

Gilmore & Bell, P.C.
02/17/2021

ORDINANCE NO. 2070

OF

THE CITY OF KINGMAN, KANSAS

PASSED

FEBRUARY 25, 2021

**TAXABLE GENERAL OBLIGATION REFUNDING BONDS
SERIES 2021**

(PUBLISHED IN THE *LEADER-COURIER* ON MARCH 4, 2021)

ORDINANCE NO. 2070

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2021, OF THE CITY OF KINGMAN, KANSAS, FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND A PORTION OF THE CITY'S OUTSTANDING GENERAL OBLIGATION BONDS; 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 Kingman, 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, 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, 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 GOVERNING BODY OF THE CITY OF KINGMAN, 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. 10-620 *et seq.*, and K.S.A. 10-427 *et seq.*, all as amended and supplemented from time to time.

"Additional Bonds" means any bonds secured by the Revenues hereafter issued.

"Additional Obligations" means any leases or other obligations of the City payable from the Revenues, other than the Series 2015 Bonds, the Electric System Portion of the Bonds, and Additional Bonds.

"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 Taxable General Obligation Refunding Bonds, Series 2021, dated March 16, 2021, authorized by this Ordinance.

“City” means the City of Kingman, 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.

“Electric System Portion” means a \$775,000 portion of the Bond maturities in the years 2021 (in the amount of \$5,000*), 2022 (in the amount of \$15,000*), and 2023 (in the amount of \$755,000*).

“Expenses” means all reasonable and necessary expenses of operation, maintenance and repair of the System and keeping the System in good repair and working order (other than interest paid on System Indebtedness and depreciation and amortization charges during the period of determination), determined in accordance with standard accounting practices, including without limiting the generality of the foregoing, current maintenance charges, expenses of reasonable upkeep and repairs, salaries, wages, costs of materials and supplies, paying agent fees and expenses, annual audits, periodic Consultant's reports, properly allocated share of charges for insurance, the cost of purchased water, gas and power, if any, for System operation, obligations (other than for borrowed money or for rents payable under capital leases) incurred in the ordinary course of business, liabilities incurred by endorsement for collection or deposit of checks or drafts received in the ordinary course of business, short-term obligations incurred and payable within a particular Fiscal Year, other obligations or indebtedness incurred for the purpose of leasing (pursuant to a true or operating lease) equipment, fixtures, inventory or other personal property, and all other expenses incident to the operation of the System, but shall exclude all general administrative expenses of the City not related to the operation of the System.

“Governing Body” means the Governing Body 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.

“Net Revenues” means, for the period of determination, all Revenues less all Expenses.

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

“Refunded Bonds” means, collectively: (a) the Series 2012 Bonds maturing in the years 2023 and 2024, in the aggregate principal amount of \$335,000; (b) the Series 2014 Bonds maturing in the years 2021 to 2035, inclusive, in the aggregate principal amount of \$465,000; and (c) the Series 2015 Bonds maturing in the year 2023, inclusive, in the aggregate principal amount of \$740,000.

“Revenues” means all income and revenues derived and collected by the City from the operation and ownership of the System, including investment and rental income, net proceeds from business interruption insurance, and any amounts deposited in escrow in connection with the acquisition, construction, remodeling, renovation and equipping of facilities to be applied during the period of determination to pay interest on System Indebtedness, but excluding any profits or losses on the early extinguishment of debt or on the sale or other disposition, not in the ordinary course of business, of investments or fixed or capital assets.

“**Series 2012 Bonds**” means the City’s General Obligation Refunding Bonds, Series 2012, dated February 15, 2012.

“**Series 2014 Bonds**” means the City's General Obligation Bonds, Series 2014, dated August 28, 2014.

“**Series 2015 Bonds**” means the City's General Obligation Electric Utility System Refunding Bonds, Series 2015, dated June 9, 2015.

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

“**System**” means the electric generating plants and all appurtenances thereto, the electric distribution system, and the electric street lighting system, now serving the City and its inhabitants and others, together with all extensions and improvements thereto hereafter made or acquired by the City.

“**System Indebtedness**” means, collectively, the Series 2015 Bonds, the Electric System Portion of the Bonds, and all Additional Obligations.

Section 2. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the Taxable General Obligation Refunding Bonds, Series 2021, of the City in the principal amount of \$1,615,000, for the purpose of providing funds to: (a) refund the Refunded Bonds; and (b) pay costs of issuance of the Bonds.

Section 3. Security for the Bonds. The Bonds shall constitute general obligations of the City. The Electric System Portion of the Bonds will be payable first from and secured by a pledge of the Net Revenues derived by the City from the operation of its System, 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 irrevocably pledged for the prompt payment of the principal 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 upon all of the taxable tangible property within the City in the manner provided by law.

The taxes 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 for the Bonds. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the City 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 are collected.

Section 6. Further Authority. The Mayor, 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, approval by the Mayor and publication of the Ordinance or a summary thereof in the official City newspaper.

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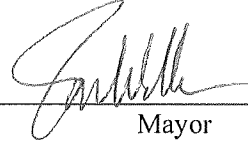
PASSED by the Governing Body on February 25, 2021 and **SIGNED** by the Mayor.

(SEAL)

ATTEST:


Cindy Conway

Clerk



Mayor

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