City of Carroll

627 N. Adams Street Carroll, Iowa 51401 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Mike Pogge-Weaver, City Manager

FROM: Laura A. Schaefer, Finance Director/City Clerk LAS

DATE: August 19, 2021

SUBJECT: $3,445,000 General Obligation Refunding Capital Loan Notes, Series 2021A

- Resolution approving electronic bidding procedures and Distribution of Preliminary Official Statement

A public hearing was held for the refunding of the General Obligation Capital Loan Notes, Series 2018B that was originally issued to fund the Library/City Hall Remodel Projects ($3,800,000), improvements to existing city parks and sidewalk & trail construction ($675,000). The City worked with five local banks (Availa Bank, Commercial Savings Bank, Iowa Savings Bank, United Bank of Iowa and Westside State Bank) for this debt issuance.

The current General Obligation Capital Loan Notes, Series 2018B has been outstanding for almost three years. There has been a lot of change in the market where interest rates have drastically dropped since 2018. The 2018 debt was issued at an interest rate of 3.35%, which was the market interest rate at that time.

The next step before receiving interest rate bids is to approve the method to receive the bids and approve the distribution of the Preliminary Official Statement in connection with the offering of the Notes for sale. The attached resolution approves the following items:

- The methods to receive bids via sealed bid at City Hall, facsimile machine to PFM Financial Advisors and the Parity® Competitive Bidding System (electronic internet bidding) and
- The Preliminary Official Statement (attached) to be used in the offering of the Notes

PFM Financial Advisors LLC recommends we use the above bidding methods. Iowa Code requires Council make a finding that the recommended procedure will provide reasonable security and maintain the integrity of the competitive bidding process and facilitate the delivery of bids by interested parties under the circumstances of the particular sale.

The resolution also approves the Official Statement and authorizes its distribution. Careful review of the Preliminary Official Statement is important in the offering of the Notes. The U.S. Securities and Exchange Commission Rule 15c2-12 requires prospective purchasers of the Notes to obtain and review an official statement that has been "deemed final" by the City prior to submitting a bid to purchase the Notes. City staff has reviewed the enclosed Preliminary Official Statement and believe the facts and representations in the Preliminary Official Statement are true and correct to the best of our knowledge.

The bid opening is scheduled for 10AM on September 13, 2021.

If you have any questions, please feel free to stop by City Hall or call me.

RECOMMENDATION: Council consideration and approval of the resolution approving Electronic Bidding Procedures and Distribution of the Preliminary Official Statement.

ITEMS TO INCLUDE ON AGENDA

CITY OF CARROLL, IOWA

$3,445,000* General Obligation Refunding Capital Loan Notes, Series 2021A

- Resolution approving electronic bidding procedures and Distribution of Preliminary Official Statement.

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

August 23, 2021

The City Council of the City of Carroll, State of Iowa, met in regular session, in the Council Chambers, City Hall, 627 N Adams Street, Carroll, Iowa, at 5:15 P.M., on the above date. There were present Mayor _____, in the chair, and the following named Council Members:

_____

Absent: _____

Vacant: _____

* * * * * * *

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

AYES: _____

_____

NAYS: _____

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

RESOLUTION NO. _____

RESOLUTION APPROVING ELECTRONIC BIDDING PROCEDURES AND DISTRIBUTION OF PRELIMINARY OFFICIAL STATEMENT

WHEREAS, in conjunction with its Municipal Advisor, PFM Financial Advisors LLC, 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 has received information from its Municipal Advisor 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 CARROLL, 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 and Clerk, upon the advice of bond counsel and the City's Municipal Advisor, shall determine to be appropriate, and is authorized to be distributed in connection with the offering of the Notes for sale.

Section 2. That the receipt of electronic bids by facsimile machine and through the PARITY® Competitive Bidding System described in the Official Statement are hereby found and determined to provide reasonable security and to maintain the integrity of the competitive bidding process, and to facilitate the delivery of bids by interested parties in connection with the offering at public sale.

PASSED AND APPROVED this 23rd day of August, 2021.

_____
Mayor

ATTEST:

_____
City Clerk

CERTIFICATE

STATE OF IOWA	)
	) SS
COUNTY OF CARROLL	)

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

WITNESS my hand and the seal of the Council hereto affixed this _____ day of _____, 2021.

_____
City Clerk, City of Carroll, State of Iowa

(SEAL)

This Preliminary Official Statement and the information contained herein are subject to completion, amendment or other change without notice. The Notes may not be sold nor may offers to buy be accepted prior to the time the Preliminary 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 Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the applicable securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 23, 2021

Refunding Issue **Moody's Investors Service '___'**

Assuming compliance with certain covenants, in the opinion of Ahlers & Cooney, P.C., Bond Counsel, under present law and assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Notes is excludable from gross income for federal income tax purposes. Interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the Notes is NOT exempt from present State of Iowa income taxes. The Notes will be designated as "qualified tax-exempt obligations". See "TAX MATTERS" section herein for a more detailed discussion.

CITY OF CARROLL, IOWA

$3,445,000* General Obligation Refunding Capital Loan Notes, Series 2021A

BIDS RECEIVED: Monday, September 13, 2021, 10:00 A.M., Central Time
AWARD: Monday, September 13, 2021, 5:15 P.M., Central Time

Dated: Dated Date (October 14, 2021) **Principal Due:** June 1, as shown inside front cover

The $3,445,000* General Obligation Refunding Capital Loan Notes, Series 2021A (the "Notes") are being issued pursuant to Division III of Chapter 384 of the Code of Iowa and a resolution authorizing issuance of the Notes to be adopted by the City Council of the City of Carroll, Iowa (the "City"). The Notes are being issued for essential corporate purposes and to current refund on October 14, 2021, $3,370,000 of the outstanding General Obligation Capital Loan Notes, Series 2018B, originally dated November 14, 2018, maturing June 1, 2022 through 2033 (the "Series 2018B Notes"). The purchaser of the Notes agrees to enter into a loan agreement (the "Loan Agreement") with the City pursuant to authority contained in Sections 384.24A and 384.25 of the Code of Iowa. The Notes are issued in evidence of the City's obligations under the Loan Agreement. The Notes are general obligations of the City, for which the City will pledge to levy ad valorem taxes against all taxable property within the City without limitation as to rate or amount.

The Notes will be issued as fully registered Notes without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Notes. Individual purchases may be made in book-entry form only, in the principal amount of $5,000 and integral multiples thereof. Purchaser will not receive certificates representing their interest in the Notes purchased. Principal of the Notes, payable annually on each June 1, beginning June 1, 2022 and interest on the Notes, payable initially on June 1, 2022 and thereafter on each December 1 and June 1, will be paid to DTC by the City's Registrar/Paying Agent, UMB Bank, N.A., West Des Moines, Iowa (the "Registrar"). DTC will in turn remit such principal and interest to its participants for subsequent disbursements to the beneficial owners of the Notes as described herein. Interest and principal shall be paid to the registered holder of a bond as shown on the records of ownership maintained by the Registrar as the 15th day of the month preceding such interest payment date (the "Record Date").

NOTES WILL MATURE AS LISTED ON THE INSIDE FRONT COVER

MINIMUM BID:	$3,417,440
GOOD FAITH DEPOSIT:	$34,450 Required of Purchaser Only
TAX MATTERS:	Federal: Tax-Exempt State: Taxable See "TAX MATTERS" for more details.

The Notes are offered, subject to prior sale, withdrawal or modification, when, as, and if issued subject to the unqualified approving legal opinion of Ahlers & Cooney, P.C., Bond Counsel, Des Moines Iowa, to be furnished upon delivery of the Notes. It is expected the Notes in the definitive form will be available on or about October 14, 2021 via Fast Automated Securities Transfer delivery with the Registrar holding the Notes on behalf of DTC. The Preliminary Official Statement in the form presented is deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to revisions, corrections or modifications as determined to be appropriate, and is authorized to be distributed in connection with the offering of the Notes for sale.

* Preliminary; subject to change.

CITY OF CARROLL, IOWA

$3,445,000* General Obligation Refunding Capital Loan Notes, Series 2021A

MATURITY: The Notes will mature June 1 in the years and amounts as follows:

Year	Amount*
2022	$425,000
2023	260,000
2024	265,000
2025	265,000
2026	265,000
2027	270,000
2028	270,000
2029	275,000
2030	280,000
2031	285,000
2032	290,000
2033	295,000

***PRINCIPAL ADJUSTMENT:** Preliminary; subject to change. The aggregate principal amount of the Notes, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the successful bidder. The City may increase or decrease each maturity in increments of $5,000 but the total amount to be issued will not exceed $3,600,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Notes is adjusted as described above. Any change in the principal amount of any maturity of the Notes will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of note principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the successful bidder

INTEREST: Interest on the Notes will be payable on June 1, 2022 and semiannually thereafter.

REDEMPTION: The Notes due after June 1, 2029 will be subject to call prior to maturity in whole, or from time to time in part, in any order of maturity and within a maturity by lot on said date or on any date thereafter upon terms of par plus accrued interest to date of call. Written notice of such call shall be given at least thirty (30) days prior to the date fixed for redemption to the registered owners of the Notes to be redeemed at the address shown on the registration books.

COMPLIANCE WITH S.E.C. RULE 15c2-12

The Notes are subject to Section 240.15c2-12 of the Securities Exchange Act of 1934.

Preliminary Official Statement: This Preliminary Official Statement was prepared for the City for dissemination to prospective bidders. Its primary purpose is to disclose information regarding the Notes to prospective bidders in the interest of receiving competitive bids in accordance with the "TERMS OF OFFERING" contained herein. Unless an addendum is received prior to the sale, this document shall be deemed the final "Preliminary Official Statement."

Review Period: This Preliminary Official Statement has been distributed to City staff as well as to prospective bidders for an objective review of its disclosure. Comments, omissions or inaccuracies must be submitted to PFM Financial Advisors LLC (the "Municipal Advisor") at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a bid received. If there are any changes, corrections or additions to the Preliminary Official Statement, prospective bidders will be informed by an addendum at least one business day prior to the sale.

Final Official Statement: Upon award of sale of the Notes, the legislative body will authorize the preparation of a final Official Statement that includes the offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, anticipated delivery date and other information required by law and the identity of the syndicate manager (the "Syndicate Manager") and syndicate members. Copies of the final Official Statement will be delivered to the Syndicate Manager within seven business days following the bid acceptance.

REPRESENTATIONS

No dealer, broker, salesman or other person has been authorized by the City, the Municipal Advisor or the underwriter to give any information or to make any representations other than those contained in this Preliminary Official Statement or the final Official Statement and, if given or made, such information and representations must not be relied upon as having been authorized by the City, the Municipal Advisor or the underwriter. This Preliminary Official Statement or the final Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the City and other sources which are believed to be reliable, but it is not to be construed as a representation by the Municipal Advisor or underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Preliminary Official Statement or the final Official Statement, nor any sale made thereafter shall, under any circumstances, create any implication there has been no change in the affairs of the City or in any other information contained herein, since the date hereof.

