

# CITY OF ALTAMONT

407 S HUSTON ▪ P.O. BOX 305 ▪ ALTAMONT, KS 67330  
PHONE (620) 784-5612 ▪ FAX (620) 784-5882 ▪ WEBSITE: ALTAMONTKS.COM

## ALTAMONT CITY COUNCIL

Mayor Richard Hayward

Councilmembers: Craig Carnahan, Ben Cochran, Raymond Coffey, Jeff Garretson, and Paul Souders

**August 12, 2021**

**7:00 PM Regular Meeting**

CALL TO ORDER

PLEDGE OF ALLEGIANCE & PRAYER

MINUTES - Regular meeting of July 22, 2021

INVOICES - \$329,985.27

CITIZENS & GUESTS

- A. KDOT- City Connecting Links
- B. Jim Peoples – Meter Fee

ORDINANCES/RESOLUTIONS /PROCLAMATIONS

- A. 2021 Stand Traffic Ordinance (STO) 627
- B. 2021 Uniform Public Offence Code (UPOC) Ordinance 628
- C. General Obligation Bond, Series 2021 Ordinance 629
- D. General Obligation Bond, Series 2021 Resolution 286

OLD BUSINESS

- A. Old Fire Department Building
- B. War Veteran Memorial
- C. Council Retreats

NEW BUSINESS

- A. City Attorney Resignation
- B. City Administrator Resignation
- C. Library Board Appointment – Norma Sandusky
- D. Altamont Recreation Commission Appointment
  - a. Jyssica Lahey
  - b. Rhyder Turner
- E. Review of Alcohol on Public Property Ordinance 379
- F. Review of Utilities Meter Deposit Reconnection Ordinance 598
- G. League of Kansas Municipalities LEAPS Proposal



## H. USDA Loan and GO Bond -Fire Truck Closing Documents

### a. USDA

- i. SO Closing Instructions
- ii. Bond Memo
- iii. ACH Payment Form
- iv. Final Application
- v. Guide 40a – Loan Closing Opinion
- vi. Guide 34 – Interest Rate Selection
- vii. Graduation Certificate
- viii. Evidence of Other Funds

### b. Gilmore & Bell

- i. Ordinance 629 & Resolution 286 (BasicDocs)
- ii. Closing Docs
- iii. Federal Tax Certificate (FTC)
- iv. Compliance Procedures
- v. Distribution List

## DEPARTMENT REPORTS

### A. City Administrator

## COMMUNICATIONS:

City Offices Closed September 6th in observance of Labor Day.

## EXECUTIVE SESSION MOTION

## ADJOURNMENT

**MINUTES**  
**CITY OF ALTAMONT**  
**July 22, 2021**

REGULAR MEETING	The meeting was called to order at 7:00 PM with Mayor Richard Hayward presiding. Mayor Hayward opened the meeting with the Pledge of Allegiance and Pastor Eric Rucker led the prayer. Councilmembers present: Craig Carnahan, Ben Cochran, Raymond Coffey, Jeff Garretson and Paul Souders.
MINUTES	Councilmember Cochran moved and Souders seconded to accept the minutes of the July 8, 2021 meeting. Motion carried.
INVOICES	Councilmember Cochran moved and Garretson seconded to pay the invoices in the amount of \$67,237.76. Motion carried.
OLD FIRE DEPARTMENT	The demolition of the old fire department building was included in the 2022 budget.
DONATIONS ON BILLS	Councilmember Cochran moved and Garretson seconded to change the billing cards to include a spot for other donations and better education as far as other donations on the website. Motion carried.
LMI STUDY	<p>A letter from the Mayor to the residents and a Low to Moderate Income (LMI) sample survey was included in the Council packet. Councilmember Cochran stated to add something about why the survey is important so the residents know it is for grant opportunities for improvements.</p> <p>Councilmember Cochran moved and Garretson seconded to approve the LMI Survey and the letter with the change to be mailed out to the citizens of Altamont. Motion carried.</p>
PLANNING & ZONING	<p>Councilmember Souders doesn't feel like he has a right to tell people what they can do with their properties. Mayor Hayward would like to have a committee to go to the wind meeting to bring information to Council to make better decisions for our neighbors. Councilmember Cochran is torn on the subject. He stated at some point Council has to take into consideration of the residents of Altamont. Councilmember Carnahan spoke to the landowners on the west side of town; there are no leases with those landowners. Attorney Stephen Jones asked Council not to think of this as wind farms; it is whether the City wants zoning or not.</p> <p>Councilmember Cochran moved and Carnahan seconded to not form a planning and zoning commission and be against zoning within the City of Altamont or within three miles of Altamont. Motion carried.</p>
WAR VETERAN MEMORIAL	Councilmember Garretson is still gathering information and looking into grants. LeaAnn suggested looking at the Parsons Area Community Foundation for grant opportunities. Councilmember Garretson is hoping to have information for the next meeting.
BUDGET	<p>A copy of the 2022 City of Altamont Budget was presented to Council. Audree went over the prepared budget. The budget and revenue neutral hearing is scheduled for August 26<sup>th</sup>.</p> <p>Councilmember Coffey out at 8:33 PM. In at 8:35 PM.</p>
CITY ADMINISTRATOR	<p>Report written by Audree Aguilera. Fire truck / USDA Loan closing on August 27<sup>th</sup>. Trash truck anticipated arrival by August 1<sup>st</sup>. Purple Wave Auctions – various desks, table, lockers, Police Interceptors and 2003 Utility Department Ford truck sold on July 13; total of items sold \$8,588.25. 1995 E-One Fire Truck in Springfield, MO on Purple Wave auction for August 10<sup>th</sup>. Floodplain – KDA and FEMA will begin a floodplain mapping project for our area; this project will update the current floodplain maps. Budget – after budget presentation, RNR and budget hearing set for August 26, 2021 at 7:00 PM. American Rescue Plan – City of Altamont is anticipated to receive \$142,662. First disbursement anticipated in July; first half received on 7/15/2021, have until December 31, 2024 to expend funds. Lake swings – anticipated arrival in mid-July; experiencing longer than normal shipment times due to Covid. House Assessment Tool (HAT)/ Low Moderate Income (LMI) Survey – part-time summer intern will mail out initial LMI Survey at the end of this week. Crosswalks / Huston Street – Huston seal project to begin July 26, 2021; the striping project will start within the first two weeks of August. Electric Utility – tabled; set for discussion in Fall 2021. Planning and Zoning Commission – tabled to July 22; need additional time to develop by laws and ordinance. Old fire department building – demolition in 2022 budget. Energy Crisis Committee – first meeting was 7/22/2021. Employee Appreciation Pool Party / Barbeque on August 7<sup>th</sup>; will have corn hole, food, swimming, music and more.</p> <p>A City Administrator year-in-review was also presented to Council.</p>
KMIT	KMIT is looking at doing a pool to help decrease health insurance cost for Cities.
FLOODPLAIN	A floodplain timeline was included in the Council packet.

**MINUTES**  
**CITY OF ALTAMONT**  
**July 22, 2021**  
**Page 2**

STEPHEN JONES	Attorney Stephen Jones submitted a letter of resignation to the City.  Councilmember Cochran moved and Carnahan seconded to begrudgingly accept the resignation from Stephen Jones effective August 31, 2021. Motion carried.
COUNCIL RETREAT	Mayor Hayward would like to add a Council Retreat to an upcoming agenda.
COVID	Mayor Hayward asked the public to beware, Covid numbers are going up and he encouraged the public do what is right for them and possibly get a Covid vaccination.
UTILITY RATE INCREASES	Councilmember Coffey would like to give our citizens a realistic view of what their bills will look like with potential rate increases.
GAS	Brad presented his gas liaison information at the last meeting and wanted to see if Council had any questions.
ADJOURNMENT	Councilmember Cochran moved and Carnahan seconded to adjourn the Council meeting at 9:22 PM. Motion carried.

\_\_\_\_\_  
DATE

\_\_\_\_\_  
LeaAnn Myers, City Clerk

## AP Paid Invoices (APLT50)

City of Altamont

Selected Date Range: 8/12/2021 thru 8/12/2021

Invoice	Invoice Date	Paid Date	Invoice Description	Check	Wire	Invoice Amt
<b>Vendor: 61</b>	<b>ACE HARDWARE</b>					
22413	8/6/2021	8/12/2021	Screwdriver Set	34832	No	\$17.99
<b>Subtotal for Vendor 61 ACE HARDWARE :</b>						<b>\$17.99</b>
<b>Vendor: 885</b>	<b>ADVANCE INSURANCE COMPANY</b>					
Advance Life-8	8/10/2021	8/12/2021	Life Insurance Premiums	34833	No	\$66.90
<b>Subtotal for Vendor 885 ADVANCE INSURANCE COMPANY :</b>						<b>\$66.90</b>
<b>Vendor: 80238</b>	<b>Alisha Doyle</b>					
08092021	8/10/2021	8/12/2021	Park Building Refund	34834	No	\$40.00
<b>Subtotal for Vendor 80238 Alisha Doyle :</b>						<b>\$40.00</b>
<b>Vendor: 150</b>	<b>Altamont Builders Supply</b>					
114706	8/6/2021	8/12/2021	coupling, worm gear clamp, water pump, air dual foot chuck, air filter, blade	34835	No	\$397.42
<b>Subtotal for Vendor 150 Altamont Builders Supply :</b>						<b>\$397.42</b>
<b>Vendor: 240</b>	<b>B&amp;L Waterworks Supply</b>					
34748	8/6/2021	8/12/2021	Grinder Pump, Coupling Repair	34836	No	\$1,351.60
<b>Subtotal for Vendor 240 B&amp;L Waterworks Supply :</b>						<b>\$1,351.60</b>
<b>Vendor: 383</b>	<b>CCMFOA of Kansas</b>					
2021	8/6/2021	8/12/2021	Annual CCMFOA Membership for Heather Beasley	34837	No	\$50.00
<b>Subtotal for Vendor 383 CCMFOA of Kansas :</b>						<b>\$50.00</b>
<b>Vendor: 60</b>	<b>CITY OF ALTAMONT</b>					
City of Altamont-7	8/6/2021	8/12/2021	Utility Bills	34838	No	\$3,408.51
<b>Subtotal for Vendor 60 CITY OF ALTAMONT :</b>						<b>\$3,408.51</b>
<b>Vendor: 404</b>	<b>Corner Store</b>					
Corner Store-2	8/6/2021	8/12/2021	Fuel	34839	No	\$3,000.24

Operator: aaguilera

8/10/2021 4:37:53 PM

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Report ID: APLT50

# AP Paid Invoices (APLT50)

City of Altamont

Selected Date Range: 8/12/2021 thru 8/12/2021

Invoice	Invoice Date	Paid Date	Invoice Description	Check	Wire	Invoice Amt
Subtotal for Vendor 404 Corner Store :						\$3,000.24
Vendor: 1251	Credit Card MasterCard 0547					
08122021	8/6/2021	8/12/2021	License plate for chevy, APGA SHRIMP Annual Membership, Employee Meal	34840	No	\$72.48
Subtotal for Vendor 1251 Credit Card MasterCard 0547 :						\$72.48
Vendor: 1250	Credit Card VISA 3470					
08122021	8/6/2021	8/12/2021	Toilet Paper, Fuel for Fire Truck Edna Fire	34841	No	\$131.46
Subtotal for Vendor 1250 Credit Card VISA 3470 :						\$131.46
Vendor: 2445	Credit Card VISA 4742					
08122021	8/6/2021	8/12/2021	Pool concessions	34842	No	\$213.22
Subtotal for Vendor 2445 Credit Card VISA 4742 :						\$213.22
Vendor: 2447	Credit Card VISA 5749					
08122021	8/6/2021	8/12/2021	Background Check, Employee meal & fuel for training, USB	34843	No	\$96.49
Subtotal for Vendor 2447 Credit Card VISA 5749 :						\$96.49
Vendor: 79532	Credit Card VISA 6275					
08122021	8/6/2021	8/12/2021	Employee food and lodging for CPM	34844	No	\$283.43
Subtotal for Vendor 79532 Credit Card VISA 6275 :						\$283.43
Vendor: 80098	Credit Card VISA 6697					
08122021	8/6/2021	8/12/2021	Court DL Check, Employee meal	34845	No	\$28.70
Subtotal for Vendor 80098 Credit Card VISA 6697 :						\$28.70
Vendor: 80202	Credit Card VISA 7356					
08122021	8/6/2021	8/12/2021	Employee meals and fuel for academy	34846	No	\$375.95
Subtotal for Vendor 80202 Credit Card VISA 7356 :						\$375.95

