



The PFM Group

Public Financial Management, Inc.
PFM Asset Management LLC
PFM Advisors

801 Grand Avenue
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January 28, 2014

Dr. Craig Hansel, Chief Financial Officer
Mr. Leslie Finger, Director of Business Services
Iowa City Community School District
1725 North Dodge Street
Iowa City, IA 52245

Dear Dr. Hansel and Mr. Finger:

This letter is being sent to provide you with information regarding the services of Public Financial Management (PFM) as Dissemination Agent for purposes of compliance with the Securities and Exchange Commission Rule 15(c)2-12 relating to continuing disclosure of financial information as it pertains to all General Obligation Bonds the Iowa City Community School District, Iowa (the "District") has issued.

Based on current outstanding municipal issues of the District, the District has entered into covenants to file Annual Disclosure Reports within 210 days after the close of your Fiscal Year, and to also provide notice of certain Material Events, if and when they occur.

The Annual Disclosure Report must include the District's most recent Comprehensive Annual Financial Report (for the prior Fiscal Year ending June 30). The specific information to be reported is outlined in the applicable Continuing Disclosure Certificate executed along with each issue. If the Audit has not been completed as of the filing date, the District is required to provide preliminary, unaudited financial statements to be filed as part of the Annual Disclosure Report. When the Audit is completed, the District must provide a final electronic copy (as of January 1, 2010 the electronic PDF file must be "word searchable"), which is then filed as a required supplement to the Annual Disclosure Report.

When PFM is hired as an official Dissemination Agent to an issuer, we rely on the issuer to help with the compilation and research needed for updating information to prepare the Annual Disclosure Report. We then prepare the report and submit it to the MSRB EMMA site as required. The Securities and Exchange Commission (SEC) modified Rule 15c2-12 such that as of July 2009, all filings are required to be made electronically through the Municipal Securities Rulemaking Board's (MSRB's) Electronic Municipal Market Access (EMMA) system. We would also file any other required notices (Material Events) as required to the Municipal Securities Rulemaking Board (MSRB) via the EMMA system.



In the case of any Material Events, it is ultimately the responsibility of the District to inform PFM of the occurrence of the event as soon as it becomes known. For any such events associated with transactions on which PFM is working as the District's Financial Advisor (e.g., bond calls or rating changes), PFM would initiate and file the Material Event Notice and forward confirmation of the filing to the District. As of December 1, 2010, Material Events are required to be filed in a timely manner (not in excess of 10 business days) after the occurrence of the event. Please see Attachment A to this letter for a representative listing of Material Events.

If you would like for PFM to serve as the District's Dissemination Agent for ongoing annual disclosure reporting as outlined in this letter, please review the following and return an executed copy of this letter to our offices.

Our services and related fees are as follows:

Annual Disclosure Report Filing Fee: \$2,000 (minimum)

This annual fee includes, but is not limited to the following tasks:

1. Notice to the Issuer that Annual Disclosure Report will be coming due
2. Preparation of list of information required in the Annual Disclosure report which will need to be supplied to PFM by the Issuer
3. Research and documentation of information needed that will come from parties outside of the Issuer (e.g. County, Bond Counsel)
4. Compilation of Annual Disclosure Report
5. Submission of Annual Disclosure Report
6. Copies and confirmation delivered to the Issuer indicating Annual Report has been filed
7. Filing of any certification of Audited Financial Reports after initial filing
8. Filing of any and all Material Events that may occur

In most instances the fee charged is the minimum fee; although PFM reserves the right to request reimbursement for any extraordinary out-of-pocket costs that we may incur in filing an Annual Disclosure Report or Material Event Notices.

Sincerely,
Public Financial Management, Inc.

Jenny Blankenship, CPA
Director

Accepted on behalf of the Iowa City Community School District, Iowa on this 11th day of February, 2014.

By: Sally R. Hoelscher

Title: Board President



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Attachment A

Listing of Material Events (Effective as of December 1, 2010)

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series Bonds, or material events affecting the tax-exempt status of the Bonds;
- (7) Modifications to rights of Holders of the Bonds, if material;
- (8) Bond calls and tender offers (excluding sinking fund mandatory redemptions), if material;
- (9) Defeasances of the Bonds;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes on the Bonds;
- (12) Bankruptcy, insolvency, receivership or similar event of the Issuer;
- (13) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.