

February 20, 2025

Via Email

Susi Lampe
City Clerk/City Hall
Independence, Iowa

Re: General Obligation Loan Agreements
Our File No. 419440-110

Dear Susi:

We have prepared and attach proceedings to be used at the February 24, 2025 City Council meeting to enable the City Council to set March 24, 2025 as the date for the hearings on the General Obligation Loan Agreements (the “Loan Agreements”), to be entered into with respect to the issuance of the General Obligation Corporate Purpose Bonds, Series 2025.

The documents attached include the following items:

1. Resolution fixing the date, time and place of the meeting at which it is proposed to hold the hearings and take action to enter into the Loan Agreements.

The forms of notices of hearing are set out under Sections 2 and 3 of the resolution. Please print extra copies for delivery to the publisher. Please insert the time and place of the hearing in both the resolution and the notices.

2. Attestation Certificate with respect to the validity of the transcript.

3. Organization Certificate.

4. Publication Certificate with respect to publication of the notices, to which must be attached the publisher’s affidavits of publication with the clippings of the notices as published.

The notice of hearing for the Essential Purpose Loan Agreement must be published at least once, not less than **four (4) and not more than twenty (20) days** before the March 24, 2025 meeting date set for the hearing, in a legal newspaper which has a general circulation in Independence. The last day for effective publication of this notice is **March 20, 2025**.

The notice of hearing for the General Purpose Loan Agreement must be published at least once, not less than **ten (10) and not more than twenty (20) days** before the March 24, 2025 meeting date set for the hearing, in a legal newspaper which has a general circulation in Independence. The last day for effective publication of this notice is **March 14, 2025**.

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As soon as the notices appear in the newspaper, please have copies emailed to lemke.susan@dorsey.com.

As soon as possible after the City Council meeting, please return one fully executed copy of these proceedings.

If you have any questions, please contact Erin Regan, Megan Newell or me.

Best regards,

John P. Danos

Attachments

cc: Matt Schmitz
Michelle Nejd
Speer Financial, Inc.
Diana VanVleet

MINUTES TO SET DATE FOR
HEARINGS ON PROPOSALS TO ENTER
INTO LOAN AGREEMENTS

Independence, Iowa

419440-110

February 24, 2025

The City Council of the City of Independence, Iowa, met on February 24, 2025, at 5:00 p.m., at the City Hall, Independence, Iowa.

The Mayor presided and the roll was called showing the following members of the City Council present and absent:

Present:

Absent: Jensen and Huston (passed away 2/14/2025).

Council Member _____ introduced the resolution hereinafter next set out and moved its adoption, seconded by Council Member _____; and after due consideration thereof by the City Council, the Mayor put the question upon the adoption of the said resolution and the roll being called, the following named Council Members voted:

Ayes:

Nays: _____.

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

• • • •

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

Mayor

Attest:

City Clerk

RESOLUTION NO. 2025-_____

Resolution setting the date for public hearings and additional action on proposals to enter into General Obligation Loan Agreements and to borrow money thereunder

WHEREAS, the City of Independence (the “City”), in Buchanan County, State of Iowa, pursuant to the provisions of Section 384.24A of the Code of Iowa, proposes to enter into a loan agreement (the “Essential Purpose Loan Agreement”) and to borrow money thereunder in a principal amount not to exceed \$2,100,000 for the purpose of paying the costs, to that extent, of (a) constructing street, sidewalk, stormwater drainage, water system and sanitary sewer system improvements; (b) acquiring and installing street lighting, signage and signalization improvements; (c) acquiring vehicles and equipment for the municipal police department; (d) acquiring vehicles and equipment for the municipal fire department; (e) acquiring and installing emergency warning sirens; (f) acquiring vehicles and equipment for the municipal streets department; and (g) equipping existing municipal parks (collectively, the “Essential Purpose Projects”), and it is necessary to fix a date of meeting of the City Council at which it is proposed to take action to enter into the Essential Purpose Loan Agreement and to give notice thereof as required by such law; and