This Preliminary Official Statement and any addenda thereto were prepared relying on information from the City and other sources, which are believed to be reliable.

Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein.

Compensation of the Municipal Advisor, payable entirely by the City, is contingent upon the sale of the issue.

CITY OF CARROLL, IOWA

City Council

Dr. Eric Jensen	Mayor
Clay Haley	Council Member
Michael Kots	Council Member
Carolyn Siemann	Council Member
Misty Boes	Council Member
LaVern Dirkx	Council Member
Jerry Fleshner	Council Member

Administration

Mike Pogge-Weaver, City Manager
Laura Schaefer, City Clerk/Finance Director

City Attorney

David S. Bruner
Carroll, Iowa
Des Moines, Iowa

Bond Counsel

Ahlers & Cooney, P.C.
Des Moines, Iowa

Municipal Advisor

PFM Financial Advisors LLC
Des Moines, Iowa

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TERMS OF OFFERING

CITY OF CARROLL, IOWA

Bids for the purchase of the City of Carroll, Iowa's (the "City") $3,445,000* General Obligation Refunding Capital Loan Notes, Series 2021A (the "Notes") will be received on Monday, September 13, 2021 before 10:00 A.M. Central Time after which time they will be tabulated. The City's Council will consider award of the Notes at 5:15 P.M. Central Time, on the same day. Questions regarding the sale of the Notes should be directed to the City's Municipal Advisor, PFM Financial Advisors LLC, 801 Grand Avenue, Suite 3300, Des Moines, Iowa, 50309, or by telephoning 515-724-5734. Information can also be obtained from Ms. Laura Schaefer, City Clerk/Finance Director, City of Carroll, 627 N. Adams Street, Carroll, Iowa, 51401, or by telephoning 712-792-1000.

The following section sets forth the description of certain terms of the Notes as well as the "TERMS OF OFFERING" with which all bidders and bid proposals are required to comply, as follows:

DETAILS OF THE NOTES

GENERAL OBLIGATION REFUNDING CAPITAL LOAN NOTES, SERIES 2021A in the principal amount of $3,445,000*, will be dated the date of delivery (anticipated to be October 14, 2021), in the denomination of $5,000 or multiples thereof, and will mature on June 1 as follows:

Year	Amount*
2022	$425,000
2023	260,000
2024	265,000
2025	265,000
2026	265,000
2027	270,000
2028	270,000
2029	275,000
2030	280,000
2031	285,000
2032	290,000
2033	295,000

ADJUSTMENT TO NOTE MATURITY AMOUNTS

The aggregate principal amount of the Notes, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the successful bidder. The City may increase or decrease each maturity in increments of $5,000 but the total amount to be issued will not exceed $3,600,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Notes is adjusted as described above. Any change in the principal amount of any maturity of the Notes will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of note principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the successful bidder.

*Preliminary; subject to change.

TERM-NOTE OPTION

Bidders shall have the option of designating the Notes as serial notes or term notes, or both. The bid must designate whether each of the principal amounts shown above represent a serial maturity or a mandatory redemption requirement for a term bond maturity. (See the OFFICIAL BID FORM for more information.) In any event, the above principal amount scheduled shall be represented by either serial note maturities or mandatory redemption requirements, or a combination of both.

INTEREST

Interest on the Notes will be payable on June 1, 2022 and semiannually on the 1st day of December and June thereafter. Interest and principal shall be paid to the registered holder of a note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding such interest payment date (the "Record Date"). Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board.

OPTIONAL REDEMPTION

The Notes due after June 1, 2029 will be subject to call prior to maturity in whole, or from time to time in part, in any order of maturity and within a maturity by lot on said date or on any date thereafter at the option of the City, upon terms of par plus accrued interest to date of call. Written notice of such call shall be given at least thirty (30) days prior to the date fixed for redemption to the registered owners of the Notes to be redeemed at the address shown on the registration books.

GOOD FAITH DEPOSIT

A good faith deposit in the amount of $34,450 (the "Deposit") is required from the lowest bidder only. The lowest bidder is required to submit such Deposit payable to the order of the City, not later than 12:00 P.M. Central Time on the day of the sale of the Notes and in the form of either (i) a cashier's check provided to the City or its Municipal Advisor or (ii) a wire transfer as instructed by the City's Municipal Advisor. If not so received, the bid of the lowest bidder may be rejected and the City may direct the second lowest bidder to submit a deposit and thereafter may award the sale of the Notes to the same. No interest on a deposit will accrue to the successful bidder (the "Purchaser"). The Deposit will be applied to the purchase price of the Notes. In the event a Purchaser fails to honor its accepted bid proposal, any deposit will be retained by the City.

FORM OF BIDS AND AWARD

All bids shall be unconditional for the Notes for a price not less than $3,417,440, plus accrued interest, and shall specify the rate or rates of interest in conformity to the limitations set forth under the "BIDDING PARAMETERS" section. Bids must be submitted on or in substantial compliance with the OFFICIAL BID FORM provided by the City. The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a true interest cost (the "TIC") basis assuming compliance with the "ESTABLISHMENT OF ISSUE PRICE" and "GOOD FAITH DEPOSIT" sections. The TIC shall be determined by the present value method, i.e., by ascertaining the semiannual rate, compounded semiannually, necessary to discount to present value as of the dated date of the Notes, the amount payable on each interest payment date and on each stated maturity date or earlier mandatory redemption, so that the aggregate of such amounts will equal the aggregate purchase price offered therefore. The TIC shall be stated in terms of an annual percentage rate and shall be that rate of interest, which is twice the semiannual rate so ascertained (also known as the Canadian Method). The TIC shall be as determined by the Municipal Advisor based on the "TERMS OF OFFERING" and all amendments, and on the bids as submitted. The Municipal Advisor's computation of the TIC of each bid shall be controlling. In the event of tie bids for the lowest TIC, the Notes will be awarded by lot.

The City will reserve the right to: (i) waive non-substantive informalities of any bid or of matters relating to the receipt of bids and award of the Notes, (ii) reject all bids without cause and (iii) reject any bid which the City determines to have failed to comply with the terms herein.

BIDDING PARAMETERS

Each bidder's proposal must conform to the following limitations:

1. Each annual maturity must bear a single rate of interest from the dated date of the Notes to the date of maturity.
2. Rates of interest bid must be in multiples of one-eighth or one-twentieth of one percent.
3. The initial price to the public for each maturity must be 98% or greater.

RECEIPT OF BIDS

Forms of Bids: Bids must be submitted on or in substantial compliance with the "TERMS OF OFFERING" and "OFFICIAL BID FORM" provided by the City or through PARITY® competitive bidding system (the "Internet Bid System"). Neither the City nor its agents shall be responsible for malfunction or mistake made by any person, or as a result of the use of the electronic bid or any other means used to deliver or complete a bid. The use of such means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

No bid will be accepted after the time specified in the "TERMS OF OFFERING" and "OFFICIAL BID FORM". The time as maintained by the Internet Bid System shall constitute the official time with respect to all bids submitted. A bid may be withdrawn before the bid deadline using the same method used to submit the bid. If more than one bid is received from a bidder, the last bid received shall be considered.

Sealed Bidding: Sealed bids may be submitted and will be received at the office of the City Manager, City of Carroll, 627 N. Adams Street, Carroll, Iowa, 51401.

Electronic Internet Bidding: Electronic internet bids will be received at the office of the City's Municipal Advisor, PFM Financial Advisors LLC, 801 Grand Avenue, Suite 3300, Des Moines, Iowa, 50309. Electronic internet bids must be submitted through the Internet Bid System. Information about the Internet Bid System may be obtained by calling 212-849-5021.

Each bidder shall be solely responsible for making necessary arrangements to access the Internet Bid System for purposes of submitting its internet bid in a timely manner and in compliance with the requirements of the "TERMS OF OFFERING" and OFFICIAL BID FORM. The City is permitting bidders to use the services of the Internet Bid System solely as a communication mechanism to conduct the Internet bidding and the Internet Bid System is not an agent of the City. Provisions of the "TERMS OF OFFERING" and "OFFICIAL BID FORM" shall control in the event of conflict with information provided by the Internet Bid System.

Electronic Facsimile Bidding: Electronic facsimile bids will be received at the office of the City's Municipal Advisor, PFM Financial Advisors LLC, 801 Grand Avenue, Suite 3300, Des Moines, Iowa, 50309 (facsimile number: 515-243-6994). Electronic facsimile bids will be sealed and treated as sealed bids.

Electronic facsimile bids received after the deadline will be rejected. Bidders electing to submit bids via facsimile transmission bear full responsibility for the transmission of such bid. Neither the City nor its agents shall be responsible for malfunction or mistake made by any person, or as a result of the use of the facsimile facilities or any other means used to deliver or complete a bid. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received. Neither the City nor its agents will assume liability for the inability of the bidder to reach the above named facsimile number prior to the time of sale specified above. Time of receipt shall be the time recorded by the facsimile operator receiving the bids.

BOOK-ENTRY-ONLY ISSUANCE

The Notes will be issued by means of a book-entry-only system with no physical distribution of obligation certificates made to the public. The Notes will be issued in fully registered form and one bond certificate, representing the aggregate principal amount of the Notes maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Notes. Individual purchases of the Notes may be made in the principal amount of $5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the Registrar to DTC or its nominee as registered owner of the Notes. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The Purchaser, as a condition of delivery of the Notes, will be required to deposit the obligation certificates with DTC.

MUNICIPAL BOND INSURANCE AT PURCHASER'S OPTION

If the Notes qualify for issuance of any policy of municipal bond insurance or commitment therefore at the option of the bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the Purchaser. Any increased costs of issuance of the Notes resulting from such purchase of insurance shall be paid by the Purchaser, except that, if the City has requested and received a rating on the Notes from a rating agency, the City will pay that initial rating fee. Any other rating agency fees shall be the responsibility of the Purchaser. Failure of the municipal bond insurer to issue the policy after the Notes have been awarded to the Purchaser shall not constitute cause for failure or refusal by the Purchaser to accept delivery on the Notes. The City reserves the right in its sole discretion to accept or deny changes to the financing documents requested by the insurer selected by the Purchaser.

DELIVERY

The Notes will be delivered to the Purchaser through DTC in New York, New York, against full payment in immediately available cash or federal funds. The Notes are expected to be delivered within forty-five days after the sale. Should delivery be delayed beyond sixty days from the date of sale for any reason except failure of performance by the Purchaser, the Purchaser may withdraw their bid and thereafter their interest in and liability for the Notes will cease. When the Notes are ready for delivery, the City will give the Purchaser five working days' notice of the delivery date and the City will expect payment in full on that date; otherwise, reserving the right at its option to determine that the Purchaser failed to comply with the offer of purchase.

