

November 19, 2014

To: Mayor Bemrich and City Council
From: David Fierke, City Manager
Subject: MCDC Participation



ACTION: Two resolutions for Vote Monday November 24, 2014

Brief History

MCDC – The MDCD initiative is defined by the U.S. Securities and Exchange Commission as follows:

The Municipalities Continuing Disclosure Cooperation Initiative (the “MCDC Initiative”) is intended to address potentially widespread violations of the federal securities laws by municipal issuers and underwriters of municipal securities in connection with certain representations about continuing disclosures in bond offering documents.

. . . under the MCDC Initiative, the Division of Enforcement (the “Division”) of the U.S. Securities and Exchange Commission (the “Commission”) will recommend favorable settlement terms to issuers and obligated persons involved in the offer or sale of municipal securities (collectively, “issuers”) as well as underwriters of such offerings if they self-report to the Division possible violations involving materially inaccurate statements relating to prior compliance with the continuing disclosure obligations specified in Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Exchange Act”).¹

Analysis of Issue

After an exhaustive review of the City’s disclosure submittals for all the City’s bond issuances, the City’s financial advisors identified several instances in which the City failed to follow continuing disclosure requirements. Typically, what the City did in prior years is fail to complete an audit on time, then not mention in the next year’s continuing disclosure that our audit was late. In some years we were just a few days or weeks late, but one year it was over 100 days late. The City has not had any problem with continuing disclosure in the last couple years. Our advisors define our instances of non-compliance as minor and typical of other municipal issuers.

Included are two resolutions. The First titled *Resolution authorizing participation in the Municipalities Continuing Disclosure Cooperation Initiative* is the City's statement of participation in the MCDC and completing the questionnaire. The second resolution titled *Resolution authorizing adoption of Policies and Procedures Re: Municipal Securities Disclosure* is a requirement of participating in the MCDC.

Budget Impact

There is not budget impact for participating. We have incurred fees with this filing.

Staff Conclusions / Recommendations

Staffs, Financial Advisors and Bond Counsel recommend the approval of the attached resolutions.

Alternatives

The City could opt to not participate in MCDC. The Securities and Exchange Commission could then investigate our disclosure compliance anyway. Because two underwriters have already disclosed non-compliance on City Of Fort Dodge issuances, the likely hood of an investigation has increased.

Implementation and Accountability

We are not clear what steps will occur after our submittal on the part of the SEC. They may accept our filing and declare is worthy of no further investigation or action, or they can further investigate.

Signed



David Fierke
City Manager

MINUTES AUTHORIZING PARTICIPATION IN
THE MUNICIPALITIES CONTINUING
DISCLOSURE COOPERATION INITIATIVE

419414-93

Fort Dodge, Iowa

November 24, 2014

The City Council of the City of Fort Dodge, Iowa, met on November 24, 2014, at _____ o'clock __.m. at the _____, Fort Dodge, Iowa. The Mayor presided and the roll was called showing the following members of the City Council present and absent:

Present: _____

Absent: _____.

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

Ayes: _____

Nays: _____.

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

•••••

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

Mayor

Attest:

City Clerk

RESOLUTION NO. _____

Resolution authorizing participation in the Municipalities Continuing Disclosure Cooperation Initiative

WHEREAS, pursuant to the laws of the State of Iowa, the City of Fort Dodge, Iowa (the “City”) has publicly offered certain of its municipal securities (the “Bonds”), and in connection therewith has undertaken to comply with the continuing disclosure obligations specified in Rule 15c2-12 (the “Rule”) under the Securities Exchange Act of 1934 (the “Exchange Act”); and

WHEREAS, the U.S. Securities and Exchange Commission (the “Commission”) has announced the Municipalities Continuing Disclosure Cooperation Initiative (the “MCDC Initiative”), a program intended to address potentially widespread violations of the federal securities laws by municipal issuers and underwriters of municipal securities in connection with certain representations about continuing disclosures in bond offering documents; and

WHEREAS, under the MCDC Initiative, in the event the Commission proceeds with an enforcement action, the Commission will recommend favorable settlement terms (such settlement terms are attached hereto as Exhibit A) to issuers who self-report to the Commission possible violations involving materially inaccurate statements in bond offering documents relating to prior compliance with the Rule; and

WHEREAS, upon review of the City’s bond offering documents and past continuing disclosure filings during the MCDC Initiative review period, the City has discovered potentially inaccurate statements in its bond offering documents regarding its continuing disclosure compliance; and

WHEREAS, the City has been informed that certain underwriters have self-reported certain of the City’s Bonds to the Commission as part of the MCDC Initiative; and

WHEREAS, in response to the City’s review, the City now deems it necessary and desirable to participate in the MCDC Initiative;

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

Section 1. The City shall participate in the MCDC Initiative and shall submit the MCDC Initiative Questionnaire for Self-Reporting Entities (the “Questionnaire”), in substantially the form attached hereto as Exhibit B, with such final changes as are approved by the City Treasurer, reflecting the City’s intent to consent to the applicable settlement terms under the MCDC Initiative, if the Commission determines to proceed with an enforcement action against the City.

