(384,736)
Net Changes	<u>(427,649)</u>
Balance at end of year	<u>\$10,123,398</u>

Source: 2019 Audited financial statements

See "APPENDIX D – AUDITED FINANCIAL STATEMENTS OF ISSUER - NOTES TO THE FINANCIAL STATEMENTS (NOTE 6)" for additional information related to the Issuer's deferred outflows and inflows of resources related to OPEBs, actuarial assumptions, discount rate, discount rate sensitivity and expenses.

## Population

The following table sets forth population trends for the Issuer:

<u>Year</u>	<u>Population</u>
2010	25,023
2000	24,998
1990	24,488
1980	27,381
1970	29,610

Source: U.S. Census Bureau

## Major Employers

Following are the major employers within the City and the current number of people they employ:

<u>Employer</u>	<u>Business</u>	<u>Approximate Employees</u>
JBS Pork Ottumwa	Pork processing	2,200
John Deere Ottumwa Works	Agricultural Equipment	950
Ottumwa Regional Healthcare	Healthcare	825
Indian Hills Community College	Education	825
Ottumwa Community School District	Education	700
Cargill (located in Eddyville)	Corn processing	500
Winger Mechanical Company	Sheet Metal Fabrication	315
Ajinomoto Animal Nutrition North America	Animal Feed Additives	275
City of Ottumwa	Government	250
Keurig Dr. Pepper Inc.	Beverage bottling	200
Hy-Vee	Grocery store	190
Menards	Retail store	190
Tenco Industries	Packaging and Assembly	180
QSI	Chemical Cleaning Service	150
Wapello County	Government	150
Winco Tank Co.	Stainless Steel Fabrication	125
CNC Manufacturing	Landfill Compaction Equipment	100
Norris Asphalt Paving Co.	Asphalt Paving Materials	100

Source: Locationone.com

## Employment Statistics

The State of Iowa Department of Job Service reports unemployment unadjusted rates as follows (September, 2020)

<u>Governmental Body</u>	<u>Percentage Unemployed</u>
National Average:	7.90%
State of Iowa:	4.70%
Wapello County:	5.20%

Source: Iowa Workforce Development

## Historical Employment Statistics

Presented below are the historical unemployment rates for the years indicated for Wapello County and the State of Iowa.

<u>Calendar Year</u>	<u>Wapello County</u>	<u>State of Iowa</u>
2019	3.40%	2.70%
2018	3.40	2.50
2017	4.80	3.10
2016	5.80	3.60
2015	5.20	3.80

Source: Iowa Workforce Development

**Retail Sales**

Presented below are retail sales statistics for the City of Ottumwa for the period indicated:

<u>Year Ended</u>	<u>Taxable Retail Sales</u>	<u>Number of Businesses</u>
2019	\$335,240,641	670
2018	350,297,209	671
2017	374,082,634	694
2016	386,900,094	708
2015	392,609,388	710

Source: Iowa Department of Revenue

**Local Option Sales Tax (1)**

The City approved a 1% local option sales and service tax (“Local Option Tax”) at a special referendum. The Local Option Tax for the City became effective July 1, 1998. On November 6, 2012, the Local Option Tax was renewed with an approval rate of approximately 63%. The City’s Local Option Tax referendum question stated that proceeds of such tax would be designated for 10% to be used for property tax relief and 90% to be used for street improvements and/or sewer improvements. The City is currently authorized to collect this tax through December 31, 2025.

Once approved, a Local Option Tax can only be repealed through a public referendum at which a majority voting approve the repeal or tax rate change, or, in certain circumstances, upon adoption of a motion by the governing body of the incorporated city requesting the repeal. If a Local Option Tax is not imposed county-wide, then the question of repeal is voted upon only by voters in such areas of a county where the tax has been imposed. A Local Option Tax may not be repealed within one year of the effective date.

The State of Iowa Department of Revenue (the “Department”) administers collection and disbursement of all local option sales and services taxes in conjunction with administration of the State-wide sales, services and use tax presently assessed at 6%. The Department is required by statute to remit at least 95% of the estimated tax receipts to a county board of supervisors (for taxes imposed in unincorporated areas) and to each incorporated city. Such remittances are on a monthly basis. Once a year the Department reconciles its monthly estimated payments and makes an adjustment payment or debit at the November 10 payment date. Remittance of collections within a county are based upon the following statutory formula for county-wide collections:

75 percent: Based on a pro rata share of population (the most recent certified federal census) of those incorporated or unincorporated areas in a county which have approved a Local Option Tax.

25 percent: Based on a pro rata share of total property tax dollars levied during the three year period beginning July 1, 1982, through June 30, 1985, for those incorporated or unincorporated areas of a county which have approved a Local Option Tax.

Local Option Taxes are based on the same sales currently taxed by the state-wide 6% sales and services tax, with the present statutory exceptions of (i) certain sales of motor fuel or special fuel as defined in Chapter 452A, (ii) the sale of natural gas or electric energy in a city or county where the gross receipts are subject to a franchise fee or user fee during the period the franchise or user fee is imposed, (iii) the sales price from a pay television service consisting of a direct-to-home satellite service, or (iv) the sale of equipment by the State Department of Transportation.

The following table shows the trend of City Local Option tax receipts.

<u>Fiscal Year ending June 30 (2)</u>	<u>Local Option Sales Tax Receipts (2)</u>	<u>Percent of Change +/-</u>
2021(4)	\$3,691,844.73	9.14%
2020 (3)	\$3,382,715.09	5.4%
2019	3,046,422	(7.35%)
2018	3,288,140	0.26%
2017	3,279,640	(0.74%)
2016	3,304,164	(6.59%)
2015	3,537,231	4.05%

- (1) Source: Iowa Department of Revenue.
- (2) Includes a reconciliation payment in November attributable to the previous fiscal year.
- (3) Collections for FY20 are unaudited
- (4) Estimated



## Property Tax Legislation

During the 2013 legislative session, the Iowa General Assembly enacted Senate File 295 (the "Act"), which the Governor signed into law on June 12, 2013. Among other things, the Act (i) reduces the maximum annual taxable value growth percent, due to revaluation of existing residential and agricultural property, from the current 4% to 3%, (ii) assigns a "rollback" (the percentage of a property's value that is subject to tax) to commercial, industrial and railroad property of 95% for the 2013 assessment year and 90% for the 2014 assessment year and all years thereafter, (iii) creates a new property tax classification for multi-residential properties (mobile home parks, manufactured home communities, land-lease communities, assisted living facilities and property primarily used or intended for human habitation containing three or more separate dwelling units) ("Multi-residential Property") that begins in the 2015 assessment year, and assigns a declining rollback percentage of 3.75% to such properties for each subsequent year until 2021 assessment year (the rollback percentage for Multi-residential Properties will be equal to the residential rollback percentage in 2022 assessment year and thereafter) and (iv) exempts a specified portion of the assessed value of telecommunication properties.

The Act includes a standing appropriation to replace some of the tax revenues lost by local governments, including tax increment districts, resulting from the new rollback for commercial and industrial property. Prior to Fiscal Year 2017-18, the appropriation is a standing unlimited appropriation, but beginning in fiscal year 2017-18 the standing appropriation cannot exceed the actual fiscal year 2016-17 appropriation amount. The appropriation does not replace losses to local governments resulting from the Act's provisions that reduce the annual revaluation growth limit for residential and agricultural properties to 3% from 4%, the gradual transition for Multi-residential Property from the commercial rollback percentage (100% of Actual Value in Fiscal Year 2013-14) to the residential rollback percentage (currently 54.4002% of Actual Valuation), or the reduction in the percentage of telecommunications property that is subject to taxation.

Given the wide scope of the statutory changes, and the State of Iowa's discretion in establishing the annual replacement amount that is appropriated each year commencing in fiscal year 2017-18, the impact of the Act on the City's future property tax collections is uncertain and the City is unable to accurately assess the financial impact of the Act's provisions on the City's future operations.

In Moody's Investor Service US Public Finance Weekly Credit Outlook, dated May 30, 2013, Moody's Investor Service ("Moody's") projected that local governments in the State of Iowa are likely to experience modest reductions in property tax revenues starting in fiscal year 2014-15 as a result of the Act, with sizeable reductions possible starting in fiscal year 2017-18. According to Moody's, local governments that may experience disproportionately higher revenue losses include regions that have a substantial commercial base, a large share of Multi-residential Property (such as college towns), or significant amounts of telecommunications property.

Notwithstanding any decrease in property tax revenues that may result from the Act, Iowa Code section 76.2 provides that when an Iowa political subdivision issues general obligation bonds, "the governing authority of these political subdivisions before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years. A certified copy of this resolution shall be filed with the county auditor or the auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditors to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full."

From time to time, other legislative proposals may be considered by the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described in this Official Statement. It cannot be predicted whether or in what forms any of such proposals may be enacted, and there can be no assurance that such proposals will not apply to valuation, assessment or levy procedures for the levy of taxes by the City.

## Property Tax Valuations

In compliance with Section 441.21 of the Code of Iowa, as amended, the State Director of Revenue annually directs all county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The final values, called Actual Valuation, are then adjusted by the county auditor. Assessed or Taxable Valuation subject to tax levy is then determined by the application of State determined rollback percentages, principally to residential and commercial property.

Beginning in 1978, the State required a reduction in Actual Valuation to reduce the impact of inflation on its residents. The resulting value is defined as the Assessed or Taxable Valuation. The rollback percentages for residential, agricultural and commercial valuations are as follows:

Fiscal Year	Residential Rollback	Ag. Land & Buildings	Commercial	Multi-residential	Utilities
2021-22	56.4094	84.0305	90.0000	67.5000	98.5489
2020-21	55.0743	81.4832	90.0000	71.2500	100.0000
2019-20	55.6209	54.4480	90.0000	78.7500	100.0000
2018-19	56.9391	47.4996	90.0000	82.5000	100.0000
2017-18	56.9391	47.4996	90.0000	82.5000	100.0000

Source: Iowa Department of Revenue

Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the following fiscal year. For example, the assessments finalized on January 1, 2016 are used to calculate tax liability for the tax year starting July 1, 2017 through June 30, 2018. Presented below are actual and taxable valuations for the period indicated:

Valuation Year	Actual Valuation w/ Utilities	% Change in Actual Valuation	Debt Service Valuation w/ Utilities	% Change in Debt Service Valuation
2019	1,041,083,102	1.00%	625,005,880	-1.00%
2018	1,030,739,721	-0.01%	631,348,061	-5.14%
2017	998,301,734	-3.15%	618,138,534	-7.12%
2016	1,030,806,015	2.87%	665,530,026	2.58%
2015	1,002,029,772	3.21%	648,778,554	4.04%

### Property Valuations

Presented below are the historic property valuations of the Issuer by class of property.

<b>Actual Valuation</b>						
Valuation as of January Fiscal Year	2019 2020-21	2018 2019-20	2017 2018-19	2016 2017-18	2015 2016-17	2014 2015-16
Residential:	643,709,591	635,098,518	632,662,170	638,570,727	617,167,001	628,593,825
Agricultural Land:	1,108,240	1,674,750	1,662,660	1,792,680	2,172,982	2,180,780
Ag Buildings:	67,740	82,030	80,240	92,100	187,016	187,016
Commercial:	205,207,228	200,959,647	194,363,801	231,448,273	234,736,150	226,730,208
Multi Residential	28,967,691	40,258,381	38,816,281	39,841,922	37,385,876	
Industrial:	40,405,638	27,993,011	27,459,232	26,183,608	25,981,522	32,078,875
Personal RE:	0	0	0	0	0	0
Railroads:	4,407,992	3,920,830	3,335,978	3,543,857	3,171,551	2,695,696
Utilities:	2,888,096	3,499,745	3,413,549	3,284,571	3,623,033	3,996,448
Other:	0	0	0	0	0	0
<b>Total Valuation:</b>	<b>926,762,216</b>	<b>913,486,912</b>	<b>901,793,911</b>	<b>944,757,738</b>	<b>924,425,131</b>	<b>896,462,848</b>
Less Military:	1,907,720	2,043,001	2,126,335	2,261,372	2,251,579	2,560,868
<b>Net Valuation:</b>	<b>924,854,496</b>	<b>911,443,911</b>	<b>899,667,576</b>	<b>942,496,366</b>	<b>922,173,552</b>	<b>893,901,980</b>
TIF Valuation:	10,546,546	17,189,523	20,184,849	19,817,882	24,463,831	27,487,497
Utility Replacement:	105,682,060	102,106,287	78,449,309	68,491,767	55,392,389	49,504,547
<b>Taxable Valuation</b>						
Valuation as of January Fiscal Year	2019 2020-21	2018 2019-20	2017 2018-19	2016 2017-18	2015 2016-17	2014 2015-16
Residential:	351,357,868	355,474,235	344,370,870	356,683,963	338,833,968	344,162,465
Agricultural Land:	903,024	940,072	905,283	851,505	1,001,889	974,766
Ag Buildings:	55,196	46,045	43,689	43,746	86,228	83,599
Commercial:	184,668,233	180,852,047	174,915,786	208,291,931	211,250,990	204,045,677
Multi Residential	26,070,923	30,193,895	30,567,838	32,869,591	32,245,325	
Industrial:	28,729,343	25,193,711	24,713,310	23,565,248	23,383,371	28,870,988
Personal RE:	0	0	0	0	0	0
Railroads:	3,967,193	3,528,747	3,002,380	3,189,471	2,854,396	2,426,126
Utilities:	2,888,096	3,499,745	3,413,549	3,284,571	3,623,033	3,996,448
Other:	0	0	0	0	0	0
<b>Total Valuation:</b>	<b>598,639,876</b>	<b>599,728,497</b>	<b>581,932,705</b>	<b>628,780,026</b>	<b>613,279,200</b>	<b>584,560,069</b>
Less Military:	1,907,720	2,043,001	2,126,335	2,261,372	2,251,579	2,560,868
<b>Net Valuation:</b>	<b>596,732,156</b>	<b>597,685,496</b>	<b>579,806,370</b>	<b>626,518,654</b>	<b>611,027,621</b>	<b>581,999,201</b>
TIF Valuation:	10,234,523	16,877,500	19,872,826	19,452,959	19,322,993	22,637,633
Utility Replacement:	18,039,201	16,785,065	18,459,338	19,558,413	18,427,940	18,977,236

Source: Iowa Department of Management

**Tax Rates (1)**

The Issuer levied the following taxes for collection during the fiscal years indicated:

<u>Fiscal Year</u>	<u>General</u>	<u>Outside</u>	<u>Emergency</u>	<u>Debt</u>	<u>Employee Benefits</u>	<u>Capital</u>	<u>Total Levy</u>
2021	8.10000	1.72000	0.21000	3.36595	9.06055	0.00000	22.45650
2020	8.10000	1.78500	0.21000	3.05577	9.30571	0.00000	22.45648
2019	8.10000	1.78500	0.21000	3.54789	8.30228	0.00000	21.94517
2018	8.10000	1.78500	0.21000	3.54789	7.80229	0.00000	21.44518
2017	8.10000	1.78500	0.27000	3.43886	7.13293	0.00000	20.72679

**Historic Tax Rates (1)**

<u>Fiscal Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Ag Extens</u>	<u>County</u>	<u>Total Levy Rate</u>
2021	22.45650	14.71738	0.99980	0.00270	0.41107	0.20461	7.89247	46.68453
2020	22.45648	14.74676	0.99340	0.00280	0.44353	0.21643	7.26719	46.12659
2019	21.94517	14.68765	0.95940	0.00290	0.38830	0.20680	7.62535	45.81557
2018	21.44518	14.66352	0.95947	0.00310	0.40637	0.20250	7.97489	45.65503
2017	20.72679	14.66923	0.94358	0.00330	0.47474	0.20401	7.91388	44.93553

**Tax Collection History (1) (2) (3)**

<u>Fiscal Year</u>	<u>Amount Levied</u>	<u>Amount Collected</u>	<u>% Collected</u>
2020-21	13,442,515	NA	NA
2019-20	13,454,303	13,894,351	103.27%
2018-19	12,776,480	13,615,986	106.57
2017-18	13,488,312	14,043,222	104.11
2016-17	12,711,807	13,284,505	104.51
2015-16	12,391,866	12,678,167	102.31

- (1) Source: Iowa Department of Management
- (2) Tax Collection (& % Collected) Source: The Issuer
- (3) Results for FY20 are unaudited

## Largest Taxpayers

Set forth in the following table are the persons or entities which represent the 2019 largest taxpayers within the Issuer, as provided by the County Auditor's Offices. No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the City. The City's mill levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the City from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the mill levies of the other taxing entities which overlap the properties.