NOTE REGISTRATION

The Notes shall be fully registered as to principal and interest in the name of the owner on the registration books of the City's Registrar/Paying Agent, UMB Bank, N.A., West Des Moines, Iowa (the "Registrar"), and after such registration, payment of the principal and interest thereof shall be made only to the registered owner, its legal representatives or assigns. It is anticipated that any successful bidder that waives book-entry issuance provisions in favor of the certificates will be acquiring the Notes for their own account and not with a view to resale or for other distribution thereof, and with no present intent to divide the Notes purchased nor to resell or otherwise dispose of all or any part of the Notes.

ESTABLISHMENT OF ISSUE PRICE

The Purchaser shall assist the City in establishing the issue price of the Notes and shall execute and deliver to the City at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto in "EXHIBIT 1 - FORMS OF ISSUE PRICE CERTIFICATES" to the "TERMS OF OFFERING", with such modifications as may be appropriate or necessary in the reasonable judgment of the Purchaser, the City and Bond Counsel, will need to be signed by the Purchaser. All actions to be taken by the City under the "TERMS OF OFFERING" to establish the issue price of the Notes may be taken on behalf of the City by the Municipal Advisor identified herein and any notice or report to be provided to the City may be provided to the Municipal Advisor.

The City intends the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because (i) the City shall disseminate this "TERMS OF OFFERING" to potential underwriters in a manner that is reasonably designed to reach potential underwriters, (ii) all bidders shall have an equal opportunity to bid, (iii) the City may receive bids from at least three underwriters of municipal notes who have established industry reputations for underwriting new issuances of municipal notes, and (iv) the City anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in the "TERMS OF OFFERING".

Any bid submitted pursuant to the "TERMS OF OFFERING" shall be considered a firm offer for the purchase of the Notes, as specified in the bid.

In the event the competitive sale requirements are not satisfied for the Notes, the City shall so advise the Purchaser. The City may determine to treat (i) the first price at which 10% of a maturity of the Notes (the "10% test") is sold to the public as the issue price of that maturity, and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Notes as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis. The Purchaser shall advise the City if any maturity of the Notes satisfies the 10% test as of the date and time of the award of the Notes. The City shall promptly advise the Purchaser, at or before the time of award of the Notes, which maturities of the Notes shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. Bids will not be subject to cancellation in the event the City determines to apply the hold-the-offering-price rule to any maturity of the Notes.

Prospective bidders should prepare their bids on the assumption that some or all of the maturities of each respective series of the Notes will be subject to the hold-the-offering-price rule in order to establish the issue price of the Notes.

By submitting a bid, the Purchaser shall (i) confirm the underwriters have offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the Purchaser, and (ii) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of (a) the close of the fifth (5th) business day after the sale date, or (b) the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The Purchaser shall promptly advise the City when the underwriters have sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The City acknowledges that in making the representation set forth above, the Purchaser will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event, an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Notes.

By submitting a bid, each bidder confirms that (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (a) report the prices at which it sells to the public the unsold Notes of each maturity allotted to it until it is notified by the Purchaser that either the 10% test has been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the public, and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Purchaser and as set forth in the related pricing wires; and (ii) any agreement among underwriters relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such retail distribution agreement to (a) report the prices at which it sells to the public the unsold Notes of each maturity allotted to it until it is notified by the Purchaser or such underwriter that either the 10% test has been satisfied as to the Notes of that maturity or all Notes of that maturity have been sold to the public, and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Purchaser or such underwriter and as set forth in the related pricing wires.

Sales of any Notes to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this "TERMS OF OFFERING". Further, for purposes of this "TERMS OF OFFERING", (i) "public" means any person other than an underwriter or a related party, (ii) "underwriter" means (a) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public, and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause "(a)" to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the public); (iii) a Purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the Purchaser are subject, directly or indirectly, to (a) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (b) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (c) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and (iv) "sale date" means the date that the Notes are awarded by the City to the Purchaser.

OFFICIAL STATEMENT

The City has authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Notes. The Preliminary Official Statement will be further supplemented by offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, anticipated delivery date and the identity of the underwriters, together with any other information required by law or deemed appropriate by the City, shall constitute a final Official Statement of the City with respect to the Notes, as that term is defined in Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, (the "Rule"). By awarding the Notes to any underwriter or underwriting syndicate submitting an "OFFICIAL BID FORM", the City agrees that, no more than seven (7) business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which each respective series of the Notes are awarded up to 20 copies of the final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The City shall treat the senior managing underwriter of the syndicate to which the Notes are awarded as its designated agent for purposes of distributing copies of the final Official Statement to the Participating Underwriter. Any underwriter executing and delivering an "OFFICIAL BID FORM" with respect to the Notes agrees thereby that if its bid is accepted by the City, (i) it shall accept such designation, and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Notes for purposes of assuring the receipt by each such Participating Underwriter of the final Official Statement.

ELECTRONIC EXECUTED DOCUMENTS

Purchaser consents to the receipt of electronic transcripts and acknowledges the City's intended use of electronically executed documents. Iowa Code chapter 554D establishes electronic signatures have the full weight and legal authority as manual signatures.

CONTINUING DISCLOSURE

The City will covenant in a Continuing Disclosure Certificate for the benefit of the owners and beneficial owners of the Notes to provide annually certain financial information and operating data relating to the City (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report is to be filed by the City no later than two hundred seventy (270) days after the close of each fiscal year, commencing with the Fiscal Year ending June 30, 2021, with the Municipal Securities Rulemaking Board, at its internet repository named "Electronic Municipal Market Access" ("EMMA"). The notices of events, if any, are also to be filed with EMMA. See APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE. The specific nature of the information to be contained in the Annual Report or the notices of events, and the manner in which such materials are to be filed, are summarized in APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE. These covenants have been made in order to assist the underwriter in complying with paragraph (b)(5) of the Rule.

During the past five years, to the best of its knowledge, the City has complied in all material respects with its previous continuing disclosure undertakings entered into under the Rule.

Breach of the undertakings will not constitute a default or an "Event of Default" under the Notes or the Resolution for the Notes. A broker or dealer is to consider a known breach of the undertakings, however, before recommending the purchase or sale of the Notes in the secondary market. Thus, a failure on the part of the City to observe the undertakings may adversely affect the transferability and liquidity of the Notes and their market price.

CUSIP NUMBERS

It is anticipated the Committee on Uniform Security Identification Procedures ("CUSIP") numbers will be printed on the Notes and the Purchaser must agree in the bid proposal to pay the cost thereof. In no event will the City, Bond Counsel or Municipal Advisor be responsible for the review or express any opinion that the CUSIP numbers are correct. Incorrect CUSIP numbers on said Notes shall not be cause for the Purchaser to refuse to accept delivery of said Notes.

BY ORDER OF THE CITY COUNCIL
City of Carroll, Iowa
/s/ Laura Schaefer, City Clerk/Finance Director

SCHEDULE OF BOND YEARS

$3,445,000*
CITY OF CARROLL, IOWA
General Obligation Refunding Capital Loan Notes, Series 2021A

Notes Dated: October 14, 2021
Interest Due: June 1, 2022 and each December 1 and June 1 to maturity
Principal Due: June 1, 2022-2033

Year	Principal *	Bond Years	Cumulative Bond Years
2022	$425,000	267.99	267.99
2023	260,000	423.94	691.93
2024	265,000	697.10	1,389.03
2025	265,000	962.10	2,351.13
2026	265,000	1,227.10	3,578.22
2027	270,000	1,520.25	5,098.47
2028	270,000	1,790.25	6,888.72
2029	275,000	2,098.40	8,987.13
2030	280,000	2,416.56	11,403.68
2031	285,000	2,744.71	14,148.39
2032	290,000	3,082.86	17,231.25
2033	295,000	3,431.01	20,662.26

Average Maturity (dated date): 5.998 Years

*Preliminary; subject to change.

EXHIBIT 1

FORMS OF ISSUE PRICE CERTIFICATES

COMPETITIVE SALES WITH AT LEAST THREE BIDS FROM ESTABLISHED UNDERWRITERS

ISSUE PRICE CERTIFICATE

$_____ General Obligation Refunding Capital Loan Notes, Series 2021A
City of Carroll, Iowa

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Notes").

1. Reasonably Expected Initial Offering Price.

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

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

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

***2.* Defined Terms.**

a) *Issuer* means City of Carroll, Iowa.

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

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

d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Notes. The Sale Date of the Notes is September 13, 2021.

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

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and its advisors with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Bond Counsel in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

[UNDERWRITER]

By:_____
Name:_____

Dated: October 14, 2021

SCHEDULE A

EXPECTED OFFERING PRICES

$_____ General Obligation Refunding Capital Loan Notes, Series 2021A
City of Carroll, Iowa

(*Attached*)

SCHEDULE B

COPY OF UNDERWRITER'S BID

$_____ General Obligation Refunding Capital Loan Notes, Series 2021A
City of Carroll, Iowa

(*Attached*)

COMPETITIVE SALES WITH FEWER THAN THREE BIDS FROM ESTABLISHED UNDERWRITERS HOLD OFFERING PRICE

ISSUE PRICE CERTIFICATE

$_____ General Obligation Refunding Capital Loan Notes, Series 2021A
City of Carroll, Iowa

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] (["Purchaser")][the "Representative")][, on behalf of itself and [NAMES OF OTHER UNDERWRITERS] (together, the "Underwriting Group"),] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Notes").

1. Sale of the General Rule Maturities. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. Initial Offering Price of the Hold-the-Offering-Price Maturities.

a) [Purchaser][The Underwriting Group] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Notes is attached to this certificate as Schedule B.

b) As set forth in the Official Terms of Offering and bid award, [Purchaser][the members of the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, [it][they] would neither offer nor sell any of the Notes of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Notes during the Holding Period.

3. Defined Terms.

a) *General Rule Maturities* means those Maturities of the Notes listed in Schedule A hereto as the "General Rule Maturities."

b) *Hold-the-Offering-Price Maturities* means those Maturities of the Notes listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which [Purchaser][the Underwriters] [has][have] sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

d) *Issuer* means City of Carroll, Iowa.

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

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

g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Notes. The Sale Date of the Notes is September 13, 2021.

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

i) The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [the Purchaser][the Representative's] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and its advisors with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Notes, and by Bond Counsel in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Notes.

[UNDERWRITER][REPRESENTATIVE]

By:_____
Name:_____

Dated: October 14, 2021

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

$_____ General Obligation Refunding Capital Loan Notes, Series 2021A
City of Carroll, Iowa

(*Attached*)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

$_____ General Obligation Refunding Capital Loan Notes, Series 2021A
City of Carroll, Iowa

(*Attached*)

PRELIMINARY OFFICIAL STATEMENT
CITY OF CARROLL, IOWA

$3,445,000* General Obligation Refunding Capital Loan Notes, Series 2021A

INTRODUCTION

This Preliminary Official Statement contains information relating to the City of Carroll, Iowa (the "City") and its issuance of $3,445,000* General Obligation Refunding Capital Loan Notes, Series 2021A (the "Notes"). This Preliminary Official Statement has been executed on behalf of the City and may be distributed in connection with the sale of the Notes authorized therein. Inquiries may be made to the City's Municipal Advisor, PFM Financial Advisors LLC, 801 Grand Avenue, Suite 3300, Des Moines, Iowa, 50309, or by telephoning 515-724-5734. Information can also be obtained from Ms. Laura Schaefer, City Clerk/Finance Director, City of Carroll, 627 N. Adams Street, Carroll, Iowa, 51401, or by telephoning 712-792-1000.