Section 2. The City Clerk and City Treasurer are each hereby authorized and directed to complete and submit the Questionnaire to the Commission.

Passed and approved November 24, 2014.

Mayor

Attest:

City Clerk

STATE OF IOWA
COUNTY OF WEBSTER
CITY OF FORT DODGE

SS:

I, the undersigned, City Clerk of the City of Fort Dodge, Iowa, do hereby certify that attached hereto is a true and correct copy of the proceedings of the City Council relating to the City's participation in the Municipalities Continuing Disclosure Cooperation Initiative.

WITNESS MY HAND this _____ day of _____, 2014.

City Clerk

Exhibit A

Summary of Standard Settlement Terms for Issuers Under MCDC Initiative (from the Securities and Exchange Commission's Website)

<http://www.sec.gov/divisions/enforce/municipalities-continuing-disclosure-cooperation-initiative.shtml>

To the extent an issuer meets the requirements of the MCDC Initiative and the Securities and Exchange Commission (the "Commission") decides to recommend enforcement action, the settlement will include the following terms.

1. Types of Proceedings and Nature of Charges

Under the settlement, the issuer consents to the institution of a cease and desist proceeding under Section 8A of the Securities Act for violation(s) of Section 17(a)(2) of the Securities Act. The settlement is expected to be one in which the issuer neither admits nor denies the findings of the Commission.

2. Undertakings

As part of the settlement, the issuer must undertake to:

- establish appropriate policies and procedures and training regarding continuing disclosure obligations within 180 days of the institution of the proceedings;
- comply with existing continuing disclosure undertakings, including updating past delinquent filings within 180 days of the institution of the proceedings;
- cooperate with any subsequent investigation by the Commission regarding the false statement(s), including the roles of individuals and/or other parties involved;
- disclose in a clear and conspicuous fashion the settlement terms in any final official statement for an offering by the issuer within five years of the date of institution of the proceedings; and
- provide the Commission staff with a compliance certification regarding the applicable undertakings by the issuer on the one year anniversary of the date of institution of the proceedings.

3. Civil Penalties

The settlement will not require payment of any civil penalty by the issuer.

Exhibit B



**U.S. SECURITIES AND EXCHANGE COMMISSION
DIVISION OF ENFORCEMENT**

**MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION INITIATIVE
QUESTIONNAIRE FOR SELF-REPORTING ENTITIES**

NOTE: The information being requested in this Questionnaire is subject to the Commission's routine uses. A list of those uses is contained in [SEC Form 1662](#), which also contains other important information.

1. Please provide the official name of the entity that is self-reporting ("Self-Reporting Entity") pursuant to the MCDC Initiative along with contact information for the Self-Reporting Entity:

Individual Contact Name: Michelle Hefley

Individual Contact Title: City Treasurer

Individual Contact Telephone: 515-576-4551

Individual Contact Fax number: 515-573-5097

Individual Contact email address: mhefley@fortdodgeiowa.org

Full Legal Name of Self-Reporting Entity: City of Fort Dodge, Iowa

Mailing Address (number and street): 819 First Avenue South

Mailing Address (city): Fort Dodge

Mailing Address (state): Iowa

Mailing Address (zip): 50501-4739

2. Please identify the municipal bond offering(s) (including name of Issuer and/or Obligor, date of offering and CUSIP number) with Official Statements that may contain a materially inaccurate certification on compliance regarding prior continuing disclosure obligations (for each additional offering, attach an additional sheet or separate schedule):

See Exhibit A.

3. Please describe the role of the Self-Reporting Entity in connection with the municipal bond offerings identified in Item 2 above (select Issuer, Obligor or Underwriter):

- Issuer
- Obligor
- Underwriter

4. Please identify the lead underwriter, municipal advisor, bond counsel, underwriter's counsel and disclosure counsel, if any, and the primary contact person at each entity, for each offering identified in Item 2 above (attach additional sheets if necessary):

See Exhibit A.

5. Please include any facts that the Self-Reporting Entity would like to provide to assist the staff of the Division of Enforcement in understanding the circumstances that may have led to the potentially inaccurate statements (attach additional sheets if necessary):

See Exhibit B.

On behalf of the City of Fort Dodge, Iowa, I hereby certify that the Self-Reporting Entity intends to consent to the applicable settlement terms under the MCDC Initiative.