<u>Taxpayer</u>	<u>2019 Taxable Valuation</u>	<u>Percent of Total</u>
MPT of Ottumwa-Lima LLC	30,886,137	4.94%
Interstate Power and Light Co (1)	13,987,042	2.24%
Swift Pork Company	9,722,959	1.56%
Wal-Mart Real Estate Business Trust	9,341,442	1.49%
Menard Inc	7,650,000	1.22%
Atlantis Senior Living II LLC	7,391,129	1.18%
John Deere Ottumwa Works	6,474,825	1.04%
CHCT Iowa LLC	6,060,285	0.97%
Millard Refrigerated Services	5,343,300	0.85%
RB Ottumwa LLC	4,797,603	0.77%
	<b>Total</b>	<b>16.26%</b>

Source: County Auditor

### (1) Utility Property Tax Replacement

Beginning in 1999, the State replaced its previous property tax assessment procedure in valuing the property of entities involved primarily in the production, delivery, service and sale of electricity and natural gas with a replacement tax formula based upon the delivery of energy by these entities. Electric and natural gas utilities now pay replacement taxes to the State in lieu of property taxes. All replacement taxes are allocated among local taxing cities by the State Department of Revenue and Finance and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Properties of these utilities are exempt from the levy of property tax by political subdivisions. Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State.

The utility replacement tax statute states that the utility replacement tax collected by the State and allocated among local taxing cities (including the Issuer) shall be treated as property tax when received and shall be disposed of by the county treasurer as taxes on real estate. However, utility property is not subject to the levy of property tax by political subdivisions, only the utility replacement tax and statewide property tax. It is possible that the general obligation debt capacity of the Issuer could be adjudicated to be proportionately reduced in future years if utility property were determined to be other than "taxable property" for purposes of computing the Issuer's debt limit under Article XI of the Constitution of the State of Iowa. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the Issuer can issue or (ii) adversely affect the Issuer's ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations, including the Notes.



**Outstanding General Obligation Principal and Interest (1) (2)**

Presented below is the outstanding principal and interest of the Issuer's General Obligation Debt, including the Notes:

Fiscal Year	11/30/16	11/30/16	4/18/17	6/5/18	4/1/19	4/1/19	5/14/20	2/9/21	2/9/21	Total Principal	Total Interest	Total P&I
6/1/21	250,000	125,000	720,000	230,000	125,000	675,000	870,000	530,000	100,000	3,625,000	909,488	4,534,488
6/1/22	160,000		405,000	100,000	285,000	670,000	900,000	930,000	115,000	3,565,000	892,379	4,457,379
6/1/23	160,000		525,000	100,000	275,000	670,000	905,000	360,000	120,000	3,115,000	803,726	3,918,726
6/1/24	170,000		350,000	100,000	280,000	670,000	935,000	365,000	125,000	2,995,000	717,604	3,712,604
6/1/25	180,000		375,000	150,000	280,000	670,000	725,000	0	130,000	2,510,000	633,681	3,143,681
6/1/26	445,000			200,000	295,000	670,000	750,000	0	0	2,490,000	559,394	3,049,394
6/1/27				220,000	255,000	675,000	565,000	0	135,000	1,850,000	485,239	2,335,239
6/1/28				210,000		140,000	590,000	485,000	135,000	1,560,000	427,516	1,987,516
6/1/29						140,000	610,000	490,000	135,000	1,375,000	387,704	1,762,704
6/1/30							635,000	495,000	135,000	1,265,000	352,786	1,617,786
6/1/31							635,000	500,000	140,000	1,275,000	319,300	1,594,300
6/1/32							655,000	505,000		1,160,000	285,080	1,445,080
6/1/33							665,000	515,000		1,180,000	251,456	1,431,456
6/1/34							600,000	520,000		1,120,000	217,028	1,337,028
6/1/35							625,000	530,000		1,155,000	184,916	1,339,916
6/1/36							650,000	540,000		1,190,000	151,436	1,341,436
6/1/37							670,000	550,000		1,220,000	123,080	1,343,080
6/1/38							690,000	555,000		1,245,000	93,740	1,338,740
6/1/39							710,000	565,000		1,275,000	63,494	1,338,494
6/1/40							730,000	575,000		1,305,000	32,250	1,337,250
Totals:	1,365,000	125,000	2,375,000	1,310,000	1,795,000	4,980,000	14,115,000	9,010,000	1,400,000	36,475,000	7,891,294	44,366,294

(1) Preliminary, subject to change

(2) Source: the Issuer

**General Obligation Debt Subject to Abatement (1) (2)**

The City has previously issued general obligation bonds and notes, a portion of which are paid from sources other than ad-valorem property taxes. Presented below is a table that illustrates the principal and interest payments on debt subject to abatement and the abatement source, by issue and fiscal year:

Abatement Source:	Waterworks	Sewer	Landfill	Hwy 34	Airport	Airport	Airport	Sewer	LOST	Westgate	Hwy 34	Total Principal	Total Interest	Total P&I
Fiscal Year	4/1/14	4/18/17	4/1/19	10/19/11	6/5/18	4/1/19	5/14/20	5/14/20	5/14/20	5/14/20	2/9/21			
2021	150,000	150,000	135,000		120,000	45,000	274,494	337,392	258,115	100,000		1,570,000	618,555	2,188,555
2022			135,000		200,000	200,000	281,380	356,647	261,973	115,000		1,350,000	573,722	1,923,723
2023			135,000		190,000	190,000	263,611	371,039	270,349	120,000		1,350,000	526,982	1,876,983
2024			135,000		190,000	190,000	268,232	386,326	280,442	125,000		1,385,000	480,252	1,865,252
2025			135,000		190,000	190,000	271,375	158,899	294,727	130,000		1,180,000	432,165	1,612,165
2026			135,000		200,000	200,000	278,153	166,465	305,382	130,000		1,215,000	392,310	1,607,310
2027			135,000		155,000	155,000	80,817	172,140	312,043	135,000		990,000	351,155	1,341,155
2028			140,000				84,369	179,707	325,924	135,000		865,000	318,572	1,183,572
2029			140,000				87,034	185,382	337,584	135,000		885,000	289,490	1,174,490
2030							90,586	192,948	351,465	135,000		770,000	259,472	1,029,472
2031							95,027	202,407	337,567	140,000		775,000	232,520	1,007,520
2032							98,579	209,973	346,448			655,000	205,300	860,300
2033							102,131	217,540	345,329			665,000	179,100	844,100
2034							106,572	226,998	266,430			600,000	152,500	752,500
2035							111,012	236,456	277,531			625,000	128,500	753,500
2036							115,453	245,915	288,632			650,000	103,500	753,500
2037							119,005	253,481	297,513			670,000	84,000	754,000
2038							122,558	261,048	306,394			690,000	63,900	753,900
2039							126,110	268,615	315,275			710,000	43,200	753,200
2040							129,663	276,181	324,156			730,000	21,900	751,900
Totals:	150,000	150,000	1,225,000	0	120,000	1,170,000	3,106,161	4,905,560	6,103,279	1,400,000		18,330,000	5,457,097	23,787,097

(1) Preliminary, subject to change

(2) Source: the Issuer

### Debt Limit (1) (2)

The amount of general obligation debt a political subdivision of the State of Iowa can incur is controlled by the constitutional debt limit, which is an amount equal to 5% of the actual value of property within the corporate limits, taken from the last County Tax list. The Issuer's debt limit, based upon said valuation, amounts to the following:

Actual Valuation	1,030,739,721
X	0.05
Statutory Debt Limit:	51,536,986
Total General Obligation Debt:	36,475,000
Other Debt	
Other Debt	
<hr/>	
Total Debt Subject to Limit:	36,475,000
Percentage of Debt Limit Obligated:	70.07%

### Overlapping & Underlying Debt (2)

Presented below is a listing of the overlapping and underlying debt for Issuers within the District and the amount applicable to the Issuer:

Taxing Authority	Total Debt	2019 Taxable Valuation	Taxable Value Within Issuer	Percentage Applicable	Amount Applicable
Ottumwa CSD	0	841,219,474	625,005,880	74.30%	
Wapello County	1,628,500	1,247,941,446	625,005,880	50.08%	815,601
Indian Hills Community College	6,340,000	6,647,777,856	625,005,880	9.40%	596,069
Great Prairie Area Education Agency	0	11,434,003,973	625,005,880	5.47%	
Total					1,411,670

### FINANCIAL SUMMARY (1) (2) (3)

Actual Value of Property, 2019	1,041,083,102
Taxable Value of Property, 2019	625,005,880
Direct General Obligation Debt:	36,475,000
Less Self-Supported General Obligation Debt:	-18,330,000
Net Direct General Obligation Debt:	18,145,000
Overlapping Debt:	1,411,670
Net Direct & Overlapping General Obligation Debt:	19,556,670
Population, 2010 US Census:	25,023
Direct Debt per Capita:	1,458
Total Debt per Capita:	782
Net Direct Debt to Taxable Valuation:	2.90%
Total Debt to Taxable Valuation:	3.13%
Net Direct Debt to Actual Valuation:	1.74%
Total Debt to Actual Valuation:	1.88%
Actual Valuation per Capita:	41,605
Taxable Valuation per Capita:	24,977

- (1) Property Valuation Source: Iowa Department of Management
- (2) Debt outstanding for overlapping entities source: Iowa State Treasurer
- (3) Population Source: U.S. Census

## APPENDIX B – FORM OF LEGAL OPINIONS

We hereby certify that we have examined a certified transcript of the proceedings of the City Council and acts of administrative officers of the City of Ottumwa, State of Iowa (the "Issuer"), relating to the issuance of General Obligation Capital Loan Notes, Series 2021A, by said City, dated \_\_\_\_\_, 2021 in the denomination of \$5,000 or multiples thereof, in the aggregate amount of \$ \_\_\_\_\_ (the "Notes").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion as bond counsel.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the resolution authorizing the Loan Agreement and issuance of the Notes (the "Resolution") and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination and in reliance upon the certified proceedings and other certifications described above, we are of the opinion, under existing law, as follows:

1. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and Loan Agreement and issue the Notes.
2. The Loan Agreement and Notes are valid and binding general obligations of the Issuer.
3. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Notes. Taxes have been levied by the Resolution for the payment of the Notes and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes to the extent the necessary funds are not provided from other sources.
4. Interest on the Notes is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Notes in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Notes to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

The Issuer has designated the Notes "qualified tax exempt obligations" within the meaning of Section 265(b)(3) of the Code.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes and the enforceability of the Notes are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,



**SERIES 2021B**

We hereby certify that we have examined a certified transcript of the proceedings of the City Council and acts of administrative officers of the City of Ottumwa, State of Iowa (the "Issuer"), relating to the issuance of Taxable General Obligation Refunding Capital Loan Notes, Series 2021B, by said City, dated \_\_\_\_\_, 2021, in the denomination of \$5,000 or multiples thereof, in the aggregate amount of \$ \_\_\_\_\_ (the "Notes").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion as bond counsel.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the resolution authorizing the Loan Agreement and issuance of the Notes (the "Resolution") and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination and in reliance upon the certified proceedings and other certifications described above, we are of the opinion, under existing law, as follows:

5. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and Loan Agreement and issue the Notes.
6. The Loan Agreement and Notes are valid and binding general obligations of the Issuer.
7. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Notes. Taxes have been levied by the Resolution for the payment of the Notes and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes to the extent the necessary funds are not provided from other sources.
8. The interest on the Notes is not excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended. **THE HOLDERS OF THE NOTES SHOULD TREAT THE INTEREST THEREON AS SUBJECT TO FEDERAL INCOME TAXATION.** We express no other opinion regarding any other federal or state income tax consequences caused by the receipt or accrual of interest on the Notes.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes and the enforceability of the Notes are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

## APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Ottumwa, State of Iowa (the "Issuer"), in connection with the issuance of \$ \_\_\_\_\_ General Obligation Capital Loan Notes, Series 2021A, and the \$ \_\_\_\_\_ Taxable General Obligation Refunding Capital Loan Notes, Series 2021B (collectively, the "Notes") dated \_\_\_\_\_, 2021. The Notes are being issued pursuant to a Resolution of the Issuer approved on \_\_\_\_\_, 2020 (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](http://emma.msrb.org)).

"Official Statement" shall mean the Issuer's Official Statement for the Notes, dated \_\_\_\_\_, 2020.

"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 April 15th of each year, commencing with information for the 2020/2021 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 Exhibits A.-1 and A-2.
- 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 captions "Property Valuations"; "Tax Rates"; "Historic Tax Rates"; "Tax Collection History"; "Outstanding General Obligation Debt"; "Debt Limit"; and "Financial Summary." 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: \_\_\_\_\_ day of \_\_\_\_\_, 2020.

CITY OF OTTUMWA, STATE OF IOWA

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

ATTEST:

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

EXHIBIT A-1

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: City of Ottumwa, Iowa.

Name of Note Issue: \$ \_\_\_\_\_ General Obligation Capital Loan Notes, Series 2021A

Dated Date of Issue: \_\_\_\_\_, 2021

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 OTTUMWA, STATE OF IOWA

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

EXHIBIT A-2

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: City of Ottumwa, Iowa.

Name of Note Issue: \$ \_\_\_\_\_ Taxable General Obligation Refunding Capital Loan Notes, Series 2021B

Dated Date of Issue: \_\_\_\_\_, 2021

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 OTTUMWA, STATE OF IOWA

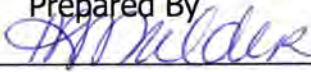
By:  
Its:

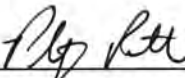
City of Ottumwa  
Staff Summary

Council Meeting of: January 5, 2021

Item No. 3-2021

Finance Department  
Department

Kala Mulder  
Prepared By  
  
Department Head

  
City Administrator

Agenda Title: Resolution No. 3-2021, Approving the Preliminary Official Statement not to exceed \$1,400,000 of Taxable General Obligation Capital Loan Notes, Series 2021B.

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Recommendation: Pass and adopt Resolution No. 3-2021

Discussion: The City Council held a Public Hearing on the proposition to authorize a Loan Agreement and the issuance of Notes to evidence the obligations of the City thereunder, not to exceed \$1,400,000 Taxable General Obligation Capital Loan Notes. In conjunction with its Financial Advisor, Piper Sandler, the City has cause a Preliminary Official Statement to be prepared outlining the details of the proposed sale of the Notes.

**ITEMS TO INCLUDE ON AGENDA**

**CITY OF OTTUMWA, IOWA**

\$1,400,000\* (Subject to Adjustment) Taxable General Obligation Refunding Capital Loan Notes, Series 2021B

- Resolution Approving Distribution of Preliminary Official Statement.

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

January 5, 2021

The City Council of the City of Ottumwa, State of Iowa, met in regular session, in the Council Chambers, City Hall, 105 East 3<sup>rd</sup> Street, Ottumwa, Iowa, at 5:30 P.M., on the above date. There were present Mayor Lazio, in the chair, and the following named Council Members:

Bob Meyers, Holly Berg, Matt Dalbey, Marc Roe, Skip Stevens

Absent: None

Vacant: None

\* \* \* \* \*



Council Member Meyers introduced the following resolution entitled "RESOLUTION APPROVING DISTRIBUTION OF PRELIMINARY OFFICIAL STATEMENT", and moved that the resolution be adopted. Council Member Dalbey seconded the motion to adopt. The roll was called and the vote was,

AYES: Bob Meyers, Holly Berg, Matt Dalbey, Marc Roe, Skip Stevens

---

NAYS: None

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

RESOLUTION NO. 3-2021

RESOLUTION APPROVING DISTRIBUTION OF  
PRELIMINARY OFFICIAL STATEMENT

WHEREAS, in conjunction with the Underwriter, Piper Sandler & Co., the City has caused a Preliminary Official Statement to be prepared outlining the details of the proposed sale of the Notes; and

WHEREAS, the Council deems it in the best interests of the City and the residents thereof to approve the distribution of the Preliminary Official Statement in connection with the offering the Notes.