AUTHORITY AND PURPOSE

The $3,445,000* General Obligation Refunding Capital Loan Notes, Series 2021A are being issued pursuant to Division III of Chapter 384 of the Code of Iowa and a resolution authorizing issuance of the Notes to be adopted by the City Council of the City of Carroll, Iowa. The Notes are being issued for essential corporate purposes and to current refund on October 14, 2021, $3,370,000 of the outstanding General Obligation Capital Loan Notes, Series 2018B, originally dated November 14, 2018, maturing June 1, 2022 through 2033 (the "Series 2018B Notes"). The purchaser of the Notes agrees to enter into a loan agreement (the "Loan Agreement") with the City pursuant to authority contained in Sections 384.24A and 384.25 of the Code of Iowa. The Notes are issued in evidence of the City's obligations under the Loan Agreement. The Notes are general obligations of the City, for which the City will pledge to levy ad valorem taxes against all taxable property within the City without limitation as to rate or amount.

Issue Refunded by Notes	Call Date	Call Price	Maturities to be Refunded	Principal Amount	Coupon
Series 2018B Notes	October 14, 2021	100%	6/1/2022	$420,000	3.350%
			6/1/2023	225,000	3.350%
			6/1/2024	235,000	3.350%
			6/1/2025	240,000	3.350%
			6/1/2026	250,000	3.350%
			6/1/2027	260,000	3.350%
			6/1/2028	265,000	3.350%
			6/1/2029	275,000	3.350%
			6/1/2030	285,000	3.350%
			6/1/2031	295,000	3.350%
			6/1/2032	305,000	3.350%
			6/1/2033	315,000	3.350%
		Total:		$3,370,000	

The estimated sources and uses of the Notes are as follows:

Source of Funds*	
Par Amount of Notes	$3,445,000.00
Uses of Funds*	
Deposit Escrow for Refunding	$3,370,000.00
Underwriter's Discount	27,560.00
Cost of Issuance and Contingency	47,440.00
Total Uses	$3,445,000.00

* Preliminary; subject to change.

INTEREST

Interest on the Notes will be payable on June 1, 2022 and semiannually on the 1st day of December and June thereafter. Interest and principal shall be paid to the registered holder of a note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding such interest payment date (the "Record Date"). Interest will be computed on the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board.

OPTIONAL REDEMPTION

The Notes due after June 1, 2029 will be subject to call prior to maturity in whole, or from time to time in part, in any order of maturity and within a maturity by lot on said date or on any date thereafter at the option of the City, upon terms of par plus accrued interest to date of call. Written notice of such call shall be given at least thirty (30) days prior to the date fixed for redemption to the registered owners of the Notes to be redeemed at the address shown on the registration books.

PAYMENT OF AND SECURITY FOR THE NOTES

The Notes are general obligations of the City and the unlimited taxing powers of the City are irrevocably pledged for their payment. Upon issuance of the Notes, the City will levy taxes for the years and in amounts sufficient to provide 100% of annual principal and interest due on the Notes. If, however, the amount credited to the debt service fund for payment of the Notes is insufficient to pay principal and interest, whether from transfers or from original levies, the City must use funds in its treasury and is required to levy ad valorem taxes upon all taxable property in the City without limit as to rate or amount sufficient to pay the debt service deficiency.

Iowa Code section 76.2 provides that when an Iowa political subdivision issues general obligation notes, "the governing authority of these political subdivisions before issuing notes 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 notes 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 notes in full."

Nothing in the Resolution for the Notes prohibits or limits the ability of the City to use legally available moneys other than the proceeds of the general ad valorem property taxes levied, as described in the preceding paragraph, to pay all or any portion of the principal of or interest on the Notes. If, and to the extent such other legally available moneys are used to pay the principal of or interest on the Notes, the City may, but shall not be required to (a) reduce the amount of taxes levied for such purpose, as described in the preceding paragraph; or (b) use proceeds of taxes levied, as described in the preceding paragraph, to reimburse the fund or account from which such other legally available moneys are withdrawn for the amount withdrawn from such fund or account to pay the principal of or interest on the Notes.

The Resolution authorizing the Notes doesn't restrict the City's ability to issue or incur additional general obligation debt, although issuance of additional general obligation debt is subject to the same constitutional and statutory limitations that apply to the issuance of the Notes. For a further description of the City's outstanding general obligation debt upon issuance of the Notes and the annual debt service on the Notes, see "DIRECT DEBT" under "CITY INDEBTEDNESS" included in "APPENDIX A" herein. For a description of certain constitutional and statutory limits on the issuance of general obligation debt, see "DEBT LIMIT" under "CITY INDEBTEDNESS" included in "APPENDIX A" herein.

BOOK-ENTRY-ONLY ISSUANCE

In the instance that the successful bidder waives book-entry issuance provisions in favor of certificates, the provisions included in this section shall not apply. See NOTE REGISTRATION for non-book-entry closing conditions.

The information contained in the following paragraphs of this subsection "Book-Entry-Only Issuance" has been extracted from a schedule prepared by Depository Trust Company ("DTC") entitled "SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING DTC AND BOOK-ENTRY-ONLY ISSUANCE." The information in this section concerning DTC and DTC's book-entry-only system has been obtained from sources the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

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 each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the 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 issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry-only transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants 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 (the "Indirect Participants"). DTC has Standard & Poor's 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 and 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 (the "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 into the transaction. Transfers of ownership interests 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 interests 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 DTC nominee do not affect 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 the transmission to them of 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 has 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 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 Participant in such issue to be redeemed.

Neither DTC nor Cede & Co., nor any other DTC nominee, will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City 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 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 the City 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, Agent, or the City, 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 the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to Tender/Remarketing Agent's DTC account.

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

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

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

NOTE REGISTRATION

The Notes shall be fully registered as to principal and interest in the name of the owner on the registration books of the City's Registrar/Paying Agent, UMB Bank, N.A., West Des Moines, Iowa (the "Registrar"), and after such registration, payment of the principal and interest thereof shall be made only to the registered owner, its legal representatives or assigns. It is anticipated that any successful bidder that waives book-entry issuance provisions in favor of certificates will be acquiring the Notes for their own account and not with a view to resale or for other distribution thereof, and with no present intent to divide the Notes purchased nor to resell or otherwise dispose of all or any part of the Notes.

FUTURE FINANCING

The City does not anticipate any additional general obligation borrowing needs within 90 days of this Preliminary Official Statement.

LITIGATION

The City is not aware of any threatened or pending litigation that may have a material adverse effect on the validity of the Notes or the City's ability to meet its financial obligations.

DEBT PAYMENT HISTORY

The City knows of no instance in which it has defaulted in the payment of principal and interest on its debt.

LEGALITY

The Notes are subject to approval as to certain matters by Ahlers & Cooney, P.C. of Des Moines, Iowa as Bond Counsel. Bond Counsel has not participated in the preparation of this Preliminary Official Statement other than to review or prepare information describing the terms of the Notes and Iowa and Federal law pertinent to the validity of and the tax status of interest on the Notes, which can be found generally under the sections "AUTHORITY AND PURPOSE", "OPTIONAL REDEMPTION", "PAYMENT AND SECURITY FOR THE NOTES" and "TAX MATTERS", herein. Additionally, Bond Counsel has provided its legal opinion and Continuing Disclosure Certificate, included in "APPENDIX B" and "APPENDIX D", respectively, within this Preliminary Official Statement. Bond Counsel is not expressing any opinion as to the completeness or accuracy of the information contained in the Preliminary Official Statement. The "FORM OF LEGAL OPINION" as set out in "APPENDIX B" to this Preliminary Official Statement, will be delivered at closing.

The legal opinion, to be delivered concurrently with the delivery of the Notes, expresses the professional judgment of the attorneys rendering the opinion as to legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

There is no bond trustee or similar person to monitor or enforce the provisions of the Resolution for the Notes. The owners of the Notes should, therefore, be prepared to enforce such provisions themselves if the need to do so arises. 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 obligation to pay general ad valorem property taxes is secured by a statutory lien upon the taxed property, but is not an obligation for which a property owner may be held personally liable in the event of a deficiency. 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. See "LEVIES AND TAX COLLECTIONS" included in "APPENDIX A" herein, for a description of property tax collection and enforcement.

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 obligation 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.

TAX MATTERS

Tax Exemptions and Related Considerations: Federal tax law contains a number of requirements and restrictions that apply to the Notes. These include investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of note proceeds and facilities financed with 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 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 Notes to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

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

Prospective purchasers of the Notes should be aware that ownership of the 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 purchaser of the Notes should consult their tax advisors as to collateral federal income tax consequences
Interest on the Notes is included in gross income for State of Iowa income tax purposes.

Interest on the Notes is not exempt from present Iowa income taxes.

Ownership of the 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 Notes. The prospective purchaser of the Notes should consult their tax advisors regarding the applicability of any such state and local taxes.

Qualified Tax-Exempt Obligations: The City does not reasonably expect to issue any additional Tax Exempt Obligations in calendar year 2021, which must be taken into account, and intends to designate the Notes 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"), 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.

Tax Accounting Treatment of Discount and Premium Notes: The initial public offering price of certain Notes may be less than the amount payable on such Notes at maturity (the "Discount Notes). An amount equal to the difference between the initial public offering price of Discount Notes (assuming that a substantial amount of the 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 Discount Notes should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Notes for federal 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 Notes may be greater than the amount of such Notes at maturity (the "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 note premium on Premium Notes for federal 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 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 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. It cannot be predicted whether or not the Service will commence an audit of the 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 Notes until the audit is concluded, regardless of the ultimate outcome.

Withholdings: 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 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 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.

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. Also, future legislative proposals, or clarification of the Code, may affect the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own legal counsel and tax advisors regarding pending or proposed tax legislation, as to which Bond Counsel expresses no opinion except as expressly set forth in APPENDIX B to this Preliminary Official Statement.

The opinion expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Notes, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Enforcement: Holders of the 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 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 the Notes. There is no note trustee or similar person to monitor or enforce the terms of the Resolution authorizing 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 authorizing the Notes) may have to be enforced from year to year. 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 obligation to pay general ad valorem property taxes is secured by a statutory lien upon the taxed property but is not an obligation for which a property owner may be held personally liable in the event of a deficiency. 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 to be delivered concurrently with the delivery of the 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, and to the exercise of judicial discretion in appropriate cases.

