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 $1,670,000 General Obligation Capital Loan Notes, Series 2013, in order to provide funds to pay costs of:

a. the settlement, adjustment, renewing, or extension of any part of all of the legal indebtness of a city;

b. the equipping of fire department;

c. the rehabilitation and improvement of parks already owned, including equipment, and improvements commonly found in city parks;

d. the acquisition, construction, reconstruction, improvement, repair, and equipping of waterworks, water mains, and extensions, and real and personal property, useful for providing potable water to residents of a city,

an essential corporate purpose, 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 pursuant to the provisions of Sections 384.24, 384.24A and 384.25 of the City Code of Iowa, as amended.

The Mayor then asked the Clerk whether any written objections had been filed by any city resident or property owner to the proposal. The Clerk advised the Mayor and the Council that _____ written objections had been filed. The Mayor then called for oral objections to the proposal and _____ 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)

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

Whereupon, Council Member _____ introduced and delivered to the Clerk the Resolution hereinafter set out entitled "RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED $1,670,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2013", 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 _____ o'clock _____.M. on the _____ day of _____, 2013, at this place.

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

AYES: _____

_____

NAYS: _____

Whereupon, the Mayor declared the measure duly adopted.

RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED $1,670,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2013

WHEREAS, pursuant to notice published as required by law, this 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 $1,670,000 General Obligation Capital Loan Notes, Series 2013, for the purpose of paying costs of:

a. the settlement, adjustment, renewing, or extension of any part of all of the legal indebtness of a city;

b. the equipping of fire department;

c. the rehabilitation and improvement of parks already owned, including equipment, and improvements commonly found in city parks;

d. the acquisition, construction, reconstruction, improvement, repair, and equipping of waterworks, water mains, and extensions, and real and personal property, useful for providing potable water to residents of a city,

and has considered the extent of objections received from residents or property owners as to the proposal and, accordingly the 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 CRESCO, STATE OF IOWA:

Section 1. That this Council does hereby institute proceedings and take additional action for the authorization of a Loan Agreement and issuance in the manner required by law of not to exceed $1,670,000 General Obligation Capital Loan Notes, Series 2013, to evidence the obligation thereof for the foregoing purpose.

Section 2. This Resolution shall serve as a declaration of official intent under Treasury Regulation 1.150-2 and shall be maintained on file as a public record of such intent. It is reasonably expected that moneys may be advanced from time to time for capital expenditures which are to be paid from the proceeds of the above loan agreement. The amounts so advanced shall be reimbursed from the proceeds of the Loan Agreement 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 loan amount authorized in this Resolution unless the same are for preliminary expenditures or unless another declaration of intention is adopted.

PASSED AND APPROVED this 17th day of December, 2012.

_____

Mayor

ATTEST:

_____

City Clerk

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 $130,000 General Obligation Capital Loan Notes, Series 2013, in order to provide funds to pay costs of:

a. the acquisition, construction, reconstruction, enlargement, improvement, and equipping of public buildings and property including, recreation grounds, recreation buildings, and recreation centers;

b. the acquisition, construction, reconstruction, enlargement, improvement, and equipping of public buildings and property including fire stations and garages,

a general corporate purpose, 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 and the right to petition for an election, had been published pursuant to the provisions of Sections 384.24, 384.24A, 384.25 and 384.26 of the City Code of Iowa, as amended.

The Mayor then asked the Clerk whether any petition had been filed in the Clerk's Office, in the manner provided by Section 362.4 of the City Code of Iowa, and the Clerk reported that no such petition had been filed, requiring that the question of issuing the notes be submitted to the qualified electors of the City.

Whereupon, the Mayor declared the hearing on the authorization of entering into a loan agreement and the issuance of notes to be closed.

Whereupon, Council Member _____ introduced and delivered to the Clerk the Resolution hereinafter set out entitled "RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED $130,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2013," 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 _____ o'clock _____.M. on the _____ day of _____, 2012, at this place.

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

AYES: _____

_____

NAYS: _____

Whereupon, the Mayor declared the measure duly adopted.

RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED $130,000 GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2013

WHEREAS, pursuant to notice published as required by law, this 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 $130,000 General Obligation Capital Loan Notes, Series 2013, for a general corporate purpose, for the purpose of paying costs of:

a. the acquisition, construction, reconstruction, enlargement, improvement, and equipping of public buildings and property including, recreation grounds, recreation buildings, and recreation centers;

b. the acquisition, construction, reconstruction, enlargement, improvement, and equipping of public buildings and property including fire stations and garages,

and no petition was filed calling for a referendum thereon. The 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 CRESCO, STATE OF IOWA:

Section 1. That this Council does hereby institute proceedings and take additional action for the authorization of a Loan Agreement and issuance in the manner required by law of not to exceed $130,000 General Obligation Capital Loan Notes, Series 2013, to evidence the obligation thereof for the foregoing general corporate purpose.

Section 2. This Resolution shall serve as a declaration of official intent under Treasury Regulation 1.150-2 and shall be maintained on file as a public record of such intent. It is reasonably expected that moneys may be advanced from time to time for capital expenditures which are to be paid from the proceeds of the above loan agreement. The amounts so advanced shall be reimbursed from the proceeds of the Loan Agreement 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 loan amount authorized in this Resolution unless the same are for preliminary expenditures or unless another declaration of intention is adopted.

PASSED AND APPROVED this 17th day of December, 2012.