By: _____

Name of Duly Authorized Signer: Michelle Hefley

Title: City Treasurer

Exhibit A
Bond Information Relating to Questions 2 & 4

1. \$9,825,000 General Obligation Corporate Purpose Bonds, Series 2010 (the “Series 2010 Bonds”)

Question 2

State: Iowa

Full Name of Issuing Entity: City of Fort Dodge, Iowa

Full Legal Name of Obligor (if any): N/A

Full Name of Security Issue: Fort Dodge, Iowa General Obligation Corporate Purpose Bonds, Series 2010

Initial Principal Amount of Bond Issuance: \$9,825,000

Date of Offering: 04/08/2010

Date of final Official Statement (format MMDDYYYY): 03252010

Nine Character CUSIP number of last maturity: 347226RC8

Question 4

Senior Managing Underwriting Firm: R.W. Baird & Co. (“Baird”)
Primary Individual Contact at Underwriter: Unknown

Financial Advisor: Public Financial Management, Inc. (“PFM”)
Primary Individual Contact at Financial Advisor: Leo Karwejna

Bond Counsel Firm: Dorsey & Whitney LLP
Primary Individual Contact at Bond Counsel: John P. Danos

Law Firm Serving as Underwriter’s Counsel: N/A
Primary Individual Contact at Underwriter’s Counsel: N/A

Law Firm Serving as Disclosure Counsel: N/A
Primary Individual Contact at Disclosure Counsel: N/A

2. \$2,595,000 General Obligation Urban Renewal Refunding Bonds, Series 2010B (the “Series 2010B Bonds”)

Question 2

State: Iowa

Full Name of Issuing Entity: City of Fort Dodge, Iowa

Full Legal Name of Obligor (if any): N/A

Full Name of Security Issue: Fort Dodge, Iowa General Obligation Urban Renewal Refunding Bonds, Series 2010B

Initial Principal Amount of Bond Issuance: \$2,595,000

Date of Offering: 08/26/2010

Date of final Official Statement (format MMDDYYYY): 07282010 (addendum dated 12012010)

Nine Character CUSIP number of last maturity: 347226SB9

Question 4

Senior Managing Underwriting Firm: UMB Bank, n.a.
Primary Individual Contact at Underwriter: Unknown

Financial Advisor: PFM
Primary Individual Contact at Financial Advisor: Leo Karwejna

Bond Counsel Firm: Dorsey & Whitney LLP
Primary Individual Contact at Bond Counsel: John P. Danos

Law Firm Serving as Underwriter’s Counsel: N/A
Primary Individual Contact at Underwriter’s Counsel: N/A

Law Firm Serving as Disclosure Counsel: N/A
Primary Individual Contact at Disclosure Counsel: N/A

3. \$1,920,000 General Obligation Corporate Purpose Bonds, Series 2011A (the “Series 2011A Bonds”)

Question 2

State: Iowa

Full Name of Issuing Entity: City of Fort Dodge, Iowa

Full Legal Name of Obligor (if any): N/A

Full Name of Security Issue: Fort Dodge, Iowa General Obligation Corporate Purpose Bonds, Series 2011A

Initial Principal Amount of Bond Issuance: \$1,920,000

Date of Offering: 06/29/2011

Date of final Official Statement (format MMDDYYYY): 06202011

Nine Character CUSIP number of last maturity: 347226SM5

Question 4

Senior Managing Underwriting Firm: UMB Bank
Primary Individual Contact at Underwriter: Unknown

Financial Advisor: PFM
Primary Individual Contact at Financial Advisor: Leo Karwejna

Bond Counsel Firm: Dorsey & Whitney LLP
Primary Individual Contact at Bond Counsel: John P. Danos

Law Firm Serving as Underwriter’s Counsel: N/A
Primary Individual Contact at Underwriter’s Counsel: N/A

Law Firm Serving as Disclosure Counsel: N/A
Primary Individual Contact at Disclosure Counsel: N/A

4. \$4,370,000 General Obligation Corporate Purpose Bonds, Series 2012A (the “Series 2012A Bonds”)

Question 2

State: Iowa

Full Name of Issuing Entity: City of Fort Dodge, Iowa

Full Legal Name of Obligor (if any): N/A

Full Name of Security Issue: Fort Dodge, Iowa General Obligation Corporate Purpose Bonds, Series 2012A

Initial Principal Amount of Bond Issuance: \$4,370,000

Date of Offering: 06/26/2012

Date of final Official Statement (format MMDDYYYY): 06212012

Nine Character CUSIP number of last maturity: 347226TC6

Question 4

Senior Managing Underwriting Firm: FTN Financial Capital Markets
Primary Individual Contact at Underwriter: Unknown

Financial Advisor: PFM
Primary Individual Contact at Financial Advisor: Leo Karwejna

Bond Counsel Firm: Dorsey & Whitney LLP
Primary Individual Contact at Bond Counsel: John P. Danos

Law Firm Serving as Underwriter’s Counsel: N/A
Primary Individual Contact at Underwriter’s Counsel: N/A

Law Firm Serving as Disclosure Counsel: N/A
Primary Individual Contact at Disclosure Counsel: N/A

5. \$7,830,000 General Obligation Refunding Bonds, Series 2013A (the “Series 2013A Bonds”)

Question 2

State: Iowa

Full Name of Issuing Entity: City of Fort Dodge, Iowa

Full Legal Name of Obligor (if any): N/A

Full Name of Security Issue: Fort Dodge, Iowa General Obligation Refunding Bonds, Series 2013A

Initial Principal Amount of Bond Issuance: \$7,830,000

Date of Offering: 05/16/2013

Date of final Official Statement (format MMDDYYYY): 04122013

Nine Character CUSIP number of last maturity: 347226TT9

Question 4

Senior Managing Underwriting Firm: Piper Jaffray & Co.