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

Section 1. That the preliminary Official Statement in the form presented to this meeting be and the same hereby is approved as to form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to such revisions, corrections or modifications as the Mayor, Finance Director and Clerk, upon the advice of bond counsel and disclosure counsel shall determine to be appropriate, and is authorized to be distributed in connection with the offering of the Notes for sale.

PASSED AND APPROVED this 5<sup>th</sup> day of January, 2021.

  
\_\_\_\_\_  
Mayor

ATTEST:



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

CERTIFICATE

STATE OF IOWA )  
 ) SS  
COUNTY OF WAPELLO )

I, the undersigned City Clerk of the City of Ottumwa, 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 5th day of January, 2021.

Christina Runkel  
City Clerk, City of Ottumwa, State of Iowa

(SEAL)



## NEW ISSUE - DTC BOOK ENTRY ONLY

Moody's Rating: "\_\_\_"

Subject to the Issuer's compliance with certain covenants, under present law, in the opinion of Bond Counsel, interest on the Series 2021A Notes is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Notes is not exempt from present Iowa income taxes. The Issuer intends to designate the Series 2021A Notes as "qualified tax-exempt obligations." Interest on the Series 2021B Notes is subject to federal and State of Iowa taxation. See "TAX MATTERS" herein.



## City of Ottumwa, Iowa

**\$9,010,000\* General Obligation Capital Loan Notes Series 2021A**  
**\$1,400,000\* Taxable General Obligation Refunding Capital Loan Notes, Series 2021B**

Dated: Date of Delivery

The General Obligation Capital Loan Notes, Series 2021A (the "Series 2021A Notes") and the Taxable General Obligation Refunding Capital Loan Notes, Series 2021B (the "Series 2021B Notes") described above (collectively the "Notes") are issuable as fully registered Notes in the denomination of \$5,000 or any integral multiple thereof and, when issued, will be registered in the name of Cede & Co., as Noteholder and nominee of the Depository Trust Company, New York, NY ("DTC"). DTC will act as securities depository for the Notes. Purchases of the Notes will be made in book-entry form. Purchasers of the Notes will not receive certificates representing their interest in the Notes purchased. So long as DTC or its nominee, Cede & Co., is the Noteholder, the principal of, premium, if any, and interest on the Notes will be paid by UMB Bank, n.a., as Registrar and Paying Agent (the "Registrar" and the "Paying Agent"), or its successor, to DTC, or its nominee, Cede & Co. Disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants as more fully described herein. Neither the Issuer nor the Registrar will have any responsibility or obligation to such DTC Participants, indirect participants or the persons for whom they act as nominee with respect to the Notes.

Interest on the Series 2021A Notes is payable on June 1, and December 1 in each year, beginning June 1, 2021 to the registered owners thereof. Interest on the Series 2021B Notes is payable on June 1, and December 1 in each year, beginning June 1, 2021 to the registered owners thereof.

Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

The Notes maturing after June 1, 2029, may be called for 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 or other random method selected by the Registrar. The terms of redemption shall be par, plus accrued interest to date of call.

The Notes are being offered when, as and if issued by the Issuer and accepted by the Underwriter, subject to receipt of an opinion as to legality, validity and tax exemption by Ahlers & Cooney P.C., Des Moines, Iowa, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Bryan Cave Leighton Paisner LLP. It is expected that the Notes in the definitive form will be available for delivery on or about February 16, 2021. The Underwriter intends to engage in secondary market trading of the Notes subject to applicable securities laws. The Underwriter is not obligated, however, to repurchase any of the Notes at the request of the holder thereof.

**PIPER | SANDLER**

The Date of this Official Statement is \_\_\_\_\_, 2021

\* Preliminary, subject to change

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.



**MATURITY SCHEDULE \***

**Series 2021A**

<u>Notes Due</u>	<u>Amount *</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip Num.**</u>	<u>Notes Due</u>	<u>Amount</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip Num.**</u>
June 1, 2021	\$530,000				June 1, 2033	\$515,000			
June 1, 2022	930,000				June 1, 2034	520,000			
June 1, 2024	360,000				June 1, 2035	530,000			
June 1, 2024	365,000				June 1, 2036	540,000			
June 1, 2028	485,000				June 1, 2037	550,000			
June 1, 2029	490,000				June 1, 2038	555,000			
June 1, 2030	495,000				June 1, 2039	565,000			
June 1, 2031	500,000				June 1, 2040	575,000			
June 1, 2032	505,000								

\$

Term Note due

Priced to yield

Cusip Num\*\*

**Series 2021B**

<u>Notes Due</u>	<u>Amount *</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip Num.**</u>	<u>Notes Due</u>	<u>Amount</u>	<u>Rate *</u>	<u>Yield *</u>	<u>Cusip Num.**</u>
June 1, 2021	\$100,000				June 1, 2027	\$135,000			
June 1, 2022	115,000				June 1, 2028	135,000			
June 1, 2023	120,000				June 1, 2029	135,000			
June 1, 2024	125,000				June 1, 2030	135,000			
June 1, 2025	130,000				June 1, 2031	140,000			
June 1, 2026	130,000								

\$

Term Note due

Priced to yield

Cusip Num\*\*

\* Preliminary, subject to change

\*\* CUSIP numbers shown above have been assigned by a separate organization not affiliated with the Issuer. The Issuer has not selected nor is responsible for selecting the CUSIP numbers assigned to the Notes nor do they make any representation as to the correctness of such CUSIP numbers on the Notes or as indicated above.

No dealer, salesman or any other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such information or representations must not be relied upon as having been authorized by the Issuer or the Underwriter. This Official Statement does not constitute an offer to sell or a solicitation of any offer to buy any of the securities offered hereby in any state to any persons to whom it is unlawful to make such offer in such state. Except where otherwise indicated, this Official Statement speaks as of the date hereof. Neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer since the date hereof

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IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE NOTES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

This Official Statement is not to be construed as a contract with the purchasers of the Notes. The Issuer considers the Official Statement to be "near final" within the meaning of Rule 15c2-12 of the Securities Exchange Commission. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF THE PROVISIONS OF SECTIONS 3(a)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED. THE REGISTRATION OR QUALIFICATIONS OF THESE SECURITIES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THESE SECURITIES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SECURITIES OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

## **FORWARD-LOOKING STATEMENTS**

This Official Statement, including Appendix A, contains statements which should be considered "forward-looking statements," meaning they refer to possible future events or conditions. Such statements are generally identifiable by the words such as "plan," "expect," "estimate," "budget" or similar words. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT EXPECT OR INTEND TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

**OFFICIAL STATEMENT**  
**CITY OF OTTUMWA, IOWA**  
**\$9,010,000\* GENERAL OBLIGATION CAPITAL LOAN NOTES SERIES 2021A**  
**\$1,400,000\* TAXABLE GENERAL OBLIGATION REFUNDING CAPITAL LOAN NOTES, SERIES 2021B**

**INTRODUCTORY STATEMENT**

This Official Statement presents certain information relating to the City of Ottumwa, Iowa (the “Issuer” or the “City”), in connection with the sale of the Issuer’s General Obligation Capital Loan Notes, Series 2021A (the “Series 2021A Notes”) and the Taxable General Obligation Refunding Capital Loan Notes, Series 2021B (the “Series 2021B Notes”), collectively called (the “Notes”). The Series 2021A Notes are being issued by the Issuer pursuant to a resolution (the “Note Resolution” or the “Resolution”) to provide funds for (i) various capital improvements and equipment acquisition projects in the City, and (ii) paying the costs associated with the issuance of the Notes. The Series 2021B Notes are being issued by the Issuer to provide funds (i) to refund the Issuer’s outstanding Taxable General Obligation Bonds, Series 2011A, dated October 19, 2011 and (ii) to pay costs of issuance associated with the issuance of the Notes. See “**SOURCES AND USES OF FUNDS**” herein.

This Official Statement is deemed to be a final official statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, except for the omission of certain pricing and other information which is to be made available through a final Official Statement.

This Introductory Statement is only a brief description of the Notes and certain other matters. Such description is qualified by reference to the entire Official Statement and the documents summarized or described herein. This Official Statement should be reviewed in its entirety.

The Notes are general obligations of the Issuer, payable from and secured by a continuing annual ad-valorem tax levied against all of the property valuation of the Issuer. See “**THE NOTES – Source of Security for the Notes**” herein.

All statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

**THE NOTES**

**General**

The Series 2021A Notes are dated as of the Date of Delivery, and will bear interest at the rates to be set forth on the cover page herein, interest payable on June 1 and December 1 in each year, beginning on June 1, 2021, calculated on the basis of a year of 360 days and twelve 30-day months. The Series 2021B Notes are dated as of the Date of Delivery, and will bear interest at the rates to be set forth on the cover page herein, interest payable on June 1 and December 1 in each year, beginning on June 1, 2021, calculated on the basis of a year of 360 days and twelve 30-day months. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

**Authorization for the Issuance**

The Notes are being issued pursuant to the Code of Iowa, 2019 as amended, Sections 384.24A; 384.25 and 384.26.

**Book Entry Only System**

*The following information concerning The Depository Trust Company (“DTC”), New York, New York and DTC’s book-entry system has been obtained from sources the Issuer believes to be reliable. However, the Issuer takes no responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.*

The Depository Trust Company (“DTC”), New York, NY will act as securities depository for the securities (the “Securities”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Securities in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S equity, corporate and municipal debt issues and money market instrument from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct

\* Preliminary, subject to change

Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates.

Direct Participations include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC").

DTCC is the holding company for DTC, national Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered in the transaction. Transfers of ownership interest in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment transmission to them notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit have agreed to obtain and transmit notices to Beneficial Owners, in the alternative, Beneficial owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participants in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Securities unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issue as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Security certificates are required to be printed and delivered.

Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or successor securities depository). In that event Security certificates will be printed and delivered to DTC.

The Issuer cannot and does not give any assurances that DTC, the Direct Participants or the Indirect Participants will distribute to the Beneficial Owners of the Notes (i) payments of principal of or interest and premium, if any, on the Notes, (ii) certificates representing an ownership interest or other



confirmation of beneficial ownership interest in the Notes, or (iii) redemption or other notices sent to DTC or Cede & Co., its nominee, as the Registered Owner of the Notes, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities Exchange Commission, and the current "Procedures" of DTC to be followed in dealing with Direct Participants are on file with DTC.

Neither the Issuer nor the Paying Agent will have any responsibility or obligation to any Direct Participant, Indirect Participant or any Beneficial Owner or any other person with respect to: (1) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant; (2) the payment by DTC or any Direct Participant or Indirect Participant of any amount due to any Beneficial Owner in respect of the principal or redemption price of or interest on the Notes; (3) the delivery by DTC or any Direct Participant or Indirect Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Indenture to be given to owners of Notes; (4) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Notes; or (5) any consent given or other action taken by DTC as a Noteholder.

### **Transfer and Exchange**

In the event that the Book Entry System is discontinued, any Note may, in accordance with its terms, be transferred by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Note for cancellation at the principal corporate office of the Registrar accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Registrar. Whenever any Note or Notes shall be surrendered for transfer, the Registrar shall execute and deliver a new Note or Notes of the same maturity, interest rate, and aggregate principal amount.

Notes may be exchanged at the principal corporate office of the Registrar for a like aggregate principal amount of Notes or other authorized denominations of the same maturity and interest rate; provided, however, that the Registrar is not required to transfer or exchange any Notes which have been selected for prepayment and is not required to transfer or exchange any Notes during the period beginning 15 days prior to the selection of Notes for prepayment and ending the date notice of prepayment is mailed. The Registrar may require the payment by the Note Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. All Notes surrendered pursuant to the provisions of this and the preceding paragraph shall be canceled by the Registrar and shall not be redelivered.

### **Prepayment**

Optional Prepayment. The Notes maturing after June 1, 2029, may be called for 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.

Mandatory Sinking Fund Redemption. The Notes maturing on \_\_\_\_\_ are subject to mandatory redemption (by lot, as selected by the Registrar) on \_\_\_\_\_ and \_\_\_\_\_ in each of the years \_\_\_\_\_ through \_\_\_\_\_ at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date in the following principal amounts:

#### Term Note

<u>Mandatory Sinking Fund Date</u>	<u>Principal Amount</u>
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§

(maturity)

Selection of Notes for Redemption Notes subject to redemption will be selected in such order of maturity as the Issuer may direct. If less than all of the Notes of a single maturity are to be redeemed, the Notes to be redeemed will be selected by lot or other random method by the Registrar in such a manner as the Registrar may determine.

Notice of Redemption. Prior to the redemption of any Notes under the provisions of the Resolution, the Registrar shall give notice by regular mail not less than thirty (30) days prior to the redemption date to each registered owner thereof.

On the dates so designated for redemption, notice having been given in the manner and under the conditions hereinabove, provided and moneys for payment of the redemption price being held in the Sinking Fund, the Notes so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Notes on such date. Interest on the Notes so called for redemption shall cease to accrue; such Notes shall cease to be entitled to any benefit hereunder, and the Note Holders shall have no rights in respect thereof except to receive payment of the redemption price thereof.

Notes which have been duly called for redemption, with respect to which irrevocable instructions to call for redemption at a stated redemption have been given to the Registrar, and moneys for the payment the face amount thereof, premium, if any, and interest on are held in separate accounts by the Registrar in trust for Noteholders shall not thereafter be deemed to be outstanding under the provisions of the Resolution, other than be entitled to receive payment from such sources.

## Source of Security for the Notes

These Notes are general obligations of the Issuer. All taxable property within the corporate boundaries of the Issuer is subject to the levy of taxes to pay the principal of and interest on the Notes without constitutional or statutory limitation as to amount.

## NOTEHOLDERS' RISKS

### Secondary Market

There can be no guarantee that there will be a secondary market for the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, and secondary marketing practices in connection with a particular Note or Notes issue are suspended or terminated. Additionally, prices of Note or note issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Notes.

### Reduction in or Less of Rating

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "\_\_\_" to the Notes. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of Moody's, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Notes.

Additional regulation of rating agencies could materially alter the methodology, rating levels, and types of ratings available, for example, and these changes, if ever, could materially affect the market value of the Notes.

### Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward looking statements and the actual results. These differences could be material and could impact the availability of funds of the Issuer to pay debt service when due on the Notes.

### Tax Matters, Bank Qualification and Loss of Tax Exemption

As discussed under the heading "Tax Matters" herein, the interest on the Notes could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Notes, as a result of acts or omissions of the Issuer in violation of its covenants in the Resolution. Should such an event of taxability occur, the Notes would not be subject to a special prepayment and would remain outstanding until maturity or until prepaid under the prepayment provisions contained in the Notes, and there is no provision for an adjustment of the interest rate on the Notes.

It is possible that further legislation will be proposed or introduced that could result in changes in the way that tax exemption is calculated, or whether interest on certain securities are exempt from taxation at all. Prospective purchasers should consult with their own tax advisors regarding any pending or proposed federal income tax legislation.

The Notes are designated as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and the Issuer has further covenanted to comply with certain other requirements, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code. Actions, or inactions, by the Issuer in violation of its covenants could affect the designation, which could also affect the pricing and marketability of the Notes.

It is also possible that actions of the Issuer after the closing of the Notes will alter the tax status of the Notes, and, in the extreme, remove the tax exempt status from the Notes. In that instance, the Notes are not subject to mandatory prepayment, and the interest rate on the Notes does not increase or otherwise reset. A determination of taxability on the Notes, after closing of the Notes, could materially adversely affect the value and marketability of the Notes.

