

ORDINANCE NO. 3244

OF

THE CITY OF MCPHERSON, KANSAS

PASSED

JUNE 26, 2017

**GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS
SERIES 138 OF 2017**

ORDINANCE NO. 3244

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 138 OF 2017, OF THE CITY OF MCPHERSON, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

WHEREAS, the City of McPherson, Kansas (the “City”) is a city of the second class, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, pursuant to the laws of the State of Kansas applicable thereto, by proceedings duly had, the City Commission of the City (the “Governing Body”) has caused the following improvements (the “Improvements”) to be made in the City, to-wit:

<u>Project Description</u>	<u>Res. No.</u>	<u>Authority (K.S.A.)</u>	<u>Amount</u>
Sanitary Sewer Improvements-Grimes and Loomis	15-08/17-06	12-6a01 <i>et seq.</i>	\$ 42,457.88
Street Improvements-Calvary Street	15-19	12-6a01 <i>et seq.</i>	215,608.30
Street Improvements-Centennial Drive	15-20/2017-03	12-6a01 <i>et seq.</i>	388,753.60
Sanitary Sewer Improvements-Fisher and Elizabeth	16-07	12-6a01 <i>et seq.</i>	<u>63,306.19</u>
Total:			<u>\$710,125.97</u>

WHEREAS, all legal requirements pertaining to the Improvements have been complied with, and the Governing Body now finds and determines that the total cost of the Improvements (including interest on temporary notes of the City and issuance costs of the general obligation bonds) and related expenses are at least \$710,125.97, with \$329,251.52 of said cost to be paid by the owners of the property within the City benefited by the Improvements and with the balance of said cost to be paid by the City at large, and that the owners of the property benefited by the Improvements have paid \$37,731.46 in cash into the City Treasury on account of the Improvements, there is \$351,772.16 available in the City Treasury to pay part of said cost, leaving \$320,622.35 to be paid for by the issuance of general obligation bonds; and

WHEREAS, the Governing Body is authorized by law to issue general obligation bonds of the City to pay the costs of the Improvements; and

WHEREAS, none of such general obligation bonds heretofore authorized have been issued and the City proposes to issue \$320,000 of its general obligation bonds, together with premium thereon, to pay a portion of the costs of the Improvements; and

WHEREAS, the City heretofore issued and has outstanding the Refunded Bonds and is authorized by K.S.A. 10-427 *et seq.* to issue general obligation refunding bonds of the City for the purpose of refunding the Refunded Bonds; and

WHEREAS, in order to achieve interest cost savings through early redemption of the Refunded Bonds, reduce debt service requirements of the City for certain years, restructure the debt payments on the Refunded Bonds and provide an orderly plan of finance for the City, it has become desirable and in the best interest of the City and its inhabitants to refund the Refunded Bonds.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF MCPHERSON, KANSAS, AS FOLLOWS:

Section 1. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms in this Ordinance shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“Act” means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-427 *et seq.*, K.S.A. 10-620 *et seq.*, and K.S.A. 12-6a01 *et seq.*, all as amended and supplemented from time to time.

“Bond and Interest Fund” means the Bond and Interest Fund of the City for its general obligation bonds.

“Bond Resolution” means the resolution to be adopted by the Governing Body prescribing the terms and details of the Bonds and making covenants with respect thereto.

“Bonds” means the City's General Obligation Refunding and Improvement Bonds, Series 138 of 2017, dated July 26, 2017, authorized by this Ordinance.

“City” means the City of McPherson, Kansas.

“Clerk” means the duly appointed and acting Clerk of the City or, in the Clerk's absence, the duly appointed Deputy, Assistant or Acting Clerk.

“Finance Director” means the duly appointed and acting Finance Director of the City or, in the Finance Director's absence, the duly appointed Deputy, Assistant or Acting Finance Director of the City.

“Governing Body” means the City Commission of the City.

“Mayor” means the duly elected and acting Mayor of the City or, in the Mayor's absence, the duly appointed and/or elected Vice Mayor or Acting Mayor of the City.

“Ordinance” means this Ordinance authorizing the issuance of the Bonds.

“Refunded Bonds” means collectively: (a) the Series 131 of 2006 Bonds maturing in the years 2018 to 2026, inclusive, in the aggregate principal amount of \$535,000; (b) the Series 132 of 2007 Bonds maturing in the years 2020 to 2027, inclusive, in the aggregate principal amount of \$450,000; and (c) the Series 133 of 2009 Bonds maturing in the years 2021 to 2029, inclusive, in the aggregate principal amount of \$660,000 and (d) the Series 134 of 2011 Bonds maturing in the years 2018 to 2023, inclusive, in the aggregate principal amount of \$715,000.