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City of Altamont

Selected Date Range: 8/12/2021 thru 8/12/2021

Invoice	Invoice Date	Paid Date	Invoice Description	Check	Wire	Invoice Amt
<b>Vendor: 80064</b>	<b>Ditch Witch Financial Services</b>					
Ditch Witch-8	8/6/2021	8/12/2021	Ditch Witch Monthly Payment	34847	No	\$927.72
<b>Subtotal for Vendor 80064 Ditch Witch Financial Services :</b>						<b>\$927.72</b>
<b>Vendor: 79653</b>	<b>Dollar General-Regions 410526</b>					
1001083331	8/10/2021	8/12/2021	bleach, drinking water, batteries	34848	No	\$57.40
<b>Subtotal for Vendor 79653 Dollar General-Regions 410526 :</b>						<b>\$57.40</b>
<b>Vendor: 1000</b>	<b>EVERGY</b>					
Evergy-8	8/6/2021	8/12/2021	Electric Bill	34849	No	\$600.99
<b>Subtotal for Vendor 1000 EVERGY :</b>						<b>\$600.99</b>
<b>Vendor: 79813</b>	<b>Fire Master Fire Equipment, Inc</b>					
119767	8/6/2021	8/12/2021	Name Patches	34850	No	\$245.45
<b>Subtotal for Vendor 79813 Fire Master Fire Equipment, Inc :</b>						<b>\$245.45</b>
<b>Vendor: 80229</b>	<b>GFL Environmental</b>					
GFL-2	8/6/2021	8/12/2021	Trash Utility Cost	34851	No	\$2,994.78
<b>Subtotal for Vendor 80229 GFL Environmental :</b>						<b>\$2,994.78</b>
<b>Vendor: 691</b>	<b>HIGHER CALLING TECHNOLOGIES LLC</b>					
36330	8/6/2021	8/12/2021	New user setup, PD laptop battery, Laptop hard drive replacement	34852	No	\$724.74
<b>Subtotal for Vendor 691 HIGHER CALLING TECHNOLOGIES LLC :</b>						<b>\$724.74</b>
<b>Vendor: 80059</b>	<b>Hockett's Auto &amp; Diesel LCC</b>					
1353	8/6/2021	8/12/2021	Oil filter change	34853	No	\$60.51
<b>Subtotal for Vendor 80059 Hockett's Auto &amp; Diesel LCC :</b>						<b>\$60.51</b>
<b>Vendor: 740</b>	<b>HUGO'S INDUSTRIAL SUPPLY</b>					

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City of Altamont

Selected Date Range: 8/12/2021 thru 8/12/2021

Invoice	Invoice Date	Paid Date	Invoice Description	Check	Wire	Invoice Amt
263763	8/6/2021	8/12/2021	carpet shampooer, air freshener, surface cleaner, trash bags, center pull	34854	No	\$924.67
Subtotal for Vendor 740 HUGO'S INDUSTRIAL SUPPLY :						\$924.67
Vendor:	79700	James Metcalf				
08102021	8/10/2021	8/12/2021	Lake Mowing	34855	No	\$426.25
Subtotal for Vendor 79700 James Metcalf :						\$426.25
Vendor:	80236	Jennifer Rhodes				
08022021	8/6/2021	8/12/2021	Park Building Refund	34856	No	\$40.00
Subtotal for Vendor 80236 Jennifer Rhodes :						\$40.00
Vendor:	901	KANSAS CORPORATION COMMISSION				
2022000541	8/6/2021	8/12/2021	Assessment Free for inspection	34857	No	\$489.00
Subtotal for Vendor 901 KANSAS CORPORATION COMMISSION :						\$489.00
Vendor:	865	KANSAS DEPARTMENT OF REVENUE				
KDOR-7	8/6/2021	8/12/2021	Utility Sales Tax	WIRE	Yes	\$2,774.65
Subtotal for Vendor 865 KANSAS DEPARTMENT OF REVENUE :						\$2,774.65
Vendor:	950	Kansas Municipal Gas Agency				
KMGAALLegal	8/6/2021	8/12/2021	Legal Fees Allocation	34858	No	\$6,453.00
Subtotal for Vendor 950 Kansas Municipal Gas Agency :						\$6,453.00
Vendor:	880	KANSAS ONE CALL SYSTEM INC				
1070130	8/6/2021	8/12/2021	One Call locates	34859	No	\$42.00
Subtotal for Vendor 880 KANSAS ONE CALL SYSTEM INC :						\$42.00
Vendor:	971	KANSAS STATE TREASURER				
KS State Treasurer-1	8/6/2021	8/12/2021	BI# C99013999	34860	No	\$13,000.00



## AP Paid Invoices (APLT50)

City of Altamont

Selected Date Range: 8/12/2021 thru 8/12/2021

Invoice	Invoice Date	Paid Date	Invoice Description	Check	Wire	Invoice Amt
Subtotal for Vendor 971 KANSAS STATE TREASURER :						\$13,000.00
Vendor: 79570	KDHE Bureau of Water					
08062021	8/6/2021	8/12/2021	Certificate #14541 Brad Myers	34861	No	\$20.00
Subtotal for Vendor 79570 KDHE Bureau of Water :						\$20.00
Vendor: 80237	Kim Pease					
08022021	8/6/2021	8/12/2021	Park Building Refund	34862	No	\$40.00
Subtotal for Vendor 80237 Kim Pease :						\$40.00
Vendor: 1057	LABETTE COUNTY PUBLIC					
1901	8/10/2021	8/12/2021	Fuel	34863	No	\$76.44
Subtotal for Vendor 1057 LABETTE COUNTY PUBLIC :						\$76.44
Vendor: 79848	Labette Hardware					
2107310529	8/6/2021	8/12/2021	conduit, coupling, driver bit	34864	No	\$128.29
Subtotal for Vendor 79848 Labette Hardware :						\$128.29
Vendor: 1045	LABETTE INSURANCE					
2528	8/6/2021	8/12/2021	Surety Bond for Heather	34865	No	\$350.00
Subtotal for Vendor 1045 LABETTE INSURANCE :						\$350.00
Vendor: 80239	Lacy Atkins					
08062021	8/10/2021	8/12/2021	Mileage to Academy	34866	No	\$374.00
Subtotal for Vendor 80239 Lacy Atkins :						\$374.00
Vendor: 1373	LeaAnn Myers					
07222021	8/6/2021	8/12/2021	Mileage to CPM	34867	No	\$170.24
Subtotal for Vendor 1373 LeaAnn Myers :						\$170.24
Vendor: 1245	MCCARTY'S					

## AP Paid Invoices (APLT50)

City of Altamont

Selected Date Range: 8/12/2021 thru 8/12/2021

Invoice	Invoice Date	Paid Date	Invoice Description	Check	Wire	Invoice Amt
2021-07-16	8/6/2021	8/12/2021	copies, marker, post-it, highlighter	34868	No	\$183.38
Subtotal for Vendor 1245 MCCARTY'S :						\$183.38
Vendor:	1338	MIDWEST ELECTRIC TRANSFORMERS				
15961	8/6/2021	8/12/2021	single phase transformer	34869	No	\$1,885.00
Subtotal for Vendor 1338 MIDWEST ELECTRIC TRANSFORMERS :						\$1,885.00
Vendor:	1340	MIDWEST MINERALS, LLC				
513578	8/6/2021	8/12/2021	Sand and Gravel	34870	No	\$561.84
Subtotal for Vendor 1340 MIDWEST MINERALS, LLC :						\$561.84
Vendor:	1439	NAPA				
44347510	8/10/2021	8/12/2021	oil and filter, valve, 134A 12oz can	34871	No	\$156.35
Subtotal for Vendor 1439 NAPA :						\$156.35
Vendor:	1444	National Sign Company Inc.				
197470	8/6/2021	8/12/2021	Brush only sign for burn site	34872	No	\$172.50
Subtotal for Vendor 1444 National Sign Company Inc. :						\$172.50
Vendor:	80026	PAIGE MARCH				
07262021	8/6/2021	8/12/2021	Pool Concessions	34873	No	\$83.93
Subtotal for Vendor 80026 PAIGE MARCH :						\$83.93
Vendor:	1680	PUBLIC WHOLESALE WATER SUPPLY				
Public Whole Water-7	8/6/2021	8/12/2021	Water Utility Cost	34874	No	\$10,000.00
Subtotal for Vendor 1680 PUBLIC WHOLESALE WATER SUPPLY :						\$10,000.00
Vendor:	1802	Reliable Medical Supply				
40053	8/6/2021	8/12/2021	Gloves	34875	No	\$42.90
Subtotal for Vendor 1802 Reliable Medical Supply :						\$42.90

# AP Paid Invoices (APLT50)

City of Altamont

Selected Date Range: 8/12/2021 thru 8/12/2021

Invoice	Invoice Date	Paid Date	Invoice Description	Check	Wire	Invoice Amt
<b>Vendor: 80227 Saye Heat &amp; Air</b>						
873784	8/6/2021	8/12/2021	filter and filter housing	34876	No	\$505.00
<b>Subtotal for Vendor 80227 Saye Heat &amp; Air :</b>						<b>\$505.00</b>
<b>Vendor: 2230 THOMAS IMPLEMENT</b>						
17422	8/6/2021	8/12/2021	Monthly Water Sample	34877	No	\$34.25
<b>Subtotal for Vendor 2230 THOMAS IMPLEMENT :</b>						<b>\$34.25</b>
<b>Vendor: 79945 Vision Service Plan (CT)</b>						
VSP-8	8/6/2021	8/12/2021	Vision Plan	34878	No	\$159.62
<b>Subtotal for Vendor 79945 Vision Service Plan (CT) :</b>						<b>\$159.62</b>
<b>Vendor: 79847 Wichita State University</b>						
457773	8/6/2021	8/12/2021	LeaAnn Fall 2021 Semester	34879	No	\$1,175.98
<b>Subtotal for Vendor 79847 Wichita State University :</b>						<b>\$1,175.98</b>
<b>Report Grand Total :</b>						<b>\$55,415.27</b>

**AP Check Register (APLT43)**

City of Altamont

Check No		Check Date	Vendor No	Vendor Name	Check Amount
<b>Bank No:</b>	<b>1</b>	<b>Account:</b>	006572		
	34821	7/23/2021	1660	POSTMASTER	\$750.00
<b>Bank Account Totals:</b>					<b>\$750.00</b>
<b>Total Of Checks:</b>					<b>\$750.00</b>

## Approved Invoices by Vendor- Summary

City of Altamont

Vendor		PO	Description	Account Description	Invoice Amt
Invoice					
1660	POSTMASTER				
	Postage7-21		Postage	Capital	\$200.00
	Postage7-21		Postage	Contractual	\$110.00
	Postage7-21		Postage	Contractual	\$110.00
	Postage7-21		Postage	Contractual	\$110.00
	Postage7-21		Postage	Contractual	\$110.00
	Postage7-21		Postage	Contractual	\$110.00
Subtotal for Vendor 1660 - POSTMASTER :					\$750.00

## Approved Invoices by Vendor- Summary

City of Altamont

Vendor	PO	Description	Account Description	Invoice Amt
Invoice				
			Grand Total:	\$750.00

### Approved Invoices - Fund/Dept. Totals

Fund	Fund Total	Fund Name
<b>50 Water Utility Fund</b>		
00 NonDepartmental		\$110.00
		\$110.00
<b>51 Electric Utility Fund</b>		
00 NonDepartmental		\$110.00
		\$110.00
<b>52 Gas Utility Fund</b>		
00 NonDepartmental		\$110.00
		\$110.00
<b>53 Sewer Utility Fund</b>		
00 NonDepartmental		\$110.00
		\$110.00
<b>54 Sanitation Utility Fund</b>		
00 NonDepartmental		\$110.00
		\$110.00
<b>62 Capital Improvement Fund</b>		
00 NonDepartmental		\$200.00
		\$200.00
Grand Total:		\$750.00

# AP Paid Invoices (APLT50)

City of Altamont

Selected Date Range: 8/3/2021 thru 8/3/2021

Invoice	Invoice Date	Paid Date	Invoice Description	Check	Wire	Invoice Amt
Vendor: 80233	Brandon Walker					
07302021	8/3/2021	8/3/2021	Huston Street Crack Seal and Grade Sealer	34829	No	\$11,800.00
Subtotal for Vendor 80233 Brandon Walker :						\$11,800.00
Vendor: 80028	MID AMERICA FIRE APPARATUS INC					
4566 a	8/3/2021	8/3/2021	2021 Van Mor Rescue Pumper Truck	WIRE	Yes	\$260,000.00
Subtotal for Vendor 80028 MID AMERICA FIRE APPARATUS INC :						\$260,000.00
Report Grand Total :						\$271,800.00