WHEREAS, the City also proposes to enter into a loan agreement (the “General Purpose Loan Agreement,” and together with the Essential Purpose Loan Agreement, the “Loan Agreements”) and to borrow money thereunder in a principal amount not to exceed \$400,000, pursuant to the provisions of Section 384.24A of the Code of Iowa, for the purpose of paying the costs, to that extent, of (a) undertaking storage shed improvements for the street shop; (b) undertaking parking improvements for City Hall; (c) undertaking storage shed improvements for the parks and recreation department; and (d) planning for the City’s infrastructure and land use needs (the “General Purpose Projects,” and together with the Essential Purpose Projects, the “Projects”), and it is now necessary to fix a date of meeting of the City Council at which it is proposed to take action to enter into the General Purpose Loan Agreement and to give notice thereof as required by such law, including notice of the right to petition for an election on such proposal pursuant to the provisions of Section 384.26 of the Code of Iowa;

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

Section 1. The City Council shall meet on March 24, 2025, at the City Hall, Independence, Iowa, at 5:00 p.m., at which time and place the hearings will be held and proceedings will be instituted and action taken to enter into the Loan Agreements described in the preamble hereof.

Section 2. The City Clerk is hereby directed to give notice of the proposed action on the Essential Purpose Loan Agreement setting forth the amount and purpose thereof, the time when and place where the said meeting will be held by publication at least once, not less than four (4) and not more than twenty (20) days before the date of said meeting, in a legal newspaper which has a general circulation in the City. The notice shall be in substantially the following form:

NOTICE OF PROPOSED ACTION TO INSTITUTE PROCEEDINGS TO
ENTER INTO A LOAN AGREEMENT AND TO BORROW MONEY
THEREUNDER IN A PRINCIPAL AMOUNT NOT TO EXCEED \$2,100,000

(GENERAL OBLIGATION)

The City Council of the City of Independence, Iowa (the “City”), will meet on March 24, 2025, at the City Hall, Independence, Iowa, at 5:00 p.m., for the purpose of instituting proceedings and taking action on a proposal to enter into a loan agreement (the “Loan Agreement”) and to borrow money thereunder in a principal amount not to exceed \$2,100,000 for the purpose of paying the costs, to that extent, of (a) constructing street, sidewalk, stormwater drainage, water system and sanitary sewer system improvements; (b) acquiring and installing street lighting, signage and signalization improvements; (c) acquiring vehicles and equipment for the municipal police department; (d) acquiring vehicles and equipment for the municipal fire department; (e) acquiring and installing emergency warning sirens; (f) acquiring vehicles and equipment for the municipal streets department; and (g) equipping existing municipal parks.

The Loan Agreement is proposed to be entered into pursuant to authority contained in Section 384.24A of the Code of Iowa and will constitute a general obligation of the City.

It is estimated the annual increase in property taxes on a residential property with an actual valuation of one hundred thousand dollars resulting from the City entering into the Loan Agreement will be \$45.01, however the City Council may determine for any fiscal year while the Loan Agreement is outstanding to budget other available revenues to the payment of some or all of the debt service coming due thereunder.

At that time and place, oral or written objections may be filed or made to the proposal to enter into the Loan Agreement. After receiving objections, the City may determine to enter into the Loan Agreement, in which case, the decision will be final unless appealed to the District Court within fifteen (15) days thereafter.

By order of the City Council of the City of Independence, Iowa.

Susi Lampe
City Clerk

Section 3. The City Clerk is hereby directed to give notice of the proposed action on the General Purpose Loan Agreement setting forth the amount and purpose thereof, the time when and place where the said meeting will be held by publication at least once, not less than ten (10) and not more than twenty (20) days before the date of said meeting, in a legal newspaper which has a general circulation in the City. The notice shall be in substantially the following form:

NOTICE OF PROPOSED ACTION TO INSTITUTE PROCEEDINGS TO
ENTER INTO A LOAN AGREEMENT AND TO BORROW MONEY
THEREUNDER IN A PRINCIPAL AMOUNT NOT TO EXCEED \$400,000

(GENERAL OBLIGATION)

The City Council of the City of Independence, Iowa (the “City”), will meet on March 24, 2025, at the City Hall, Independence, Iowa, at 5:00 p.m., for the purpose of instituting proceedings and taking action on a proposal to enter into a loan agreement (the “Loan Agreement”) and to borrow money thereunder in a principal amount not to exceed \$400,000 for the purpose of paying the costs, to that extent, of (a) undertaking storage shed improvements for the street shop; (b) undertaking parking improvements for City Hall; (c) undertaking storage shed improvements for the parks and recreation department; and (d) planning for the City’s infrastructure and land use needs.