_____

Mayor

ATTEST:

_____

City Clerk

Council Member _____ introduced the following Resolution entitled "RESOLUTION DIRECTING THE ADVERTISEMENT FOR SALE OF $1,715,000 (DOLLAR AMOUNT SUBJECT TO CHANGE) GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2013, AND APPROVING ELECTRONIC BIDDING PROCEDURES AND OFFICIAL STATEMENT" and moved its adoption. Council Member _____ seconded the Resolution to adopt. The roll was called and the vote was,

AYES: _____

_____

NAYS: _____

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

RESOLUTION DIRECTING THE ADVERTISEMENT FOR SALE OF $1,715,000 (DOLLAR AMOUNT SUBJECT TO CHANGE) GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2013, AND APPROVING ELECTRONIC BIDDING PROCEDURES AND OFFICIAL STATEMENT

WHEREAS, the City of Cresco, State of Iowa, is in need of funds to pay costs of:

1. the settlement, adjustment, renewing, or extension of any part of all of the legal indebtedness of a city;

2. the equipping of fire department;

3. the rehabilitation and improvement of parks already owned, including equipment, and improvements commonly found in city parks;

4. the acquisition, construction, reconstruction, improvement, repair, and equipping of waterworks, water mains, and extensions, and real and personal property, useful for providing potable water to residents of a city,

essential corporate purpose projects, and it is deemed necessary and advisable that a form of Loan Agreement be approved and authorized and that the City issue General

Obligation Capital Loan Notes, Series 2013, for such purpose to the amount of not to exceed $1,670,000 as authorized by Sections 384.24, 384.24A and 384.25 of the City Code of Iowa; and

WHEREAS, pursuant to notice published as required by Sections 384.24, 384.24A and 384.25 this Council has held a public meeting and hearing today, December 17, 2012, upon the proposal to institute proceedings for the issuance of the Notes, and all objections, if any, to such Council action made by any resident or property owner of the City were received and considered by the Council; and it is the decision of the Council that additional action be taken for the issuance of not to exceed $1,670,000 General Obligation Capital Loan Notes, Series 2013, and that such action is considered to be in the best interests of the City and the residents thereof; and

WHEREAS, the City is also in need of funds to pay costs of:

1. the acquisition, construction, reconstruction, enlargement, improvement, and equipping of public buildings and property including, recreation grounds, recreation buildings, and recreation centers;

2. the acquisition, construction, reconstruction, enlargement, improvement, and equipping of public buildings and property including fire stations and garages,

general corporate purpose projects, and it is deemed necessary and advisable that the City issue General Obligation Capital Loan Notes, Series 2013, for such purpose to the amount of not to exceed $130,000, as authorized by Sections 384.24, 384.24A and 384.26 of the City Code of Iowa; and

WHEREAS, the City has a population of 5,000 or less and the amount of the proposed note issue is not more than $400,000.00; and

WHEREAS, pursuant to notice published as required by Sections 384.24, 384.24A and 384.26 (5), this Council has held a public meeting and hearing today, December 17, 2012, upon the proposal to institute proceedings for the authorization to enter into a loan agreement and the issuance of the Notes, and no petition was filed in the manner provided by Section 362.4 of the City Code of Iowa; and it is the decision of the Council that additional action be taken for the issuance of not to exceed $130,000 General Obligation Capital Loan Notes, Series 2013, and that such action is considered to be in the best interests of the City and the residents thereof; and

WHEREAS, pursuant to Sections 384.24, 384.24A, and 384.28 of the City Code of Iowa, it is deemed appropriate that the various general obligation notes hereinabove

described be combined for purposes of issuance and sale in a single issue of corporate purpose notes as hereinafter set forth; and

WHEREAS, in conjunction with its Financial Consultant, Piper Jaffray, the City has caused a Preliminary Official Statement to be prepared outlining the details of the proposed sale of the Note; and

WHEREAS, the Council has received information from its Financial Consultant evaluating and recommending the procedure hereinafter described for electronic, facsimile and internet bidding to maintain the integrity and security of the competitive bidding process and to facilitate the delivery of bids by interested parties; and

WHEREAS, the Council deems it in the best interests of the City and the residents thereof to receive bids to purchase such Notes by means of both sealed and electronic internet communication.

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

Section 1. Bids for the sale of General Obligation Capital Loan Notes, Series 2013, of the City of Cresco, State of Iowa, will be received at the office of the City Clerk, City Hall, 130 N. Park Place, Cresco, Iowa 52136; Telephone: 563-547-3101 (the "Issuer") at 1:00 o'clock P.M., on the 17th day of January, 2013. The bids will then be publicly opened and referred for action to the meeting of the City Council in conformity with the TERMS OF OFFERING

The Notes to be offered are the following:

GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2013, in the amount of $1,715,000 (Dollar Amount Subject to Change), to be dated March 1, 2013 (the "Notes")

Section 2. Open bids will not be received. Bids will be received in any of the following methods:

- Sealed Bidding: Sealed bids may be submitted and will be received at the office of the City Clerk at City Hall, 130 North Park Place, Cresco, Iowa 52136.

- Electronic Internet Bidding: Electronic internet bids will be received at the office of the City Clerk at City Hall, 130 North Park Place, Cresco, Iowa

52136. The bids must be submitted through the PARITY® competitive bidding system.

- Electronic Facsimile Bidding: Electronic facsimile bids will be received at the office of the City Clerk at City Hall, 130 North Park Place, Cresco, Iowa 52136 (facsimile number: 563-547-4525). Electronic facsimile bids will be sealed and treated as sealed bids.

Section 3. After the time for receipt of bids has passed, the close of sealed bids will be announced. Sealed bids will then be publicly opened and announced. Finally, electronic internet bids will be accessed and announced.

Section 4. The sale and award of the Notes will be held at the Council Chambers, City Hall, 130 N. Park Place, Cresco, Iowa at a meeting of the City Council on January 21, 2013 at _____ o'clock _____.M.

Section 5. The Issuer has issued an Official Statement of information pertaining to the Notes to be offered, including a statement of the Terms of Offering and an Official Bid Form, which is incorporated by reference as a part of this notice. The Official Statement may be obtained by request addressed to the City Clerk, City Hall, 130 N. Park Place, Cresco, Iowa 52136; Telephone: 563-547-3101 or the Issuer's Financial Consultant, Piper Jaffray, 3900 Ingersoll Avenue, Suite 110, Des Moines, Iowa, 50312, Telephone 515-247-2340.