“Refunded Notes” means collectively: (a) the Series A, 2015 Notes maturing December 15, 2017, in the aggregate principal amount of \$360,000; and (b) the Series A, 2016 Notes maturing December 15, 2017, in the aggregate principal amount of \$54,000.

“Series 131 of 2006 Bonds” means the Issuer's General Obligation Refunding & Improvement Bonds, Series 131 of 2006, dated July 15, 2006.

“**Series 132 of 2007 Bonds**” means the Issuer's General Obligation Bonds, Series 132 of 2007, dated August 1, 2007.

“**Series 133 of 2009**” means the Issuer's General Obligation Bonds, Series 133 of 2009, dated July 30, 2009.

“**Series 134 of 2011 Bonds**” means the Issuer's General Obligation Refunding and Improvement Bonds, Series 134 of 2011, dated June 15, 2011.

“**Series A, 2015 Notes**” means the Issuer's General Obligation Temporary Notes, Series A, 2015, dated December 15, 2015.

“**Series A, 2016 Notes**” means the Issuer's Taxable General Obligation Temporary Notes, Series A, 2016, dated September 15, 2016.

“**State**” means the State of Kansas.

“**Substitute Improvements**” means the substitute or additional improvements of the City authorized in the manner set forth in the Bond Resolution.

Section 2. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the General Obligation Refunding and Improvement Bonds, Series 138 of 2017, of the City in the principal amount of \$2,660,000, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; (b) pay costs of issuance of the Bonds; (c) retire the Refunded Notes; and (d) refund the Refunded Bonds.

Section 3. Security for the Bonds. The Bonds shall be general obligations of the City payable as to both principal and interest in part from special assessments levied upon the property benefited by the construction of the Improvements and improvements financed by the Refunded Bonds and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The balance of the principal and interest on the Bonds is payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 4. Terms, Details and Conditions of the Bonds. The Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such forms, shall be subject to redemption and payment prior to the maturity thereof, and shall be issued and delivered in the manner prescribed and subject to the provisions, covenants and agreements set forth in the Bond Resolution hereafter adopted by the Governing Body.

Section 5. Levy and Collection of Annual Tax. The Governing Body shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by levying and collecting the necessary taxes and/or assessments upon all of the taxable tangible property within the City in the manner provided by law.

The taxes and/or assessments above referred to shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the general ad valorem taxes of the City are levied and collected, shall be used solely for the payment of

the principal of and interest on the Bonds as and when the same become due and the fees and expenses of the Paying Agent. The proceeds derived from said taxes and/or assessments shall be deposited in the Bond and Interest Fund.

If at any time said taxes and/or assessments are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the City and to reimburse said general funds for money so expended when said taxes and/or assessments are collected.

Section 6. Further Authority. The Mayor, Finance Director, Clerk and other City officials are hereby further authorized and directed to execute any and all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of the Ordinance, and to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 7. Governing Law. This Ordinance and the Bonds shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 8. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the Governing Body and publication of the Ordinance or a summary thereof in the official City newspaper.

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PASSED by the City Commission on June 26, 2017 and **SIGNED** by the Mayor.

(SEAL)

Thomas A. Brown, Mayor

ATTEST:

Tamra K. Seely, Clerk

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CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on June 26, 2017; that the record of the final vote on its passage is found on page ____ of journal ____; and that the Ordinance or a summary thereof was published in the *McPherson Sentinel* on June 29, 2017.

DATED: June 29, 2017.

Clerk

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(PUBLISHED IN THE *MCPHERSON SENTINEL* ON JUNE 29, 2017)

SUMMARY OF ORDINANCE NO. 3244

On June 26, 2017, the governing body of the City of McPherson, Kansas passed an ordinance entitled:

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 138 OF 2017, OF THE CITY OF MCPHERSON, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

The Series 138 of 2017 Bonds approved by the Ordinance are being issued in the principal amount of \$2,660,000, to finance certain internal improvements in and refund previously issued general obligation bonds of the City, and constitute general obligations of the City payable as to both principal and interest, to the extent necessary, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. A complete text of the Ordinance may be obtained or viewed free of charge at the office of the City Clerk, 400 E. Kansas Avenue, P.O. Box 1008, McPherson, Kansas 67460. A reproduction of the Ordinance is available for not less than 7 days following the publication date of this Summary at www.mcpcity.com. Jeffrey A. Houston certified this summary as legally accurate and sufficient.

DATED: June 26, 2017.

City Attorney