**AP Check Register (APLT43)**

City of Altamont

		Check No	Check Date	Vendor No	Vendor Name	Check Amount
<b>Bank No:</b>	<b>1</b>	<b>Account:</b> 006572				
		34832	8/12/2021	61	ACE HARDWARE	\$17.99
		34833	8/12/2021	885	ADVANCE INSURANCE COMPANY	\$66.90
		34834	8/12/2021	80238	Alisha Doyle	\$40.00
		34835	8/12/2021	150	Altamont Builders Supply	\$397.42
		34836	8/12/2021	240	B&L Waterworks Supply	\$1,351.60
		34837	8/12/2021	383	CCMFOA of Kansas	\$50.00
		34838	8/12/2021	60	CITY OF ALTAMONT	\$3,408.51
		34839	8/12/2021	404	Corner Store	\$3,000.24
		34840	8/12/2021	1251	Credit Card MasterCard 0547	\$72.48
		34841	8/12/2021	1250	Credit Card VISA 3470	\$131.46
		34842	8/12/2021	2445	Credit Card VISA 4742	\$213.22
		34843	8/12/2021	2447	Credit Card VISA 5749	\$96.49
		34844	8/12/2021	79532	Credit Card VISA 6275	\$283.43
		34845	8/12/2021	80098	Credit Card VISA 6697	\$28.70
		34846	8/12/2021	80202	Credit Card VISA 7356	\$375.95
		34847	8/12/2021	80064	Ditch Witch Financial Services	\$927.72
		34848	8/12/2021	79653	Dollar General-Regions 410526	\$57.40
		34849	8/12/2021	1000	EVERGY	\$600.99
		34850	8/12/2021	79813	Fire Master Fire Equipment, Inc	\$245.45
		34851	8/12/2021	80229	GFL Environmental	\$2,994.78
		34852	8/12/2021	691	HIGHER CALLING TECHNOLOGIES LLC	\$724.74
		34853	8/12/2021	80059	Hockett's Auto & Diesel LCC	\$60.51
		34854	8/12/2021	740	HUGO'S INDUSTRIAL SUPPLY	\$924.67



**AP Check Register (APLT43)****City of Altamont**

Check No	Check Date	Vendor No	Vendor Name	Check Amount
34855	8/12/2021	79700	James Metcalf	\$426.25
34856	8/12/2021	80236	Jennifer Rhodes	\$40.00
34857	8/12/2021	901	KANSAS CORPORATION COMMISSION	\$489.00
34858	8/12/2021	950	Kansas Municipal Gas Agency	\$6,453.00
34859	8/12/2021	880	KANSAS ONE CALL SYSTEM INC	\$42.00
34860	8/12/2021	971	KANSAS STATE TREASURER	\$13,000.00
34861	8/12/2021	79570	KDHE Bureau of Water	\$20.00
34862	8/12/2021	80237	Kim Pease	\$40.00
34863	8/12/2021	1057	LABETTE COUNTY PUBLIC	\$76.44
34864	8/12/2021	79848	Labette Hardware	\$128.29
34865	8/12/2021	1045	LABETTE INSURANCE	\$350.00
34866	8/12/2021	80239	Lacy Atkins	\$374.00
34867	8/12/2021	1373	LeaAnn Myers	\$170.24
34868	8/12/2021	1245	MCCARTY'S	\$183.38
34869	8/12/2021	1338	MIDWEST ELECTRIC TRANSFORMERS	\$1,885.00
34870	8/12/2021	1340	MIDWEST MINERALS, LLC	\$561.84
34871	8/12/2021	1439	NAPA	\$156.35
34872	8/12/2021	1444	National Sign Company Inc.	\$172.50
34873	8/12/2021	80026	PAIGE MARCH	\$83.93
34874	8/12/2021	1680	PUBLIC WHOLESALE WATER SUPPLY	\$10,000.00
34875	8/12/2021	1802	Reliable Medical Supply	\$42.90
34876	8/12/2021	80227	Saye Heat & Air	\$505.00
34877	8/12/2021	2230	THOMAS IMPLEMENT	\$34.25
34878	8/12/2021	79945	Vision Service Plan (CT)	\$159.62

---

**AP Check Register (APLT43)****City of Altamont**

Check No	Check Date	Vendor No	Vendor Name	Check Amount
34879	8/12/2021	79847	Wichita State University	\$1,175.98
Bank Account Totals:				<b>\$52,640.62</b>
Total Of Checks:				<b>\$52,640.62</b>

**AP Wire Register (APLT44)**

City of Altamont

Wire Nbr.	Wire Date	Vendor No	Vendor Name	Wire Amount
<b>Bank No:</b> 1	<b>Account:</b> 006572			
-834	8/12/2021	865	KANSAS DEPARTMENT OF REVENUE	\$2,774.65
<b>Bank Account Totals:</b>				<b>\$2,774.65</b>
<b>Total Of Wires:</b>				<b>\$2,774.65</b>

---

**AP Check Register (APLT43)****City of Altamont**

Check No		Check Date	Vendor No	Vendor Name	Check Amount
<b>Bank No: 1</b>		<b>Account: 006572</b>			
34830		8/4/2021	80233	Brandon Walker	\$2,020.00
<b>Bank Account Totals:</b>					<b>\$2,020.00</b>
<b>Total Of Checks:</b>					<b>\$2,020.00</b>

**AP Wire Register (APLT44)****City of Altamont**

Wire Nbr.	Wire Date	Vendor No	Vendor Name	Wire Amount
<b>Bank No: 1</b>	<b>Account:</b>	006572		
-829	8/3/2021	80028	MID AMERICA FIRE APPARATUS INC	\$260,000.00
<b>Bank Account Totals:</b>				<b>\$260,000.00</b>
<b>Total Of Wires:</b>				<b>\$260,000.00</b>

---

**AP Check Register (APLT43)****City of Altamont**

		Check No	Check Date	Vendor No	Vendor Name	Check Amount
Bank No:	1	Account: 006572				
		34829	8/3/2021	80233	Brandon Walker	\$11,800.00
Bank Account Totals:						\$11,800.00
Total Of Checks:						\$11,800.00

Jim & Gayle Peoples  
411 E 4th St  
Altamont, KS 67330

Subject = Meter Fee

Some where between 12 to 15 years ago, the City moved the Gas meter from the alley to our house.

The old line from the meter at the alley had a T in it supplying gas to our shop.

When the city workers moved the meter to the house, they set a meter at our shop to avoid running a second line back to the shop.

At that time Scott told us that we would not be billed for the meter. This has been so through all these years up to March of this year.

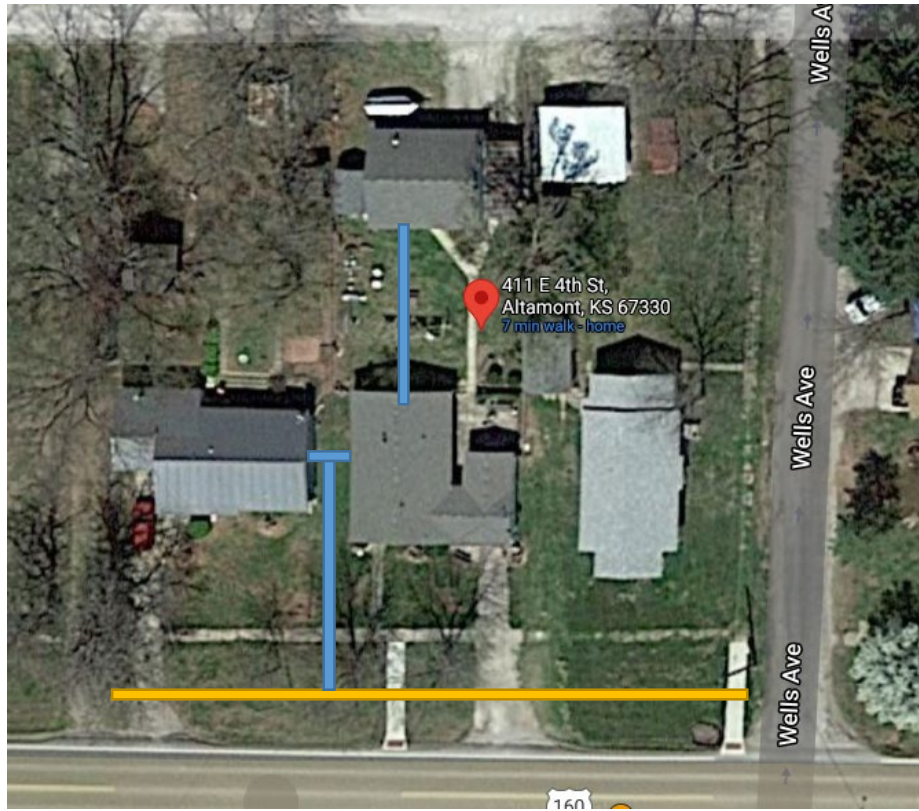
Since March we have paid \$72<sup>00</sup> for meter fee.

Brad said it would be expensive to run a second line.

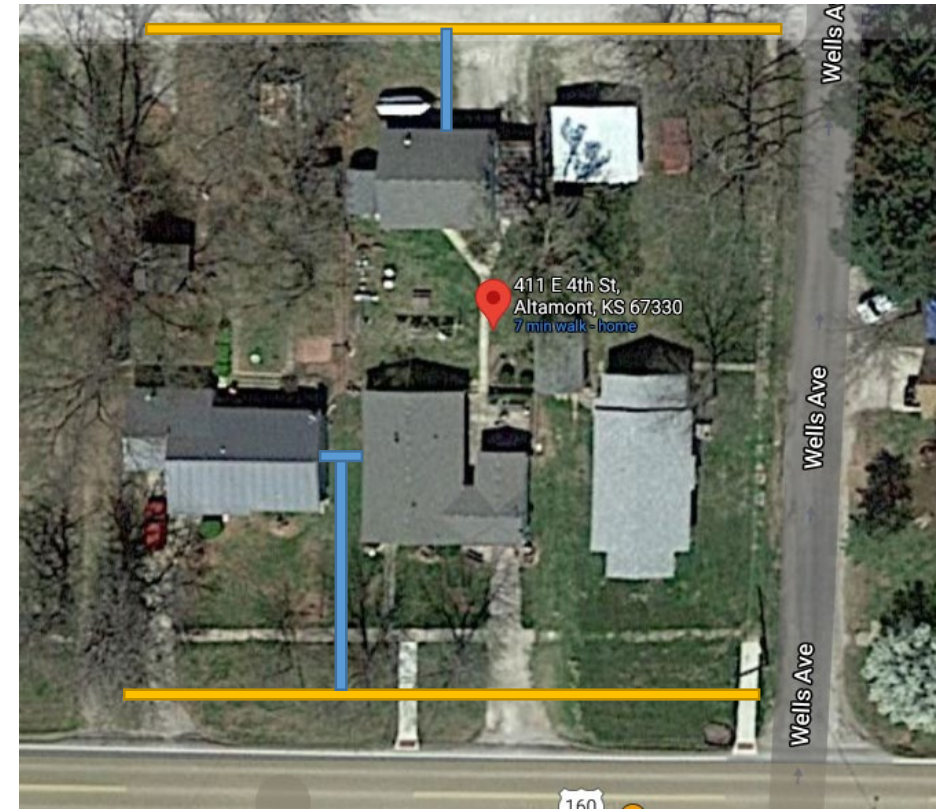
I am requesting there be no Meter Fee at the shop. Do to the city workers did no want to run a second line. As it has been through all these years.

You will find that we have the gas at the Shop shut off most of the year. Through the cold time we have the thermo set at 50 degree most of the time to save the ladies plants.

Jim Peoples



OLD



NEW



## ORDINANCE #627

AN ORDINANCE regulating traffic within the corporate limits of the City of Altamont, Kansas; incorporating by reference the “Standard Traffic Ordinance for Kansas Cities”, 48<sup>th</sup> Edition; providing certain penalties and repealing Ordinance 617.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ALTAMONT, KANSAS:

SECTION 1. INCORPORATING STANDARD TRAFFIC ORDINANCE. There is hereby incorporated by reference for the purpose of regulating within the corporate limits of the City of Altamont, Kansas, that certain standard traffic ordinance known as the “Standard Traffic Ordinance for Kansas Cities”, 48<sup>th</sup> Edition, prepared and published in book form by the League of Kansas Municipalities, Topeka, Kansas. Also incorporated into this section is K.S.A. 8-2118. No fewer than three copies of said Standard Traffic Ordinance shall be marked or stamped “Official Copy as Adopted by Ordinance No. 627” with all sections or portions thereof intended to be omitted or changed clearly marked to show any such omission or change and to which shall be attached a copy of this ordinance, and filed with the city clerk to open to inspection and available to the public at all reasonable hours. The police department, municipal judge and all administrative departments of the city charged with enforcement of the ordinance shall be supplied, at the cost of the city, such number of official copies of such Standard Traffic Ordinance similarly marked, as may be deemed expedient.

### SECTION 2. TRAFFIC INFRACTIONS AND TRAFFIC OFFENSES.

- (a) An ordinance traffic infraction is a violation of any section of this ordinance that prescribes or requires the same behavior as that prescribed or required by a statutory provision that is classified as a traffic infraction in K.S.A. 8-2118.
- (b) All traffic violations which are included within this ordinance, and which are not ordinance traffic infractions, as defined in subsection (a) of this section, shall be considered traffic offenses.

SECTION 3. PENALTY FOR SCHEDULED FINES. The fine for violation of an ordinance traffic infraction or any other traffic offense for which the municipal judge establishes a fine in a fine schedule shall not be less than \$5.00 nor more than \$2500.00, except for speeding which shall not be less than \$45.00 nor more than \$2500.00. A person tried and convicted for violation of an ordinance traffic infraction or other traffic offense for which a fine has been established in a schedule of fines shall pay a fine fixed by the court not to exceed \$2500.00.

SECTION 4. REPEAL. Ordinances numbered 617 is hereby repealed.