Section 6. All bids shall be in conformity with and the sale shall be in accord with the Terms of Offering as set forth in the Official Statement.

Section 7. The notes will be sold subject to the opinion of Ahlers & Cooney, P.C., Attorneys of Des Moines, Iowa, as to the legality and their opinion will be furnished together with the printed notes without cost to the purchaser and all bids will be so conditioned. Except to the extent necessary to issue their opinion as to the legality of the notes, the attorneys will not examine or review or express any opinion with respect to the accuracy or completeness of documents, materials or statements made or furnished in connection with the sale, issuance or marketing of the bonds.

Section 8. The right is reserved to reject any or all bids, and to waive any irregularities as deemed to be in the best interests of the public.

PASSED AND APPROVED this 17th day of December, 2012.

_____
Mayor

ATTEST:

_____
City Clerk

Council Member _____ introduced the following Resolution entitled "RESOLUTION APPROVING POST-ISSUANCE COMPLIANCE POLICY" and moved that it be adopted. Council Member _____ seconded the motion to adopt, and the roll being called thereon, the vote was as follows:

AYES: _____

_____

NAYS: _____

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

RESOLUTION APPROVING POST-ISSUANCE COMPLIANCE POLICY

WHEREAS, the City of Cresco, sometimes hereinafter referred to as the City, is a municipal corporation duly incorporated, organized and existing under and by virtue of the Constitution and laws of the State of Iowa; and

WHEREAS, various requirements apply under the Internal Revenue Code and Income Tax Regulations (hereinafter "IRS Requirements") including information filing and other requirements related to issuance, the proper and timely use of bond-financed property, and arbitrage yield restriction and rebate requirements; and

WHEREAS, to comply with the IRS Requirements, governmental bond issuers must ensure that the rules are met at the time the bonds, capital loan notes or lease-purchase obligations (hereinafter "bonds") are issued and throughout the term of the bonds; and

WHEREAS, this includes the continued review of post-issuance obligations and maintenance of records:

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CRESCO, STATE OF IOWA, THAT THE FOLLOWING WRITTEN PROCEDURES ARE ADOPTED WHICH SHALL APPLY WITH RESPECT TO ALL TAX EXEMPT OBLIGATIONS INCURRED BY THE CITY:

Section 1. The "Post-Issuance Compliance Policy" (hereinafter "Policy") attached hereto as Exhibit A is hereby adopted and approved.

Section 2. The official designated in said policy shall take any and all action necessary to properly implement the policy.

PASSED AND APPROVED this 17th day of December, 2012.

_____

Mayor

ATTEST:

_____

City Clerk

EXHIBIT "A"

CITY OF CRESCO, IOWA

POST-ISSUANCE COMPLIANCE POLICY FOR TAX-EXEMPT OBLIGATIONS

1. Compliance Coordinator:

a) The City Clerk ("Coordinator") shall be responsible for monitoring post-issuance compliance.

b) The Coordinator will maintain a copy of the transcript of proceedings in connection with the issuance of any tax-exempt obligations. Coordinator will obtain such records as are necessary to meet the requirements of this policy.

c) The Coordinator shall consult with bond counsel, a rebate consultant, financial advisor, IRS publications and such other resources as are necessary to understand and meet the requirements of this policy.

d) Training and education of Coordinator will be sought and implemented upon the occurrence of new developments and upon the hiring of new personnel to implement this policy.

2. Financing Transcripts. The Coordinator shall confirm the proper filing of an 8038 Series return, and maintain a transcript of proceedings for all tax-exempt obligations issued by the City, including but not limited to all tax-exempt bonds, notes and lease-purchase contracts. Each transcript shall be maintained until eleven (11) years after the tax-exempt obligation it documents has been retired. Said transcript shall include, at a minimum:

a) Form 8038s;
b) minutes, resolutions, and certificates;
c) certifications of issue price from the underwriter;
d) formal elections required by the IRS;
e) trustee statements;
f) records of refunded bonds, if applicable;
g) correspondence relating to bond financings; and
h) reports of any IRS examinations for bond financings.

3. Proper Use of Proceeds. The Coordinator shall review the resolution authorizing issuance for each tax-exempt obligation issued by the City, and that the City shall:

a) obtain a computation of the yield on such issue from the City's financial advisor;

b) create a separate Project Fund (with as many sub-funds as shall be necessary to allocate proceeds among the projects being funded by the issue) into which the proceeds of issue shall be deposited;

c) review all requisitions, draw schedules, draw requests, invoices and bills requesting payment from the Project Fund;

d) determine whether payment from the Project Fund is appropriate, and if so, make payment from the Project Fund (and appropriate sub-fund if applicable);

e) maintain records of the payment requests and corresponding records showing payment;

f) maintain records showing the earnings on, and investment of, the Project Fund;

g) ensure that all investments acquired with proceeds are purchased at fair market value;

h) identify bond proceeds or applicable debt service allocations that must be invested with a yield-restriction and monitor the investments of any yield-restricted funds to ensure that the yield on such investments does not exceed the yield to which such investments are restricted;

i) maintain records related to any investment contracts, credit enhancement transactions, and the bidding of financial products related to the proceeds;

4. Timely Expenditure and Arbitrage/Rebate Compliance. The Coordinator shall review the Tax-Exemption Certificate (or equivalent) for each tax-exempt obligation issued by the City and the expenditure records provided in Section 2 of this policy, above, and shall:

a) monitor and ensure that proceeds of each such issue are spent within the temporary period set forth in such certificate;

b) if the City does not meet the "small issuer" exception for said obligation, monitor and ensure that the proceeds are spent in accordance with one or more of the applicable exceptions to rebate as set forth in such certificate;

c) not less than 60 days prior to a required expenditure date confer with bond counsel and a rebate consultant if the City will fail to meet the applicable temporary period or rebate exception expenditure requirements of the Tax-Exemption Certificate; and

d) in the event the City fails to meet a temporary period or rebate exception:

i. procure a timely computation of any rebate liability and, if rebate is due, file a Form 8038-T and arrange for payment of such rebate liability;

ii. arrange for timely computation and payment of "yield reduction payments" (as such term is defined in the Code and Treasury Regulations), if applicable.

