

2018 Compliance Guides **CITY COMPLIANCE GUIDE**

|  |          | Non-compliance Noted/<br>FY | FY18        |         |        |         | FY19        |         |        |         | FY20        |         |        |         |
|--|----------|-----------------------------|-------------|---------|--------|---------|-------------|---------|--------|---------|-------------|---------|--------|---------|
|  | Category |                             | Selected    | Done By | WP Ref | Remarks | Selected    | Done By | WP Ref | Remarks | Selected    | Done By | WP Ref | Remarks |
|  |          |                             | Risk: H M L |         |        |         | Risk: H M L |         |        |         | Risk: H M L |         |        |         |
|  |          |                             |             |         |        |         |             |         |        |         |             |         |        |         |
| <b>LONG-TERM DEBT:</b>   |          |                             |             |         |        |         |             |         |        |         |             |         |        |         |
| 1. General obligation, special assessment and revenue bonds or notes:  |          |                             |             |         |        |         |             |         |        |         |             |         |        |         |
| a. Determine general obligation debt payments were recorded in the Debt Service Fund in accordance with Chapter 384.4 of the Code of Iowa.   | 2        |                             |             |         |        |         |             |         |        |         |             |         |        |         |
| b. Determine and document procedures for bonds or notes sold during the current year were in compliance with Chapters 75, 384 and 403.9 of the Code of Iowa.                               | 2        |                             |             |         |        |         |             |         |        |         |             |         |        |         |
| c. Determine and document interest rates on bonds sold during the period are within the interest rates authorized by Chapter 74A of the Code of Iowa.                                      | 2        |                             |             |         |        |         |             |         |        |         |             |         |        |         |
| d. Determine and document bond or note proceeds are being used in accordance with bond provisions.   | 2        |                             |             |         |        |         |             |         |        |         |             |         |        |         |
| e. Determine if special assessment balances are adequate to provide for early retirement of bonds and, if so, determine disposition in accordance with Chapter 384.68 of the Code of Iowa. | 2        |                             |             |         |        |         |             |         |        |         |             |         |        |         |
| f. Determine tax increment financing bonds debt payments were paid from the tax increment account in accordance with Chapter 403.19(2) of the Code of Iowa.                                | 2        |                             |             |         |        |         |             |         |        |         |             |         |        |         |
| g. Determine the indebtedness of the City was within the Constitutional limit of 5% of the value of taxable property in accordance with the Iowa Constitution, Article XI.3.               | 1        |                             |             |         |        |         |             |         |        |         |             |         |        |         |

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|  | Category |                         | Selected     | Done By | WP Ref | Remarks | Selected | Done By      | WP Ref | Remarks | Selected | Done By | WP Ref       | Remarks |   |   |
|  |          |                         | <u>Risk:</u> | H       | M      | L       |          | <u>Risk:</u> | H      | M       | L        |         | <u>Risk:</u> | H       | M | L |
| <b>LONG-TERM DEBT (continued):</b>   |          |                         |              |         |        |         |          |              |        |         |          |         |              |         |   |   |
| h. Determine the City has complied with the reporting requirements of SEC Rule 15c2-12. Effective July 1, 2009, issuers are subject to ongoing filing requirements for issuances of more than \$1,000,000. All continuing disclosure submissions must be provided to the Municipal Securities Rulemaking Board (MSRB) through its Electronic Municipal Market Access (EMMA) system ( <a href="http://www.emma.msrb.org">www.emma.msrb.org</a> ). | 3        |                         |              |         |        |         |          |              |        |         |          |         |              |         |   |   |
| i. Determine if the City has established written procedures to monitor compliance with the arbitrage, yield restrictions and rebate requirements under Section 148 of the Internal Revenue Service rules.  | 2        |                         |              |         |        |         |          |              |        |         |          |         |              |         |   |   |
| 2. Anticipatory Warrants/Obligations:  |          |                         |              |         |        |         |          |              |        |         |          |         |              |         |   |   |
| a. Review authorization for issuance of these obligations.   | 3        |                         |              |         |        |         |          |              |        |         |          |         |              |         |   |   |
| b. Determine debt instruments issued comply with provisions of Chapter 74 of the Code of Iowa.   | 3        |                         |              |         |        |         |          |              |        |         |          |         |              |         |   |   |
| 3. Capital Leases And Installment Purchases – Determine agreements were properly authorized in accordance with Chapter 364.4 of the Code of Iowa.  | 3        |                         |              |         |        |         |          |              |        |         |          |         |              |         |   |   |
| 4. Determine loan and other agreements comply with Chapters 364.4(4), 384.24A, 384.83, 403.9 and 423B.9 of the Code of Iowa.   | 3        |                         |              |         |        |         |          |              |        |         |          |         |              |         |   |   |