Primary Individual Contact at Underwriter: Unknown

Financial Advisor: PFM

Primary Individual Contact at Financial Advisor: Leo Karwejna

Bond Counsel Firm: Dorsey & Whitney LLP

Primary Individual Contact at Bond Counsel: John P. Danos

Law Firm Serving as Underwriter’s Counsel: N/A

Primary Individual Contact at Underwriter’s Counsel: N/A

Law Firm Serving as Disclosure Counsel: N/A

Primary Individual Contact at Disclosure Counsel: N/A

6. **\$4,430,000 General Obligation Corporate Purpose Bonds, Series 2014** (the “Series 2014 Bonds” and, together with the Series 2010 Bonds, the Series 2010B Bonds, the Series 2011A Bonds, the Series 2012A Bonds and the Series 2013A Bonds, the “Bonds”)

Question 2

State: Iowa

Full Name of Issuing Entity: City of Fort Dodge, Iowa

Full Legal Name of Obligor (if any): N/A

Full Name of Security Issue: Fort Dodge, Iowa General Obligation Corporate Purpose Bonds, Series 2014

Initial Principal Amount of Bond Issuance: \$4,430,000

Date of Offering: 05/15/2014

Date of final Official Statement (format MMDDYYYY): 04222014

Nine Character CUSIP number of last maturity: 347226UD2

Question 4

Senior Managing Underwriting Firm: Piper Jaffray & Co.

Primary Individual Contact at Underwriter: Unknown

Financial Advisor: PFM

Primary Individual Contact at Financial Advisor: Leo Karwejna

Bond Counsel Firm: Dorsey & Whitney LLP

Primary Individual Contact at Bond Counsel: John P. Danos

Law Firm Serving as Underwriter’s Counsel: N/A

Primary Individual Contact at Underwriter’s Counsel: N/A

Law Firm Serving as Disclosure Counsel: N/A

Primary Individual Contact at Disclosure Counsel: N/A

Exhibit B
Answer to Question #5

The City of Fort Dodge, Iowa (the “Issuer”) has elected to self-report six bond issues, defined and further described in Exhibit A (the “Bonds”), the official statements for which include the following statements regarding compliance with the Issuer’s continuing disclosure obligations:

- **The Official Statement Dated March 25, 2010 (Series 2010 Bonds); the Official Statement Dated July 28, 2010 (Series 2010B Bonds), the Official Statement Dated June 20, 2011 (Series 2011A Bonds), the Official Statement Dated June 12, 2012 (Series 2012A Bonds)**

“Currently, the City is compliant with its Disclosure Covenants. However, the City inadvertently failed to comply with previous continuing disclosure undertakings when the required annual reports for Fiscal Year 2006-07, for several outstanding bond issues, were not timely filed. The City has since provided the required annual reports, notice of its failure to timely file, and has implemented procedures intended to assure timely compliance with all filing requirements in the future with respect to the Bonds and the City’s other outstanding issues.” (the “Series 2010–2012A Statements”)

- **The Official Statement Dated April 12, 2013 (Series 2013A Bonds)**

“The City is currently compliant in all material respects with its continuing disclosure undertakings. However, the City inadvertently failed to comply with previous continuing disclosure undertakings in accordance with the reporting requirements of paragraph (f)(3) of the Rule. The continuing disclosure undertakings for the years ending June 30, 2008-09, 2009-10 and 2010-11 were filed late each year. The City filed the outstanding financial and operating data tables in accordance with the Rule on March 31, 2010, March 28, 2011 and March 27, 2012, respectively. The City has taken steps to assure future compliance with its Disclosure Covenants.” (the “Series 2013A Statement”)

- **The Official Statement Dated April 22, 2014 (Series 2014 Bonds)**

“The City is currently compliant in all material respects with its continuing disclosure undertakings. However, the City inadvertently failed to comply with previous continuing disclosure undertakings in accordance with the reporting requirements of paragraph (f)(3) of the Rule. While the City has filed all required reports for the past five years, in three of the past five years, certain annual reports were not filed in a timely fashion under the requirements of the Rule and the City’s Continuing Disclosure Certificates: the City’s required disclosure tables for fiscal year 2009, due March 27, 2010, were posted 4 days late on March 31, 2010; tables for fiscal year 2010, due March 27, 2011, were posted one day late on March 28, 2011; the City’s Independent Auditor’s reports for fiscal years 2009 and 2010 were not available by the posting dates, but were disclosed as required and posted when finalized; the audit and disclosure tables for fiscal year 2011, due March 26, 2012, were each filed 1 day late on March 27, 2012. The City has taken steps to assure future compliance with its disclosure covenants.” (the “Series 2014 Statement” and, together with the Series 2010–2012A Statements and the Series 2013A Statement, the “Statements”)

The Issuer has been informed that at least two underwriters of the Bonds have self-reported under the MCDC Initiative. Baird, the underwriter of the Series 2010 Bonds, self-reported the Issuer and the Series 2010 Bond transaction in its MCDC Initiative filing. UMB Bank, n.a., the underwriter of the Series 2010B Bonds and the Series 2011A Bonds, self-reported the Issuer, the Series 2010B Bond transaction and the Series 2011A Bond transaction in its MCDC Initiative filing.