5. Proper Use of Bond Financed Assets. The Coordinator shall:

a) maintain appropriate records and a list of all bond financed assets. Such records shall include the actual amount of proceeds (including investment earnings) spent on each of the bond financed assets;

b) with respect to each bond financed asset, the Coordinator will monitor and confer with bond counsel with respect to all proposed:

i. management contracts,
ii. service agreements,
iii. research contracts,
iv. naming rights contracts,
v. leases or sub-leases,
vi. joint venture, limited liability or partnership arrangements,
vii. sale of property; or
viii. any other change in use of such asset;

c) maintain a copy of the proposed agreement, contract, lease or arrangement, together with the response by bond counsel with respect to said proposal for at least three (3) years after retirement of all tax-exempt obligations issued to fund all or any portion of bond financed assets; and

d) In the event the City takes an action with respect to a bond financed asset, which causes the private business tests or private loan financing test to be met, the Coordinator shall contact bond counsel and ensure timely remedial action under IRS Regulation Sections 1.141-12.

6. General Project Records. For each project financed with tax-exempt obligations, the Coordinator shall maintain, until three (3) years after retirement of the tax-exempt obligations or obligations issued to refund those obligations, the following:

a) appraisals, demand surveys or feasibility studies,
b) applications, approvals and other documentation of grants,
c) depreciation schedules,
d) contracts respecting the project.

7. Advance Refundings. The Coordinator, shall be responsible for the following current, post issuance and record retention procedures with respect to advance refunding bonds:

a) Identify and select bonds to be advance refunded with advice from internal financial personnel, and a financial advisor;

b) The Coordinator shall identify, with advice from the financial advisor and bond counsel, any possible federal tax compliance issues prior to structuring any advance refunding;

c) The Coordinator shall review the structure with the input of the financial advisor and bond counsel, of advance refunding issues prior to the issuance to ensure (i) that the proposed refunding is permitted pursuant to applicable federal tax requirements if there has been a prior refunding of the original bond issue; (ii) that the proposed issuance complies with federal income tax requirements which might impose restrictions on the redemption date of the refunded bonds; (iii) that the proposed issuance complies with federal income tax requirements which allow for the proceeds and replacement proceeds of an issue to be invested temporarily in higher yielding investments without causing the advance refunding bonds to become "arbitrage bonds"; and (iv) that the proposed issuance will not result in the issuer's exploitation of the difference between tax exempt and taxable interest rates to obtain an financial advantage nor overburden the tax exempt market in a way that might be considered an abusive transaction for federal tax purposes.

d) The Coordinator shall collect and review data related to arbitrage yield restriction and rebate requirements for advance refunding bonds. To ensure

such compliance, the Coordinator shall engage a rebate consultant to prepare a verification report in connection with the advance refunding issuance. Said report shall ensure said requirements are satisfied.

e) The Coordinator shall, whenever possible, purchase SLGS to size each advance refunding escrow. The financial advisor shall be included in the process of subscribing SLGS. To the extent SLGS are not available for purchase, the Coordinator shall, in consultation with bond counsel and the financial advisor, comply with IRS regulations.

f) To the extent as issuer elects to the purchase a guaranteed investment contract, the Coordinator shall ensure, after input from bond counsel, compliance with any bidding requirements set forth by the IRS regulations.

g) In determining the issue price for any advance refunding issuance, the Coordinator shall obtain and retain issue price certification by the purchasing underwriter at closing.

h) After the issuance of an advance refunding issue, the Coordinator shall ensure timely identification of violations of any federal tax requirements and engage bond counsel in attempt to remediate same in accordance with IRS regulations.

8. Continuing Disclosure. The Coordinator shall assure compliance with each continuing disclosure certificate and annually, per continuing disclosure agreements, file audited annual financial statements and other information required by each continuing disclosure agreement. The Coordinator will monitor material events as described in each continuing disclosure agreement and assure compliance with material event disclosure. Events to be reported shall be reported promptly, but in no event not later than ten (10) Business Days after the day of the occurrence of the event. Currently, such notice shall be given in the event of:

a) Principal and interest payment delinquencies;

b) Non-payment related defaults, if material;

c) Unscheduled draws on debt service reserves reflecting financial difficulties;

d) Unscheduled draws on credit enhancements relating to the bonds reflecting financial difficulties;

e) Substitution of credit or liquidity providers, or their failure to perform;

f) 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 bonds, or material events affecting the tax-exempt status of the bonds;

g) Modifications to rights of Holders of the Bonds, if material;

h) Bond calls (excluding sinking fund mandatory redemptions), if material, and tender offers;

i) Defeasances of the bonds;

j) Release, substitution, or sale of property securing repayment of the bonds, if material;

k) Rating changes on the bonds;

l) Bankruptcy, insolvency, receivership or similar event of the Issuer;

m) 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; and

n) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

RESOLUTION NUMBER _____

RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A FINANCIAL SERVICES AGREEMENT WITH PIPER JAFFRAY & CO.

WHEREAS, the City of Cresco wishes a current refunding of the General Capital Loan Notes, Series 2007 and to provide funds for various projects; and

WHEREAS, the City of Cresco, Iowa requires the assistance of financial services and has selected Piper Jaffray & Co to assist with the issuance and render the services in the agreement.

NOW THEREFORE BE IT RESOLVED THAT the Mayor is authorized and directed to sign the Financial Services Agreement with Piper Jaffray & Co.