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 Resolution for the Notes, including principal of and interest on the Notes.

The Opinion: The opinion expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Notes, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Bond Counsel's opinions are 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 opinions of Bond Counsel and Bond Counsel's opinions are not binding on the Service. Bond Counsel assumes no obligation to update its opinions after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise.

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 NOTES (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).

NOTEHOLDER'S RISKS

An investment in the Notes is subject to certain risks. No person should purchase the Notes unless such person understands the risks described below and is willing to bear those risks. There may be other risks not listed below which may adversely affect the value of the Notes. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Preliminary Official Statement (including the Appendices hereto) in order to make a judgment as to whether the Notes are an appropriate investment.

Global Health Emergency Risk: The current spread of COVID-19 is altering the behavior of businesses and people in a manner that may have negative effects on economic activity, and therefore adversely affect the financial condition of the City, either directly or indirectly. Federal, State, and local officials are taking steps to curb the spread of the virus, including providing both discretionary and mandatory guidelines. The spread of the virus could reduce sales tax collections, delay the receipt of property tax payments and negatively impact other collections dependent on local business activity. A State Public Health Emergency Declaration issued on March 20, 2020 temporarily suspended the provisions that require the imposition of penalty and interest for delay in property tax payments and directed that no such penalty or interest may be imposed for the duration of the proclamation and any future extension of the suspension. At this time, it is not possible to predict the full impact on the City and its finances. The City has been monitoring developments and directives of federal, state and local officials to determine what precautions and procedures to implement or revise in light of the spread of COVID-19. Some procedures and precautions resulting from the spread of COVID-19 with respect to operations, personnel and services may have been or will be mandated by federal and/or state entities. The continued spread of COVID-19 may affect the financial condition of the City, either directly or indirectly in various ways, including: (i) limiting the ability of the City to conduct its operations in an historically normal manner, (ii) increasing the cost of operations of the City, (iii) impacting the ability of the City to provide personnel to carry out the services routinely provided by the City, (iv) impacting certain revenues received by the City, (v) affecting the secondary market with respect to the Notes, and (vi) affecting liquidity sources of the City.

The City did not experience material reductions in revenue or material increases in expenses in fiscal year 2020 due to material COVID-19-related financial impacts. It is too soon, however, to fully predict what COVID-19-related financial impacts the City may incur and whether any such financial impacts will be material

Secondary Market Not Established: There is no established secondary market for the Notes, and there is no assurance that a secondary market will develop for the purchase and sale of the Notes. Prices of municipal Notes traded in the secondary market, if any, are subject to adjustment upward and downward in response to changes in the credit markets and changes in the operating performance of the entities operating the facilities subject to bonded indebtedness. From time to time it may be necessary to suspend indefinitely secondary market trading in selected issues of municipal Notes as a result of the financial condition or market position, prevailing market conditions, lack of adequate current financial information about the entity, operating the subject facilities, or a material adverse change in the operations of that entity, whether or not the subject Notes are in default as to principal and interest payments, and other factors which, may give rise to uncertainty concerning prudent secondary market practices.

Municipal Notes are generally viewed as long-term investments, subject to material unforeseen changes in the investor's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

EACH PROSPECTIVE PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT AND MUST BE ABLE TO BEAR THE ECONOMIC RISK OF SUCH INVESTMENT. THE SECONDARY MARKET FOR THE NOTES, IF ANY, COULD BE LIMITED.

Ratings Loss: Moody's Investors Service ("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 the ratings will continue for any given period of time, or that such ratings 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.

Matters Relating to Enforceability: Holders of the 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 Notes, including but not limited to, the right to a proceeding in the 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 the Notes.

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Resolution authorizing the Notes. The opinion, to be delivered concurrently with the delivery of the Notes, will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principals 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 Resolution authorizing the Notes, including principal of and interest on the Notes.

Forward-Looking Statements: This Preliminary 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 Preliminary 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 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 City to pay debt service when due on the Notes.

Financial Condition of the City from time to time: No representation is made as to the future financial condition of the City. Certain risks discussed herein could adversely affect the financial condition and or operations of the City in future. However, the Notes are secured by an unlimited ad valorem property tax as described more fully in the "PAYMENT OF AND SECURITY FOR THE NOTES" herein.

Redemption Prior to Maturity: In considering whether to make an investment in the Notes, it should be noted that the Notes are subject to optional redemption, as outlined herein, without Noteholder discretion or consent. See "OPTIONAL REDEMPTION" herein.

Tax Matters 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 City in violation of its covenants in the Resolution authorizing the Notes. 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 rates on the Notes.

It is possible that 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 likelihood of legislation being enacted cannot be reliably predicted.

It is also possible actions of the City after the closings 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 rates on the Notes don't increase or otherwise reset. A determination of taxability on the Notes after closing could materially adversely affect the value and marketability of the Notes.

Pending Federal Tax Legislation: From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals 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.

Changes in Property Taxation: The Notes are general obligations of the City secured by an unlimited ad valorem property tax as described more fully in the "PAYMENT OF AND SECURITY FOR THE NOTES" herein. Prior State Public Health Emergency Declarations relative to the 2020 COVID-19 pandemic have, in the past, temporarily suspended the provisions that required the imposition of penalty and interest for delay in property tax payments and directed that no such penalty or interest could be imposed for the duration of the declarations and any future extension of the suspension. It is impossible to predict whether the declarations or any amendments to or extensions thereof would have a material effect on the City's ability to collect property taxes necessary for the payment of principal and interest on the Notes.

From time to time the Iowa General Assembly has altered the method of property taxation and could do so again. Such alterations could adversely affect the City's financial condition. Historically, changes to property tax calculations and impositions are imposed on a prospective basis. However, there is no assurance future changes to property taxation by the Iowa General Assembly will not be applied retroactively. It is impossible to predict the outcome of future property taxation changes by the Iowa General Assembly or resulting impacts on the City's financial condition. However, the Notes are secured by an unlimited ad valorem property tax as described more fully in the "PAYMENT OF AND SECURITY FOR THE NOTES" herein.

Cybersecurity: The City, 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 City will be completely successful to guard against and prevent cyber threats and attacks. Failure to properly maintain functionality, control, security, and integrity of the City's information systems could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant. Along with significant liability claims or regulatory penalties, any security breach could have a material adverse impact on the City's operations and financial condition.

The City cannot predict whether these control measures would be sufficient in the event of a cyber breach. However, the Notes are secured by an unlimited ad valorem property tax as described more fully in the "PAYMENT OF AND SECURITY FOR THE NOTES" herein.

Pensions: Pursuant to Governmental Accounting Standards Board ("GASB") Statement No. 68, the City reported a liability of $2,216,761 within its Independent Auditor's Report as of June 30, 2020 for its proportionate share of the net pension liability. The net pension liability is the amount by which the total actuarial liability exceeds the pension plan's net assets or fiduciary net position (essentially the market value) available for paying benefits. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. As of June 30, 2019, the City's collective proportion was 0.0382817% which was an increase of 0.000475% from its proportion measured as of June 30, 2018.

Pursuant to GASB Statement No. 68, the City reported a liability of $1,830,022 within its Independent Auditor's Report as of June 30, 2020 for its proportionate share of the net pension liability. The net pension liability is the amount by which the total actuarial liability exceeds the pension plan's net assets or fiduciary net position (essentially the market value) available for paying benefits. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all MFPRSI participating employers. As of June 30, 2019, the City's collective proportion was 0.280000% which was a decrease of 0.014600% from its proportion measured as of June 30, 2018.

See "EMPLOYEES AND PENSIONS" included in "APPENDIX A" to this Preliminary Official Statement for more summary information related to the City's contributions, and the City's June 30, 2020 Independent Auditor's Reports, included in "APPENDIX C" to this Preliminary Official Statement, for additional information related to the City's deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity. Changes to the City's pension contributions, or available sources to fund said contributions, may adversely affect the City's financial condition. However, the Notes are secured by an unlimited ad valorem property tax as described more fully in the "PAYMENT OF AND SECURITY FOR THE NOTES" herein.

Continuing Disclosure: A failure by the City 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 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), and may adversely affect the transferability and liquidity of the Notes and their market price.

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.

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 Preliminary 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.

Tax Levy Procedures: The Notes are general obligations of the City, payable from and secured by a continuing ad valorem tax levied against all of the property valuation within the City. As part of the budgetary process each fiscal year, the City will have an obligation to request a debt service levy to be applied against all of the taxable property within the City. A failure on the part of the City to make a timely levy request or a levy request by the City 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 a 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 City and certain other public officials to perform the terms of the Resolution authorizing the Notes) may have to be enforced from year to year.

Federal Funds Orders and State Funds Legislation: Various federal executive orders, and Iowa Code Chapter 27A (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 would negatively impact the City's overall financial position and could affect its rating. However, the Notes are secured by a debt service levy upon real property in the jurisdictional limits of the City, and are not secured by state or federal funds. See "PAYMENT OF AND SECURITY FOR THE NOTES" herein.

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 Registrar 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 City nor the Registrar will have any responsibility or obligation to assure 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 "BOOK-ENTRY-ONLY ISSUANCE" herein.

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 Preliminary Official Statement and the Appendices hereto to make a judgment as to whether the Notes are an appropriate investment.

RATING

The Notes have been rated '___' by Moody's. The existing rating on long-term debt reflects only the view of the rating agency and any explanation of the significance of such rating may only be obtained from Moody's. There is no assurance that such ratings will continue for any period of time or that they will not be revised or withdrawn. Any revision or withdrawal of the rating may have an effect on the market price of the Notes.

MUNICIPAL ADVISOR

The City has retained PFM Financial Advisors LLC, Des Moines, Iowa as Municipal Advisor (the "Municipal Advisor") in connection with the preparation of the issuance of the Notes. In preparing the Preliminary Official Statement, the Municipal Advisor has relied on government officials, and other sources to provide accurate information for disclosure purposes. The Municipal Advisor is not obligated to undertake, and has not undertaken, an independent verification of the accuracy, completeness, or fairness of the information contained in the Preliminary Official Statement. PFM Financial Advisors LLC is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

CONTINUING DISCLOSURE

The City will covenant in a Continuing Disclosure Certificate for the benefit of the owners and beneficial owners of the Notes to provide annually certain financial information and operating data relating to the City (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report is to be filed by the City no later than two hundred seventy (270) days after the close of each fiscal year, commencing with the Fiscal Year ending June 30, 2021, with the Municipal Securities Rulemaking Board, at its internet repository named "Electronic Municipal Market Access" ("EMMA"). The notices of events, if any, are also to be filed with EMMA. See APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE. The specific nature of the information to be contained in the Annual Report or the notices of events, and the manner in which such materials are to be filed, are summarized in APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE. These covenants have been made in order to assist the underwriter in complying with paragraph (b)(5) of the Rule.

During the past five years, to the best of its knowledge, the City has complied in all material respects with its previous continuing disclosure undertakings entered into under the Rule.