SECTION 5. EFFECTIVE DATE. This ordinance shall take effect and be in force from and after its passage, approval and publication once in the official City Newspaper – The Labette Avenue.

PASSED AND APPROVED by the governing body and SIGNED by the Mayor this 12<sup>th</sup> day of August, 2021.

---

Richard O. Hayward, Mayor

Attest:

---

LeaAnn Myers, City Clerk

## ORDINANCE #628

AN ORDINANCE regulating public offenses within the corporate limits of the City of Altamont, Kansas; incorporating by reference the “Uniform Public Offense Code for Kansas Cities,” 37<sup>th</sup> Edition, providing certain penalties and repealing Ordinance 618.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ALTAMONT, KANSAS:

SECTION 1. INCORPORATING UNIFORM PUBLIC OFFENSE CODE. There is hereby incorporated by reference for the purpose of regulating within the corporate limits of the City of Altamont, Kansas, that certain code known as the “Uniform Public Offense Code”, 37<sup>th</sup> Edition, prepared and published in book form by the League of Kansas Municipalities, Topeka, Kansas. No fewer than three copies of said Uniform Public Offense Code shall be marked or stamped “Official Copy as Adopted by Ordinance No. 628”, to which shall be attached a copy of this ordinance, and filed with the city clerk to open to inspection and available to the public at all reasonable hours.

SECTION 2. REPEAL. Ordinances numbered 618 is hereby repealed.

SECTION 3. EFFECTIVE DATE. This ordinance shall take effect and be in force from and after its passage, approval and publication once in the official City Newspaper – The Labette Avenue.

PASSED AND APPROVED by the governing body and SIGNED by the Mayor this 12th day of August, 2021.

---

Richard O. Hayward, Mayor

Attest:

---

LeaAnn Myers, City Clerk

---

**ORDINANCE NO. 629**

**OF**

**THE CITY OF ALTAMONT, KANSAS**

**PASSED**

**AUGUST 12, 2021**

---

**GENERAL OBLIGATION BONDS**

**SERIES 2021**

---

**ORDINANCE NO. 629**

**AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2021, OF THE CITY OF ALTAMONT, 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 Altamont, Kansas (the “City”) is a city of the third 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 Governing Body has authorized the following improvements (the “Improvements”) to be made in the City, to-wit:

<i>Project Description</i>	<i>Res No.</i>	<i>Authority</i>	<i>Amount</i>
Firefighting Equipment	284	K.S.A. 12-110c	\$314,500

**WHEREAS**, the City has received a commitment from the United States of America, acting through the Department of Agriculture - Rural Development to purchase the City's general obligation bonds in an aggregate amount of \$260,000, the proceeds of which, together with available funds of the Issuer in the amount of \$54,500 will be used to acquire the Improvements, all pursuant a letter of conditions dated March 25, 2021; and

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

**WHEREAS**, none of such general obligation bonds heretofore authorized have been issued and the City now proposes to issue its General Obligation Bonds, Series 2021 in the principal amount of \$260,000 to pay a portion of the costs of the Improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ALTAMONT, 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. 12-110c, 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 Issuer’s General Obligation Bonds, Series 2021, dated August 27, 2021, authorized by this Ordinance.

**“City”** means the City of Altamont, Kansas.

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

**“Governing Body”** means the City Council of the City.

**“Improvements”** means the improvements referred to in the preamble to this Ordinance.

**“Mayor”** means the duly elected and acting Mayor 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.

**“Paying Agent”** means the State Treasurer, and any successors and assigns.

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

**Section 2. Authorization of the Bonds.** There shall be issued and hereby are authorized and directed to be issued the General Obligation Bonds, Series 2021, of the City in the principal amount of \$260,000, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; and (b) pay costs of issuance of the Bonds.

**Section 3. Security for the Bonds.** The Bonds shall be general obligations of the City payable as to both principal and interest 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 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. 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 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, and publication of the Ordinance or a summary thereof in the official City newspaper.

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**PASSED** by the Governing Body on August 12, 2021 and **APPROVED AND SIGNED** by the Mayor.

(SEAL)

---

Mayor

ATTEST:

---

Clerk

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**RESOLUTION NO. 286**

**OF**

**THE CITY OF ALTAMONT, KANSAS**

**ADOPTED**

**AUGUST 12, 2021**

**GENERAL OBLIGATION BONDS**  
**SERIES 2021**

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## RESOLUTION NO. 286

**A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION BONDS, SERIES, OF THE CITY OF ALTAMONT, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. 629 OF THE ISSUER; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.**

---

**WHEREAS**, the Issuer has heretofore passed the Ordinance authorizing the issuance of the Bonds;  
and

**WHEREAS**, the Ordinance authorized the City Council (the “Governing Body”) of the Issuer to adopt a resolution prescribing certain details and conditions and to make certain covenants with respect to the issuance of the Bonds; and

**WHEREAS**, the Internal Revenue Code of 1986, as amended and regulations promulgated thereunder (collectively, the “Code”), impose ongoing requirements related to the investment, use and expenditure of proceeds of tax-advantaged obligations and related funds and restrictions on use of the facilities financed by such tax-advantaged obligations; and

**WHEREAS**, the Issuer is committed to full compliance with all such requirements with respect to the tax-advantaged obligations and deems it necessary and advisable to adopt a Tax and Securities Compliance Procedures, dated as of the Dated Date (the “Compliance Procedures”).

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALTAMONT, KANSAS, AS FOLLOWS:**

### ARTICLE I

#### DEFINITIONS

**Section 101. Definitions of Words and Terms.** In addition to words and terms defined elsewhere herein, the following words and terms as used in this Bond Resolution 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. 12-110c, all as amended and supplemented from time to time.

“**Amortization Schedule**” means the schedule that set forth the principal and interest payments on the Bonds, and which is attached hereto as *Schedule I*, which shall also be printed on the Bond.

**“Authorized Denomination”** means \$5,000 or any integral multiples thereof or any amount of principal stated to be paid pursuant to the Amortization Schedule.

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

**“Bond Counsel”** means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

**“Bond Payment Date”** means each anniversary of the Dated Date of the Bonds, commencing on the anniversary of the Dated Date in 2022.

**“Bond Register”** means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

**“Bond Registrar”** means the State Treasurer, Topeka, Kansas, and any successors and assigns.

**“Bond Resolution”** means this resolution relating to the Bonds.

**“Bonds”** means the General Obligation Bonds, Series 2021, authorized and issued by the Issuer pursuant to the Ordinance and this Bond Resolution.

**“Business Day”** means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

**“City”** means the City of Altamont, Kansas.

**“Clerk”** means the duly appointed and/or elected Clerk or, in the Clerk's absence, the duly appointed Deputy Clerk or Acting Clerk of the Issuer.

**“Code”** means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder by the United States Department of the Treasury.

**“Consulting Engineer”** means an independent engineer or engineering firm, or architect or architectural firm, having a favorable reputation for skill and experience in the construction, financing and operation of public facilities, at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Consulting Engineer by this Bond Resolution.

**“Costs of Issuance”** means all costs of issuing the Bonds, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

**“Costs of Issuance Account”** means the Costs of Issuance Account for General Obligation Bonds, Series 2021 created pursuant to *Section 501* hereof.

**“Dated Date”** means August 27, 2021.

**“Debt Service Account”** means the Debt Service Account for General Obligation Bonds, Series 2021 created within the Bond and Interest Fund pursuant to **Section 501** hereof.

**“Debt Service Requirements”** means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

**“Defaulted Interest”** means interest on any Bond which is payable but not paid on any Bond Payment Date.

**“Defeasance Obligations”** means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that rating agency to United States Government Obligations.

**“Derivative”** means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

**“Event of Default”** means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Resolution on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

**“Federal Tax Certificate”** means the Issuer's Federal Tax Certificate dated as of the Issue Date, as the same may be amended or supplemented in accordance with the provisions thereof.

**“Financeable Costs”** means the amount of expenditure for an Improvement which has been duly authorized by action of the Governing Body to be financed by general obligation bonds, less: (a) the amount of any temporary notes or general obligation bonds of the Issuer which are currently Outstanding and available to pay such Financeable Costs; and (b) any amount of Financeable Costs which has been previously paid by the Issuer or by any eligible source of funds unless such amounts are entitled to be reimbursed to the Issuer under State or federal law.

**“Fiscal Year”** means the twelve-month period ending on December 31.

**“Funds and Accounts”** means funds and accounts created pursuant to or referred to in *Section 501* hereof.

**“Governing Body”** means the City Council of the Issuer.

**“Improvement Fund”** means the Improvement Fund for General Obligation Bonds, Series 2021, created pursuant to *Section 501* hereof.

**“Improvements”** means the improvements referred to in the preamble to the Ordinance.

**“Independent Accountant”** means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by this Bond Resolution.

**“Issue Date”** means the date when the Issuer delivers the Bonds to the Purchaser in exchange for the Purchase Price.

**“Issuer”** means the City and any successors or assigns.

**“Loan Resolution”** means the Loan Resolution (Form RD 1942-47) of the Issuer, dated as of June 24, 2021.

**“Maturity”** when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

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

**“Moody's”** means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody's” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

**“Notice Address”** means with respect to the following entities:

(a) To the Issuer at:

City of Altamont  
407 S. Huston  
P.O. Box 305  
Altamont, Kansas 67330-0305  
Fax: (620) 784-5882

(b) To the Paying Agent at:

State Treasurer of the State of Kansas  
Landon Office Building  
900 Southwest Jackson, Suite 201  
Topeka, Kansas 66612-1235  
Fax: (785) 296-6976

(c) To the Purchaser:

United States of America  
Department of Agriculture  
4300 Goodfellow Blvd., Bldg. 104  
St. Louis, Missouri 63120-1703

or such other address as is furnished in writing to the other parties referenced herein.

**“Notice Representative”** means:

(a) With respect to the Issuer, the Clerk.

(b) With respect to the Bond Registrar and Paying Agent, the Director of Fiscal Services.

(c) With respect to the Purchaser, any director or the manager of its Municipal Bond Department.

**“Ordinance”** means Ordinance No. 629 of the Issuer authorizing the issuance of the Bonds, as amended from time to time.

**“Outstanding”** means, when used with reference to the Bonds, as of a particular date of determination, all Bonds theretofore authenticated and delivered, except the following Bonds:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of *Article VII* hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

**“Owner”** when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

**“Paying Agent”** means the State Treasurer, and any successors and assigns appointed in accordance with *Section 203* hereof.

**“Permitted Investments”** shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f), all as may be further restricted or modified by amendments to applicable State law.

**“Person”** means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

**“Purchase Price”** means 100% of the principal amount of the Bonds.

**“Purchaser”** means USDA, or if and to the extent any rights, privileges or duties of USDA hereunder are assigned by USDA pursuant to an assignment of the Loan Resolution, the assignee of USDA.

**“Record Dates”** means the fifteenth day (whether or not a Business Day) next preceding such Bond Payment Date.

**“Redemption Date”** when used with respect to any Bond to be redeemed means the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.



**“Redemption Price”** means, when used with respect to any Bond to be redeemed, the price at which such Bond is to be redeemed pursuant to the terms of this Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

**“Special Record Date”** means the date fixed by the Paying Agent pursuant to *Article II* hereof for the payment of Defaulted Interest.

**“Standard & Poor’s” or “S&P”** means S&P Global Ratings, a division of S&P Global, Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor’s shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

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

**“State Treasurer”** means the duly elected Treasurer or, in the Treasurer’s absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

**“Stated Maturity”** when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable as set forth in the Amortization Schedule.

**“Treasurer”** means the duly appointed and/or elected Treasurer or, in the Treasurer’s absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

**“United States Government Obligations”** means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

**“USDA”** means the United States Department of Agriculture – Rural Development

## ARTICLE II

### AUTHORIZATION AND DETAILS OF THE BONDS

**Section 201. Authorization of the Bonds.** The Bonds have been heretofore authorized and directed to be issued pursuant to the Ordinance in the principal amount of \$260,000 for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; and (b) pay Costs of Issuance.

**Section 202. Description of the Bonds.** The Bonds shall consist of fully registered bonds in an Authorized Denomination, and shall be numbered in such manner as the Bond Registrar shall

determine. All of the Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in **Article III** hereof. The Bonds shall bear interest at the rate of 2.125% per annum (computed on the basis of a 365-day year) from the later of the Dated Date or the most recent Bond Payment Date on which interest has been paid in the manner set forth in **Section 204** hereof.

At the option of the Purchaser, the Bonds may be issued as a single certificate in the principal amount thereof or the Outstanding declining principal balance thereof. The principal such Bond shall be payable on the dates and in the amounts set forth on the Amortization Schedule, provided that the entire remaining principal payments shall become due and payable on the Bond Payment Date in 2036. Interest on such Bond shall be payable on the Bond Payment Date. If issued as other than as a single certificate with an Amortization Schedule, the Stated Maturities and principal amounts of the Bonds shall be on the dates and in the amounts as set forth in the Amortization Schedule.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as **EXHIBIT A** or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

**Section 203. Designation of Paying Agent and Bond Registrar.** The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and Bond Registrar with respect to the registration, transfer and exchange of Bonds. The Mayor of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer and an agreement with the Bond Registrar and Paying Agent for the Bonds.