### Bankruptcy

The rights and remedies available to holders of the Notes may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditor's rights, to the exercise of judicial discretion in appropriate cases and to limitations in legal remedies against exercise of judicial discretion in appropriate cases and to limitations on legal remedies against municipal corporations in the State of Iowa. The various opinions of counsel to be delivered with respect to the Notes and the resolution for the Notes, including the opinions of Bond Counsel,

will be similarly qualified. If the City were to file a petition under Chapter 9 of the Bankruptcy Code, the owners of the Notes could be prohibited from taking any steps to enforce their rights under the resolution for the Notes. In the event the City fails to comply with its covenants under the resolution for the Notes or fails to make payments on the Notes, there can be no assurance of the availability of remedies adequate to protect the interests of the holders of the Notes.

### **DTC-Beneficial Owners**

Beneficial Owners of the Notes may experience some delay in the receipt of distributions of principal of and interest on the Notes since such distributions will be forwarded by the Paying Agent to DTC and DTC will credit such distributions to the accounts of the Participants which will thereafter credit them to the accounts of the Beneficial Owner either directly or indirectly through indirect Participants. Neither the Issuer nor the Paying Agent will have any responsibility or obligation to assure that any such notice or payment is forwarded by DTC to any Participants or by any Participant to any Beneficial Owner.

In addition, since transactions in the Notes can be effected only through DTC Participants, indirect participants and certain banks, the ability of a Beneficial Owner to pledge the Notes to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Notes, may be limited due to lack of a physical certificate. Beneficial Owners will be permitted to exercise the rights of registered Owners only indirectly through DTC and the Participants. See "THE NOTES— Book Entry Only System."

### **Other Factors**

An investment in the Notes involves an element of risk. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including the Appendices hereto) in order to make a judgment as to whether the Notes are an appropriate investment.

### **Pending Federal Tax Legislation**

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals are pending in Congress that could, if enacted, alter or amend one or more of the federal (or state) tax matters described herein in certain respects or would adversely affect the market value of the Notes or otherwise prevent holders of the Notes from realizing the full benefit of the tax exemption of interest on the Notes. Further such proposals may impact the marketability or market value of the Notes simply by being proposed. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Notes. In addition, regulatory actions are from time to time announced or proposed, and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Notes. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Notes would be impacted thereby

### **Tax Levy Procedures**

The Notes are general obligations of the Issuer, payable from and secured by a continuing ad valorem tax levied against all of the property valuation within the Issuer. As part of the budgetary process each fiscal year, the Issuer will have an obligation to request a debt service levy to be applied against all of the taxable property within the Issuer. A failure on the part of the Issuer to make a timely levy request or a levy request by the Issuer that is inaccurate or is insufficient to make full payments of the debt service of the Notes for a particular fiscal year may cause Noteholders to experience delay in the receipt of distributions of principal of and/or interest on the Notes. In the event of a default in the payment of principal of or interest on the Notes, there is no provision for acceleration of maturity of the principal of the Notes. Consequently, the remedies of the owners of the Notes (consisting primarily of an action in the nature of mandamus requiring the Issuer and certain other public officials to perform the terms of the resolution for the Notes) may have to be enforced from year to year.

### **Federal Funds Orders, and State Funds Legislation**

Various federal executive orders, and a law (SF 481) enacted in Iowa and effective July 1, 2018 (collectively "ICE Enforcement Initiatives"), impose requirements intended to ensure compliance with the federal immigration detainment processes. The ICE Enforcement Initiatives impose various penalties for non-compliance, including the loss of state and/or federal funding under certain circumstances. The loss of state and/or federal funds in any significant amount could negatively impact the Issuer's overall financial position and may affect its rating. However, the Notes are secured by a debt service levy upon real property in the jurisdictional limits of the Issuer, and are not secured by state or federal funds.

### **Cybersecurity**

The Issuer, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the Issuer will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.



## **COVID-19**

The outbreak of COVID-19, a respiratory illness caused by a new strain of coronavirus has affected the globe, including the State of Iowa and the City. Efforts to contain the virus from spreading have shuttered businesses and altered the behavior of businesses and people in a way that may negatively impact economies. Federal, State and local officials are taking steps to prevent further spread of the virus by limiting public gatherings and issuing mandatory closings or additional restrictions on certain businesses. Many schools have also moved to online instruction. On March 17, 2020, Iowa Governor Kim Reynolds issued a State of Public Health Disaster Emergency. Proclamations issued by Governor Reynolds have taken various significant steps to require social distancing and limit community spread of the virus by implementing temporary measures including moving restaurants to drive-through, carry-out, and delivery only and closures of certain entities such as bars and recreational facilities. The proclamation have allowed agencies additional flexibility in responding to the unprecedented COVID-19 situation, and supported the critical work of public health.

The Issuer cannot predict whether continued spread of the disease will materially impact its financial condition or ability to provide essential services. Continued spread and mitigation efforts may reduce sales tax or other collections. The Notes are general obligations of the Issuer secured by an unlimited ad valorem property tax as described more fully in the "THE NOTES – Source of Security for the Notes" herein. However, an additional State Public Health Emergency Declaration issued on March 20, 2020 temporarily suspends the provisions that require the imposition of penalty and interest for delay in property tax payments and directs that no such penalty or interest may be imposed for the duration of the proclamation and any future extension of the suspension, which have since expired. It is impossible to predict whether future proclamations would have a material effect on the Issuer's ability to collect property taxes necessary for the payment of interest on the Notes.

### **Loss of Tax Base**

Economic and other factors beyond the City's control, such as economic recession, deflation of property values, or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire or other natural disaster, could cause a reduction in the assessed value within the corporate boundaries of the City. In addition, the State of Iowa has been susceptible to tornados, flooding and other extreme weather wherein winds and flooding have from time to time caused significant damage, which may have an adverse impact on the City's financial position.

### **Pension and OPEB Information**

The Issuer contributes to the Iowa Public Employees' Retirement System ("IPERS"), and the Municipal Fire and Police Retirement System of Iowa ("MFPERS"). For information concerning Net Pension Liability and contribution rates, see Appendices A and D.

### **Continuing Disclosure**

A failure by the Issuer to comply with continuing disclosure obligations (see "CONTINUING DISCLOSURE" herein) will not constitute an event of default on the Notes. Any such failure must be disclosed in accordance with Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and may adversely affect the transferability and liquidity of the Notes and their market price.

### **Suitability of Investment**

The interest rate borne by the Notes is intended to compensate the investor for assuming the risk of investing in the Notes. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Notes are an appropriate investment for such investor.

### **Summary**

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Notes. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should become thoroughly familiar with this entire Official Statement and the Appendices hereto.

## **LITIGATION**

The City encounters litigation occasionally, as a course of business, however, no litigation currently exists that is not believed to be covered by current insurance carriers and no litigation has been proposed that questions the validity of these Notes.

## **ACCOUNTANT**

The accrual-basis financial statements of the Issuer included as **APPENDIX D** to this Official Statement have been examined by Anderson, Larkin & Co., PC to the extent and for the periods indicated in their report thereon. Such financial statements have been included herein without permission of said CPA, and said CPA expresses no opinion with respect to the Notes or the Official Statement.



## UNDERWRITING

The Series 2021A Notes are being purchased, subject to certain conditions, by Piper Sandler & Co. (the "Underwriter"). The Underwriter has agreed, subject to certain conditions, to purchase all, but not less than all, of the Series 2021A Notes at an aggregate purchase price of \$ \_\_\_\_\_ plus accrued interest to the Closing Date.

The Series 2021B Notes are being purchased, subject to certain conditions, by Piper Sandler & Co. (the "Underwriter"). The Underwriter has agreed, subject to certain conditions, to purchase all, but not less than all, of the Series 2021B Notes at an aggregate purchase price of \$ \_\_\_\_\_ plus accrued interest to the Closing Date.

The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing the Notes into unit investment trusts, certain of which may be sponsored or managed by the Underwriter) at prices lower than the initial public offering prices stated on the cover page. The initial public offering prices of the Notes may be changed, from time to time, by the Underwriter.

The Underwriter intends to engage in secondary market trading of the Notes subject to applicable securities laws. The Underwriter is not obligated, however, to repurchase any of the Notes at the request of the holder thereof.

The Underwriter has entered into a distribution agreement ("Distribution Agreement") with Charles Schwab & Co., Inc. ("CS&Co") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Notes from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Notes that CS&Co. sells.

## THE PROJECT

The Notes are being issued to provide funds for (i) various capital improvement and equipment acquisition projects; and (ii) paying the costs associated with the issuance of the Notes. The Series 2021B Notes are being issued to provide funds for (i) the current refunding of the Issuer's outstanding Taxable General Obligation Bonds, Series 2011A, dated October 19, 2011 and (ii) paying the costs associated with the issuance of the Notes.

### SOURCES AND USES OF FUNDS \*

<u>Sources of Funds</u>		<u>Series 2021A</u>	<u>Series 2021B</u>
Note Proceeds		\$9,010,000	\$1,400,000
Reoffering Premium		25,658	
<u>Total Sources of Funds</u>		\$9,035,658	\$1,400,000
<u>Uses of Funds</u>			
Deposit to Project Fund		\$7,283,429	\$
Deposit to Redemption Fund		1,607,056	1,371,145
Costs of Issuance		55,073	13,527
Underwriter's Discount		90,100	13,950
Contingency		0	1,378
<u>Total Uses of Funds</u>		\$9,035,658	\$1,400,000

### TAX MATTERS - Series 2021A Notes

#### Tax Exemption

Federal tax law contains a number of requirements and restrictions that apply to the Series 2021A Notes (also referred to herein as the "Tax Exempt Notes"), including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of tax-exempt bond proceeds and facilities financed with tax-exempt note proceeds, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest on the Tax-Exempt Notes to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Tax-Exempt Notes to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Tax-Exempt Notes.

Subject to the City's compliance with the above referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Tax-Exempt Notes is excludable from gross income of the owners thereof for federal income tax purposes. Interest on the Tax-Exempt Notes is not an item of tax preference for federal alternative minimum tax purposes.

Prospective purchasers of the Tax-Exempt Notes should be aware that ownership of the Tax-Exempt Notes may result in collateral federal income tax

consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Tax-Exempt Notes should consult their tax advisors as to collateral federal income tax consequences.

The interest on the Tax-Exempt Notes is not exempt from present Iowa income taxes. Ownership of the Tax- Exempt Notes may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Tax-Exempt Notes. Prospective purchasers of the Tax-Exempt Notes should consult their tax advisors regarding the applicability of any such state and local taxes.

### **Qualified Tax Exemption Obligations (Series 2021A Notes)**

The Series 2021A Notes will be designated as “qualified tax-exempt obligations” under the exception provided in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the “Code”).

### **Discount and Premium Notes**

The initial public offering price of certain Tax-Exempt Notes may be less than the amount payable on such Tax- Exempt Notes at maturity (“Discount Notes”). Owners of Discount Notes should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Notes for income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Notes. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Notes may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Tax-Exempt Notes may be greater than the amount of such Tax-Exempt Notes at maturity (“Premium Notes”). An amount equal to the difference between the initial public offering price of Premium Notes (assuming that a substantial amount of the Premium Notes of that maturity are sold to the public at such price) and the amount payable at maturity constitutes a premium to the initial purchaser of such Premium Notes. Purchasers of the Premium Notes should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Notes for income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Notes.

### **Other Tax Advice**

In addition to the income tax consequences described above, potential investors should consider the additional tax consequences of the acquisition, ownership, and disposition of the Tax-Exempt Notes. For instance, state income tax law may differ substantially from state to state, and the foregoing is not intended to describe any aspect of the income tax laws of any state. Therefore, potential investors should consult their own tax advisors with respect to federal tax issues and with respect to the various state tax consequences of an investment in Tax-Exempt Notes.

### **Audits**

The Internal Revenue Service (the “Service”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. To the best of the City’s knowledge, no obligations of the City are currently under examination by the Service. It cannot be predicted whether or not the Service will commence an audit of the Tax-Exempt Notes. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Noteholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Tax-Exempt Notes until the audit is concluded, regardless of the ultimate outcome.

### **Reporting and Withholding**

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Notes, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Tax-Exempt Note owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any the Tax-Exempt Note owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

### **Tax Legislation**

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may be considered by the Iowa legislature. Court proceedings may also be filed, the outcome of which could modify the tax treatment. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Notes will not have an adverse effect on the tax status of interest or other income on the Notes or the market value or marketability of the Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Notes from gross income for federal or state income tax purposes for all or certain taxpayers.

Current and future legislative proposals, including some that carry retroactive effective dates, if enacted into law, court decisions, or clarification of the Code may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation, or otherwise prevent owners of the Notes from realizing the full current benefit of the tax status of such interest. For example, on December 22, 2017, the Tax Cuts and Jobs Act (“TCJA”) was signed into law. For tax years beginning after December 31, 2017, the TCJA, among other things, significantly changes the income tax rates on individuals and corporations, modifies the current provisions relative to the federal alternative minimum tax on individuals, and eliminates the federal alternative minimum tax for corporations. The TCJA, or the introduction or enactment of any other legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding the TCJA, as well as any pending or proposed tax legislation, as to which Bond Counsel expresses no opinion other than as set forth in its legal opinion.

### **The Opinion**

The FORM OF LEGAL OPINION, in substantially the form set out in APPENDIX B to this Preliminary Official Statement, will be delivered at closing.

Bond Counsel’s opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel’s opinion is not binding on the Service, nor does the rendering of the opinion guarantee the outcome of any legal dispute that may arise out of the transaction. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise.

### **Enforcement**

There is no trustee or similar person to monitor or enforce the terms of the resolution for issuance of the Notes. In the event of a default in the payment of principal of or interest on the Notes, there is no provision for acceleration of maturity of the principal of the Notes. Consequently, the remedies of the owners of the Notes (consisting primarily of an action in the nature of mandamus requiring the City and certain other public officials to perform the terms of the resolution for the Notes) may have to be enforced from year to year.

The owners of the Notes cannot foreclose on property within the boundaries of the City or sell such property in order to pay the debt service on the Notes. In addition, the enforceability of the rights and remedies of owners of the Notes may be subject to limitation as set forth in Bond Counsel’s opinion. The opinion will state, in part, that the obligations of the City with respect to the Notes may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable, to the exercise of judicial discretion in appropriate cases and to the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

### **Bond Counsel Review**

Bond Counsel has approved the language included in this “Tax Exemption and Related Considerations” Section but has not otherwise participated in the preparation of this Preliminary Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has not examined, nor attempted to examine or verify, any of the financial or statistical statements or data contained in this Preliminary Official Statement, and will express no opinion with respect thereto.

**ALL POTENTIAL PURCHASERS OF THE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE TAX-EXEMPT NOTES (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).**

## **TAXABILITY OF INTEREST – TAXABLE NOTES (SERIES 2021B)**

### **Taxability and Related Considerations (Taxable Notes)**

In the opinion of Bond Counsel, under existing law, interest on the Series 2021B Notes (also referred to herein as the “Taxable Notes”) will be included in gross income of the owners thereof for federal income tax purposes.

**Interest on the Taxable Notes is included in gross income for State of Iowa income tax purposes.**

Ownership of the Taxable Notes may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Taxable Notes. Prospective purchasers of the Taxable Notes should consult their tax advisors regarding the applicability of any such state and local taxes.



## **Tax Accounting Treatment of Discount and Premium on Certain Taxable Notes**

The initial public offering price of certain Taxable Notes ("Taxable Discount Notes") may be less than the amount payable on such Taxable Discount Notes at maturity. An amount equal to the difference between the initial public offering price of the Taxable Discount Notes (assuming that a substantial amount of the Taxable Discount Notes of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Notes. Owners of Taxable Discount Notes should consult with their own tax advisors with respect to the determination of accrued original issue discount on Taxable Discount Notes for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Taxable Discount Notes. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Taxable Discount Notes may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Taxable Notes ("Taxable Premium Notes") may be greater than the amount of such Taxable Premium Notes at maturity. An amount equal to the difference between the initial public offering price of Taxable Premium Notes (assuming that a substantial amount of the Taxable Premium Notes of that maturity are sold to the public at such price) and the amount payable at maturity constitutes a premium to the initial purchaser of such Taxable Premium Notes. Purchasers of the Taxable Premium Notes should consult with their own tax advisors with respect to the determination of amortizable bond premium on Taxable Premium Notes for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Taxable Premium Notes.