Breach of the undertakings will not constitute a default or an "Event of Default" under the Notes or the Resolution for the Notes. A broker or dealer is to consider a known breach of the undertakings, however, before recommending the purchase or sale of the Notes in the secondary market. Thus, a failure on the part of the City to observe the undertakings may adversely affect the transferability and liquidity of the Notes and their market price.

FINANCIAL STATEMENTS

The City's INDEPENDENT AUDITOR'S REPORTS for the Fiscal Year ended June 30, 2020 is reproduced as "APPENDIX C". The City's certified public accountant has not consented to distribution of the audited financial statements and has not undertaken added review of their presentation. Further information regarding financial performance and copies of the City's prior Independent Auditor's Reports may be obtained from the City's Municipal Advisor, PFM Financial Advisors LLC.

CERTIFICATION

The City has authorized the distribution of this Preliminary Official Statement for use in connection with the initial sale of the Notes. I have reviewed the information contained within the Preliminary Official Statement prepared on behalf of the City by PFM Financial Advisors LLC, Des Moines, Iowa, and to the best of my knowledge, information and belief, said Preliminary Official Statement does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading regarding the issuance of $3,445,000* General Obligation Refunding Capital Loan Notes, Series 2021A.

CITY OF CARROLL, IOWA
/s/ Laura Schaefer, City Clerk/Finance Director

*Preliminary; subject to change.

APPENDIX A

GENERAL INFORMATION ABOUT THE CITY OF CARROLL, IOWA

The $3,445,000 GENERAL OBLIGATION REFUNDING CAPITAL LOAN NOTES, SERIES 2021A (the "Notes") are general obligations of the City of Carroll, Iowa (the "City") for which the City will pledge its power to levy direct ad valorem taxes against all taxable property within the City without limitation as to rate or amount to the repayment of the Notes.*

* Preliminary; subject to change.

CITY PROPERTY VALUES

IOWA PROPERTY VALUATIONS

In compliance with Section 441.21 of the Code of Iowa, the State Director of Revenue annually directs the county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The 2020 final Actual Values were adjusted by the Carroll County Auditor. The reduced values, determined after the application of rollback percentages, are the Taxable Values subject to tax levy. For assessment year 2020, the taxable value rollback rate was 56.4094% of actual value for residential property; 84.0305% of actual value for agricultural property; 67.5000% of the actual value for multiresidential property; 90.000% of actual value for commercial, industrial and railroad property; and 98.5489% of the actual value of utility property.

The Legislature's intent has been to limit the growth of statewide taxable valuations for the specific classes of property to 3% annually. Political subdivisions whose taxable values are thus reduced or are unusually low in growth are allowed to appeal the valuations to the State Appeal Board, in order to continue to fund present services.

PROPERTY VALUATIONS (1/1/2020 Valuations for Taxes Payable July 1, 2021 through June 30, 2022)

	100% Actual Value	Taxable Value (With Rollback)
Residential	$614,224,001	$346,098,138
Commercial	156,508,259	135,973,260
Industrial	14,150,803	12,734,620
Multiresidential	39,693,893	26,506,608
Railroad	2,959,089	2,663,180
Utilities	902,477	889,382
Gross valuation	$828,438,522	$524,865,188
Less military exemption	(811,176)	(811,176)
Net valuation	$827,627,346	$524,054,012
TIF increment (used to compute debt service levies and constitutional debt limit)	$50,611,334 1)	$50,611,334 1)
Taxed separately		
Ag. Land	$570,787	$475,247
Ag. Buildings	$18,590	$15,621
Utilities – Gas & Electric	$20,363,157	$8,520,364

1) Excludes $27,943 of TIF Increment Ag Land valuation.

2020 GROSS TAXABLE VALUATION BY CLASS OF PROPERTY 1)

	Gross Taxable Valuation	Percent Total
Residential	$346,098,138	64.88%
Multiresidential	26,506,608	4.97%
Commercial, Industrial and Utility	149,597,262	28.05%
Railroad	2,663,180	0.50%
Gas & Electric Utilities	8,520,364	1.60%
Total Gross Taxable Valuation	$533,385,552	100.00%

1) Gross Taxable Valuation includes all Utilities, but excludes Taxable TIF Increment, Ag. Land, Ag. Buildings

TREND OF VALUATIONS

Assessment Year	Payable Fiscal Year	100% Actual Valuation	Taxable Valuation (With Rollback)	Taxable TIF Increment
2016	2017-18	$781,063,284	$481,091,110	$34,405,309
2017	2018-19	846,719,429	510,228,751	40,066,716
2018	2019-20	860,486,170	523,413,404	42,396,434
2019	2020-21	893,736,425	525,219,743	48,109,373
2020	2021-22	899,218,707	532,574,376	50,611,334

The 100% Actual Valuation, before rollback and after the reduction of military exemption, include Ag. Land, Ag. Buildings, Taxable TIF Increment and Gas & Electric Utilities. The Taxable Valuation, with the rollback and after the reduction of military exemption, includes Gas & Electric Utilities and excludes Ag. Land, Ag. Buildings and Taxable TIF Increment. Iowa cities certify operating levies against Taxable Valuation excluding the Taxable TIF Increment and debt service levies are certified against Taxable Valuation including the Taxable TIF Increment.

LARGER TAXPAYERS

Set forth in the following table are the persons or entities which represent larger taxpayers within the boundaries of the City, as provided by the Carroll County Auditor's Office. 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. With the exception of the electric and natural gas provider noted below (which is subject to an excise tax in accordance with Iowa Code chapter 437A), the City's mill levy is 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.

Taxpayer [1)]	Valuation Category	1/1/2020 Taxable Valuation [2)]
Farner-Bocken Building Co. LLC	Commercial	$16,572,105
Wal-Mart Real Estate Business Trust	Commercial	8,460,000
Mid American Energy Company	Utility	7,989,322
Clinic Building Company Inc	Commercial	7,715,682
TriGen LLC	Industrial	6,492,258
Badding Construction Company	Commercial	4,313,052
Citicentre Station LLC	Commercial	4,124,052
Commercial Savings Bank	Commercial	4,091,067
Carroll County State Bank	Commercial	3,865,311
American Home Shield Corp	Commercial	3,386,601

1) This list represents some of the larger taxpayers in the City, not necessarily the 10 largest taxpayers.
2) The 1/1/2020 Taxable Valuation listed represents only those valuations associated with the title holder and may not necessarily represent the entire taxable valuation.

Source: Carroll County Auditor's office.

PROPERTY TAX LEGISLATION

From time to time, legislative proposals are pending in Congress and the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described herein. 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 valuation, assessment or levy procedures for taxes levied by the City or have an adverse impact on standing appropriations or the future tax collections of the City. Purchasers of the Notes should consult their tax advisors regarding any pending or proposed federal or state tax legislation. The opinions expressed by Bond Counsel are based upon existing legislation as of the date of issuance and delivery of the Notes and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending federal or state tax legislation.

During the 2019 legislative session, the Iowa General Assembly enacted Senate File 634 (the "2019 Act"). This bill modifies the process for hearing and approval of the total maximum property tax dollars under certain levies in the City's budget. The bill also includes a provision that will require the affirmative vote of 2/3 of the City Council when the maximum property tax dollars under these levies exceed an amount determined under a prescribed formula. The 2019 Act does not change the process for hearing and approval of the Debt Service Levy pledged for repayment of the Notes. It is too early to evaluate the affect the 2019 Act will have on the overall financial position of the City or its ability to fund essential services.

During the 2013 legislative session, the Iowa General Assembly enacted Senate File 295 (the "2013 Act"). Among other things, the Act (i) reduced the maximum annual taxable value growth percent, due to revaluation of existing residential and agricultural property to 3%, (ii) assigned a "rollback" (the percentage of a property's value that is subject to tax) to commercial, industrial and railroad property of 90%, (iii) created a new property tax classification for multi-residential properties (apartments, nursing homes, assisted living facilities and certain other rental property) and assigned a declining rollback percentage to such properties for each year until the residential rollback percentage is reached in the 2022 assessment year, after which the rollback percentage for such properties will be equal to the residential rollback percentage each assessment year, and (iv) exempted a specified portion of the assessed value of telecommunication properties. During the 2021 legislative session, House File 418 ("HF 418") was signed into law on March 8, 2021, applicable to valuations beginning January 1, 2022. HF 418 removes the multi-residential property classification by reclassifying certain properties as a subdivision of "residential" property. The multi-residential classification was created as part of the January 1, 2015 valuations and became unnecessary due to the equalization of the residential and multi-residential classifications as of January 1, 2022.

The 2013 Act included a standing appropriation to replace some of the tax revenues lost by local governments due to the rollback. Iowa Code section 441.21A established this standing appropriation for reimbursement to local governments (backfill). However, SF 619, passed by the legislature on May 19, 2021 and subsequently signed into law by Governor Reynolds, phases out backfill payments beginning with fiscal years beginning on or after July 1, 2022. For cities and counties, the backfill is eliminated through annual reductions over five or eight years, depending on assessed valuation growth from 2012 to 2019. School district backfill payments will be eliminated after fiscal year 2022. Taxing authorities that are not schools, cities, or counties will have their backfill payments phased out over eight years. SF 619 also implements a tax credit for property owned by persons who are at least 70 years of age and whose annual household income is not more than 250% of the federal poverty level guidelines published by the U.S. Department of Health and Human Services. The expanded credit is available for claims filed on or after January 1, 2022. The expanded credit is exempt from the provisions of Iowa Code section 25B.7(1), which imposes a State requirement to fully fund changes to property tax credits. The legislation is anticipated to result in reduced property tax revenues as a result of the phased out property tax replacement claims and also due to expansion of the Elderly Property Tax Credit.

Notwithstanding any decrease in property tax revenues that may result from the 2013 Act, the 2019 Act, HF 418 or SF 619, Iowa Code section 76.2 provides that when an Iowa political subdivision issues 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."

LEVIES AND TAX COLLECTIONS

Fiscal Year	Levy [1]	Collected During Collection Year [2]	Percent Collected
2017-18	$5,625,090	$5,636,507	100.20%
2018-19	5,793,929	5,788,803	99.91%
2019-20	6,136,716	6,066,352	98.85%
2020-21	6,165,167	6,208,041	100.70%
2021-22	6,268,132	---------In Process of Collection---------	

Collections include delinquent taxes from all prior years. Taxes in Iowa are delinquent each October 1 and April 1 and a late payment penalty of 1% per month of delinquency is enforced as of those dates. If delinquent taxes are not paid, the property may be offered at the regular tax sale on the third Monday of June following the delinquency date. Purchasers at the tax sale must pay an amount equal to the taxes, special assessments, interest and penalties due on the property and funds so received are applied to taxes. A property owner may redeem from the regular tax sale but, failing redemption within three years, the tax sale purchaser is entitled to a deed, which in general conveys the title free and clear of all liens except future tax installments.