The Issuer will at all times maintain a Paying Agent and Bond Registrar meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right to appoint a successor Paying Agent or Bond Registrar, and shall appoint a successor Paying Agent at the request of USDA, by (a) filing with the Paying Agent or Bond Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Bond Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Bond Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor acceptable to USDA has been appointed and has accepted the duties of Paying Agent or Bond Registrar. Each successor Paying Agent shall be approved in writing by USDA before the appointment of such successor Paying Agent shall become effective.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the requirements of K.S.A. 10-501 *et seq.* and K.S.A. 10-620 *et seq.*, respectively.

**Section 204. Method and Place of Payment of the Bonds.** The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. As long as the USDA is the Owner of the Bonds, payments of principal and interest, or the Redemption Price shall be by preauthorized debit or similar banking means or such other manner as is specified by the USDA from time to time

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent. Notwithstanding the foregoing, if a single

certificate with an Amortization Schedule is issued, principal will be paid in the same manner as interest is paid and presentation and surrender of the Bond to the Paying Agent shall not be necessary until the final payment of the entire obligation evidenced by such Bond.

The interest payable on each Bond on any Bond Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner or (b) in the case of an interest payment to any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice at the address of such Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

**Section 205. Payments Due on Saturdays, Sundays and Holidays.** In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

**Section 206. Registration, Transfer and Exchange of Bonds.** The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Bond Resolution and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Code § 3406, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Bonds.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to *Article III* hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to this *Article II*.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute Owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Owner or upon the Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Bond Registrar, the Bond Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Bond Registrar.

**Section 207. Execution, Registration, Authentication and Delivery of Bonds.** Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the Clerk and the seal of the Issuer shall be affixed thereto or imprinted thereon. The Mayor and Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Clerk, which registration shall be evidenced by the manual or facsimile signature of the Clerk with the seal of the Issuer affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper

officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Mayor and Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Bond Registrar for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as **EXHIBIT A** hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Bonds to the Purchaser upon instructions of the Issuer or its representative.

**Section 208. Mutilated, Lost, Stolen or Destroyed Bonds.** If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Issuer and the Paying Agent may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of this Bond Resolution equally and ratably with all other Outstanding Bonds.

**Section 209. Cancellation and Destruction of Bonds Upon Payment.** All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

**Section 210. Nonpresentment of Bonds.** If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim

of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

**Section 211. Sale of the Bonds.** The sale of the Bonds to the Purchaser is hereby ratified and confirmed. Delivery of the Bonds shall be made to the Purchaser on the Issue Date (which shall be as soon as practicable after the adoption of this Bond Resolution), upon payment of the Purchase Price.

**Section 212. Loan Resolution.** So long as USDA is the Owner of any of the Bonds, the Issuer shall be subject to the separate Loan Resolution executed and entered into by it at closing of the issuance of the Bonds in accordance with the Loan Resolution. The provisions of the Loan Resolution and the provisions of this Bond Resolution are to be construed wherever possible so that they will not be in conflict. In the event such a construction is not possible, the provisions of the Loan Resolution shall prevail.

### ARTICLE III

#### REDEMPTION OF BONDS

**Section 301. Redemption by Issuer.**

**Optional Redemption.** At the option of the Issuer, the Bonds (including installments of principal set forth on the Amortization Schedule) may be called for redemption and payment prior to the Stated Maturity as a whole or in part (selection of principal installments and amounts to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date.

**Mandatory Redemption.** The Issuer acknowledges the provisions of 7 U.S.C. 1983(3) and right of USDA to require the redemption of the entire unpaid principal amount of the Bonds in accordance therewith.

**Section 302. Selection of Bonds to be Redeemed.**

(a) In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in **Section 303** are met.

(b) Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine. Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in a minimum Authorized Denomination of principal amount in such equitable manner as the Bond Registrar may determine.

(c) In the case of a partial redemption of Bonds, the Owner of a single certificate with Amortization Schedule need not submit such certificate for re-registration. In the case of a partial redemption of any other Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each a minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of the denomination of a minimum Authorized Denomination. If it is determined that one or more, but not all, of a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem such a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of such a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of a minimum Authorized Denomination of face value called for redemption (and to that extent only).

**Section 303. Notice and Effect of Call for Redemption.** In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption.

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the Purchaser. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;

(d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and

(e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

In addition to the foregoing notice, further notice may be given by the Issuer or the Bond Registrar on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed:

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Bond Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.



## ARTICLE IV

### SECURITY FOR BONDS

**Section 401. Security for the Bonds.** The Bonds shall be general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

**Section 402. 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, to the extent necessary, levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above 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 other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be transferred to the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

If at any time said taxes 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 Issuer and to reimburse said general funds for money so expended when said taxes are collected.

## ARTICLE V

### ESTABLISHMENT OF FUNDS AND ACCOUNTS

#### DEPOSIT AND APPLICATION OF BOND PROCEEDS AND OTHER MONEYS

**Section 501. Creation of Funds and Accounts.** Simultaneously with the issuance of the Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

- (a) Improvement Fund;
- (b) Debt Service Account (within the Bond and Interest Fund);
- (c) Costs of Issuance Account.

The Funds and Accounts established herein shall be administered in accordance with the provisions of this Bond Resolution so long as the Bonds are Outstanding.

**Section 502. Deposit of Bond Proceeds and Other Moneys.** The net proceeds received from the sale of the Bonds and certain other fund shall be deposited simultaneously with the delivery of the Bonds as follows:

(1) An amount necessary to pay Costs of Issuance for the Bonds shall be deposited in the Costs of Issuance Account.

(2) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited in the Improvement Fund.

In addition to the proceeds of the Bonds, the Issuer shall deposit to the Improvement Fund funds in the amount of \$54,500.

**Section 503. Application of Moneys in the Improvement Fund.** Moneys in the Improvement Fund shall be used for the sole purpose of: (a) paying the costs of the Improvements, in accordance with the plans and specifications therefor prepared by the Consulting Engineer heretofore approved by the Governing Body and on file in the office of the Clerk, including any alterations in or amendments to said plans and specifications deemed advisable by the Consulting Engineer and approved by the Governing Body; and (b) paying costs of issuance, as necessary.

Withdrawals from the Improvement Fund shall be made only when authorized by the Governing Body. Each authorization for costs of the Improvements shall be supported by a certificate executed by the Clerk (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof. Authorizations for withdrawals for other authorized purposes shall be supported by a certificate executed by the Clerk (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution. Upon completion of the Improvements, any surplus remaining in the Improvement Fund: (a) consisting of proceeds of the Federal Grant shall be returned to the grantor thereof; and (b) consisting of proceeds of the Bonds shall be deposited in the Debt Service Account.

**Section 504. Application of Moneys in Debt Service Account.** All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Bond Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Bond Registrar and Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid into the Bond and Interest Fund.

**Section 505. Deposits and Investment of Moneys.** Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States: (a) which has a main or branch office located in the Issuer; or (b) if no such entity has a main or branch office located in the Issuer, with such an entity that has a main or branch office located in the county or counties in which the Issuer is located. All such depositories shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

Moneys held in any Fund or Account may be invested in accordance with this Bond Resolution and the Federal Tax Certificate in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account; provided that, during the period of construction of the Improvements, earnings on the investment of such funds may, at the discretion of the Issuer, be credited to the Debt Service Account.

**Section 506. Application of Moneys in the Costs of Issuance Account.** Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Bonds, shall be transferred to the Improvement Fund until completion of the Improvements and thereafter to the Debt Service Account.

## ARTICLE VI

### DEFAULT AND REMEDIES

**Section 601. Remedies.** The provisions of the Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

**Section 602. Limitation on Rights of Owners.** The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Outstanding Bonds.

**Section 603. Remedies Cumulative.** No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

## ARTICLE VII

### DEFEASANCE

**Section 701. Defeasance.** When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with **Section 302(a)** of this Bond Resolution. Any money

and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution.

Notwithstanding anything in this Bond Resolution to the contrary, so long as any of the Bonds are owned or insured by USDA, the Issuer will not issue any additional bonds or other obligations for the purpose of providing funds to refund all or a part of the Bonds unless either: (a) all of the Bonds are paid, retired and cancelled concurrently with the issuance of such refunding bonds or obligations or at the next occurring Stated Maturity; or (b) written consent to the issuance of such refunding bonds or obligations is given by USDA.

## ARTICLE VIII

### TAX COVENANTS

**Section 801. General Covenants.** The Issuer covenants and agrees that it will comply with: (a) all applicable provisions of the Code necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds; and (b) all provisions and requirements of the Federal Tax Certificate. The Mayor and Clerk are hereby authorized and directed to execute the Federal Tax Certificate in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the Issuer. The Issuer will, in addition, adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

**Section 802. Survival of Covenants.** The covenants contained in this Article and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to *Article VII* hereof or any other provision of this Bond Resolution until such time as is set forth in the Federal Tax Certificate.

**Section 803. Compliance Procedures.** The Compliance Procedures are approved in substantially the form presented to the Governing Body this date with such changes as the Mayor and legal counsel to the Issuer shall approve (whose signature thereon shall constitute conclusive evidence of such approval).

## ARTICLE IX

### MISCELLANEOUS PROVISIONS

**Section 901. Insurance; Fidelity Bond Coverage.** The Issuer will carry and maintain such reasonable amount of all-risk insurance on all properties constituting the Improvements insofar as they are of an insurable nature as would be carried by a municipality with similar property and

performing similar functions; and in the event of loss or damage, the Issuer will use the proceeds of such insurance to reconstruct or replace the damaged or destroyed property, or if such reconstruction or replacement be unnecessary, then such proceeds shall be used in redeeming or paying off Outstanding Bonds. The Issuer also will carry general liability insurance in amounts not less than the then maximum liability of a governmental entity for claims arising out of a single occurrence, as provided by the Kansas tort claims act or other similar future law (currently 500,000 per occurrence).

So long as the Bonds are owned or insured by USDA, all officers and employees of the Issuer handling the Funds and Accounts shall be bonded in each Fiscal Year in an amount not less than the total Debt Service Requirements on the Outstanding Bonds, until the final maturity date of the Outstanding Bonds or such other amount as is agreed to by USDA.

As long as any of the Bonds owned or insured by USDA remain Outstanding, the Issuer will annually submit a report of its insurance and fidelity bond coverage to USDA for review and approval.

**Section 902. Annual Audit.** Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of its Funds and Accounts for the preceding Fiscal Year by an Independent Accountant. As long as any of the Bonds owned or insured by USDA remain Outstanding, such audit to be performed in accordance with RD Instruction 1942-A, section 1942.17(q)(4) and in accordance with 2 CFR Part 200, as adopted by USDA through 2 CFR Part 400.

Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Clerk and a duplicate copy of the audit shall be mailed to USDA. Such audit shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or prospective Owner.

As soon as possible after the completion of the annual audit, the Governing Body shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Bond Resolution, the Issuer shall promptly cure such deficiency.

**Section 903. USDA Deemed to be Owner** So long as any of the Bonds are owned or insured by USDA remain Outstanding, USDA shall be deemed to be an Owner of such Bond.

**Section 904. Sale, Disposition or Use of the Improvements** So long as any of the Bonds are owned or insured by USDA remain Outstanding, the Issuer will not sell, lease or otherwise dispose of the Improvements to any nongovernmental person or entity without the prior written consent of USDA.

**Section 905. Amendments.** The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by ordinance or resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;

- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution.

Any provision of the Bonds or of this Bond Resolution may, however, be amended or modified by resolution duly adopted by the Governing Body at any time in any legal respect with the written consent of the Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Bond Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity herein, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate proceeds of the Bonds among Improvements, to conform this Bond Resolution to the Code or future applicable federal law concerning tax-exempt obligations, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Every amendment or modification of the provisions of the Bonds or of this Bond Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution adopted by the Governing Body amending or supplementing the provisions of this Bond Resolution and shall be deemed to be a part of this Bond Resolution. A certified copy of every such amendatory or supplemental ordinance or resolution, if any, and a certified copy of this Bond Resolution shall always be kept on file in the office of the Clerk, and shall be made available for inspection by the Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Bond Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental ordinance or resolution or of this Bond Resolution will be sent by the Clerk to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Clerk a copy of the resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Issuer shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Bond Resolution which affects the duties or obligations of the Paying Agent under this Bond Resolution.

**Section 906. Notices, Consents and Other Instruments by Owners.** Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

- (a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such

jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Bond Resolution, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Bond Resolution, except that, in determining whether the Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

**Section 907. Notices.** Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

**Section 908. Electronic Transactions.** The issuance of the Bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

**Section 909. Further Authority.** The officers and officials of the Issuer, including the Mayor and Clerk, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial 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 910. Severability.** If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

**Section 911. Governing Law.** This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

**Section 912. Effective Date.** This Bond Resolution shall take effect and be in full force from and after its adoption by the Governing Body.



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**ADOPTED** by the City Council on August 12, 2021.