As part of the MCDC Initiative, the Issuer, with the assistance of PFM (the “Financial Advisor”), has completed a thorough review of its continuing disclosure obligations, including specifically for the time period since the EMMA system has been in place and filings are readily available for review. The Issuer has also, with the assistance of its Financial Advisor, reviewed filings and attempted to confirm filings with NRMSIRs prior to the creation of the EMMA filing system. The Issuer was not able to verify each filing was appropriately received and/or filed with all NRMSIRs and no statement with respect to this questionnaire should be viewed as complete NRMSIR filing accuracy. The Issuer now shares its own findings in order to assist the staff of the Division of Enforcement in understanding the circumstances that may have led to any potentially inaccurate Statements. The Issuer believes the Statements regarding its continuing disclosure compliance for the respective five-year periods made in its official statements for the Bonds are not materially inaccurate.

The fourteen bonds listed below were outstanding within five years before each of the Statements. For all, the Issuer is required to file an annual report within a given time span after the end of the Issuer’s fiscal year ending June 30, and also file for certain listed events. The annual report must be comprised of the Issuer’s audited financial statement and several operating data tables that update the official statement data. For bonds issued before the Series 2008 Bonds (defined herein), the Issuer was obligated to file its annual report within 270 days after each fiscal year end. Beginning with the Series 2008 Bonds and continuing through today, the Issuer must file the annual report within either 365 days or 12 months after each fiscal year end.

270-Day Deadline (all have been called/matured)

1. \$1,800,000 Water Revenue Bonds, Series 1998 (CUSIP 347226MH2), which matured June 1, 2008
2. \$5,300,000 General Obligation Corporate Purpose Bonds, Series 1999 (CUSIP 347226NH1), which were called for redemption June 1, 2009
3. \$2,050,000 General Obligation Corporate Purpose Bonds, Series 2003A (CUSIP 347226NT5) (the “Series 2003A Bonds”), which were called for redemption June 1, 2013
4. \$1,700,000 Hotel and Motel Tax Revenue Bonds, Series 2003C (CUSIP 347249AU8) (the “Series 2003C Bonds”), which were called for redemption June 1, 2013
5. \$3,800,000 General Obligation Corporate Purpose Bonds, Series 2004 (CUSIP 347226PJ5) (the “Series 2004 Bonds”), which were called for redemption June 1, 2013

365-Day Deadline

1. \$5,130,000 General Obligation Corporate Purpose Bonds, Series 2008 (CUSIP 347226PW6) (the “Series 2008 Bonds”), which were advance refunded May 1, 2013

2. \$1,080,000 General Obligation Refunding Bonds, Series 2009A (CUSIP 347226QB1) (the “Series 2009A Bonds”)
3. \$8,950,000 General Obligation Corporate Purpose Bonds, Taxable Series 2009B (Taxable Build America Bonds) (CUSIP 347226QS4) (the “Series 2009B Bonds”)
4. The Series 2010 Bonds
5. The Series 2010B Bonds
6. The Series 2011A Bonds (filing deadline is 12 Months rather than 365 days)
7. The Series 2012A Bonds (filing deadline is 12 Months rather than 365 days)
8. The Series 2013A Bonds (filing deadline is 12 Months rather than 365 days)
9. The Series 2014 Bonds (filing deadline is 12 Months rather than 365 days)

To the knowledge of the Issuer, it has never failed to file an annual report for any year in which such report was required to be filed. Since filings were required to be reported on EMMA, the Issuer has filed each annual report within 1 year after fiscal year end, except for the Series 2003C Bonds Fiscal Year 2010 audited financial statement (filed 696 days after the deadline). Accordingly, 39 of the 40 annual report filings have been made within one year after fiscal year end. Because the Fiscal Year 2010 audited financial statement was timely filed on June 1, 2011 for several other bond issues, the information was readily available to the public, and the failure to timely link the same to the Series 2003C Bonds does not constitute material noncompliance.

For the filings due for Fiscal Years 2009 through 2011, the operating data tables were filed only 1 to 4 days after the deadline to file. For Fiscal Years 2009 and 2010 the audited financial statements were filed once they became available—roughly two months after the deadline; the Fiscal Year 2011 audited financial statement was one day late. For Fiscal Year 2012, all annual reports were timely filed. The Issuer identified its late pre-EMMA filings in the Series 2010–2012 Statements, and once it became aware of the late EMMA-era filings, the Issuer disclosed the same in its Series 2013A Statement and Series 2014 Statement. All bonds bond by the 270-day filing requirement have since matured or have been called.