1) Source: Iowa Department of Management website. Adoption of Budget and Certification of City Taxes
2) Source: The City.

TAX RATES

	FY 2016-17 $/$1,000	FY 2017-18 $/$1,000	FY 2018-19 $/$1,000	FY 2019-20 $/$1,000	FY 2020-21 $/$1,000
Carroll County	3.82983	3.79932	3.50996	4.21939	4.60516
City of Carroll	11.57672	11.59800	11.28383	11.59794	11.59799
Carroll Community School District	9.08368	10.36579	9.78810	9.78915	9.54494
Des Moines Area Community College	0.72334	0.67458	0.69468	0.65249	0.63533
Agricultural Extension	0.17801	0.17897	0.17458	0.17339	0.17261
Assessor	0.33907	0.28430	0.29865	0.28862	0.28594
State of Iowa	0.00330	0.00310	0.00290	0.00280	0.00270
Total Tax Rate City Resident	25.73395	26.90406	25.75270	26.72378	26.84467

LEVY LIMITS

A city's general fund tax levy is limited to $8.10 per $1,000 of taxable value, with provision for an additional $0.27 per $1,000 levy for an emergency fund which can be used for general fund purposes (Code of Iowa, Chapter 384, Division I). Cities may exceed the $8.10 limitation upon authorization by a special levy election. Further, there are limited special purpose levies, which may be certified outside of the above-described levy limits (Code of Iowa, Section 384.12). The amount of the City's general fund levy subject to the $8.10 limitation is $8.10 for FY 2021-22. In addition, the City has certified special purpose levies outside of the above described levy limits for liability, property and self-insurance costs and employee benefits. Currently, the City does not levy for an emergency fund. Debt service levies are not limited.

CITY INDEBTEDNESS

DEBT LIMIT

Article XI, Section 3 of the State of Iowa Constitution limits the amount of debt outstanding at any time of any county, municipality or other political subdivision to no more than 5% of the actual value of all taxable property within the corporate limits, as taken from the last state and county tax list. The debt limit for the City, based on its 2020 actual valuation currently applicable to the Fiscal Year 2021-22, is as follows:

2020 Actual Valuation of Property	$899,218,707 [1)]
Legal Debt Limit of 5%	0.05
Legal Debt Limit	$44,960,935
Less: G.O. Debt Subject to Debt Limit	(5,945,000)*
Net Debt Limit	$39,015,935*

1) Actual Valuation of property as reported by the Iowa Department of Management for the Fiscal Year 2021-22.

DIRECT DEBT

General Obligation Debt Paid by Property Taxes & Tax Increment (Includes the Notes)

Date of Issue	Original Amount	Purpose	Final Maturity	Principal Outstanding As of 10/14/2021
4/15A	$1,770,000	Refunding (Series 2008 Bonds)	6/23	$560,000
11/16B	2,290,000	Corporate Purposes	6/24	870,000
11/18B	4,475,000	Corporate Purposes	6/21	0 [1)]
3/20A	1,505,000	Corporate Purposes	6/29	1,070,000
10/21A	3,445,000*	Refunding (Series 2018B Notes)	6/33	3,445,000*
Total				$5,945,000*

1) The 2022 through 2033 maturities will be current refunded by the Notes on October 14, 2021.

* Preliminary; subject to change.

General Obligation Debt Paid By Taxes & Tax Increment (Includes the Notes)

	Current Outstanding		Notes		Total Outstanding	
Fiscal Year	Principal	Principal and Interest	Principal*	Principal and Interest*	Principal*	Principal and Interest*
2021-22	$665,000	$781,748	$425,000	$450,786	$1,090,000	$1,232,534
2022-23	690,000	751,150	260,000	298,430	950,000	1,049,580
2023-24	420,000	465,620	265,000	301,662	685,000	767,282
2024-25	130,000	164,650	265,000	299,462	395,000	464,112
2025-26	140,000	168,150	265,000	297,051	405,000	465,201
2026-27	145,000	166,150	270,000	298,877	415,000	465,047
2027-28	150,000	163,900	270,000	295,387	420,000	459,287
2028-29	160,000	163,400	275,000	296,877	435,000	463,277
2029-30			280,000	298,082	280,000	298,082
2030-31			285,000	299,162	285,000	299,162
2031-32			290,000	299,830	290,000	299,830
2032-33			295,000	300,074	295,000	300,074
Total	$2,500,000		$3,445,000*		$5,945,000*	

* Preliminary; subject to change.

OTHER DEBT

The City has revenue debt payable from the net revenues of the Municipal Sewer Utility as follows:

Date of Issue	Original Amount	Purpose	Final Maturity	Principal Outstanding As of 10/14/21
12/03	$8,000,000	Sewer Improvements	6/25	$1,999,000
6/04	2,998,000	Sewer Improvements	6/25	758,000
Total				$2,757,000

INDIRECT GENERAL OBLIGATION DEBT

	1/1/2020 Taxable Valuation [1]	Taxable Valuation within the City [2]	Percent In City	G.O. Debt [3]	City's Proportionate Share
Carroll County	$1,622,063,466	$583,704,071	35.99%	$11,433,595	$4,114,951
Carroll Community School District	1,114,149,553	583,704,071	52.39%	3,690,000	1,933,191
Des Moines Area Community College	56,678,598,966	583,704,071	1.03%	95,175,000	980,303
City share of total overlapping debt					$7,028,445

1) Taxable Valuation excludes military exemption and includes Ag Land, Ag Buildings, all Utilities and Taxable TIF Increment.
2) Includes Taxable Ag Increment in the amount of $27,493.
3) Includes general obligation bonds, PPEL notes, certificates of participation and new jobs training certificates. Estimated as of July 27, 2021.

DEBT RATIOS

	G.O. Debt	Debt/Actual Market Value ($899,218,707) [1]	Debt/10,321 Population [2]
Total General Obligation Debt	$5,945,000*	0.66%*	$576.01*
City's share of overlapping debt	$7,028,445	0.78%	$680.98

1) Based on the City's 1/1/2020 100% Actual Valuation; includes Ag Land, Ag Buildings, all Utilities and TIF Increment.
2) Population based on the City's 2020 U.S. Census.

* Preliminary; subject to change.

FUNDS ON HAND (CASH AND INVESTMENTS AS OF JUNE 30, 2021)

General Fund	$4,940,527.83
Special Revenue	3,600,996.54
Debt Service	92,874.55
Capital Projects	6,316,981.29
Permanent	634,395.76
Water Utility	2,681,418.63
Sewer Utility	5,036,229.24
Storm Water Utility	1,130,113.78
Medical Internal Service Fund	951,352.38
Total Cash and Investments	$25,384,890.00

THE CITY

CITY GOVERNMENT

The City was organized as a municipality in April 1869. The City operates under a Mayor-Council form of government consisting of a six member City Council, of which the Mayor is not a voting member, except in the case of a tie. The City Manager is responsible for the daily operations of the City. The City Manager is appointed by the Council and serves at its discretion. The City Clerk/Finance Director is responsible for the financial affairs of the City.

EMPLOYEES AND PENSIONS

Iowa Public Employees Retirement System ("IPERS"): The City has 64 full-time and 115 part-time employees (including seasonal employees). Of the City's 179 employees, 16 are police officers. All full-time employees, excluding the police officers are enrolled in the IPERS pension plan administered by the State of Iowa. The City contributes to IPERS, which is a cost-sharing multiple-employer, contributory defined benefit public employee retirement system administered by IPERS. IPERS provides retirement and death benefits, which are established by state statute, to plan members and beneficiaries. IPERS is authorized to adjust the total contribution rate up or down each year, by no more than 1 percentage point, based upon the actuarially required contribution rate. The City's contributions to IPERS for the years shown below equal the required contributions for each year.

	FY 2017-18	FY 2018-19	FY 2019-20
IPERS City Contribution	$254,700	$277,872	$287,092

The IPERS Comprehensive Annual Financial Report is available on the IPERS website, https://www.ipers.org/financial-and-investment, or by contacting IPERS at 7401 Register Drive P.O. Box 9117, Des Moines, IA 50321. However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any references.

Bond Counsel, the City and the Municipal Advisor undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the IPERS discussed above or included on the IPERS 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 IPERS website.

Pursuant to Governmental Accounting Standards Board ("GASB") Statement No. 68, the City reported a liability of $2,216,761 within its Independent Auditor's Report as of June 30, 2020 for its proportionate share of the net pension liability. The net pension liability is the amount by which the total actuarial liability exceeds the pension plan's net assets or fiduciary net position (essentially the market value) available for paying benefits. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. As of June 30, 2019, the City's collective proportion was 0.0382817% which was an increase of 0.000475% from its proportion measured as of June 30, 2018.

The City 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 City. 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 City which could affect other budgetary matters.

For additional information on the City's Pension Plan, including information related to deferred outflows and inflows of resources related to pensions, expenses, actuarial assumption, discount rate and discount rate sensitivities, refer to Note 4 – "PENSION PLAN", beginning on page 33 of the City's June 30, 2020 Independent Auditor's Reports included as "APPENDIX C" of this Official Statement.

Municipal Fire and Police Retirement System of Iowa ("MFPRSI"): The City contributes to MFPRSI, which is a cost-sharing multiple-employer defined benefit pension plan. MFPRSI provides retirement, disability, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statute, and vest after four years of credited service.

MFPRSI plan members are required to contribute a percentage of their annual covered salary, and the City is required to contribute at an actuarially determined rate of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by state statute. The City contributed the required amount to MFPRSI for each year as follows:

	FY 2017-18	FY 2018-19	FY 2019-20
MFPRSI City Contribution	$219,896	$219,756	$226,793

The Reports outline the assumptions made in the above valuations. The MFPRSI Independent Auditors Report is available on the MFPRSI website, http://www.mfprsi.org/about-mfprsi/publications/, or by contacting MFPRSI at 7155 Lake Drive, Suite 201, West Des Moines, IA 50266.

Bond Counsel, the City and the Municipal Advisor undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from MFPRSI discussed above or included on the MFPRSI websites, 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 websites.

Pursuant to GASB Statement No. 68, the City reported a liability of $1,830,022 within its Independent Auditor's Report as of June 30, 2020 for its proportionate share of the net pension liability. The net pension liability is the amount by which the total actuarial liability exceeds the pension plan's net assets or fiduciary net position (essentially the market value) available for paying benefits. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all MFPRSI participating employers. As of June 30, 2019, the City's collective proportion was 0.280000% which was a decrease of 0.014600% from its proportion measured as of June 30, 2018.

For additional information on the City's Pension Plan, including information related to deferred outflows and inflows of resources related to pensions, expenses, actuarial assumption, discount rate and discount rate sensitivities, refer to Note 4 – "PENSION PLAN", beginning on page 33 of the City's June 30, 2020 Independent Auditor's Reports included as "APPENDIX C" of this Official Statement.