Council Person _____ moved the adoption of the foregoing Resolution and Council Person _____ seconded said Motion. Following discussion, a roll call vote was requested by Mayor and said roll call resulted as follows:

Ayes: _____
Nays: _____
Absent: _____

Thereupon, the Mayor declared said Resolution duly passed and announced that the Financial Service Agreement between the City of Cresco and Piper Jaffray & Co., is approved and that the Mayor is authorized to execute the agreement on behalf of the City of Cresco.

PASSED AND APPROVED THIS 17TH DAY OF DECEMBER, 2012.

BY:_____
Mayor Mark Bohle

ATTEST:_____
City Clerk Michelle Girolamo

FINANCIAL SERVICES AGREEMENT

This Financial Services Agreement, (the "Agreement") is entered into the 17th day of December 2012, by and between the City of Cresco, Iowa (the "Issuer"), and Piper Jaffray & Co. (the "Financial Services Provider").

RECITALS

WHEREAS, the Issuer requires the provision of financial services in connection with the issuance by the Issuer of Tax Exempt General Obligation Capital Loan Notes, to current refunding the Issuer's Series 2007 Bonds and provide for various infrastructure improvement of the Issuer (the "Project"); and

WHEREAS, the Issuer desires to engage the Financial Services Provider to render the services; and

WHEREAS, the Issuer has selected Ahlers & Cooney P.C. as bond counsel ("Bond Counsel") and has not relied on Financial Services Provider for any assistance selecting Bond Counsel, Financial Services Provider is not party to the engagement agreement between Issuer and Bond Counsel, including having a working knowledge of any limitations under said agreement; and Financial Services Provider shall assume no responsibility for the work or opinions provided by Bond Counsel.

NOW THEREFORE, in consideration of the mutual covenants and stipulations hereinafter set forth, the parties agree as follows:

Section 1. Scope of Services The Scope of Services shall include assistance in the following areas with respect to the Project.

The Financial Services Provider shall:

a) Develop a Plan of Finance for the Project which is attached as Exhibit A and is incorporated by reference.
b) As requested by the Issuer, provide alternative debt retirement schedules including estimates of interest cost savings associated with the refinancing
c) Comment on the value and recommend as to the use of credit ratings; coordinate the process securing credit rating
d) Propose bond terms for the securities being sold
e) Develop a timeline with respect to the issuance of proposed securities
f) Upon completion of the official statement by the Issuer, distribute Issuer's official statement to potential bidders via I-Deal (to national bidders and information repositories) and printed copies (for local banks and other local financial institutions)
g) Evaluate and recommend the bids received to the Board for consideration
h) Coordinate the closing of the transaction

The Issuer shall:
i) Approve or disapprove of the Plan of Finance
j) Approve the form of official statement and direct its dissemination to interested bidders
k) Participate in all calls, discussions and requests for information necessary to complete the credit rating process, if a rating is recommended as discussed herein
l) Subject to the Plan of Finance, take all usual and customary steps necessary to complete the Project,

Both the Issuer and Financial Services Provider acknowledge that a timeline for the Project has been circulated and is acceptable to both parties.

Extent of Duties Arising under this Agreement
The Issuer and the Financial Services Provider intend and agree that, to the extent the performance of services by the Financial Services Provider with respect to a Project constitutes municipal advisory activities within the meaning of proposed rule 15Ba1 of the Securities Exchange Act of 1934 or otherwise creates a duty of the Financial Services Provider under Section 15B(c)(1) of the Securities Exchange Act of 1934 or Rule G-23 of the Municipal Securities Rulemaking Board, such duty does not extend beyond the services to be provided with respect to that Project and such duty does not extend to any other contract, agreement, relationship, or understanding of any nature between the Issuer and the Financial Services Provider.

Section 2. Compensation.

Debt Security Services: 0.5% of the par amount of securities sold; with a minimum fee of $11,000 and a maximum fee of $15,000 per issue of securities sold.

Section 3. Expenses. The Issuer will reimburse the Financial Services Provider in addition to the fees outlined in Section 2 for the preparation, printing and mailing costs associated with the official statement, and any other related costs, for the Project to be implemented as contemplated herein at a cost of $2,500. The Financial Services Provider will be responsible for all of the Financial Services Provider's out-of-pocket expenses, including communication, cost of financial analysis and reports prepared in fulfilling its duties outlined herein. If attendance at more than three meetings of the Issuer's board is required, the Issuer shall reimburse the Financial Services Provider at the rate of $200 per hour, and the hours shall be counted including travel time, and reasonable time allocations for meals. If out-of-state travel is directed by the Issuer, the Issuer will reimburse the Financial Services Provider for those expenses. The Issuer will be responsible for the payment of all fees and expenses commonly known as Costs of Issuance, including but not limited to: CUSIP numbers, publication expenses, local legal counsel, bond counsel, ratings, credit enhancement, travel associated with securing any rating or credit enhancement, printing of bonds, printing and distribution of required disclosure documents, trustee fees, paying agent fees, CUSIP registration, and the like.

Section 4. Term of Agreement. The term of this Agreement shall begin on the date of execution set forth above or on the date of any amendment hereto respecting a Project and shall terminate on completion of the Project. Neither the Issuer nor the Financial Services Provider may terminate this Agreement at any time prior to completion of the Project other than for non performance on the part of the Financial Services Provider, in which case the Issuer may terminate this agreement, and upon such termination, all fees due to the Financial Services Provider shall be due and payable immediately by the Issuer. The provisions of Sections 3, 10, 11, 14 and 15 shall survive termination of this Agreement.

Section 5. Independent Contractor. The Financial Services Provider is an independent contractor and nothing herein contained shall constitute or designate the Financial Services Provider or any of its employees or agents as employees or agents of the Issuer.