For the nine bonds with a 365-day/12-month filing, the Issuer has a perfect annual report filing record, as shown below:

Fiscal Year Ending	Filing Deadline	Audited Financial Statements Filed	Days Before	Operating Data Filed	Days Before
6/30/09	6/30/10	6/3/10	27	3/31/10	101
6/30/10	6/30/11	6/1/11	29	3/28/11	94
6/30/11	6/29/12*	3/27/12	94	3/27/12	94
6/30/12	6/30/13	3/21/13	101	3/27/13	95
6/30/13	6/30/14	3/20/14	102	3/20/14	102

*From the Series 2011A Bonds through the Series 2014 Bonds, the filing requirement is 12 months instead of 365 days.

From five years prior to the Statements, the Issuer has filed for ten events, regardless of materiality:

1. The Issuer timely filed the May 25, 2010 rating change of the Series 2003A Bonds on the day the event occurred.
2. The Issuer timely filed the May 25, 2010 rating change of the Series 2003C Bonds on the day the event occurred.
3. The Issuer timely filed the May 25, 2010 rating change of the Series 2009A Bonds on the day the event occurred.
4. The Issuer timely filed the May 25, 2010 rating change of the Series 2009B Bonds on the day the event occurred.
5. The Issuer timely filed the May 25, 2010 rating change of the Series 2010 Bonds on the day the event occurred.
6. The Issuer timely filed the May 25, 2010 rating change of the Series 2008 Bonds on the day the event occurred.
7. The Issuer timely filed the June 1, 2013 bond call of the Series 2004 Bonds 39 days before the event occurred.
8. The Issuer timely filed the May 16, 2013 advance refunding of the Series 2008 Bonds 23 days after the event occurred.
9. The Issuer timely filed the June 1, 2013 bond call of the Series 2003C Bonds 39 days before the event occurred.
10. The Issuer timely filed the June 1, 2014 bond call of the Series 2008 Bonds 403 days before the event occurred.

Admittedly, the Issuer did not file for the June 9, 2011 rating change (impacting the Series 2003C Bonds, the Series 2004 Bonds, the Series 2008 Bonds, the Series 2009A Bonds, the Series 2009B Bonds, the Series 2010 Bonds and the Series 2010B Bonds) until October 24, 2014—1233 days after the event occurred. And although the Issuer did timely file for the May 25, 2010 rating change of other bonds, it failed to link the event to the Series 2003C CUSIP. To the knowledge of the Issuer, there have been no material events for which the Issuer did not file as listed above.

Over the previous nine-year span, the Issuer has not missed an annual filing, and has made 39 of 40 annual filings within one year of the fiscal year end. The previous late filings were attributed to the 270-day filing deadline, which does not apply to the currently outstanding bonds. The Issuer has diligently filed for several events, regardless of materiality. The Issuer has also researched its history of continuing disclosure compliance related to each of the Bonds eligible for the MCDC Initiative to disclose any missed filings in the Statements.

In reviewing the Issuer's continuing disclosure compliance track record in totality, and in particular the post-EMMA period, the Issuer believes it has not mislead investors regarding its material compliance with its continuing disclosure obligations. As part of its MCDC review, the Issuer has adopted disclosure policies and procedures to help ensure future compliance. Additionally, the introduction of EMMA and its enhancements over the past five years has provided the Issuer with a reliable and efficient tool for compliance and monitoring of its continuing disclosure obligations. The Issuer submits that an enforcement action is not warranted against the Issuer under the totality of the circumstances. In the event that the SEC deems that these prior missteps in its disclosure may be material, the Issuer requests an opportunity to further address these issues with the SEC prior to the filing of any enforcement action.

MINUTES AUTHORIZING ADOPTION OF
POLICIES AND PROCEDURES RE: MUNICIPAL
SECURITIES DISCLOSURE

419414-93

Fort Dodge, Iowa

November 24, 2014

The City Council of the City of Fort Dodge, Iowa, met on November 24, 2014, at ____ o'clock __.m. at the _____, Fort Dodge, Iowa. The Mayor presided and the roll was called showing the following members of the City Council present and absent:

Present: _____

Absent: _____.

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

Ayes: _____

Nays: _____.

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

•••••

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

Mayor

Attest:

City Clerk

RESOLUTION NO. _____

Resolution authorizing adoption of Policies and Procedures Re: Municipal Securities Disclosure

WHEREAS, pursuant to the laws of the State of Iowa, the City of Fort Dodge, Iowa (the “City”) has publicly offered, and likely will issue and publicly offer in the future, its bonds (the “Bonds”); and

WHEREAS, the City deems it necessary and desirable to adopt certain Policies and Procedures Re: Municipal Securities Disclosure to be followed in connection with the issuance and on-going administration of publicly offered Bonds; and

WHEREAS, the proposed Policies and Procedures Re: Municipal Securities Disclosure are attached hereto as Exhibit A (the “Disclosure Policies and Procedures”);

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

Section 1. The Disclosure Policies and Procedures attached hereto as Exhibit A are hereby adopted and shall be dated as of the date hereof.

Section 2. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved November 24, 2014.

Mayor

Attest:

City Clerk

STATE OF IOWA
COUNTY OF WEBSTER
CITY OF FORT DODGE

SS:

I, the undersigned, City Clerk of the City of Fort Dodge, Iowa, do hereby certify that attached hereto is a true and correct copy of the proceedings of the City Council relating to the City's adoption of the Policies and Procedures Re: Municipal Securities Disclosure.