## **Enforcement**

Holders of the Taxable Notes shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa and of the United States of America for the enforcement of payment of the Taxable Notes, including, but not limited to, the right to a proceeding in law or in equity by suit, action or mandamus to enforce and compel performance of the duties required by Iowa law and the resolution authorizing issuance of the Taxable Notes (the "Taxable Note Resolution".)

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Taxable Note Resolution. The remedies available to the owners of the Taxable Notes upon an event of default under the Taxable Note Resolution, in certain respects, may require judicial action, which is often subject to discretion and delay. Under existing law, including specifically the federal bankruptcy code, certain of the remedies specified in the Taxable Note Resolution may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in these documents. The legal opinions to be delivered concurrently with the delivery of the Taxable Notes will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and public policy and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

No representation is made, and no assurance is given, that the enforcement of any remedies with respect to such assets will result in sufficient funds to pay all amounts due under the Taxable Note Resolution, including principal of and interest on the Taxable Notes.

## **Opinion**

Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise. See "APPENDIX B" for the form of Bond Counsel opinion for the Taxable Notes.

**ALL POTENTIAL PURCHASERS OF THE TAXABLE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE TAXABLE NOTES (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).**

## **CONTINUING DISCLOSURE**

The Issuer has covenanted for the benefit of the holders of the Notes to provide certain financial information and operating data relating to the Issuer, and to provide notices of the occurrence of certain enumerated events, if deemed by the Issuer to be material (the "Undertaking"). The specific nature of the information that the Issuer may provide pursuant to the Undertaking is summarized herein under the caption "**APPENDIX C - Form of Continuing Disclosure Certificate.**"

Within the last five years, the City did not timely file certain financial and operating data tables and did not timely file notice of its failure to provide the information on or before the date specified in its prior continuing disclosure undertakings. Failure to file notices have now been posted for all Undertakings related to currently outstanding obligations.



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I have reviewed the information contained within the Official Statement of the City of Ottumwa, Iowa, and said Official Statement does not contain any material misstatements of fact nor omissions of any material fact regarding the issue of \$9,010,000\* General Obligation Capital Loan Notes, Series 2021A and \$1,400,000\* Taxable General Obligation Refunding Capital Loan Notes, Series 2021B of said Issuer to be issued under date of delivery.

OTTUMWA, IOWA

/s/ Kala Mulder  
Finance Director

\* Preliminary, subject to change

**APPENDIX A - INFORMATION ABOUT THE ISSUER**

**CITY OF OTTUMWA, IOWA**

**CITY OFFICIALS**

<b>MAYOR</b>	Tom Lazio
<b>COUNCIL MEMBERS:</b>	Matt Dalby, Mayor Pro Tem Holly Berg Bob Meyers Marc Roe Skip Stevens
<b>INTERIM CITY ADMINISTRATOR:</b>	Philip Rath
<b>CITY CLERK:</b>	Chris Reinhard
<b>CITY TREASURER:</b>	Kala Mulder
<b>CITY ATTORNEY</b>	Kristine Stone

**CONSULTANTS**

<b>BOND/DISCLOSURE COUNSEL:</b>	Ahlers & Cooney, PC Des Moines, IA
<b>UNDERWRITER:</b>	Piper Sandler & Co. Des Moines, IA
<b>REGISTRAR/PAYING AGENT:</b>	UMB Bank, n.a. West Des Moines, IA

**General Information**

The City of Ottumwa (the "City" or the "Issuer") is located in southeastern Iowa approximately 90 miles southeast of Des Moines. Ottumwa, the County seat of Wapello County (the "County"), is the eighteenth largest city in the state of Iowa, with population (2010 Census) totaling 25,023. Ottumwa is the largest city in a 90 mile radius of southeastern Iowa and northeastern Missouri, and includes substantial retail, commercial and industrial capacity.

The City is served by U.S. Highways 34 and 63; Iowa highways 23, 137 and 16 and an excellent network of paved county roads. Freight rail service is provided by I&M Rail Link, the Burlington Northern and the Chicago and North Western. AMTRAK service is provided in the City of Ottumwa. Charter air service is available at the Ottumwa Municipal Airport by Ottumwa Flying Service.

The City is home to major employers, including: John Deere, Inc.; JBS Pork Ottumwa and Al-Jon Inc. IES operates an electric generating plant near Chillicothe in the northwestern part of the County. Substantial employment is also available in the Eddyville area from major employers including: Heartland Lysine Inc.; Cargill Inc.; and Ajinomoto Inc. of Japan.

**Utilities**

The following utilities operate within the Issuer providing the services indicated:

Electric Power:	Alliant Utilities
Natural Gas:	Mid American Utilities
Telephone:	CenturyLink
Water:	Ottumwa Water Works and Hydro
Sanitary Waste:	City of Ottumwa

**Employee Pension Plan**

Defined Benefit Plan – Iowa Public Employees’ Retirement System

Plan Description. Iowa Public Employees’ Retirement System (“IPERS”) membership is mandatory for employees of the Issuer. The Issuer’s employees are provided with pensions through a cost-sharing multiple employer defined pension plan administered by IPERS. IPERS benefits are established under Iowa Code, Chapter 97B and the administrative rules thereunder. The Issuer’s employee who completed seven years of covered service or has reached the age of 65 while in IPERS covered employment becomes vested. If the Issuer’s employee retires before normal retirement age, the employees’ monthly retirement benefit will be permanently reduced by an early-retirement reduction. IPERS provides pension benefits as well as disability benefits to Issuer employees and benefits to the employees’ beneficiaries upon the death of the eligible employee. See “APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER–NOTES TO THE FINANCIAL STATEMENTS” for additional information on IPERS. Additionally, copies of IPERS annual financial report may be obtained from [www.ipers.org](http://www.ipers.org). Moreover, IPERS maintains a website at [www.ipers.com](http://www.ipers.com). However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Contributions. Effective July 1, 2012, as a result of a 2010 law change, IPERS contribution rates for the Issuer and its employees are established by IPERS following the annual actuarial valuation (which applies IPERS’ Contribution Rate Funding Policy and Actuarial Amortization method.) State statute, however, limits the amount rates can increase or decrease each year to one (1) percentage point. Therefore, any difference between the actuarial contribution rates and the contributions paid is due entirely to statutorily set contributions that may differ from the actual contribution rates. As a result, while the contribution rate in the fiscal year ended June 30, 2017 equaled the actuarially required rate, there is no guarantee, due to this statutory limitation on rate increases, that the contribution rate will meet or exceed the actuarially required rate in the future.

The Issuer’s contributions to IPERS is not less than that which is required by law. The Issuer’s share of the contribution, payable from the applicable funds of the Issuer, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The Issuer has always made its full required contributions to IPERS.

The following table sets forth the contributions made by the Issuer and its employees to IPERS for the period indicated. The Issuer cannot predict the levels of funding that will be required in the future.

**Table 1 – Issuer and Employees Contribution to IPERS.**

Fiscal Year	Issuer Contribution		Issuer Employees' Contribution	
	Amount Contributed	% of Covered Payroll	Amount Contributed	% of Covered Payroll
2015	\$553,872	8.93	369,290	5.95
2016	571,948	8.93	381,531	5.95
2017	604,546	8.93	401,905	5.95
2018	593,469	8.93	382,133	5.95
2019	636,669	9.44	424,006	6.29

SOURCE: The Issuer

The Issuer cannot predict the levels of funding that will be required in the future as any IPERS unfunded pension benefit obligation could be reflected in future years in higher contribution rates. The investment of moneys, assumptions underlying the same and the administration of IPERS is not subject to the direction of the Issuer. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of IPERS (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, adjustments, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAAL could be substantial in the future, requiring significantly increased contributions from the Issuer which could affect other budgetary matters.

The following table sets forth certain information about the funding status of IPERS that has been extracted from the comprehensive annual financial reports of IPERS for the fiscal years ended June 30, 2019 through, and including, 2015 (collectively, the “IPERS CAFRs (2015-2019)”), and the actuarial valuation reports provided to IPERS by Cavanaugh MacDonald Consulting, LLC (collectively, the “IPERS Actuarial Reports (2015-2019)”). Additional information regarding IPERS and its latest actuarial valuations can be obtained by contacting IPERS administrative staff.

**Table 2 – Funding Status of IPERS**

Valuation Date	Actuarial Value of Assets [a]	Market Value of Assets [b]	Actuarial Accrued Liability [c]	Unfunded Actuarial Accrued Liability (Actuarial Value) [c]-[a]	Funded Ratio (Actuarial Value) [a]/[c]	Unfunded Actuarial Accrued Liability (Market Value) [c]-[b]	Funded Ratio (Market Value) [b]/[c]	Covered Payroll [d]	UAAL as a Percentage of Covered Payroll (Actuarial Value) [(c-a)/[d]]
2015	27,915,379,103	28,429,834,829	33,370,318,731	5,454,939,628	83.65	4,940,483,902	85.19	7,326,348,141	74.46
2016	29,033,696,587	28,326,433,656	34,619,749,147	5,586,052,560	83.86	6,293,315,491	81.82	7,556,515,720	73.92
2017	30,472,423,914	30,779,116,326	37,440,382,029	6,967,958,115	81.39	6,661,265,703	82.21	7,863,160,443	88.62
2018	31,827,755,864	32,314,588,595	38,642,833,653	6,815,077,789	82.36	6,328,245,058	83.62	7,983,219,527	85.37
2019	33,324,327,606	34,010,680,731	39,801,338,797	6,477,011,191	83.73	5,790,658,066	85.45	8,151,043,468	71.04

Source: IPERS CAFRs and IPERS Actuarial Reports for the periods indicated

For a description of the assumptions used when calculating the funding status of IPERS, see IPERS CAFRs

**Table 3 – Recent returns of IPERS**

According to IPERS, the market value investment return on program assets is as follows:

Fiscal Year Ended June 30	Investment Return %
2015	3.96
2016	2.15
2017	11.70
2018	7.97
2019	8.35

**Net Pension Liabilities.**

Effective for fiscal years beginning after June 15, 2014, GASB Statement 68 requires all reporting units in a multi-employer cost sharing pension plan to record a balance sheet liability for their proportionate share of the net pension liability of the plan. The Issuer was required to implement GASB 68 in their year end June 30, 2015 financial statements.



At June 30, 2019, the Issuer reported a liability of \$5,596,287 for its proportional share of the IPERS net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The discount rate used to measure the total pension liability was 7.0%. The Issuer's proportion of the net pension liability was based on the Issuer's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. See "APPENDIX D-AUDITED FINANCIAL STATEMENTS OF THE ISSUER-NOTES TO THE FINANCIAL STATEMENTS" for additional information related to the Issuer's deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity.

Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

Bond Counsel, Disclosure Counsel, the Issuer, the Underwriter undertake no responsibility for and make no representations as to the accuracy or completeness of the material available from IPERS as discussed above or included on the IPERS website, including, but not limited to, updates of such information on the Auditor of State's website or links to other websites through the IPERS website.

Defined Benefit Pension Plan - Municipal Fire and Police Retirement System of Iowa

The Municipal Fire and Police Retirement System of Iowa (MFPRSI), created under Chapter 411.35 of the Code of Iowa, is the administrator of a multiple-employer, cost sharing, defined benefit pension plan for the exclusive benefit of eligible employees of participating cities (substantially all full-time employees of the respective fire and police departments). It is governed by a nine-member board of trustees who are elected by the employers and participants of MFPRSI. The City's responsibility is limited to payment of contributions. MFPRSI provides retirement disability and death benefits that are established by state statute to plan members and beneficiaries.

Plan members and their employer cities are required to contribute as shown below:

<u>Fiscal Year</u>	<u>Combined contribution rate</u>	<u>% of Payroll paid by Issuer</u>	<u>% of Payroll paid by Employee</u>
2015	39.81	30.41	9.40
2016	37.17	27.77	9.40
2017	35.32	25.92	9.40
2018	33.81	24.41	9.40
2019	34.71	25.31	9.40

MFPRSI is administered by the Board with administration costs paid from income derived from invested funds. MFPRSI has an unfunded actuarial liability and unrecognized actuarial loss. The following table sets forth certain information about the funding status of MFPRSI that has been extracted from the Actuarial Valuation Report for fiscal years noted below (the "MFPRSI Reports").

<u>Fiscal Year Ended June 30</u>	<u>Actuarial Value of Assets [a]</u>	<u>Actuarial Accrued Liability [b]</u>	<u>Unfunded Actuarial Accrued Liability Actuarial Value [b] - [a]</u>	<u>Funded Ratio {Actuarial Value} [a] / [b]</u>	<u>Covered Payroll [c]</u>	<u>UAL as a % of Covered Payroll (Actuarial Value) [(b-a) / [c]]</u>
2015	2,239,539,373	2,769,994,684	530,455,311	80.85	273,319,323	1.941
2016	2,333,944,800	2,867,807,326	533,862,526	81.38	283,639,887	1.882
2017	2,436,896,111	3,023,371,171	562,209,754	81.40	296,237,982	1.980
2018	2,578,863,993	3,145,031,474	566,167,481	82.00	302,420,313	1.872
2019	2,649,186,492	3,269,051,818	619,865,326	81.04	315,937,395	1.962

Source: MFPRSI Actuarial Reports (2015-2019)

For a description of the assumptions used when calculating the funding status of MFPRSI for each fiscal year ended June 30, see MFPRSI CAFRs (2012-2017)

The investment return on the market value of program assets is as follows:

<u>Fiscal Year Ended June 30</u>	<u>Investment Return %</u>
2015	3.07
2016	0.22
2017	11.75
2018	7.63
2019	5.44

Net Pension Liabilities. Effective for fiscal years beginning after June 15, 2014, GASB Statement 68 requires all reporting units in a multi-employer cost sharing pension plan to record a balance sheet liability for their proportionate share of the net pension liability of the plan. The Issuer was required to implement GASB 68 in their year end June 30, 2015 financial statements.

At June 30, 2019, the Issuer reported a liability of \$8,116,594 for its proportional share of the MFPRSI net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial

valuation as of that date. The discount rate used to measure the total pension liability was 7.5%. The Issuer's proportion of the net pension liability was based on the Issuer's share of contributions to the pension plan relative to the contributions of all MFPRSI participating employers. See "APPENDIX D—AUDITED FINANCIAL STATEMENTS OF ISSUER - NOTES TO THE FINANCIAL STATEMENTS-PENSION PLAN" for additional information related to the Issuer's deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity.

Detailed information about the pension plan's fiduciary net position is available in the separately issued MFPRSI financial report which is available on MFPRSI' website at [www.mfprsi.org](http://www.mfprsi.org).

Bond Counsel, Disclosure Counsel, the Issuer, and the Underwriter undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the MFPRSI discussed above or included on the MFPRSI website, including, but not limited to, updates of such information on the State Auditor's website or links to other Internet sites accessed through the MFPRSI website.

#### Other Post-Employment Benefits (OPEB)

**Plan Description.** The City administers a single-employer benefit plan which provides medical, prescription drug, dental and life insurance benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**Benefits provided.** Employees hired before February 22, 1993 with at least 20 years of service are eligible for retiree health care benefits. Individuals who are employed by the City and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for medical, prescription drug and dental benefits as active employees, which results in an implicit rate subsidy and an OPEB liability. The City does not offer a post-employment benefit subsidy to employees hired on or after February 22, 1993. These employees can receive health care benefits on a pay-all basis. Life insurance for retirees is \$3,000 with no additional reductions. Retirees do not contribute for this coverage. Life insurance is not offered to the dependents of retirees. The OPEB liability is general liquidated by the General fund for governmental activities and the respective funds for business-type activities.

Employees covered by the benefit terms. At June 30, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	119
Active employees	<u>20</u>
	139

**Total OPEB liability.** The City's total OPEB liability of \$10,123,398 was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date.

#### Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at the beginning of year	\$10,551,047
Changes for the year:	
Service Cost	46,196
Interest Cost	367,189
Differences between expected and actual experience	(24,013)
Changes in assumptions or other inputs	136,614
Benefit payments	(568,899)
Other Changes	(384,736)
Net Changes	<u>(427,649)</u>
Balance at end of year	<u>\$10,123,398</u>

Source: 2019 Audited financial statements

See "APPENDIX D – AUDITED FINANCIAL STATEMENTS OF ISSUER - NOTES TO THE FINANCIAL STATEMENTS (NOTE 6)" for additional information related to the Issuer's deferred outflows and inflows of resources related to OPEBs, actuarial assumptions, discount rate, discount rate sensitivity and expenses.

## Population

The following table sets forth population trends for the Issuer:

<u>Year</u>	<u>Population</u>
2010	25,023
2000	24,998
1990	24,488
1980	27,381
1970	29,610

Source: U.S. Census Bureau

## Major Employers

Following are the major employers within the City and the current number of people they employ:

<u>Employer</u>	<u>Business</u>	<u>Approximate Employees</u>
JBS Pork Ottumwa	Pork processing	2,200
John Deere Ottumwa Works	Agricultural Equipment	950
Ottumwa Regional Healthcare	Healthcare	825
Indian Hills Community College	Education	825
Ottumwa Community School District	Education	700
Cargill (located in Eddyville)	Corn processing	500
Winger Mechanical Company	Sheet Metal Fabrication	315
Ajinomoto Animal Nutrition North America	Animal Feed Additives	275
City of Ottumwa	Government	250
Keurig Dr. Pepper Inc.	Beverage bottling	200
Hy-Vee	Grocery store	190
Menards	Retail store	190
Tenco Industries	Packaging and Assembly	180
QSI	Chemical Cleaning Service	150
Wapello County	Government	150
Winco Tank Co.	Stainless Steel Fabrication	125
CNC Manufacturing	Landfill Compaction Equipment	100
Norris Asphalt Paving Co.	Asphalt Paving Materials	100

Source: Locationone.com

## Employment Statistics

The State of Iowa Department of Job Service reports unemployment unadjusted rates as follows (September, 2020)

<u>Governmental Body</u>	<u>Percentage Unemployed</u>
National Average:	7.90%
State of Iowa:	4.70%
Wapello County:	5.20%

Source: Iowa Workforce Development

## Historical Employment Statistics

Presented below are the historical unemployment rates for the years indicated for Wapello County and the State of Iowa.

<u>Calendar Year</u>	<u>Wapello County</u>	<u>State of Iowa</u>
2019	3.40%	2.70%
2018	3.40	2.50
2017	4.80	3.10
2016	5.80	3.60
2015	5.20	3.80

Source: Iowa Workforce Development

**Retail Sales**

Presented below are retail sales statistics for the City of Ottumwa for the period indicated:

<u>Year Ended</u>	<u>Taxable Retail Sales</u>	<u>Number of Businesses</u>
2019	\$335,240,641	670
2018	350,297,209	671
2017	374,082,634	694
2016	386,900,094	708
2015	392,609,388	710

Source: Iowa Department of Revenue

**Local Option Sales Tax (1)**

The City approved a 1% local option sales and service tax (“Local Option Tax”) at a special referendum. The Local Option Tax for the City became effective July 1, 1998. On November 6, 2012, the Local Option Tax was renewed with an approval rate of approximately 63%. The City’s Local Option Tax referendum question stated that proceeds of such tax would be designated for 10% to be used for property tax relief and 90% to be used for street improvements and/or sewer improvements. The City is currently authorized to collect this tax through December 31, 2025.

Once approved, a Local Option Tax can only be repealed through a public referendum at which a majority voting approve the repeal or tax rate change, or, in certain circumstances, upon adoption of a motion by the governing body of the incorporated city requesting the repeal. If a Local Option Tax is not imposed county-wide, then the question of repeal is voted upon only by voters in such areas of a county where the tax has been imposed. A Local Option Tax may not be repealed within one year of the effective date.

The State of Iowa Department of Revenue (the “Department”) administers collection and disbursement of all local option sales and services taxes in conjunction with administration of the State-wide sales, services and use tax presently assessed at 6%. The Department is required by statute to remit at least 95% of the estimated tax receipts to a county board of supervisors (for taxes imposed in unincorporated areas) and to each incorporated city. Such remittances are on a monthly basis. Once a year the Department reconciles its monthly estimated payments and makes an adjustment payment or debit at the November 10 payment date. Remittance of collections within a county are based upon the following statutory formula for county-wide collections:

75 percent: Based on a pro rata share of population (the most recent certified federal census) of those incorporated or unincorporated areas in a county which have approved a Local Option Tax.

25 percent: Based on a pro rata share of total property tax dollars levied during the three year period beginning July 1, 1982, through June 30, 1985, for those incorporated or unincorporated areas of a county which have approved a Local Option Tax.

Local Option Taxes are based on the same sales currently taxed by the state-wide 6% sales and services tax, with the present statutory exceptions of (i) certain sales of motor fuel or special fuel as defined in Chapter 452A, (ii) the sale of natural gas or electric energy in a city or county where the gross receipts are subject to a franchise fee or user fee during the period the franchise or user fee is imposed, (iii) the sales price from a pay television service consisting of a direct-to-home satellite service, or (iv) the sale of equipment by the State Department of Transportation.

The following table shows the trend of City Local Option tax receipts.

<u>Fiscal Year ending June 30 (2)</u>	<u>Local Option Sales Tax Receipts (2)</u>	<u>Percent of Change +/-</u>
2021(4)	\$3,691,844.73	9.14%
2020 (3)	\$3,382,715.09	5.4%
2019	3,046,422	(7.35%)
2018	3,288,140	0.26%
2017	3,279,640	(0.74%)
2016	3,304,164	(6.59%)
2015	3,537,231	4.05%

- (1) Source: Iowa Department of Revenue.
- (2) Includes a reconciliation payment in November attributable to the previous fiscal year.
- (3) Collections for FY20 are unaudited
- (4) Estimated



## Property Tax Legislation

During the 2013 legislative session, the Iowa General Assembly enacted Senate File 295 (the “Act”), which the Governor signed into law on June 12, 2013. Among other things, the Act (i) reduces the maximum annual taxable value growth percent, due to revaluation of existing residential and agricultural property, from the current 4% to 3%, (ii) assigns a “rollback” (the percentage of a property’s value that is subject to tax) to commercial, industrial and railroad property of 95% for the 2013 assessment year and 90% for the 2014 assessment year and all years thereafter, (iii) creates a new property tax classification for multi-residential properties (mobile home parks, manufactured home communities, land-lease communities, assisted living facilities and property primarily used or intended for human habitation containing three or more separate dwelling units) (“Multi-residential Property”) that begins in the 2015 assessment year, and assigns a declining rollback percentage of 3.75% to such properties for each subsequent year until 2021 assessment year (the rollback percentage for Multi-residential Properties will be equal to the residential rollback percentage in 2022 assessment year and thereafter) and (iv) exempts a specified portion of the assessed value of telecommunication properties.

The Act includes a standing appropriation to replace some of the tax revenues lost by local governments, including tax increment districts, resulting from the new rollback for commercial and industrial property. Prior to Fiscal Year 2017-18, the appropriation is a standing unlimited appropriation, but beginning in fiscal year 2017-18 the standing appropriation cannot exceed the actual fiscal year 2016-17 appropriation amount. The appropriation does not replace losses to local governments resulting from the Act’s provisions that reduce the annual revaluation growth limit for residential and agricultural properties to 3% from 4%, the gradual transition for Multi-residential Property from the commercial rollback percentage (100% of Actual Value in Fiscal Year 2013-14) to the residential rollback percentage (currently 54.4002% of Actual Valuation), or the reduction in the percentage of telecommunications property that is subject to taxation.

Given the wide scope of the statutory changes, and the State of Iowa’s discretion in establishing the annual replacement amount that is appropriated each year commencing in fiscal year 2017-18, the impact of the Act on the City’s future property tax collections is uncertain and the City is unable to accurately assess the financial impact of the Act’s provisions on the City’s future operations.

In Moody’s Investor Service US Public Finance Weekly Credit Outlook, dated May 30, 2013, Moody’s Investor Service (“Moody’s”) projected that local governments in the State of Iowa are likely to experience modest reductions in property tax revenues starting in fiscal year 2014-15 as a result of the Act, with sizeable reductions possible starting in fiscal year 2017-18. According to Moody’s, local governments that may experience disproportionately higher revenue losses include regions that have a substantial commercial base, a large share of Multi-residential Property (such as college towns), or significant amounts of telecommunications property.

Notwithstanding any decrease in property tax revenues that may result from the Act, Iowa Code section 76.2 provides that when an Iowa political subdivision issues general obligation bonds, “the governing authority of these political subdivisions before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years. A certified copy of this resolution shall be filed with the county auditor or the auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditors to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full.”

From time to time, other legislative proposals may be considered by the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described in this Official Statement. It cannot be predicted whether or in what forms any of such proposals may be enacted, and there can be no assurance that such proposals will not apply to valuation, assessment or levy procedures for the levy of taxes by the City.

## Property Tax Valuations

In compliance with Section 441.21 of the Code of Iowa, as amended, the State Director of Revenue annually directs all county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The final values, called Actual Valuation, are then adjusted by the county auditor. Assessed or Taxable Valuation subject to tax levy is then determined by the application of State determined rollback percentages, principally to residential and commercial property.

Beginning in 1978, the State required a reduction in Actual Valuation to reduce the impact of inflation on its residents. The resulting value is defined as the Assessed or Taxable Valuation. The rollback percentages for residential, agricultural and commercial valuations are as follows:

Fiscal Year	Residential Rollback	Ag. Land & Buildings	Commercial	Multi-residential	Utilities
2021-22	56.4094	84.0305	90.0000	67.5000	98.5489
2020-21	55.0743	81.4832	90.0000	71.2500	100.0000
2019-20	55.6209	54.4480	90.0000	78.7500	100.0000
2018-19	56.9391	47.4996	90.0000	82.5000	100.0000
2017-18	56.9391	47.4996	90.0000	82.5000	100.0000

Source: Iowa Department of Revenue

Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the following fiscal year. For example, the assessments finalized on January 1, 2016 are used to calculate tax liability for the tax year starting July 1, 2017 through June 30, 2018. Presented below are actual and taxable valuations for the period indicated:

Valuation Year	Actual Valuation w/ Utilities	% Change in Actual Valuation	Debt Service Valuation w/ Utilities	% Change in Debt Service Valuation
2019	1,041,083,102	1.00%	625,005,880	-1.00%
2018	1,030,739,721	-0.01%	631,348,061	-5.14%
2017	998,301,734	-3.15%	618,138,534	-7.12%
2016	1,030,806,015	2.87%	665,530,026	2.58%
2015	1,002,029,772	3.21%	648,778,554	4.04%

### Property Valuations

Presented below are the historic property valuations of the Issuer by class of property.

<b>Actual Valuation</b>						
Valuation as of January Fiscal Year	2019 2020-21	2018 2019-20	2017 2018-19	2016 2017-18	2015 2016-17	2014 2015-16
Residential:	643,709,591	635,098,518	632,662,170	638,570,727	617,167,001	628,593,825
Agricultural Land:	1,108,240	1,674,750	1,662,660	1,792,680	2,172,982	2,180,780
Ag Buildings:	67,740	82,030	80,240	92,100	187,016	187,016
Commercial:	205,207,228	200,959,647	194,363,801	231,448,273	234,736,150	226,730,208
Multi Residential	28,967,691	40,258,381	38,816,281	39,841,922	37,385,876	
Industrial:	40,405,638	27,993,011	27,459,232	26,183,608	25,981,522	32,078,875
Personal RE:	0	0	0	0	0	0
Railroads:	4,407,992	3,920,830	3,335,978	3,543,857	3,171,551	2,695,696
Utilities:	2,888,096	3,499,745	3,413,549	3,284,571	3,623,033	3,996,448
Other:	0	0	0	0	0	0
<b>Total Valuation:</b>	<b>926,762,216</b>	<b>913,486,912</b>	<b>901,793,911</b>	<b>944,757,738</b>	<b>924,425,131</b>	<b>896,462,848</b>
<b>Less Military:</b>	<b>1,907,720</b>	<b>2,043,001</b>	<b>2,126,335</b>	<b>2,261,372</b>	<b>2,251,579</b>	<b>2,560,868</b>
<b>Net Valuation:</b>	<b>924,854,496</b>	<b>911,443,911</b>	<b>899,667,576</b>	<b>942,496,366</b>	<b>922,173,552</b>	<b>893,901,980</b>
TIF Valuation:	10,546,546	17,189,523	20,184,849	19,817,882	24,463,831	27,487,497
Utility Replacement:	105,682,060	102,106,287	78,449,309	68,491,767	55,392,389	49,504,547
<b>Taxable Valuation</b>						
Valuation as of January Fiscal Year	2019 2020-21	2018 2019-20	2017 2018-19	2016 2017-18	2015 2016-17	2014 2015-16
Residential:	351,357,868	355,474,235	344,370,870	356,683,963	338,833,968	344,162,465
Agricultural Land:	903,024	940,072	905,283	851,505	1,001,889	974,766
Ag Buildings:	55,196	46,045	43,689	43,746	86,228	83,599
Commercial:	184,668,233	180,852,047	174,915,786	208,291,931	211,250,990	204,045,677
Multi Residential	26,070,923	30,193,895	30,567,838	32,869,591	32,245,325	
Industrial:	28,729,343	25,193,711	24,713,310	23,565,248	23,383,371	28,870,988
Personal RE:	0	0	0	0	0	0
Railroads:	3,967,193	3,528,747	3,002,380	3,189,471	2,854,396	2,426,126
Utilities:	2,888,096	3,499,745	3,413,549	3,284,571	3,623,033	3,996,448
Other:	0	0	0	0	0	0
<b>Total Valuation:</b>	<b>598,639,876</b>	<b>599,728,497</b>	<b>581,932,705</b>	<b>628,780,026</b>	<b>613,279,200</b>	<b>584,560,069</b>
<b>Less Military:</b>	<b>1,907,720</b>	<b>2,043,001</b>	<b>2,126,335</b>	<b>2,261,372</b>	<b>2,251,579</b>	<b>2,560,868</b>
<b>Net Valuation:</b>	<b>596,732,156</b>	<b>597,685,496</b>	<b>579,806,370</b>	<b>626,518,654</b>	<b>611,027,621</b>	<b>581,999,201</b>
TIF Valuation:	10,234,523	16,877,500	19,872,826	19,452,959	19,322,993	22,637,633
Utility Replacement:	18,039,201	16,785,065	18,459,338	19,558,413	18,427,940	18,977,236

Source: Iowa Department of Management

**Tax Rates (1)**

The Issuer levied the following taxes for collection during the fiscal years indicated:

<u>Fiscal Year</u>	<u>General</u>	<u>Outside</u>	<u>Emergency</u>	<u>Debt</u>	<u>Employee Benefits</u>	<u>Capital</u>	<u>Total Levy</u>
2021	8.10000	1.72000	0.21000	3.36595	9.06055	0.00000	22.45650
2020	8.10000	1.78500	0.21000	3.05577	9.30571	0.00000	22.45648
2019	8.10000	1.78500	0.21000	3.54789	8.30228	0.00000	21.94517
2018	8.10000	1.78500	0.21000	3.54789	7.80229	0.00000	21.44518
2017	8.10000	1.78500	0.27000	3.43886	7.13293	0.00000	20.72679

**Historic Tax Rates (1)**

<u>Fiscal Year</u>	<u>City</u>	<u>School</u>	<u>College</u>	<u>State</u>	<u>Assessor</u>	<u>Ag Extens</u>	<u>County</u>	<u>Total Levy Rate</u>
2021	22.45650	14.71738	0.99980	0.00270	0.41107	0.20461	7.89247	46.68453
2020	22.45648	14.74676	0.99340	0.00280	0.44353	0.21643	7.26719	46.12659
2019	21.94517	14.68765	0.95940	0.00290	0.38830	0.20680	7.62535	45.81557
2018	21.44518	14.66352	0.95947	0.00310	0.40637	0.20250	7.97489	45.65503
2017	20.72679	14.66923	0.94358	0.00330	0.47474	0.20401	7.91388	44.93553

**Tax Collection History (1) (2) (3)**

<u>Fiscal Year</u>	<u>Amount Levied</u>	<u>Amount Collected</u>	<u>% Collected</u>
2020-21	13,442,515	NA	NA
2019-20	13,454,303	13,894,351	103.27%
2018-19	12,776,480	13,615,986	106.57
2017-18	13,488,312	14,043,222	104.11
2016-17	12,711,807	13,284,505	104.51
2015-16	12,391,866	12,678,167	102.31

- (1) Source: Iowa Department of Management
- (2) Tax Collection (& % Collected) Source: The Issuer
- (3) Results for FY20 are unaudited

## Largest Taxpayers

Set forth in the following table are the persons or entities which represent the 2019 largest taxpayers within the Issuer, as provided by the County Auditor's Offices. No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the City. The City's mill levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the City from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the mill levies of the other taxing entities which overlap the properties.