Section 6. Assignment. Neither the Financial Services Provider nor the Issuer shall have the right or power to assign this Agreement or parts thereof, or its respective duties, without the express written consent of the other party. In the event of acquisition of the Financial Services Provider by a third party firm, notice shall be given to the Issuer regarding the acquisition and the Issuer shall have the opportunity to consent to the assignment of this Agreement, which consent shall not be unreasonably withheld.

Section 7. Entire Agreement/Amendments. This Agreement, including any amendments hereto which are expressly incorporated herein, constitute the entire Agreement between the parties hereto and sets forth the rights, duties, and obligations of each to the other as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and

effect. This Agreement may not be modified except by a writing executed by both the Financial Services Provider and the Issuer.

Section 8. Not Liable for Advice of Third Party Financial Services Providers. Should the Issuer seek advice from third party Financial Services Providers, bankers or legal advisors or others providing guidance similar in scope to that contemplated herein, the Issuer agrees that the Financial Services Provider shall not be held liable for advice or recommendations made to the Issuer by third party Financial Services Providers, banker or legal advisors.

Section 9. Legal Advice. The Financial Services Provider is not legal counsel or an accountant and is not providing legal or accounting guidance. None of the Services contemplated in this Agreement shall be construed as or a substitute for legal services.

Section 10. Indemnification. To the extent the Issuer is authorized by law to indemnify the Financial Services Provider, the Issuer will indemnify and hold harmless the Financial Services Provider, each individual, corporation, partnership, trust, association or other entity controlling the Financial Services Provider, any affiliate of the Financial Services Provider or any such controlling entity and their respective directors, officers, employees, partners, incorporators, shareholders, servants, trustees and agents (hereinafter the "Indemnitees") against any and all liabilities, penalties, suits, causes of action, losses, damages, claims, costs and expenses (including, without limitation, fees and disbursements of counsel) or judgments of whatever kind or nature (each a "Claim"), imposed upon, incurred by or asserted against the Indemnitees arising out of or based upon (i) any allegation that the Official Statement, the information about the Issuer or any information provided by the Issuer to the Underwriter included (as of any relevant time) or includes an untrue statement of a material fact or omitted (as of any relevant time) or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or (ii) arising out of or based upon the breach by the Issuer of any agreement, covenant or representation made in or pursuant to this Bond Issuance Resolution, Tax Exemption Certificate, or any purchase agreement between the Issuer and the purchaser of the Bonds

The Issuer acknowledges and understands that state and federal laws relating to disclosure in connection with municipal securities, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer and that the failure of the Financial Services Provider to advise the Issuer respecting these laws shall not constitute a breach by the Financial Services Provider or any of its duties and responsibilities under this Agreement.

Section 11. Notices. Any written notice or communications required or permitted by this Agreement or by law to be served on, given to, or delivered to either party hereto, by the other party shall be in writing and shall be deemed duly served, given, or delivered when personally delivered to the party to whom it is addressed or in lieu of such personal services, when deposited in the United States' mail, first-class postage prepaid, addressed to the Issuer at:

City of Cresco
Attn: City Clerk
130 North Park Place
Cresco, IA 52136-1594

or to the Financial Services Provider at:

Piper Jaffray & Co.
3900 Ingersoll Ave. Suite 110
Des Moines, IA 50312
Attention Public Finance Department

Section 12. Consent to Jurisdiction; Service of Process. The parties each hereby (a) submits to the jurisdiction of the Federal court sitting in Des Moines, Iowa with respect to any actions and proceedings arising out of or relating to this Agreement, (b) agrees that all claims with respect to such actions or proceedings may be heard and determined in such court, (c) waives the defense of an inconvenient forum, (d) agrees not to commence any action or proceeding relating to this Agreement other than in the Federal court sitting in Des Moines, Iowa and (e) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

Section 13. Counterparts; Severability. This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

Section 14. Parties in Interest. This Agreement, including rights to indemnity and contribution hereunder, shall be binding upon and inure solely to the benefit of each party hereto, any Indemnitee and their respective successors, heirs and assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 15. Waiver of Jury Trial. The parties each hereby agree to waive any right to a trial by jury with respect to any claim, counterclaim or action arising out of or in connection with this agreement or the transactions contemplated hereby.

Section 16. Issuer intends to issueTax Exempt Bonds. The Issuer acknowledges it intends to issue the Bonds on a tax exempt basis and further acknowledges the Issuer's continuing covenants and responsibilities regarding tax exemption that will be contained in the Bond Documents, including the Tax Exemption Certificate and Bond Resolution. Issuer acknowledges that the services provided by the Financial Services Provider are not intended to be construed as tax advice with respect to the issuance of the Bonds.

Section 17. General. The failure of either of the parties to enforce any right or provision under this Agreement shall not constitute a waiver of such right or provision unless acknowledged and agreed to by such party in writing. No waiver shall be implied from a failure of either party to exercise a right or remedy. In addition, no waiver of a party's right or remedy will affect the other provisions of this Agreement.

The captions in this Agreement are included for convenience of reference only and are in no way meant to define or limit any of the provisions contained in this Agreement or otherwise affect their construction or effect. When a word or phrase is enclosed in parenthesis and quotation marks, i.e., ("Word"), then that word or phrase shall be interpreted as if fully written out in the following format: "(hereinafter referred to as the 'Word')," and thereafter in this Agreement, that word or phrase shall stand as an abbreviation of the longer phrase to which it relates.

{Remainder of Page Left Blank Intentionally}

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written. By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

CITY OF CRESCO

By: _____
Title:

PIPER JAFFRAY & CO.

By: _____
Vice President

DISCLOSURE OF CONFLICTS OF INTEREST WITH VARIOUS FORMS OF COMPENSATION

The Municipal Securities Rulemaking Board (MSRB) requires us, as your municipal advisor, to provide written disclosure to you about the actual or potential conflicts of interest presented by various forms of compensation. We must provide this disclosure even if you have already chosen a particular form of compensation. The municipal advisor's client should select a form of compensation that best meets its needs and the agreed upon scope of services.