(SEAL)

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Mayor

ATTEST:

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Clerk

**CERTIFICATE**

I hereby certify that the above and foregoing is a true and correct copy of the Bond Resolution of the Issuer adopted by the governing body on August 12, 2021 as the same appears of record in my office.

DATED: August 12, 2021.

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Clerk

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***SCHEDULE I***

**AMORTIZATION SCHEDULE**

**(Interest Rate is 2.125% per annum)**

<u>Stated Maturity</u>	<u>Amortization</u>			<u>Outstanding</u>
August 27	<u>Payment No.</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Balance</u>
2021				\$260,000.00
2022	1	14,901.39	5,525.00	245,098.61
2023	2	15,218.04	5,208.35	229,880.57
2024	3	15,528.04	4,898.35	214,352.53
2025	4	15,871.40	4,554.99	198,481.13
2026	5	16,208.67	4,217.72	182,272.46
2027	6	16,553.10	3,873.29	165,719.36
2028	7	16,895.21	3,531.18	148,824.15
2029	8	17,263.88	3,162.51	131,560.27
2030	9	17,630.73	2,795.66	113,929.54
2031	10	18,005.39	2,421.00	95,924.15
2032	11	18,382.42	2,043.97	77,541.73
2033	12	18,778.63	1,647.76	58,763.10
2034	13	19,177.67	1,248.72	39,585.43
2035	14	19,585.20	841.19	20,000.23
2036	15	20,000.23	426.17	-0-

**EXHIBIT A**  
**(FORM OF BONDS)**

**REGISTERED  
NUMBER    \_**

**REGISTERED  
\$**

**UNITED STATES OF AMERICA  
STATE OF KANSAS  
COUNTY OF LABETTE  
CITY OF ALTAMONT  
GENERAL OBLIGATION BOND  
SERIES 2021**

**Interest  
Rate:**

**Maturity  
Date:**

**Dated  
Date:   August 27, 2021**

**Identification  
No.:**

**REGISTERED OWNER:**   United States of America  
Department of Agriculture  
4300 Goodfellow Blvd. Bldg. 104  
St. Louis, Missouri 63120-1703  
Tax I.D. No. 43-1757115

**PRINCIPAL AMOUNT:**     \$260,000

**KNOW ALL PERSONS BY THESE PRESENTS:** That the City of Altamont, Kansas, in the County of Labette, State of Kansas (the “Issuer”), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Stated Maturities set forth on the Amortization Schedule printed hereon, unless called for redemption prior to the Maturity Date shown above, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 365-day year), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable annually on the anniversary of the Dated Date of each year (the “Bond Payment Date”), commencing on the anniversary of the Dated Date in 2022, until the entire Principal Amount has been paid in full.

**Method and Place of Payment.** The installments of principal and interest payable on this Bond shall be paid on any Bond Payment Date by the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”) to the person in whose name this Bond is registered on the registration books maintained by the Bond Registrar at the close of business on the Record Date(s), which shall be the 15th day (whether or not a business day) next preceding each Bond Payment Date. As long as the USDA is the Owner of the Bonds, payments of principal and interest, or the Redemption Price shall be by preauthorized debit or similar banking means or such other manner as is specified by the USDA from time to time. Such principal of and/or interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other address as is

furnished to the Paying Agent in writing by such Registered Owner. The final payment of principal of this Bond, whether at the Maturity Date set forth above or upon earlier redemption shall be made upon presentation and surrender of this Bond at the principal office of the Paying Agent. The principal or redemption price of and interest on this Bond shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

**Definitions.** Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Bond Resolution

**Authentication.** This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the hereinafter defined Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

**IT IS HEREBY DECLARED AND CERTIFIED** that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the Issuer, including this series of bonds, does not exceed any constitutional or statutory limitation.

**IN WITNESS WHEREOF**, the Issuer has caused this Bond to be executed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its Clerk, and its seal to be affixed hereto or imprinted hereon.

**CITY OF ALTAMONT, KANSAS**

(Facsimile Seal)

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
Clerk

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**CERTIFICATE OF AUTHENTICATION AND REGISTRATION**

This Bond is one of a series of General Obligation Bonds, Series 2021, of the City of Altamont, Kansas, described in the within-mentioned Bond Resolution.

Registration Date \_\_\_\_\_

Office of the State Treasurer, Topeka, Kansas,  
as Bond Registrar and Paying Agent

By \_\_\_\_\_

**Authorization of Bonds.** This Bond is one of an authorized series of Bonds of the Issuer designated "General Obligation Bonds, Series 2021," aggregating the principal amount of \$260,000 (the "Bonds") issued for the purposes set forth in the Ordinance of the Issuer authorizing the issuance of the Bonds and the Resolution of the Issuer prescribing the form and details of the Bonds (collectively, the "Bond Resolution"). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 12-110c, all as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

**General Obligations.** The Bonds constitute general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby pledged for the payment of the principal of and interest on this Bond and the issue of which it is a part as the same respectively become due.

**Redemption Prior to Maturity.** The Bonds are subject to redemption prior to maturity as set forth in the Bond Resolution.

**Transfer and Exchange.** This Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Bond, together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any authorized denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Bonds are issued in fully registered form in Authorized Denominations.

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## LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Bonds:

**GILMORE & BELL, P.C.**

Attorneys at Law  
100 N. Main Suite 800  
Wichita, Kansas 67202

(PRINTED LEGAL OPINION)

Dear Altamont City Council and Mayor,

Please accept my resignation as City Attorney effective the last day of August 2021. I have accepted full time employment that will require my family and me to relocate out of the State of Kansas. Although I have only held this position for 6 years, it has been a tremendous pleasure to see the citizens of Altamont serve and live and give. Altamont is truly the gem of Labette County. That is due to the amazing people who live and work within its borders.

I want to give a special thank you to the City Administrator, City Council, Mayor, Office Staff, and all city employees I have worked with over the last six years. Thank you for what you do. You have an all too often thankless job; your tireless efforts have been seen and appreciated. There will always be those who criticize simply to be critical without offering any helpful solutions, please keep doing what you are doing. Thank you for serving.

Thank you,

Stephen P. Jones –

July 20, 2021

# AUDREE AGUILERA

111 ELM ST • ALTAMONT, KS 67330  
PHONE (620) 680-1031 • EMAIL: AUDAGGY@GMAIL.COM

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City of Altamont  
407 S Huston  
Altamont, KS 67330

August 4, 2021

Dear Altamont City Council and Mayor,

Please accept my resignation as City Administrator effective thirty (30) days from the date of this letter. My last day will be September 3, 2021.

It is with a heavy heart and much consideration that I have decided to re-locate to the Topeka, KS area to continue to grow my small business and start a family. I greatly appreciate the opportunity and honor to serve the community of Altamont. It is with the sincerest of words, that I will miss all of my staff, department heads, city council members and mayor. You have all become family to me and Altamont will forever hold a special place in my heart.

You have my full commitment and cooperation for a smooth transition of responsibilities. I would like to thank each and every one of you for entrusting me with this beautiful city!

Sincerely,



Audree Aguilera





July 20, 2021

Mr. Richard Hayward

Altamont Mayor

407 Huston

Altamont KS 67330

Dear Mayor Hayward,

I respectfully request that you appoint Norma Sandusky to replace Sharol Hall as a member of the Altamont Public Library Board.

Sincerely

A handwritten signature in cursive script that reads "Freda Edwards". The ink is dark and the signature is fluid.

Freda Edwards

**Heather Beasley**  
Secretary/Treasurer



PO Box 305  
Altamont, KS 67330  
Phone: (620) 784-5612  
Fax: (620) 784-5882

## **Altamont Recreation Commission**

December 4, 2021

Dear Mayor and Council:

We would like to ask the City Council to appoint Jyssica Lahey to the Altamont Recreation Commission, term ending December 31, 2024.

We would also like to ask the City Council to appoint Rhyder Turner to the Altamont Recreation Commission, term ending December 31, 2021

Sincerely,

Heather Beasley  
Altamont Recreation Commission  
Deputy Clerk/Treasurer

ORDINANCE #379

AN ORDINANCE PROHIBITING THE DRINKING OF ANY CEREAL MALT BEVERAGE OR ALCOHOLIC LIQUOR, OR HAVING POSSESSION OF ANY CEREAL MALT BEVERAGE OR ALCOHOLIC LIQUOR IN ANY OPEN CONTAINER, IN OR UPON ANY PUBLIC PARK, STREET, ALLEY, SIDEWALK, PUBLIC BUILDING, OR ANY BUILDING OR PREMISES TO WHICH THE GENERAL PUBLIC HAS ACCESS, IN THE CITY OF ALTAMONT, KANSAS, OR OWNED BY SAID CITY OUTSIDE THE CITY LIMITS; EXCEPTING PREMISES LICENSED TO SELL CEREAL MALT BEVERAGES FOR CONSUMPTION ON THE PREMISES; PROVIDED PENALTIES; AND REPEALING ORDINANCE NO 268 OF SAID CITY.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ALTAMONT, KANSAS:

SECTION 1. It shall be unlawful for any person to drink any cereal malt beverage or alcoholic liquor, or be in possession of any cereal malt beverage or alcoholic liquor in any open container, in or upon any public park, street, alley, sidewalk, public building, or any building or premises to which the general public has access, in the City of Altamont, Kansas, or owned by said City of Altamont outside the City Limits, except as hereinafter provided.

SECTION 2. This Ordinance shall not prohibit the consumption or possession of any cereal malt beverage in any place of business duly licensed as provided by law to sell cereal malt beverages for consumption on the premises and in accordance with the laws regulating the same.

SECTION 3. Any person violating any of the provisions of this Ordinance shall be deemed guilty of a Class C violation and upon conviction thereof shall be punished by a fine of not more than (\$500.00) or by confinement in the City or County Jail of not more than (1 month), or by both such fine and confinement.

SECTION 4. This Ordinance shall take effect and be in force from and after its publication in the Official City Paper.

PASSED by the Council the 14th day of March of 1994.

SIGNED by the Mayor the 14th day of March of 1994.

  
Jerry D. Peterson, Mayor

ATTEST:

  
Elizabeth A. Finley, City Clerk

## ORDINANCE NO. 598

AN ORDINANCE SETTING FORTH UTILITY METER DEPOSITS, SERVICE FEES, RECONNECT FEES AND DISCONNECT FEES FOR THE CITY OF ALTAMONT MUNICIPALLY OWNED UTILITIES AND REPEALING ORDINANCES NO. 500 AND ANY ORDINANCES OR SECTIONS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ALTAMONT, KANSAS.

SECTION 1. Utility Meter Deposits will be required for guarantee of payment of bills. Utility Meter Deposits will be refunded to the customer by the City Clerk whenever the service is disconnected, provided that if any amount shall be due and unpaid for service at the time the service is discontinued, or if the meters furnished shall be damaged in any way except by ordinary wear that the whole of such deposit or as much thereof as is necessary to pay the amount due the City shall be furnished from the deposit. After a depositor has had a successful record of utility payments which shall be defined as not being delinquent in the payment of any utility charge for a period of twelve (12) consecutive months, the deposit shall be returned to the depositor in full by the City Clerk. Any late payment or failure to pay in the twelve (12) month cycle shall be considered a delinquency and the depositor shall have to start his or her twelve (12) month cycle anew. Any deposit returned to a depositor during the calendar year by the City Clerk shall not draw interest. In the event that the depositor is a renter the criteria as stated above shall be followed EXCEPT such depositor must not be delinquent with any utility payment for a period of thirty-six (36) consecutive payments.

SECTION 2. The Utility Meter Deposit shall apply to all new customers. The deposits of present customers are not to be increased so long as they continue to purchase utility services from the City of Altamont and keep their bills current. Should any customer be disconnected for non-payment of bills, then the City shall require the Utility Meter Deposit be increased to the amounts provided for in this ordinance.

SECTION 3. In lieu of a Utility Meter Deposit as listed in this Ordinance, a satisfactory letter of credit or other documentation evidencing a satisfactory history of utility payments from an Electric or Gas Company for a minimum of the previous twelve (12) months with no late payments may be accepted by the City Clerk. Or a letter accepting responsibility of such Utility bill from a parent, relative or friend, provided that individual has excellent credit history with no late payments for the previous 12 months with the City of Altamont may be accepted.

SECTION 4. Each Consumer of the City of Altamont shall pay to the City Office a Utility Meter Deposit in the amount as follows:

Residential Electric Service	\$120.00
Residential Gas Service	\$120.00
Residential Water Service	\$ 60.00

SECTION 5. Each Commercial or Industrial Consumer shall deposit with the City Office at the time of applying for Utility Service a sum equal to the estimated charge for such requested service or services for a two (2) month period of service, such amount to be determined by the City Governing Body or a designated agent.

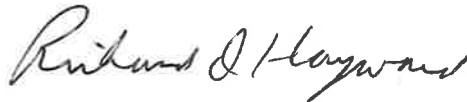
SECTION 6. Each Consumer shall pay a Non-refundable service connect fee of \$10.00 each for Electric, Water, and Gas. This fee shall be paid to the City Office at the time application is made for the service, or upon any change of consumer or service at any residential, commercial, or service at any residential, commercial, or industrial location. A waiver for connect fees is in effect for the City owned softball field.