<u>Taxpayer</u>	<u>2019 Taxable Valuation</u>	<u>Percent of Total</u>
MPT of Ottumwa-Lima LLC	30,886,137	4.94%
Interstate Power and Light Co (1)	13,987,042	2.24%
Swift Pork Company	9,722,959	1.56%
Wal-Mart Real Estate Business Trust	9,341,442	1.49%
Menard Inc	7,650,000	1.22%
Atlantis Senior Living II LLC	7,391,129	1.18%
John Deere Ottumwa Works	6,474,825	1.04%
CHCT Iowa LLC	6,060,285	0.97%
Millard Refrigerated Services	5,343,300	0.85%
RB Ottumwa LLC	4,797,603	0.77%
	<b>Total</b>	<b>16.26%</b>

Source: County Auditor

### (1) Utility Property Tax Replacement

Beginning in 1999, the State replaced its previous property tax assessment procedure in valuing the property of entities involved primarily in the production, delivery, service and sale of electricity and natural gas with a replacement tax formula based upon the delivery of energy by these entities. Electric and natural gas utilities now pay replacement taxes to the State in lieu of property taxes. All replacement taxes are allocated among local taxing cities by the State Department of Revenue and Finance and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Properties of these utilities are exempt from the levy of property tax by political subdivisions. Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State.

The utility replacement tax statute states that the utility replacement tax collected by the State and allocated among local taxing cities (including the Issuer) shall be treated as property tax when received and shall be disposed of by the county treasurer as taxes on real estate. However, utility property is not subject to the levy of property tax by political subdivisions, only the utility replacement tax and statewide property tax. It is possible that the general obligation debt capacity of the Issuer could be adjudicated to be proportionately reduced in future years if utility property were determined to be other than "taxable property" for purposes of computing the Issuer's debt limit under Article XI of the Constitution of the State of Iowa. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the Issuer can issue or (ii) adversely affect the Issuer's ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations, including the Notes.



**Outstanding General Obligation Principal and Interest (1) (2)**

Presented below is the outstanding principal and interest of the Issuer's General Obligation Debt, including the Notes:

Fiscal Year	11/30/16	11/30/16	4/18/17	6/5/18	4/1/19	4/1/19	5/14/20	2/9/21	2/9/21	Total Principal	Total Interest	Total P&I
6/1/21	250,000	125,000	720,000	230,000	125,000	675,000	870,000	530,000	100,000	3,625,000	909,488	4,534,488
6/1/22	160,000		405,000	100,000	285,000	670,000	900,000	930,000	115,000	3,565,000	892,379	4,457,379
6/1/23	160,000		525,000	100,000	275,000	670,000	905,000	360,000	120,000	3,115,000	803,726	3,918,726
6/1/24	170,000		350,000	100,000	280,000	670,000	935,000	365,000	125,000	2,995,000	717,604	3,712,604
6/1/25	180,000		375,000	150,000	280,000	670,000	725,000	0	130,000	2,510,000	633,681	3,143,681
6/1/26	445,000			200,000	295,000	670,000	750,000	0	130,000	2,490,000	559,394	3,049,394
6/1/27				220,000	255,000	675,000	565,000	0	135,000	1,850,000	485,239	2,335,239
6/1/28				210,000		140,000	590,000	485,000	135,000	1,560,000	427,516	1,987,516
6/1/29						140,000	610,000	490,000	135,000	1,375,000	387,704	1,762,704
6/1/30							635,000	495,000	135,000	1,265,000	352,786	1,617,786
6/1/31							635,000	500,000	140,000	1,275,000	319,300	1,594,300
6/1/32							655,000	505,000		1,160,000	285,080	1,445,080
6/1/33							665,000	515,000		1,180,000	251,456	1,431,456
6/1/34							600,000	520,000		1,120,000	217,028	1,337,028
6/1/35							625,000	530,000		1,155,000	184,916	1,339,916
6/1/36							650,000	540,000		1,190,000	151,436	1,341,436
6/1/37							670,000	550,000		1,220,000	123,080	1,343,080
6/1/38							690,000	555,000		1,245,000	93,740	1,338,740
6/1/39							710,000	565,000		1,275,000	63,494	1,338,494
6/1/40							730,000	575,000		1,305,000	32,250	1,337,250
Totals:	1,365,000	125,000	2,375,000	1,310,000	4,980,000	4,980,000	14,115,000	9,010,000	1,400,000	36,475,000	7,891,294	44,366,294

(1) Preliminary, subject to change

(2) Source: the Issuer

**General Obligation Debt Subject to Abatement (1) (2)**

The City has previously issued general obligation bonds and notes, a portion of which are paid from sources other than ad-valorem property taxes. Presented below is a table that illustrates the principal and interest payments on debt subject to abatement and the abatement source, by issue and fiscal year:

Abatement Source:	Waterworks	Sewer	Landfill	Hwy 34	Airport	Airport	Airport	Sewer	LOST	Westgate	Hwy 34	Total Principal	Total Interest	Total P&I
Fiscal Year	4/1/14	4/18/17	4/1/19	10/19/11	6/5/18	4/1/19	5/14/20	5/14/20	5/14/20	5/14/20	2/9/21			
2021	150,000	150,000	135,000		120,000	45,000	274,494	337,392	258,115	100,000		1,570,000	618,555	2,188,555
2022			135,000		200,000	200,000	281,380	356,647	261,973	115,000		1,350,000	573,722	1,923,723
2023			135,000		190,000	190,000	263,611	371,039	270,349	120,000		1,350,000	526,982	1,876,983
2024			135,000		190,000	190,000	268,232	386,326	280,442	125,000		1,385,000	480,252	1,865,252
2025			135,000		190,000	190,000	271,375	158,899	294,727	130,000		1,180,000	432,165	1,612,165
2026			135,000		200,000	200,000	278,153	166,465	305,382	130,000		1,215,000	392,310	1,607,310
2027			135,000		155,000	155,000	80,817	172,140	312,043	135,000		990,000	351,155	1,341,155
2028			140,000				84,369	179,707	325,924	135,000		865,000	318,572	1,183,572
2029			140,000				87,034	185,382	337,584	135,000		885,000	289,490	1,174,490
2030							90,586	192,948	351,465	135,000		770,000	259,472	1,029,472
2031							95,027	202,407	337,567	140,000		775,000	232,520	1,007,520
2032							98,579	209,973	346,448			655,000	205,300	860,300
2033							102,131	217,540	345,329			665,000	179,100	844,100
2034							106,572	226,998	266,430			600,000	152,500	752,500
2035							111,012	236,456	277,531			625,000	128,500	753,500
2036							115,453	245,915	288,632			650,000	103,500	753,500
2037							119,005	253,481	297,513			670,000	84,000	754,000
2038							122,558	261,048	306,394			690,000	63,900	753,900
2039							126,110	268,615	315,275			710,000	43,200	753,200
2040							129,663	276,181	324,156			730,000	21,900	751,900
Totals:	150,000	150,000	1,225,000	0	120,000	1,170,000	3,106,161	4,905,560	6,103,279	1,400,000		18,330,000	5,457,097	23,787,097

(1) Preliminary, subject to change

(2) Source: the Issuer

### Debt Limit (1) (2)

The amount of general obligation debt a political subdivision of the State of Iowa can incur is controlled by the constitutional debt limit, which is an amount equal to 5% of the actual value of property within the corporate limits, taken from the last County Tax list. The Issuer's debt limit, based upon said valuation, amounts to the following:

Actual Valuation	1,030,739,721
X	0.05
Statutory Debt Limit:	51,536,986
Total General Obligation Debt:	36,475,000
Other Debt	
Other Debt	
Total Debt Subject to Limit:	36,475,000
Percentage of Debt Limit Obligated:	70.07%

### Overlapping & Underlying Debt (2)

Presented below is a listing of the overlapping and underlying debt for Issuers within the District and the amount applicable to the Issuer:

Taxing Authority	Total Debt	2019 Taxable Valuation	Taxable Value Within Issuer	Percentage Applicable	Amount Applicable
Ottumwa CSD	0	841,219,474	625,005,880	74.30%	
Wapello County	1,628,500	1,247,941,446	625,005,880	50.08%	815,601
Indian Hills Community College	6,340,000	6,647,777,856	625,005,880	9.40%	596,069
Great Prairie Area Education Agency	0	11,434,003,973	625,005,880	5.47%	
				Total	1,411,670

### FINANCIAL SUMMARY (1) (2) (3)

Actual Value of Property, 2019	1,041,083,102
Taxable Value of Property, 2019	625,005,880
Direct General Obligation Debt:	36,475,000
Less Self-Supported General Obligation Debt:	-18,330,000
Net Direct General Obligation Debt:	18,145,000
Overlapping Debt:	1,411,670
Net Direct & Overlapping General Obligation Debt:	19,556,670
Population, 2010 US Census:	25,023
Direct Debt per Capita:	1,458
Total Debt per Capita:	782
Net Direct Debt to Taxable Valuation:	2.90%
Total Debt to Taxable Valuation:	3.13%
Net Direct Debt to Actual Valuation:	1.74%
Total Debt to Actual Valuation:	1.88%
Actual Valuation per Capita:	41,605
Taxable Valuation per Capita:	24,977

- (1) Property Valuation Source: Iowa Department of Management
- (2) Debt outstanding for overlapping entities source: Iowa State Treasurer
- (3) Population Source: U.S. Census

## APPENDIX B – FORM OF LEGAL OPINIONS

We hereby certify that we have examined a certified transcript of the proceedings of the City Council and acts of administrative officers of the City of Ottumwa, State of Iowa (the "Issuer"), relating to the issuance of General Obligation Capital Loan Notes, Series 2021A, by said City, dated \_\_\_\_\_, 2021 in the denomination of \$5,000 or multiples thereof, in the aggregate amount of \$ \_\_\_\_\_ (the "Notes").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion as bond counsel.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the resolution authorizing the Loan Agreement and issuance of the Notes (the "Resolution") and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination and in reliance upon the certified proceedings and other certifications described above, we are of the opinion, under existing law, as follows:

1. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and Loan Agreement and issue the Notes.
2. The Loan Agreement and Notes are valid and binding general obligations of the Issuer.
3. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Notes. Taxes have been levied by the Resolution for the payment of the Notes and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes to the extent the necessary funds are not provided from other sources.
4. Interest on the Notes is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Notes in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Notes to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

The Issuer has designated the Notes "qualified tax exempt obligations" within the meaning of Section 265(b)(3) of the Code.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes and the enforceability of the Notes are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,



**SERIES 2021B**

We hereby certify that we have examined a certified transcript of the proceedings of the City Council and acts of administrative officers of the City of Ottumwa, State of Iowa (the "Issuer"), relating to the issuance of Taxable General Obligation Refunding Capital Loan Notes, Series 2021B, by said City, dated \_\_\_\_\_, 2021, in the denomination of \$5,000 or multiples thereof, in the aggregate amount of \$ \_\_\_\_\_ (the "Notes").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion as bond counsel.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the resolution authorizing the Loan Agreement and issuance of the Notes (the "Resolution") and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination and in reliance upon the certified proceedings and other certifications described above, we are of the opinion, under existing law, as follows:

5. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and Loan Agreement and issue the Notes.
6. The Loan Agreement and Notes are valid and binding general obligations of the Issuer.
7. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Notes. Taxes have been levied by the Resolution for the payment of the Notes and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes to the extent the necessary funds are not provided from other sources.
8. The interest on the Notes is not excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended. **THE HOLDERS OF THE NOTES SHOULD TREAT THE INTEREST THEREON AS SUBJECT TO FEDERAL INCOME TAXATION.** We express no other opinion regarding any other federal or state income tax consequences caused by the receipt or accrual of interest on the Notes.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes and the enforceability of the Notes are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

## APPENDIX C – FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Ottumwa, State of Iowa (the "Issuer"), in connection with the issuance of \$ \_\_\_\_\_ General Obligation Capital Loan Notes, Series 2021A, and the \$ \_\_\_\_\_ Taxable General Obligation Refunding Capital Loan Notes, Series 2021B (collectively, the "Notes") dated \_\_\_\_\_, 2021. The Notes are being issued pursuant to a Resolution of the Issuer approved on \_\_\_\_\_, 2020 (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 \_\_\_\_\_, 2020.

"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 April 15th of each year, commencing with information for the 2020/2021 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 Exhibits A.-1 and A.-2.
- 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 captions "Property Valuations"; "Tax Rates"; "Historic Tax Rates"; "Tax Collection History"; "Outstanding General Obligation Debt"; "Debt Limit"; and "Financial Summary." 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: \_\_\_\_\_ day of \_\_\_\_\_, 2020.

CITY OF OTTUMWA, STATE OF IOWA

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

ATTEST:

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

EXHIBIT A-1

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: City of Ottumwa, Iowa.

Name of Note Issue: \$ \_\_\_\_\_ General Obligation Capital Loan Notes, Series 2021A

Dated Date of Issue: \_\_\_\_\_, 2021

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 OTTUMWA, STATE OF IOWA

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

EXHIBIT A-2

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: City of Ottumwa, Iowa.

Name of Note Issue: \$ \_\_\_\_\_ Taxable General Obligation Refunding Capital Loan Notes, Series 2021B

Dated Date of Issue: \_\_\_\_\_, 2021

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 OTTUMWA, STATE OF IOWA

By:  
Its:

CITY OF OTTUMWA

2021 DEC 23 PM 12:07

Staff Summary

**\*\*Action Item\*\***

Council Meeting of: January 5<sup>th</sup>, 2021

Fire  
Department

Tony Miller  
Prepared by  
*Tony Miller*  
Department Head

*[Signature]*  
\_\_\_\_\_  
City Administrator Approval

AGENDA TITLE: Resolution No. 6-2021 receive Council approval to remodel the central fire station.

.....  
RECOMMENDATION. Pass and adopt Resolution No. 6-2021.

Discussion: The central fire station was built in 1962/1963 and opened in 1964. The kitchen area including cabinets, installation and counters, etc has not been updated since the station was built. We have many citizens come through the fire station every year and comments have been made about the kitchen area. Shirk Cabinetry and Design has given a quote for cabinets, installation costs and counters in the amount of \$19,666.00. This is the only company that bid installation and cabinetry costs.

Source of funds: Account 151-152.

**Resolution NO. 6-2021**

**A RESOLUTION TO APPROVE A REMODEL OF THE CENTRAL FIRE STATION.**

WHEREAS, The City of Ottumwa, Iowa operates the Ottumwa Fire Department and;

WHEREAS, the Ottumwa Fire Department has a kitchen in the Central Fire Station;

WHEREAS, the kitchen is original when the station was built in 1962/1963;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA THAT: Authorize that the kitchen be updated with cabinets, Installation and counters.

APPROVED, PASSED, AND ADOPTED this 5<sup>th</sup>, day of January, 2021.

City of Ottumwa, Iowa

  
\_\_\_\_\_  
Tom X Lazio Mayor

ATTEST:

  
\_\_\_\_\_  
Christina Reinhard, City Clerk



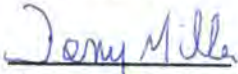
CITY OF OTTUMWA

Staff Summary

**\*\*Action Item\*\***

Council Meeting of: January 5<sup>th</sup>, 2021

Fire  
Department

Tony Miller  
Prepared by  
  
Department Head

  
City Administrator Approval

AGENDA TITLE: Resolution No. 7-2021 receive Council approval to purchase a new fire apparatus.