Forms of Compensation; Potential Conflicts. The forms of compensation for municipal advisors vary according to the nature of the engagement and requirements of the client, among other factors. Various forms of compensation present actual or potential conflicts of interest because they may create an incentive for an advisor to recommend one course of action over another if it is more beneficial to the advisor to do so. This document discusses various forms of compensation and the timing of payments to the advisor.

Fixed fee. Under a fixed fee form of compensation, the municipal advisor is paid a fixed amount established at the outset of the transaction. The amount is usually based upon an analysis by the client and the advisor of, among other things, the expected duration and complexity of the transaction and the agreed-upon scope of work that the advisor will perform. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, the advisor may suffer a loss. Thus, the advisor may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. There may be additional conflicts of interest if the municipal advisor's fee is contingent upon the successful completion of a financing, as described below.

Hourly fee. Under an hourly fee form of compensation, the municipal advisor is paid an amount equal to the number of hours worked by the advisor times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if the client and the advisor do not agree on a reasonable maximum amount at the outset of the engagement, because the advisor does not have a financial incentive to recommend alternatives that would result in fewer hours worked. In some cases, an hourly fee may be applied against a retainer (e.g., a retainer payable monthly), in which case it is payable whether or not a financing closes. Alternatively, it may be contingent upon the successful completion of a financing, in which case there may be additional conflicts of interest, as described below.

Fee contingent upon the completion of a financing or other transaction. Under a contingent fee form of compensation, payment of an advisor's fee is dependent upon the successful completion of a financing or other transaction. Although this form of compensation may be customary for the client, it presents a conflict because the advisor may have an incentive to recommend unnecessary financings or financings that are disadvantageous to the client. For example, when facts or circumstances arise that could cause the financing or other transaction to be delayed or fail to close, an advisor may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction.

Fee paid under a retainer agreement. Under a retainer agreement, fees are paid to a municipal advisor periodically (e.g., monthly) and are not contingent upon the completion of a financing or other transaction. Fees paid under a retainer agreement may be calculated on a fixed fee basis (e.g., a fixed fee per month regardless of the number of hours worked) or an hourly basis (e.g., a minimum monthly payment, with additional amounts payable if a certain number of hours worked is exceeded). A retainer agreement does not present the conflicts associated with a contingent fee arrangement (described above).

Fee based upon principal or notional amount and term of transaction. Under this form of compensation, the municipal advisor's fee is based upon a percentage of the principal amount of an issue of securities (e.g., bonds) or, in the case of a derivative, the present value of or notional amount and term of the derivative. This form of compensation presents a conflict of interest because the advisor may have an incentive to advise the client to increase the size of the securities issue or modify the derivative for the purpose of increasing the advisor's compensation.

Acknowledgement

The undersigned hereby acknowledges that he/she has received this disclosure and that he/she has been given the opportunity to raise questions and discuss the foregoing matters with the advisor.

CITY OF CRESCO, IOWA

By: _____

Name: _____

Title: _____

Date: _____

Exhibit A – Plan of Finance

- The target of this issue contains both a new money and refinancing component, the proceeds to be used to current refund the Issuer's 2007 GO Bonds and provide funds for the current's year capital improvement program
- The issue is approximately $1,715,000 in size, and thus will be designated bank qualified by the Issuer
- Pay all issuance costs associated with the Bond (including but not limited to legal, financial advisory, rating, underwriting, printing & miscellaneous costs) out of the proceeds of the Bonds at closing, or substantially thereafter.
- Bond sale shall be on January 17, 2012, or another date as mutually agreeable between legal counsel, the issuer and the Financial Services Provider. The Bond shall close on or around March 6, 2013.
- The Issuer shall approve the preliminary official statement at its December 17th board meeting.
- A credit rating from Standard & Poor's Corporation will be requested. Rating is expected on or around December 18th. Official statement is to be printed with a rating, if at all possible, on December 18th or as soon thereafter as possible.
- The Bonds will be sold at sealed bid using the I-Deal (PARITY) electronic bidding system

RESOLUTION NUMBER _____

RESOLUTION APPROVING THE PRELIMINARY OFFICIAL STATEMENT

The City Council of the City of Cresco met in regular session on December 17, 2012 at 7:00 P.M. The Preliminary Official Statement was reviewed and discussed.

Council Person _____ moved the adoption of the foregoing resolution approving the Preliminary Official Statement. Council Person _____ seconded said motion. A roll call vote was requested by the Mayor and said roll call vote resulted as follows:

Ayes: _____

Nays: _____

Absent: _____

Thereupon, the Mayor declared said Resolution duly passed and announced that the Preliminary Official Statement was approved by the Council of the City of Cresco.

PASSED AND APPROVED THIS 17TH DAY OF DECEMBER, 2012.

BY:_____
Mayor Mark Bohle

ATTEST:_____
City Clerk Michelle Girolamo

RESOLUTION NO._____

RESOLUTION ALLOWING FOR THE TRANSFER OF FUNDS
FROM FUND #316 2ND AVENUE PROJECT TO FUND #187
EQUIPMENT REPLACEMENT FUND

WHEREAS, Monies received from the Sale of General Obligation Loan Notes, Series 2010 were received for projects including construction of streets and sidewalks, street lighting, traffic control devices, storm sewer improvements, improvements to the sanitary sewer system, acquisition of equipment for the Street Department and Water Department, and constructing, equipping and furnishing of public buildings, including a garage; and

WHEREAS, the City of Cresco had deposited the bond proceeds in Fund #316 2nd Avenue Project due to the project anticipated actual costs being less than the original contract price hence there are sufficient funds from prior street assessment projects to pay the remainder of the 2nd Avenue Reconstruction Project expenses; and

WHEREAS, the City of Cresco purchased equipment for the Street Department consisting of a 2011 refurbished DuraPatcher for $44,250 of which $33,500 will be funded by the G.O. Loan.