SECTION 7. Any consumer who for any reason disconnects service with the City of Altamont, for non-pay, shall pay a reconnect fee of \$15.00 per each utility when they choose to have their service reconnected. For non-pay consumers this fee will be in addition to the delinquent amount due. Any consumer who moves without paying final bill will be assessed a disconnect fee of \$15.00 per each utility before sending to the Kansas Setoff Program for collection.

SECTION 8. All other Ordinance or sections of Ordinances in conflict with this ordinance is hereby repealed.

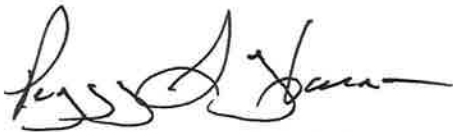
SECTION 9. This Ordinance shall be in full force and effect from and after its passage and publication once in the Official City Newspaper.

PASSED AND APPROVED by the governing Body of the City of Altamont, Kansas on  
April 12, 2018.



Richard O. Hayward, Mayor

ATTEST:



Peggy S. Ybarra, City Clerk

# CITY ADMINISTRATOR

## City of Altamont

**LEAPS**



# WHO WE ARE

The League of Kansas Municipalities is a membership association that advocates on behalf of cities, offers training and guidance to city appointed and elected officials, and has a clear purpose of strengthening Kansas communities. Since 1910, the League has been a resource for cities across Kansas and has acted as a body to share ideas, facilitate communication between members and provide information on best practices in city operations.

## **The League Advocates for Cities**

The League advocates on our membership's behalf to sponsor and encourage beneficial legislation for cities and oppose legislation that would be detrimental to our members' interest.

## **The League Offers Guidance**

Member cities can contact the League with a legal inquiry or question. Additionally, we provide sample ordinances and guidance on legislation and rulemakings from both the state and federal levels.

## **Contract Services**

The League offers members a competitive rate to have the League engage in contract services, which include codification services, executive personnel search program (LEAPS) and personnel policies.

## **Communications & Outreach**

Since 1914, the League has published the Kansas Government Journal, a publication for city, county, and state government officials that is printed ten times a year. The League publishes a weekly e-newsletter, researches municipal issues and develops programs for cities to use to engage their residents and reinforce the importance of civic engagement.

## **Municipal Training & Education**

The League offers members the ability to communicate and converse in an environment which encourages collaboration. The League offers members a variety of education and training opportunities throughout the year. Our annual conference brings together leaders in municipal government to offer innovative ideas for cities. Throughout the year, the League works with professionals in the field to train, inspire and solve problems facing municipal issues.

## SERVICES



# OUR EXECUTIVE SEARCH SERVICES

## THE PLANNING SESSION

League Staff provides the Governing Body with an overview of the entire LEAPS process. The presentation covers roles and responsibilities, as well as a timeline for completing the search.

## GOVERNING BODY ASSESSMENT

Each member of the Governing Body completes two surveys. The responses shape the position and criteria for the candidate pool.

The “Administrative Process” survey establishes consensus on the options chosen by the Governing Body to complete the search process.

The “Candidate” survey clarifies the responsibilities for the position description, builds the advertisement and community profile, and outlines the criteria for selecting applicants by articulating the preferred skills and management style needed by the city.

## SALARY GUIDANCE

League Staff conduct a salary and benefits survey to provide the Governing Body with compensation information from comparable cities.

## ADVERTISING

League Staff create advertisements, a community profile, and recommend an advertisement plan utilizing state, regional, and national resources to reach highly qualified candidates.

## RESUME REVIEW

League Staff review all resumes for completeness, compliance with the requirements and preferences of the Governing body, and for alignment with our quality administration rubric. We express our recommendations in the second in-person meeting with the Governing Body to assist in selecting candidates for the interview process. The Governing Body will make the final determination of how many and which candidates to interview.

## INTERVIEWING CANDIDATES

League Staff provides guidance on appropriate interview questions and interview process options. These questions assist the Governing Body in determining the skills, management style, and knowledge of their chosen candidates. League Staff also schedules interviews with the candidates and contacts all applicants once the position is filled.



# OUR INVITATION TO YOU

## WE GUIDE YOU THROUGH THE ENTIRE PROCESS

The League is with you from the start of your search to the very end, with staff available to answer your questions and provide updates as needed. We help you answer the big question of “Who are we looking for?” right up front and then conduct background checks before you make your final offer.

Once the Governing Body has chosen their candidate and the employment contract has been signed, the League will reach out to your candidate to help them get started in their new position. Candidates receive a free one-year membership to the Kansas Association of City/County Management (KACM), can sign up for the mentorship program, and receive a free copy of the book, *Your First 90 Days*. Our desire is to facilitate your city finding the best fit, and then doing everything in our power to make that person successful once they start. We strive to be the primary support for you and your final candidate.

## EXPERIENCE

With more than 70 searches conducted since 1998, the League comes to you with exceptional experience placing administrators in the state of Kansas. As the source for advocacy, training, and resources for Kansas municipalities, we come with a broad and deep relationship with Kansas cities and their staffs. Our staff bring a combined 50 years of municipal experience to the process. We represent a personal and economical option for your city.

# QUOTE FOR SERVICES

## OUR PRICE STRUCTURE

Our price structure is based on the population of your city. This quoted price includes two basic charges. We charge a base price for the core services, which includes staff administrative expenses. Then we charge an advertisement price once the search process is complete. Your base price (based on population) can be larger than this quote if you choose to add any process options to your package. Your advertisement price will be determined by the advertisement platforms chosen.

**CITY OF ALTAMONT BASE PRICE:** \$3,933

**ADVTERISEMENT PRICE:** (\$900 - 1,400 est.)

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# ESTIMATED TIMETABLE

<b>2 weeks:</b>	Contract (Contract must be approved by the Governing Body)
	Administrative Questionnaire (Governing Body completes and approves process questionnaire)
	Position Analysis Survey (Governing Body members individually submit survey responses)
<b>3 days:</b>	Approval of Advertisement (Advertisements for online and print publications)
	Approval of Community Profile (Attached to advertisement or provided upon request)
<b>30 days:</b>	Place position announcement (One month recommended for resume collection)
<b>1 week:</b>	Deadline for Resume Review (One week allocated to review resumes)
<b>1 week:</b>	Select candidates for interviews (We recommend selection of 2-3 finalists)
<b>2 weeks:</b>	Conduct initial interviews (We allot two weeks to schedule interviews)
<b>1 week:</b>	Interview finalists (We allot one week to interview final candidates)
<b>1 week:</b>	Extend conditional offer (City consults city attorney for contract negotiations)
<b>1 week:</b>	Approve employment agreement (We estimate one week to finalize the contract)
	Announce new city administrator (The League will also post a press release)
<b>30 days:</b>	New city executive start date (Professionals give up to 30-day notice to current employer)

# PROS & CONS OF SEARCH CHOICES

We want to ensure you have all the information you need to make an informed choice. Below we will discuss the pros and cons of three different choices of executive search processes: The League, Private Firm, and Self-Administered.

## THE LEAGUE LEAPS SERVICES

- PRO** 20 years of experience.
- PRO** Level of service is customizable to the community's preferences.
- PRO** Knows the needs and idiosyncrasies of local Kansas communities.
- PRO** Contracts with other Leagues and cities for advertising and background checks.
- PRO** Relieves staff and governing body of search and screening chores.
- PRO** Provides a one-year membership in the Kansas Association of City/County Management for selected candidate.

- CON** We do not directly solicit employed city executives.
- CON** Less familiar with city executives outside of Kansas

## PRIVATE EXECUTIVE RECRUITING FIRM

- PRO** Level of service depends on community's specifications.
- PRO** Actively solicits employed city executives
- PRO** Acquainted with city executives on a regional/national basis and is aware of availability.
- PRO** May be able to dedicate more time to the process than the city.
- PRO** Relieves staff and governing body of search and screening chores.
- PRO** May offer contract negotiations.

- CON** Often expensive, depending on services purchased.
- CON** May be less familiar with the needs of Kansas communities.
- CON** May not provide additional benefits to selected candidate.
- CON** Possible of Conflict of Interest.

## SELF-ADMINISTERED SEARCH PROCESS

- PRO** Least expensive.
- PRO** Provides Governing Body with greatest level of involvement in the process.
- PRO** Works best when city has a professional human resource staff.

- CON** Unfamiliar with process which may result in costly mistakes.
- CON** Requires the most time from Governing Body Members.
- CON** Governing Body does not normally solicit or know of potential candidates.
- CON** Outside resources required for background checks unless a full service human resource programs is available.
- CON** Search process may interfere with normal city business and require extensive staff time.
- CON** May place city staff in an awkward position of reviewing their potential supervisors in an unsupervised portion of the process.

# TEN REASONS TO CHOOSE LEAPS

**1. We Save You Money.** The League offers quality services for a fraction of the cost of a private firm.

**2. We Know Kansas.** The League has served Kansas municipalities for nearly a century. We understand the leaders Kansas needs to find and nourish.

**3. We Understand Public Hiring.** We provide guidance on the role of the Kansas Open Meetings Acts, Executive Sessions, and Lawful interview questions.

**4. We Service as a Clearinghouse.** As a third-party, we provide a fair and neutral hiring process.

**5. We Support Your Final Candidate.** We provide a one-year membership and resources to your chosen candidate.

**6. We Come to You.** League Staff will make up to two trips to your community to meet with you personally.

**7. We Provide Direct and Accessible Support.** You will have a direct number to contact staff with questions or request updates.

**8. We Customize Services to Your Community.** The Governing Body has the opportunity to express their preferences, open the process to community members, and select process options.

**9. We Provide Advertising Discounts.** Through contacts, we provide advertising discounts to increase your reach for qualified candidates.

**10. We Communicate with the Applicants.** Direct them to our office! We will manage all communication and calls with applicants.

## WHAT MAKES A QUALITY CANDIDATE?

The League has developed and utilizes a ranking process backed by the latest research in selection procedures.

We further customize this metric by including the preferences and needs of your community to assist you in finding the best fit.

	0-1	2-3	4-5	6-7	8-9	10
<b>Municipal Experience</b>	<i>Basic</i>	<i>Beginning</i>	<i>Developing</i>	<i>Competent</i>	<i>Mature</i>	<i>Exemplary</i>
	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Demonstrates ability to navigate government processes and execute the organization's projects and initiatives	Demonstrates ability to assess and compare various government opportunities.	Demonstrates knowledge of government processes and ability to execute projects in government.	Demonstrates knowledge of government processes and ability to execute projects in government.
<b>Management Experience</b>	<i>Basic</i>	<i>Beginning</i>	<i>Developing</i>	<i>Competent</i>	<i>Mature</i>	<i>Exemplary</i>
	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Demonstrates ability to navigate government processes and execute the organization's projects and initiatives	Demonstrates ability to assess and compare various government opportunities.	Demonstrates knowledge of government processes and ability to execute projects in government.	Demonstrates knowledge of government processes and ability to execute projects in government.
<b>Kansas Connection</b>						
	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Demonstrates ability to navigate government processes and execute the organization's projects and initiatives	Demonstrates ability to assess and compare various government opportunities.	Demonstrates knowledge of government processes and ability to execute projects in government.	Demonstrates knowledge of government processes and ability to execute projects in government.
<b>Education</b>						
	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Demonstrates ability to navigate government processes and execute the organization's projects and initiatives	Demonstrates ability to assess and compare various government opportunities.	Demonstrates knowledge of government processes and ability to execute projects in government.	Demonstrates knowledge of government processes and ability to execute projects in government.
<b>Work History</b>	<i>Basic</i>	<i>Beginning</i>	<i>Developing</i>	<i>Competent</i>	<i>Mature</i>	<i>Exemplary</i>
	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Demonstrates ability to navigate government processes and execute the organization's projects and initiatives	Demonstrates ability to assess and compare various government opportunities.	Demonstrates knowledge of government processes and ability to execute projects in government.	Demonstrates knowledge of government processes and ability to execute projects in government.
<b>Gut</b>	<i>Basic</i>	<i>Beginning</i>	<i>Developing</i>	<i>Competent</i>	<i>Mature</i>	<i>Exemplary</i>
	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Experiences in a position other than the public sector (Private Industry, Nonprofit, Government, etc.)	Demonstrates ability to navigate government processes and execute the organization's projects and initiatives	Demonstrates ability to assess and compare various government opportunities.	Demonstrates knowledge of government processes and ability to execute projects in government.	Demonstrates knowledge of government processes and ability to execute projects in government.

### Developing

Demonstrates ability to navigate government processes and execute the organization's projects and initiatives.

### Competent

This candidate shows early success and potential to be a good public administrator and their particular skill set appears to match the needs of the organization



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## The League Executive/Administrative Position Search

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300 SW 8<sup>th</sup> Avenue, Suite 100  
Topeka, Kansas 66603  
785-354-9565  
[www.LKM.org](http://www.LKM.org)



July 2, 2021

SUBJECT: City of Altamont, Kansas  
New Fire Truck  
CF Loan Closing Instructions – Direct Loan - \$260,000

TO: Mike Billings, Area Specialist  
Iola, KS

The loan of \$260,000 is approved. The loan will be evidenced by a General Obligation Bond with a term of 20 years. Additional funds include an Applicant contribution in the amount of \$54,500 for a total project cost of \$314,500.