.....  
RECOMMENDATION. Pass and adopt Resolution No. 7-2021

Discussion: We are replacing a fire apparatus that due to numerous maintenance issues is being replaced. After many discussions with the CA Rath and Finance Director Mulder we have made substantial cuts to lower the cost of this apparatus. We have been having discussions with Sutphen Fire Apparatus and Pierce Fire Apparatus manufacturers for this purchase. Sutphen has had the most reasonable price for our needs at \$550,850.52. This purchase is approximately \$40,000 less than the cost of the apparatus it is replacing that was purchased in 2005.

Source of funds: Account 151-152.



**RESOLUTION NO. 7-2021**

**A RESOLUTION TO PURCHASE A NEW FIRE APPARATUS**

WHEREAS, The City of Ottumwa, Iowa operates the Ottumwa Fire Department and;

WHEREAS, The Ottumwa Fire Department has received Council support to replace a 2005 Pierce Apparatus and;

WHEREAS, The City Council of Ottumwa, Iowa has agreed to purchase a new Pumper Apparatus, and;

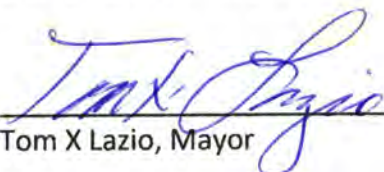
WHEREAS, The City Council of Ottumwa, OFD committee members have been negotiating with two fire apparatus manufacturers for the above purchase, and;

WHEREAS, two fire apparatus manufacturers have given projected costs for an apparatus.

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF OTTUMWA, IOWA THAT: The SUTPHEN Corporation be awarded the contract for the purchase of a new pumper apparatus in the amount of \$550,850.52.

APPROVED, PASSED, AND ADOPTED this 5<sup>th</sup>, day of January, 2021.

CITY OF OTTUMWA, IOWA

  
\_\_\_\_\_  
Tom X Lazio, Mayor

ATTEST:

  
\_\_\_\_\_  
Christina Reinhard, City Clerk





## PURCHASE AGREEMENT

### FOR SUTPHEN FIRE APPARATUS

THIS AGREEMENT, made and entered into this 5th day of January, 2021 by and between SUTPHEN CORPORATION of Dublin, Ohio, hereinafter called "SUTPHEN" and the City of Ottumwa of Ottumwa, IA, hereinafter called "PURCHASER",

WITNESSETH:

1. **PURCHASE:** Purchaser hereby agrees to buy and Sutphen hereby agrees to sell and furnish to Purchaser the apparatus and equipment according to the Sutphen Proposal attached hereto and made a part hereof, and to deliver the same as hereinafter provided.
2. **PAYMENT:** Purchaser agrees to pay for said apparatus and equipment the total purchase price of Five hundred and fifty thousand, eight hundred and fifty dollars and fifty two cents (\$550,850.52) payable in full upon delivery.
3. **DELIVERY:** The apparatus and equipment being purchased hereunder shall be delivered to Purchaser at 201 N Wapello St Ottumwa, IA within approximately 16-18 weeks (includes build out) after the receipt and acceptance of this agreement at Sutphen's office, provided that such delivery date shall be automatically extended for ~~delays due to strikes, failure to obtain materials or other causes beyond~~ Sutphen's control.
4. **SUTPHEN WARRANTIES:** Sutphen warrants the apparatus purchased here under as set forth in the warranty included with bid proposal.
5. **TESTING SHORTAGES:** The apparatus shall be tested per NFPA #1901 at Sutphen's manufacturing facility. Purchaser agrees that the apparatus and equipment being purchased hereunder will not be driven or used in any manner until it is paid for in full, provided, however, that if there are any minor shortages, Purchaser may withhold a sum equivalent to the retail purchase price of any equipment shortages at the time of delivery and may use the apparatus and equipment during this period.
6. **DEFAULT:** In the case of any default in payment hereunder or in the payment on any notes, negotiable paper, obligations or other instruments issued by Purchaser,

Sutphen may take full possession of the apparatus and equipment or of the piece or pieces upon which default has been made, and any payments that have been made theretofore shall be applied as rent in full for the use of the apparatus and equipment up to the date of taking possession by Sutphen.

7. PURCHASER WARRANTIES: With the signing of this agreement, Purchaser warrants that it has the full power and legal authority to enter into this agreement and guarantees that funds for its purchase are available or in the process of collection.
8. ACCEPTANCE: This agreement shall not be binding until it is signed and approved by an officer of the Sutphen Corporation.
9. TAXES, ETC.: The purchase price provided for herein does not include any federal, state or local sales tax, duties, imposts, revenues, excise or other taxes which may hereafter be imposed by governmental authority or otherwise and which are made applicable to the apparatus or equipment covered by the agreement. In the event that any such taxes are subsequently imposed and become applicable, the purchase price herein shall be increased by the amount of such taxes and such sum shall be immediately paid by Purchaser to Sutphen. To the extent applicable, the prices and deliveries set forth herein are subject to the Defense Production Act.
10. INSURANCE: Sutphen shall provide insurance insuring the apparatus and equipment against loss by fire, theft or collision and insuring against property damage and personal injury through the three (3) day delivery period.
11. GENERAL: This agreement and the Sutphen proposal provided herein take precedence over all previous negotiations, oral or written, and no representations or warranties are applicable except as specifically contained in this agreement or in the Sutphen proposal attached hereto. No alteration, modification, amendment or change of this Agreement shall be binding unless executed in writing by the parties. No waiver of any of the provisions of this Agreement shall be deemed a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

This Agreement shall be governed and controlled as to interpretation, enforcement, validity, construction, effect and in all other respects by the laws, statutes and decisions of the State of Iowa. Exclusive jurisdiction and venue for any litigation at all related to this Agreement, directly or indirectly, based upon contract, tort, or other theory of law, shall lie in Wapello County, Iowa, and the parties hereto consent and submit to the general jurisdiction of this court. All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by Sutphen, Purchaser, their successors and assigns.



## CHANGE ORDER

Customer: City of Ottumwa  
 HS #: 6669  
 Number of Units: 1  
 Amount: **\$495,433.82**

Change Order Date: 12/17/20  
 Latest Revision Date: 12/17/20  
 Sales Person: Legacy - Ben Brown  
 Coordinator: Nick Faulkner

ACTION	SUPPLIER	DESCRIPTION	UNIT PRICE	QTY	PRICE EXTENDED
* Revision 12/17/2020 *					
Add	Dealer	Convert (7) Whelen M6 lights to blue color	\$1,300.00	1	\$1,300.00
Add	Dealer	Automatic tire chains - On Spot	\$3,375.00	1	\$3,375.00
Add	Dealer	Booster reel up to 150' with electric valve and blowout installed in pump module dunnage	\$6,859.30	1	\$6,859.30
Add	Dealer	TFT Crossfire with stacked tips and 4" base mounted	\$3,533.40	1	\$3,533.40
Add	Dealer	EMS cabinet installed rear facing	\$5,000.00	1	\$5,000.00
Add	Dealer	Genesis extrication tools as specified	\$20,000.00	1	\$20,000.00
Add	Dealer	Booster hose (2) 75' of 1"	\$1,100.00	1	\$1,100.00
Add	Dealer	TFT nozzle for booster	\$189.00	1	\$189.00
Add	Dealer	Auxillary pump heater	\$2,200.00	1	\$2,200.00



Add	Dealer	Gauge tapes (8)	\$1,400.00	1	\$1,400.00
Add	Dealer	Firecom wireless headset system installed with radio link	\$8,500.00	1	\$8,500.00
Add	Dealer	Customer radio installed with thick mount antenna	\$460.00	1	\$460.00
Add	Dealer	Graphics allowance	\$1,500.00	1	\$1,500.00
					<b>\$55,416.70</b>
					<b>\$550,850.52</b>

**\*MODERATE CHANGES WILL CAUSE A DELAY  
IN THE DELIVERY OF YOUR APPARATUS**

**CHANGE ORDER TOTAL (PER UNIT):**  
**NEW CONTRACT AMOUNT:**

ACCEPTED - The above prices of this Change Order are satisfactory and are hereby accepted.

Customer Signature: *Jerry Mills*

Date of Acceptance: 1.5.2021

Change order must be signed to amend the original contract.

CITY OF OTTUMWA

Staff Summary

**\*\* ACTION ITEM \*\***

Council Meeting of: January 5, 2021

\_\_\_\_\_  
Engineering  
Department

\_\_\_\_\_  
Alicia Bankson  
Prepared By  
*Jarry Seals*  
\_\_\_\_\_  
Department Head

\_\_\_\_\_  
*[Signature]*  
City Administrator Approval

AGENDA TITLE: Resolution 9-2021. Approving Change Order #1 for the Milner Multi-Use Trail Project.

\*\*\*\*\*

**\*\*Public hearing required if this box is checked. \*\***

**\*\*The Proof of Publication for each Public Hearing must be attached to this Staff Summary. If the Proof of Publication is not attached, the item will not be placed on the agenda. \*\***

RECOMMENDATION: Pass and adopt Resolution #9-2021.

**DISCUSSION:** This project consists of a multi-use trail/safe route to school on Milner Street from Mary Street north to Richmond Avenue. This corridor has been identified as a connector route in the Ottumwa Bicycle and Pedestrian Plan to help connect the school systems and southern residential areas to the Greater Ottumwa Park system. The project includes the installation of an 8' wide x 4,115' long multi use PCC trail/sidewalk. The trail has been designed to current design standards meeting all ADA requirements.

Change Order #1 adds 4 epoxy coated rebar at \$1.75 per pound. This will prevent faulting of panels and allow parks to remove snow with small equipment.

Original Contract:     \$ 278,227.00  
Change Order #1:       \$ 14,840.40  
New Contract Total:    \$ 293,067.40

Funding:           \$301,735       TAP  
Match               \$ 75,434       Wapello County Trails  
                      \$377,196

Source of Funds: Grants

Budgeted Item: Yes

Budget Amendment Needed: No

RESOLUTION #9-2021  
A RESOLUTION APPROVING CHANGE ORDER #1 FOR  
THE MILNER MULTI-USE TRAIL PROJECT

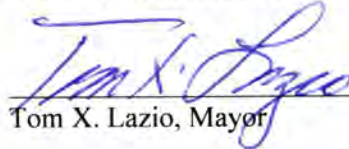
WHEREAS, The City Council of the City of Ottumwa, Iowa entered into a contract with TK Concrete, Inc. of Pella, Iowa on September 17, 2020 for the above referenced project; and

WHEREAS, Change Order #1 increases the contract amount by \$14,840.40 resulting in a new contract sum of \$293,067.40.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF OTTUMWA, IOWA THAT: The above mentioned change order for this project is hereby approved.

APPROVED, PASSED, AND ADOPTED, this 5<sup>th</sup> day of January, 2021.

CITY OF OTTUMWA, IOWA

  
\_\_\_\_\_  
Tom X. Lazio, Mayor

ATTEST:

  
\_\_\_\_\_  
Christina Reinhard, City Clerk



**CHANGE ORDER**  
For Local Public Agency Projects

No.: 1

Non-Substantial:

Substantial:

Administering Office  
Concurrence Date

Accounting ID No. (5-digit number): 37005

Project Number: TAP-U-5825(648)--8I-90

Contract Work Type: PCC SIDEWALK / TRAIL

Local Public Agency: City of Ottumwa

Contractor: TK CONCRETE, INC.

Date Prepared: December 4, 2020

You are hereby authorized to make the following changes to the contract documents.

A - Description of change to be made:

8001 - Add an item for reinforcement. Work shall be in accordance with Section 2404 of the Standard Specifications.

B - Reason for change:

8001 - Adding rebar to the trail concrete will reduce faulting at the joints and therefore reduce maintenance costs required to keep the trail ADA compliant. This change will add 4 - #4, epoxy coated, longitudinal rebar at the midpoint of the concrete. One bar 6 inches in from each edge, and 2 more evenly spaced between.

C - Settlement for cost(s) of change as follows with items addressed in Sections F and/or G:

8001 - \$1.66 / lb

D - Justification for cost(s) (See I.M. 3.805, Attachment D, Chapter 2.36, for acceptable justification):

8001 - The average price for epoxy coated rebar in the DOT summary of awarded contract prices is \$1.15 / lb, presumably for much larger average quantities, with a range of \$0.80 to \$10.00 per lb. The adjacent street project had a low bid of \$1.75 / lb for epoxy coated rebar. The proposed price is similar to previous projects.

E - Contract time adjustment:  No Working Days added  Working Days added: 30  Unknown at this time

Justification for selection:

25 days were added because an adjacent street project had to finish before work could begin on the multi-use trail.

An additional 5 days were added to install the rebar.



F - Items included in contract:

Participating			For deductions enter as "-x.xx"			
Federal-aid	State-aid	Line Number	Item Description	Unit Price .xx	Quantity .xxx	Amount .xx
<input type="button" value="Add Row"/>				<input type="button" value="Delete Row"/>		<b>TOTAL</b>

G - Items not included in contract:

Participating			For deductions enter as "-x.xx"				
Federal-aid	State-aid	Change Number	Item Number	Item Description	Unit Price .xx	Quantity .xxx	Amount .xx
X		8001	2404-7775005	Reinforcing Steel, Epoxy Coated	\$1.66	8,940.000	\$14,840.40
<input type="button" value="Add Row"/>				<input type="button" value="Delete Row"/>		<b>TOTAL</b>	<b>\$14,840.40</b>

H. Signatures

Signatures will be applied through DocExpress.

# Doc Express Document Signing History

Contract: 90-5825-648 Document: CO 01

Date	Signed By
12/07/2020	Kirk Salnave TK Concrete, Inc. Electronic Signature (Approved by Contractor )
12/15/2020	Phillip Burgmeier City of Ottumwa - Iowa Electronic Signature (Recommended by Engineer / Approved)
12/15/2020	Phillip Burgmeier City of Ottumwa - Iowa Electronic Signature (Approved by PIRC (when applicable))
12/15/2020	Craig Markley Iowa Local Systems Electronic Signature (Approved by Administering Office or designee)



CITY OF  
OTTUMWA

**Citizen Input Request Form**

1/5/20

Council Meeting Date

Name: Schuyler Block

Address: 317 Fleming Ave Des Moines IA 50310

Item No. to Address: F.I.  
(Agenda will be provided to complete this section)

If you are addressing the Council on an item not listed on the agenda, briefly explain the item you wish to speak on:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\*\*\*\*\*

The Mayor will invite you to address the City Council at the appropriate time. When called upon by the Mayor, step to the microphone and please state your name for the record. Comments are to be directly germane to City business, operations, or an item listed on this agenda. Remarks shall not be personalized and will be limited to three minutes or less. The City Clerk shall keep the time and notify the Mayor when the allotted time limit has been reached. Comments not directly germane to City business, operations, or an item listed on the agenda, as determined by the Mayor, will be ruled out of order. If you are addressing an item not listed on the agenda the Council will not take any action on the item due to requirements of the Open Meetings Law. Pertinent questions, comments or suggestions may be referred to the appropriate department for response, if relevant.

5:59 pm - 59.



CITY OF  
OTTUMWA

**Citizen Input Request Form**

1/5/21  
Council Meeting Date

Name: Jeff Jorgenson

Address: \_\_\_\_\_

Item No. to Address: F  
(Agenda will be provided to complete this section)

If you are addressing the Council on an item not listed on the agenda, briefly explain the item you wish to speak on:

F. I request consideration  
for FBO

\*\*\*\*\*

The Mayor will invite you to address the City Council at the appropriate time. When called upon by the Mayor, step to the microphone and please state your name for the record. Comments are to be directly germane to City business, operations, or an item listed on this agenda. Remarks shall not be personalized and will be limited to three minutes or less. The City Clerk shall keep the time and notify the Mayor when the allotted time limit has been reached. Comments not directly germane to City business, operations, or an item listed on the agenda, as determined by the Mayor, will be ruled out of order. If you are addressing an item not listed on the agenda the Council will not take any action on the item due to requirements of the Open Meetings Law. Pertinent questions, comments or suggestions may be referred to the appropriate department for response, if relevant.

6-03