THEREFORE BE IT RESOLVED, that the City of Cresco is transferring $33,500 bond proceeds from Fund #316 2nd Avenue Project to Fund #187 Equipment Replacement Fund.

BE IT ALSO RESOLVED, that the City Clerk is directed by the Mayor and the City Council to make the above referenced changes and correct the books accordingly.

PASSED AND APPROVED THIS 17TH DAY OF DECEMBER, 2012

_____
Mayor Mark Bohle

ATTEST:_____
City Clerk Michelle Girolamo

Repayment Options for GO Loan Notes, Series 2013

1 = Savings from refinancing would be spread evenly over 13 years. First year this would reduce property tax levy by about 10 cents per $1,000 property tax ($10 for a $100,000 house)

2 = savings not as great each year but eliminates one year's payments so no tax levy in 2026 (tax levy savings 85 cents per $1,000 in that final year)

3 = payments about the same as original loan but eliminates the last two years payments. First year this would actually increase tax levy by 2.5 cents per thousand over the original bond but would save 85 cents the last two years.

The overall savings between 1 & 3 is $25,640 but we have to wait until 2025 and 2026 to see most of it whereas #1 we see some each year. Piper Jaffray did not think there would be much difference in the attractiveness of selling the bonds.

Some cities choose one to say they reduced the tax levy each year. Some cities choose three to say they reduced the total cost and save two years payments.

VOTING RESULTS:

Jan	1	I would go with number one as my first choice, number 3 as my second choice
Mark	1	I would think number 1 as that would show savings every year over thirteen years. The second one would be palatable also, but I would lean towards 1.
Amy	2	On a net present value basis, all three are reasonably close, although, financially, #3 is the clear winner. However, it loses big time in how it "feels" to the taxpayers. I prefer #2 as a middle course between financial gains and reality, although I could live with #1.
John	2	I actually like #3 the best because of the total savings, but I could live with any of them. I vote for #2 for the middle of the road.
Teresa	3	I vote for option 3.
Steve	3	At first glance, I liked #3 but also could see the benefits of the other options
Michelle	3	This saves the most money even using present value calculations. I don't think taxpayers will notice or appreciate a reduction of $10 per year on their taxes if they are giving up a savings of $25,640 in the end. My other thought was that if we do continue with the Granger Road project then we will be borrowing a substantial amount of money in about 5 years or so. If we did not have this debt still outstanding, then it would save us $88,000 for years 2025 and 2026 in figuring the debt levy for those years.

Ok, so if you don't count me (since I don't officially have a vote) then we are tied.

Comparison Between Options

Cresco, Iowa (Crossover refunding of 2007 GO Bonds)

	Equal Annual Savings Option		
A	B	C	D
Date	Proposed "New" Bond Payments	Annual Savings	Present Value of Savings
6/1/2013		3,585	3,585
12/1/2013	11,337		13,083
6/1/2014	157,558	10,740	-2,444
12/1/2014	7,071		14,635
6/1/2015	162,071	10,554	-4,324
12/1/2015	6,528		12,442
6/1/2016	166,528	11,441	-1,456
12/1/2016	5,928		10,150
6/1/2017	160,928	11,986	1,166
12/1/2017	5,231		7,981
6/1/2018	70,231	12,654	3,765
12/1/2018	4,889		7,073
6/1/2019	74,889	10,936	2,927
12/1/2019	4,452		6,188
6/1/2020	69,452	14,211	6,589
12/1/2020	4,005		5,336
6/1/2021	74,005	12,505	5,737
12/1/2021	3,480		4,428
6/1/2022	73,480	15,615	9,174
12/1/2022	2,903		3,501
6/1/2023	72,903	13,620	8,181
12/1/2023	2,273		2,614
6/1/2024	77,273	11,655	7,230
12/1/2024	1,541		1,747
6/1/2025	71,541	14,678	10,451
12/1/2025	806		876
6/1/2026	75,806	12,628	9,455
Totals:	1,367,108	166,807	150,087
Average Interest Rate:		1.544%	

	Early Payoff Option (One Year Early)		
E	F	G	
Proposed "New' Bond Payments	Annual Savings	Present Value of Savings	
	3,577	3,577	
10,908		13,515	
162,272	6,455	-7,077	
6,768		14,950	
166,768	6,159	-8,879	
6,208		12,775	
171,208	7,081	-5,926	
5,589		10,499	
165,589	7,664	-3,215	
4,869		8,347	
74,869	8,376	-521	
4,502		7,461	
79,502	6,711	-1,274	
4,033		6,600	
79,033	5,049	-2,005	
3,518		5,804	
78,518	8,480	1,767	
2,955		4,920	
82,955	6,665	947	
2,295		4,055	
77,295	9,835	4,457	
1,620		3,194	
81,620	7,960	3,596	
840		2,355	
80,840	6,080	2,757	
0		1,556	
0	89,240	72,161	
1,354,575	179,332	156,395	
	1.465%		

	Early Payoff Option (Two Years Early)		
H	I	J	
Proposed "New' Bond Payments	Annual Savings	Present Value of Savings	
	1,626	1,626	
10,388		14,038	
171,926	-2,679	-16,578	
6,389		15,343	
171,389	1,917	-13,380	
5,812		13,188	
175,812	2,874	-10,348	
5,174		10,929	
170,174	3,494	-7,556	
4,432		8,792	
84,432	-749	-9,430	
4,012		7,952	
84,012	2,692	-5,425	
3,512		7,115	
83,512	1,092	-6,077	
2,962		6,344	
87,962	-409	-6,666	
2,324		5,519	
87,324	2,927	-2,900	
1,623		4,679	
86,623	1,179	-3,621	
858		3,883	
88,858	1,484	-2,583	
0		3,096	
0	87,760	71,260	
0		1,573	
0	89,240	73,007	
1,339,509	192,447	163,779	
	1.373%		