WITNESS MY HAND this _____ day of _____, 2014.

City Clerk

Exhibit A

Fort Dodge

Policies and Procedures Re: Municipal Securities Disclosure

As an issuer of municipal securities (bonds and/or notes, referred to herein as “Bonds”), the City of Fort Dodge, Iowa (the “Issuer”) has adopted the policies and procedures set forth herein (collectively, the “Disclosure Policy”) to guide the Issuer’s actions with respect to (1) the disclosure document (often referred to as the “official statement”) for publicly-offered bond transactions and (2) ongoing disclosures associated with outstanding bond issues (also known as “continuing disclosure”).

This Disclosure Policy includes the following elements: (1) disclosure training for officials responsible for producing, reviewing and approving disclosure; (2) establishment of procedures for review of relevant disclosure, and (3) ensuring that any procedures established are followed.

Background

The anti-fraud provisions of federal securities laws apply to municipal securities such as the Issuer’s Bonds. The U.S. Securities and Exchange Commission (the “SEC”) can bring enforcement actions against the Issuer, members of its governing body, government employees and officials, and professionals working on the bond transaction. This Disclosure Policy is designed to provide the necessary policy framework and accompanying procedures for compliance by the Issuer with its disclosure responsibilities.

When bonds are issued and publicly offered, an official Statement will be prepared on behalf of the Issuer. The official statement is the disclosure document that sets forth the terms associated with the bond issue, and this document will be used to market and sell the Issuer’s bonds.¹ In addition, for transactions larger than \$1 million in size that include an official statement, the Issuer enters into a continuing disclosure certificate, agreement or undertaking (the “CDC”). The CDC is a contractual obligation of the Issuer, pursuant to which the Issuer agrees to provide certain financial information filings (at least annually) and material event notices to the public. The CDC is necessary to allow the bond underwriters to comply with SEC Rule 15c2-12. As noted below, filings under the CDC must be made electronically at the Electronic Municipal Market Access (EMMA) portal (www.emma.msrb.org).

Accordingly, this Disclosure Policy addresses the following three aspects of disclosure: (1) preparation and approval of official statements in connection with new bond issues; (2) on-going continuing disclosure requirements under a CDC; and (3) education of staff and elected officials with respect to disclosure matters.

1. Primary (New) Offerings of Bonds – Official Statements of the Issuer

¹ Under federal law issuers of municipal securities are primarily responsible for the content of their disclosure documents (the official statement), regardless of who prepared the document. An issuer does not discharge its disclosure obligations by hiring professionals to prepare the official statement. An issuer has “an affirmative obligation” to know the contents of its official statement, including the financial statements. Finally, executing an official statement without first reading the document to ascertain whether it is accurate may be reckless (the basis for certain anti-fraud causes of action by the SEC).

In connection with issuance of its publicly-offered Bonds (Bonds sold via the public market, through a broker-dealer known as an “underwriter”), the Issuer will prepare (or cause its hired professionals to prepare) a disclosure document commonly known as an “official statement.” This official statement is the document that describes the issuance of the Bonds to the marketplace and as such, *under federal law, the official statement cannot contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.*

To ensure the Issuer’s official statements are properly prepared and reviewed, the Issuer adopts the procedures set forth in Appendix I hereto.

2. Continuing Disclosure Compliance (CDC Compliance)

The Issuer has entered into, or may in the future enter into, CDCs in connection with its bond issues. Under these contractual agreements, the Issuer has agreed to provide to the marketplace certain financial information and notices of material events. The Issuer will file, or cause to be filed, necessary items under the CDCs in a searchable electronic format at the Electronic Municipal Market Access (EMMA) portal (www.emma.msrb.org).

To ensure compliance with its contractual continuing disclosure obligations, the Issuer adopts the procedures set forth in Appendix II hereto.

3. Systematic Training of Staff and Governing Body Members

In addition to the specific procedures adopted under this Disclosure Policy, the Issuer understands that ongoing training of both staff and members of the governing body is essential to successful compliance with the Issuer’s disclosure obligations. Accordingly, the Issuer has implemented the following training procedures (which may be implemented with the assistance of counsel to the Issuer):

A. *Annual Training.* The City Treasurer is responsible for scheduling annual training of Issuer employees regarding disclosure and financial reporting requirements of the federal securities laws. Such training shall include a complete review of this Disclosure Policy, Rule 15c2-12 and the material events required to be reported pursuant to such Rule, and a complete overview of the Issuer’s obligations under the federal securities laws. Not later than six months after the end of each fiscal year, the City Treasurer shall provide written certification to the Council that the annual disclosure training has been completed.

B. *Specific Training.* When appropriate, the City Treasurer shall conduct (or cause to be conducted) training with individuals on those persons’ specific roles and responsibilities in the disclosure and financial reporting process.

C. *Governing Body Training.* Not less than once every two years, the City Treasurer shall schedule a training session for the Issuer’s governing body on this Disclosure Policy and the disclosure and financial reporting requirements of the federal securities laws.