OTHER POST-EMPLOYMENT BENEFITS

The City partially self-funds a single-employer retiree benefit plan which provides medical/prescription drug benefits for employees, spouses and dependents and retirees. There are 52 active and no retired members in the plan. Participants must be age 55 or older at retirement.

The medical/prescription drug coverage is provided through a fully-insured plan with Wellmark. The City self-funds the co-payments, deductibles and out-of-pocket maximums to a lower amount. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an Other Post-Employment Benefits (the "OPEB") liability.

The contribution requirements of plan members are established by union contracts for union employees and by Council for non-union employees. The City currently finances the benefit plan on a pay-as-you-go basis. Currently, employees pay, on a pre-tax basis, 20% of the cost of the premium equal to the cost of electing continuing coverage under COBRA. For fiscal year 2020, the employees contributed $1,198.32 for single coverage and $2,634.48 for family coverage. For the year ended June 30, 2020, the City contributed $487,337.68 and the plan members eligible for benefits contributed $143,155.14 to the plan.

If an employee certifies that he/she is otherwise covered by health insurance and opts to waive coverage through the City, the City shall pay the employee an amount equal to thirty percent (30%) of the single health insurance coverage.

For additional information regarding the City's Other Post-Employment Benefits, refer to Note 5 beginning on page 41 of the City's June 30, 2020 Independent Auditor's Report contained as APPENDIX C of this Official Statement.

UNIONS

The City currently has negotiated contracts with the following unions shown in the table below.

Union	Contract Expiration Date	Negotiated Annual Wage Increase
Teamsters Local 238 (Police)	June 30, 2023	7/1/18 – 2.50% 7/1/19 – 7/1/22 – 3.0% each year
Teamsters Local 238 (Public Works)	June 30, 2023	7/1/18 – 2.5% 7/1/19 – 7/1/22 – 3.0% each year

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INSURANCE

The City's insurance coverage is as follows:

Type of Insurance	Occurrence/Aggregate Limit
General Liability	
Third Party Legal Liability	$7,000,000
Wrongful Acts	$7,000,000/$1,000 deductible
Pesticide or Herbicide Applicator Coverage	$5,000,000
Fire Dept. Pollution Liability	$500,000
Employee Benefits Liability	$1,000,000/$1,000 deductible
Sewer Back-up	$1,000,000 occurrence/$1,000,000 aggregate
Law Enforcement Liability	
Governmental Law Enforcement Liability	$7,000,000/$2,000 deductible
Auto Coverage	
Government Auto Liability	$7,000,000
Uninsured/Underinsured Motorists	$40,000
Comprehensive deductibles	$200
Automobile Coverage Extension Included	$600
Property	
Blanket Buildings & Contents	$86,464,123/$5,000 deductible
Glass coverage included	
Earthquake coverage	$18,535,016/2% deductible
Inland Marine	
Contractor's Equipment/Scheduled Property Floater	$2,349,275/$2,500 deductible
Computer Coverage	Covered as part of Blanket Buildings & Content
Blanket Boiler	Covered as part of Blanket Buildings & Contents
Workmen's Comp.	
Limits	$5,000,000 each occurrence $5,000,000 limit $5,000,000 each employee
Payroll	$4,388,940
Bond	
Public Employees Blanket Bond	$10,000
Position Bond	$40,000
Airport Liability	$7,000,000 limit

GENERAL INFORMATION

LOCATION AND TRANSPORTATION

The City, with a 2020 U.S. Census population of 10,321 is located 60 miles west of the City of Ames, Iowa. The City is the county seat of Carroll County and covers an area of 5.6 square miles. Highways serving the area include State Highways No. 30 and 71. The City owns a municipal airport, including land and buildings. The City contracts for the operation and management of the airport.

LARGER EMPLOYERS

Employer	Type of Business	Approximate Number of Employees [1)]
Core-Mark Midcontinent, Inc. DBA Farner Bocken	Wholesale Merchandise Distributor	630
St. Anthony Regional Hospital	Healthcare Facility	556
Pella Corporation (Carroll)	Manufacturer of Windows and Doors	500
American Home Shield	Home Warranty Contracts	436
Carroll Community School District	Public School System	267
New Hope Village	Agency Serving Adults with Disabilities	256
The Graphic Edge	Custom Screen-Printing and Embroidery	230
City of Carroll	City Government	179 [2)]
Hy-Vee	Grocery Sales	161
Wal-Mart	Discount Retailer	156
Smithfield Foods	Pork Processing Plant	146
Kuemper Catholic Schools	Private School System	137
Collins Aerospace	Aerospace Producer	125
Carroll County	County Government	118
New Opportunities, Inc.	Social Services/Human Services	97
McFarland Clinic PC	Healthcare Facility-Clinic	75
Carroll Coolers, Inc.	Mfg. Walk-in Coolers/Freezers	71

1) Includes full-time equivalent employees and does not include part-time or seasonal employees.
2) Includes full-time and part-time employees.

Source: The City.

BUILDING PERMITS

City officials report the following construction activity as of June 30, 2021. Permits for the City are reported on a calendar year basis.

	2017	2018	2019	2020	2021
Single Family Homes					
Number of New Homes	18	19	18	1	5
Valuation	$5,811,322	$5,651,159	$5,811,322	$400,000	$1,754,000
Single Family Homes: Additions and Alterations					
Number of permits issued	38	34	38	73	26
Valuation	$1,217,782	$1,078,862	$1,217,782	$2,420,232	$840,808
Multiple Family Dwellings					
Number of new buildings	2	0	2	2	4
Valuation	$1,600,000	$0	$1,600,000	$474,000	$1,120,000
Commercial/Industrial/Other					
Number of new buildings	8	8	8	8	1
Valuation	$17,624,820	$2,658,000	$17,624,820	$11,504,829	$250,000
Commercial/Industrial/Other Additions & Alterations					
Number of permits issued	13	16	13	24	35
Valuation	$2,763,835	$5,832,700	$2,763,835	$11,156,173	$11,641,173
Total Permits	79	77	79	108	71
Total Valuations	$29,017,759	$15,220,721	$29,017,759	$25,955,234	$15,605,981

U.S. CENSUS DATA

Population Trend

1980 U.S. Census	9,705
1990 U.S. Census	9,579
2000 U.S. Census	10,106
2010 U.S. Census	10,103
2020 U.S. Census	10,321

Source: U.S. Census Bureau.

UNEMPLOYMENT RATES

		Carroll County	State of Iowa
Annual Averages	2017	2.3%	3.1%
	2018	1.9%	2.6%
	2019	2.0%	2.8%
	2020	4.0%	5.3%
	2021 (through June)	3.2%	3.7%

Source: Iowa Workforce Development website.

EDUCATION

Public education is provided by the Carroll Community School District, with a 2020 certified enrollment for the 2021-22 school year of 1,707.1. The district with approximately 350 employees owns and operates two elementary school buildings, one middle school, one senior high school and one alternative school. Education service is also provided by Kuemper Catholic Grade School and Kuemper High School, with enrollment of approximately 1,036.

Des Moines Area Community College has a campus located in the City with an average enrollment of 850 students. The college offers courses to fulfill requirements for the first two years of a baccalaureate degree as well as providing vocational and technical programs.

FINANCIAL SERVICES

Financial services for residents of the City are provided by Availa Bank, Iowa Savings Bank and Commercial Savings Bank, and branch offices of Bank of the West, United Bank of Iowa and Westside State Bank. Availa Bank, Iowa Savings Bank and Commercial Savings Bank report the following deposits as of June 30 for each year:

Year	Availa Bank [1)]	Iowa Savings Bank	Commercial Savings Bank
2016	$453,512,000	$167,098,000	$135,117,000
2017	555,168,000	173,290,000	134,497,000
2018	579,199,000	172,039,000	150,033,000
2019	878,169,000	174,206,000	156,537,000
2020	1,031,531,000	196,649,000	178,744,000

1) Formerly Carroll County State Bank, effective February 2017.

Source: Federal Deposit Insurance Corporation Website.

APPENDIX B

FORM OF LEGAL OPINION

APPENDIX C

JUNE 30, 2020 INDEPENDENT AUDITOR'S REPORTS

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

OFFICIAL BID FORM

To: City Council of
Carroll, Iowa

Sale Date: September 13, 2021
10:00 A.M. Central Time

RE: $3,445,000* General Obligation Refunding Capital Loan Notes, Series 2021A (the "Notes")

This bid is a firm offer for the purchase of the Notes identified in the "TERMS OF OFFERING" and on the terms set forth in this bid form, and is not subject to any conditions, except as permitted by the "TERMS OF OFFERING". By submitting this bid, we confirm we have an established industry reputation for underwriting new issuance of municipal notes.

For all or none of the above Notes, in accordance with the "TERMS OF OFFERING", we will pay you $_____ (not less than $3,417,440) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

Coupon	Maturity	Coupon	Coupon	Maturity	Reoffering	Coupon	Maturity	Reoffering
_____	2022	_____	_____	2026	_____	_____	2030	_____
_____	2023	_____	_____	2027	_____	_____	2031	_____
_____	2024	_____	_____	2028	_____	_____	2032	_____
_____	2025	_____	_____	2029	_____	_____	2033	_____

* Preliminary; subject to change. The City reserves the right to increase or decrease the aggregate principal amount of the Notes and to increase or reduce each scheduled maturity thereof after the determination of the successful bidder. The City may increase or decrease each maturity in increments of $5,000 but the total amount to be issued will not exceed $3,600,000. Interest rates specified by the successful bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.

The dollar amount of the purchase price proposed by the successful bidder will be changed if the aggregate principal amount of the Notes is adjusted as described above. Any change in the principal amount of any maturity of the Notes will be made while maintaining, as closely as possible, the successful bidder's net compensation, calculated as a percentage of note principal. The successful bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive and shall be binding upon the successful bidder.

We hereby designate that the following Notes to be aggregated into term notes maturing on June, 1 of the following years and in the following amounts (leave blank if no term notes are specified):

Years Aggregated	Maturity Year	Aggregate Amount
_____ through _____	_____	_____
_____ through _____	_____	_____
_____ through _____	_____	_____

In making this offer we accept all of the terms and conditions of the "TERMS OF OFFERING" published in the Preliminary Official Statement dated August 23, 2021. In the event of failure to deliver the Notes in accordance with the "TERMS OF OFFERING" as printed in the Preliminary Official Statement and made a part hereof, we reserve the right to withdraw our offer, whereupon the deposit accompanying it will be immediately returned. All blank spaces of this offer are intentional and are not to be construed as an omission.

Not as a part of our offer, the above quoted prices being controlling, but only as an aid for the verification of the offer, we have made the following computations:

NET INTEREST COST: $_____

TRUE INTEREST COST: _____% (Dated date October 14, 2021)

Account Manager: _____ By: _____

Account Members: _____

The foregoing offer is hereby accepted by and on behalf of the City Council of the City of Carroll, Iowa this 13th day of September 2021.

Attest: _____ By: _____

Title: _____ Title: _____