The Loan Agreement is proposed to be entered into pursuant to authority contained in Section 384.24A of the Code of Iowa and will constitute a general obligation of the City.

The maximum rate of interest which may be payable under the Loan Agreement is 7% per annum.

It is estimated the annual increase in property taxes on a residential property with an actual valuation of one hundred thousand dollars resulting from the City entering into the Loan Agreement will be \$9.37, however the City Council may determine for any fiscal year while the Loan Agreement is outstanding to budget other available revenues to the payment of some or all of the debt service coming due thereunder.

At any time before the date fixed for taking action to enter into the Loan Agreement, a petition may be filed with the City Clerk of the City asking that the question of entering into the Loan Agreement be submitted to the registered voters of the City, pursuant to the provisions of Section 384.26 of the Code of Iowa. If no such petition is filed, at the aforementioned time and place, oral or written objections may be filed or made to the proposal to enter into the Loan Agreement. After receiving objections, the City may determine to enter into the Loan Agreement, in which case, the decision will be final unless appealed to the District Court within fifteen (15) days thereafter.

By order of the City Council of the City of Independence, Iowa.

Susi Lampe
City Clerk

Section 4. Pursuant to Section 1.150-2 of the Income Tax Regulations (the “Regulations”) of the Internal Revenue Service, the City declares (a) that it intends to undertake the Projects which are reasonably estimated to cost approximately \$2,500,000, (b) that other than (i) expenditures to be paid or reimbursed from sources other than the issuance of bonds, notes or other obligations (the “Bonds”), or (ii) expenditures made no earlier than 60 days prior to the date of this Resolution or a previous intent resolution of the City, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Projects have heretofore been made by the City and no expenditures will be made by the City until after the date of this Resolution or a prior intent resolution of the City, and (c) that the City reasonably expects to reimburse the expenditures made for costs of the City out of the proceeds of the Bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 5. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 6. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved February 24, 2025.

Mayor

Attest:

City Clerk

ATTESTATION CERTIFICATE

STATE OF IOWA
BUCHANAN COUNTY SS:
CITY OF INDEPENDENCE

I, the undersigned, City Clerk of the City of Independence, do hereby certify that attached hereto is a true and correct copy of the proceedings of the City Council relating to fixing a date for hearings on the City's proposal to take action in connection with proposals to enter into certain loan agreements, as referred to therein.

WITNESS MY HAND this _____ day of _____, 2025.

City Clerk

ORGANIZATION CERTIFICATE

STATE OF IOWA
COUNTY OF BUCHANAN SS:
CITY OF INDEPENDENCE

I, the undersigned City Clerk, do hereby certify that the City of Independence is organized and operating under the provisions of Title IX of the Code of Iowa and not under any special charter and that the City is operating under the Mayor-Council form of government and that there is not pending or threatened any question or litigation whatsoever touching the incorporation of the City, the inclusion of any territory within its limits or the incumbency in office of any of the officials hereinafter named.

And I do further certify that the following named parties are officials of the City as indicated:

Brad Bleichner, Mayor

Matthew Schmitz, City Manager

Susi Lampe, City Clerk/Treasurer

Michael O'Loughlin, Council Member Ward 3/Mayor Pro Tem

Kathryn Jensen, Council Member Ward 1

Bret Weber, Council Member Ward 2

Debra Hanna, Council Member Ward 4

Vacant (Tom Huston passed away 2/14/25), Council Member Ward 5

Brian Prusator, Council Member At Large #1

Ralph Moore, Council Member At Large #2

WITNESS MY HAND this ____ day of _____, 2025.

City Clerk

PUBLICATION CERTIFICATE

(PLEASE NOTE: Do not date and return this certificate until you have received the publisher's affidavits and have verified that the notices were published on the dates indicated in the affidavits but please return all other completed pages to us as soon as they are available.)

STATE OF IOWA
BUCHANAN COUNTY SS:
CITY OF INDEPENDENCE

I, the undersigned, City Clerk of the City of Independence, do hereby certify that pursuant to the resolution of the City Council fixing a date of meeting at which it is proposed to take action to enter into certain loan agreements, the notices, of which the printed slips attached to the publisher's affidavits hereto attached are true and complete copies, were published on the dates and in the newspaper specified in such affidavits, which newspaper has a general circulation in the City.

WITNESS MY HAND this _____ day of _____, 2025.

City Clerk

(Attach here the publisher's original affidavits with clippings of the notices, as published.)