Appendix I

Written Procedures for Preparing Official Statements

1. At the commencement of a financing, the City Treasurer shall develop or cause its finance team to develop a plan for preparation of the official statement and a schedule that allows sufficient time for all required work, including appropriate review and participation by members of the financing team and knowledgeable issuer staff.
2. The City Treasurer shall be responsible for managing the preparation process for the official statement, and shall obtain the assistance of other participants within the Issuer and legal and financial professionals, as necessary and appropriate.
3. The City Treasurer shall be responsible for developing a program for coordinating staff review of the disclosure information and obtaining formal sign-off from staff on the disclosure documents.
4. The City Treasurer shall ensure that any previous failure to fully comply with continuing disclosure obligations during the prior five year period is disclosed in the official statement.
5. The Issuer's governing body shall be given not less than 7 days to review an official statement prior to being asked to vote on its approval, absent extenuating circumstances. Elected representatives on the governing body shall be directed to contact the City Treasurer during the review period to discuss potential issues or comments on the official statement.

Appendix II

Written Procedures Re: Continuing Disclosure

1. The City Treasurer shall be responsible for compliance with the Issuer's obligations under continuing disclosure agreements, undertakings or certificates (the "CDC"), including without limitation annual filings, material event notice filings, voluntary filings and other filings required by the CDC.
2. Prior to execution of a CDC in connection with a bond issue, the CDC shall be discussed with bond counsel, the underwriter and financial advisor to ensure a full understanding of issuer obligations.
3. The City Treasurer shall have primary responsibility for ensuring that statements or releases of information relating to the Issuer's finances to the public that are reasonably expected to reach investors and the financial markets, including website updates, press releases and market notices, are accurate and not misleading in any material respect. The City Treasurer and City Clerk shall work together to ensure that all public statements and information released by the Issuer are accurate and not misleading in all material respects.
4. The City Treasurer shall be responsible for compiling and maintaining a list of all outstanding bond issues subject to continuing disclosure, noting the applicable filing dates [see attached table format, Part I, for tracking this information (the "Disclosure Table")].
5. The City Treasurer shall be responsible for assembling and maintaining copies of the final CDC and final Official Statements for each applicable bond issue, together with any third-party Dissemination Agent Agreements, if applicable.
6. The City Treasurer shall document and track the required information to be filed, including dates such information is filed [see attached Disclosure Table, Part II].
7. The City Treasurer shall be responsible for registering for continuing disclosure filing email reminders from the "EMMA" website (<http://emma.msrb.org>).
8. At least 30 days prior to the earliest filing deadline listed on the Disclosure Table, the City Treasurer shall begin the process of compiling necessary information required by the CDCs (and coordinate with outside professionals hired to compile this information, if applicable).
9. At least 10 days prior to each filing deadline, City Treasurer shall determine whether all necessary items have been compiled for filing pursuant to the CDC requirements (including review with outside professionals if applicable).
10. At least 3 days prior to each filing deadline, the City Treasurer shall file (or cause any Dissemination Agent to file) the necessary items on the EMMA website. After filing, the City Treasurer shall confirm that all items have, in fact, been filed on EMMA as required, and shall note the filing date on the Disclosure Table.
11. In addition to the continuing disclosure filings, the City Treasurer shall be responsible for determining whether any of the following "listed events" has taken place and if so, discuss the same with its external legal and financial professionals and cause the filing of notice to be made on EMMA within ten business days of such events:

- a. Principal and interest payment delinquencies;
 - b. Non-payment related defaults, if material;
 - c. Unscheduled draws on debt service reserves reflecting financial difficulties;
 - d. Unscheduled draws on credit enhancements reflecting financial difficulties;
 - e. Substitution of credit or liquidity providers, or their failure to perform;
 - f. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
 - g. Modifications to rights of security holders, if material;
 - h. Bond calls, if material, and tender offers;
 - i. Defeasances;
 - j. Release, substitution, or sale of property securing repayment of the securities, if material;
 - k. Rating changes;
 - l. Bankruptcy, insolvency, receivership or similar event of the obligated person;
 - m. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - n. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
12. The City Treasurer shall be the primary contact person for responding to inquiries from investors and for maintaining the investor relations portion of the Issuer's website, if any.]
13. The City Treasurer shall be responsible for coordinating and filing any voluntary information with EMMA, after consultation with the Issuer's legal and financial professionals.

Form of Disclosure Table

Part I – Master Tracking Table (list of deadlines for all bond issues)

Name of Bond Issue	Date of Issue	Final Maturity Date	Dissemination Agent?	CUSIP for Final Maturity	Deadline for Annual Report

Part II – Separate Table for Each Bond Issue (tracks details of filings for each issue)

[Name of Bonds][date of issue]	Reporting Periods [inset date info was filed on EMMA]			
Description of Financial Information / Operating Data to file on EMMA	FY2013	FY2014	FY2015	FY2016
[audit]				
[list applicable tables in Official Statement]				
[unaudited financials, if audit not available by deadline]				
[other information]				