You may proceed with the planned project and make certain that the loan is closed in accordance with the provisions of this memorandum and the following:

1. RD Instruction 1942-A.
2. The Letter of Conditions dated March 25, 2021.
3. Regional Attorney's memorandum dated June 30, 2021. **You are responsible for reading OGC's letter in its entirety and making certain that all of the requirements and outlined conditions are met.**

A. GENERAL:

1. The Applicant's attorney will prepare a final opinion on the loan closing and bond counsel will prepare a bond transcript.
2. Be certain the Applicant's governing body has adopted acceptable standards of conduct of its officers and established procurement and contracting procedures. KS 1942 Guide 13 may be used for this.
3. USDA Rural Development funds will be disbursed through the Electronic Funds Transfer (EFT) System. Form SF 3881, "ACH Vender/Miscellaneous Payment Enrollment Form" will be utilized for this process.

B. PRIOR TO LOAN CLOSING:

1. You are to complete Form RD 400-8, "Compliance Review," in accordance with RD Instruction 1942-A, Section 1942.17(r)(4).

Rural Development • Kansas

**Hays Office**  
2715 Canterbury Drive  
Hays, KS 67601  
Phone: (785) 628-3081, Ext. 4  
Fax: (877) 470-3801

**Iola Office**  
202 W. Miller Road  
Iola, KS 66749  
Phone: (620) 365-2901, Ext. 4  
Fax: (877) 470-3801

**Newton Office**  
1405 South Spencer Road  
Newton, KS 67114  
Phone: (316) 283-0370, Ext. 4  
Fax: (877) 470-3801

**Topeka Office**  
1303 SW First American Pl, Ste 100  
Topeka, KS 66604  
Phone: (785) 271-2700  
Fax: (877) 470-3801

USDA is an equal opportunity provider, employer, and lender.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).

2. A supervised bank account is not required. However, agreements should be reached with the applicant concerning prior approval of bills or vouchers so the necessary control of payments from the loan can be maintained and USDA Rural Development records can be maintained. An accurate accounting of deposits and withdrawals will be kept on Form RD 402-2, "Statement of Deposits and Withdrawals".
3. An agreement is to be reached with a reliable accounting firm or experienced individual regarding the type of records and accounts to be maintained by the City. The agreement may be approved by the processing office.
4. KS 1942 Guides 32 and 33 should be completed prior to loan closing.
5. Immediately before loan closing the Area Office is responsible for determining whether an Applicant's name has been placed on the Government wide Debarment and Suspension list in accordance with 2 CFR part 180, as implemented by USDA through 2 CFR part 417.
6. Form RD 1942-47, Loan Resolution, should be adopted at a duly called meeting of the governing body. A copy of the excerpts of minutes and notice if adopted at a special meeting should be furnished along with a certification by the City Clerk as to the adoption vote and continuing validity.
7. Please notify bond counsel on the bond document changes outlined in the State Office memo to OGC dated June 28, 2021. A copy of the memo is attached.

C. REQUIREMENTS FOR LOAN CLOSING:

1. The loan is to be evidenced by a General Obligation Bond, secured by the full faith, credit and resources of the borrower.
  - a) The Area Specialist should examine the duly executed bond of the borrower in order to determine that the form of the bond complies with the ordinance and that the bond has been properly executed and dated. The bond when issued should reflect a valid obligation of the Borrower payable from duly collected tax revenues.
  - b) A complete bond transcript and a final opinion from bond counsel disclosing that the proceedings of the Borrower are in compliance with the law and that the bond, when issued, will be a valid obligation of the Borrower.
2. Execute Form RD 1942-47, "Loan Resolution (Public Bodies) for the loan.
3. The Borrower must obtain and provide the Agency with a Certificate of Title for the fire truck. See OGC's closing instructions, item #3 on page 2, for a complete list of instructions on how the title should be handled.
4. The closing attorney should provide a loan closing opinion as soon as possible after loan closing.
5. After loan closing, submit to the State Office the appropriate items outlined in RD Instruction 1942-A, section 1942.8(f) and OGC's loan closing requirements. KS 1942 Guide 42 may be used for this requirement.
6. You are to review the borrower's total operation and management practices, including records and accounts between the beginning of the ninth and end of the eleventh full month of operation. A report on this review will be made to the State Director by sending a completed copy of Form RD 442-4, "District Director's Report."

Also, during this time period, you are to inspect this facility and report the results to the State Director, Attn: CP Section, on Form RD 1924-12, "Inspection Report."

Contact our office if you have any questions.

*Daniel E. Fischer*

DANIEL E. FISCHER  
Director, Community Programs

Attachments: OGC's memo dated June 30, 2021  
State Office memo dated June 28, 2021



- ✓ Resolution – Page 8 – Section 202 – Interest rate should represent the interest rate at the time of obligation or at the time of closing. The interest rate will be verified at closing.
- ✓ Resolution – Page 16 – Section 503 – Language highlighted in red should be removed, not applicable to this project.
- ✓ Resolution – Page 17 – Section 505 – Language highlighted in red should be removed, not applicable to this project.
- ✓ Draft Bond – Page A-1 – First paragraph – Replace Russell with Labette.

The following documents are in the attached closing zip-folder for the City of Altamont:

- ✓ KS 1942 Guide 22 – Bond Review Checklist
- ✓ Draft Bond Ordinance and Resolution
- ✓ Form RD 1942-47, Loan Resolution
- ✓ Copy of the Letter of Conditions

Your review and comments regarding the draft documents would be greatly appreciated.

If you have any questions or need additional information, feel free to contact me at 785-271-2742 or by email at [janette.womack@usda.gov](mailto:janette.womack@usda.gov).

A handwritten signature in black ink that reads "Janette Womack". The script is cursive and fluid, with the first name and last name clearly distinguishable.

JANETTE S. WOMACK  
Community Programs Specialist

Attachment: City of Altamont Zip Folder

## ACH Vendor/MISCELLANEOUS PAYMENT ENROLLMENT FORM

This form is used for Automated Clearing House (ACH) payments with an addendum record that contains payment-related information processed through the Vendor Express Program. Recipients of these payments should bring this information to the attention of their financial institution when presenting this form for completion. See Page 2 for additional instructions.

### PRIVACY ACT STATEMENT

The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). All information collected on this form is required under the provisions of 31 U.S.C. 3322 and 31 CFR 210. This information will be used by the Treasury Department to transmit payment data, by electronic means to vendor's financial institution. Failure to provide the requested information may delay or prevent the receipt of payments through the Automated Clearing House Payment System.

### AGENCY INFORMATION

FEDERAL PROGRAM AGENCY:

AGENCY IDENTIFIER:

AGENCY LOCATION CODE (ALC):

ACH FORMAT:

☐ CCD+☐ CTX

ADDRESS:

CONTACT PERSON NAME:

TELEPHONE NUMBER (Include Area Code):

ADDITIONAL INFORMATION:

### PAYEE / COMPANY INFORMATION

NAME

SSN NO. OR TAXPAYER ID NO.:

ADDRESS:

CONTACT PERSON NAME:

TELEPHONE NUMBER (Include Area code):

### FINANCIAL INSTITUTION INFORMATION

NAME:

ADDRESS:

ACH COORDINATOR NAME:

TELEPHONE NUMBER (Include Area code):

NINE-DIGIT ROUTING TRANSIT NUMBER

DEPOSITOR ACCOUNT TITLE:

DEPOSITOR ACCOUNT NUMBER:

LOCKBOX NUMBER:

TYPE OF ACCOUNT:

☐

CHECKING

☐

SAVINGS

☐

LOCKBOX

SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL:  
(Could be the same as ACH Coordinator):

TELEPHONE NUMBER (Include Area code):



AUTHORIZED FOR LOCAL REPRODUCTION

SF 3881 (Rev 2/2003)

Prescribed by Department of Treasury  
31 US C 3322; 31 CFR 21.0

## **Instructions for Completing SF 3881 Form**

Make three copies of form after completing. Copy 1 is the Agency Copy; copy 2 is the Payee/Company Copy; and copy 3 is the Financial Institution Copy.

1. Agency Information Section - Federal agency prints or types the name and address of the Federal program agency originating the vendor / miscellaneous payment, agency identifier, agency location code, contact person name and telephone number of the agency. Also, the appropriate box for ACH format is checked.
2. Payee / Company Information Section - Payee prints or types the name of the payee / company and address that will receive ACH vendor / miscellaneous payments, social security or taxpayer ID number, and contact person name and telephone number of the payee / company. Payee also verifies depositor account number, account title, and type of account entered by your financial institution in the Financial Institution Information Section.
3. Financial Institution Information Section - Financial institution prints or types the name and address of the payee / company's financial institution who will receive the ACH payment, ACH coordinator name and telephone number, nine-digit routing transit number, depositor (payee / company) account title and account number. Also, the box for type of account is checked, and the signature, title, and telephone number of the appropriate financial institution official are included.

### **BURDEN ESTIMATE STATEMENT**

The estimated average burden associated with this collection of information is 15 minutes per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Financial Management Service, Facilities Management Division, Property and Supply Branch, Room B-101, 3700 East-West Highway, Hyattsville, MD 20782 and the Office of Management and Budget, Paperwork Reduction Project (1510-0056), Washington, DC 20503.

Application for Federal Assistance SF-424		
<b>* 1. Type of Submission:</b> <input type="checkbox"/> Preapplication <input type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		
<b>* 2. Type of Application:</b> <input type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision		
<b>* If Revision, select appropriate letter(s):</b> <input type="text"/> <b>• Other (Specify)</b> <input type="text"/>		
<b>* 3. Date Received:</b> <input type="text"/> Completed by Grants.gov upon submission.		
<b>4. Applicant Identifier:</b> <input type="text"/>		
<b>5a. Federal Entity Identifier:</b> <input type="text"/>		<b>* 5b. Federal Award Identifier:</b> <input type="text"/>
<b>State Use Only:</b>		
<b>6. Date Received by State:</b> <input type="text"/>		<b>7. State Application Identifier:</b> <input type="text"/>
<b>8. APPLICANT INFORMATION:</b>		
<b>* a. Legal Name:</b> <input type="text"/>		
<b>* b. Employer/Taxpayer Identification Number (EIN/TIN):</b> <input type="text"/>		<b>* c. Organizational DUNS:</b> <input type="text"/>
<b>d. Address:</b>		
<b>* Street 1:</b> <input type="text"/>		
<b>Street 2:</b> <input type="text"/>		
<b>* City:</b> <input type="text"/>		
<b>County/Parish:</b> <input type="text"/>		
<b>* State:</b> <input type="text"/>		
<b>Province:</b> <input type="text"/>		
<b>* Country:</b> <input type="text"/> USA: UNITED STATES		
<b>* Zip / Postal Code:</b> <input type="text"/>		
<b>e. Organizational Unit:</b>		
<b>Department Name:</b> <input type="text"/>		<b>Division Name:</b> <input type="text"/>
<b>f. Name and contact information of person to be contacted on matters involving this application:</b>		
<b>Prefix:</b> <input type="text"/> <b>* First Name:</b> <input type="text"/>		
<b>Middle Name:</b> <input type="text"/>		
<b>* Last Name:</b> <input type="text"/>		
<b>Suffix:</b> <input type="text"/>		
<b>Title:</b> <input type="text"/>		
<b>Organizational Affiliation:</b> <input type="text"/>		
<b>* Telephone Number:</b> <input type="text"/>		<b>Fax Number:</b> <input type="text"/>
<b>* Email:</b> <input type="text"/>		

## Application for Federal Assistance SF-424

### 9. Type of Applicant I - Select Applicant Type:

Type of Applicant 2- Select Applicant Type:

Type of Applicant 3- Select Applicant Type:

\* Other (specify):

### \* 10. Name of Federal Agency:

### 11. Catalog of Federal Domestic Assistance Number:

CFDA Title:

### \* 12. Funding Opportunity Number:

\* Title:

### 13. Competition Identification Number:

Title:

### 14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachments

Delete Attachments

View Attachments

### \* 15. Descriptive Title of Applicant's Project:

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

## Application for Federal Assistance SF-424

### 16. Congressional Districts Of:

\* a. Applicant

\* b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachments

Delete Attachments

View Attachments

### 17. Proposed Project:

\* a. Start Date:

\* b. End Date:

### 18. Estimated Funding (\$):

\* a. Federal

\* b. Applicant

\* c. State

\* d. Local

\* e. Other

\* f. Program Income

\* g. TOTAL

### \* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on .
- ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☐ c. Program is not covered by E.O. 12372.

### \* 20. Is the Applicant Delinquent On Any Federal Debt? (if "Yes", provide explanation.)

☐ Yes ☐ No

If "Yes, provide explanation and attach.

Add Attachments

Delete Attachments

View Attachments

**21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☐ \*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

### Authorized Representative:

Prefix:

\* First Name:

Middle Name:

\* Last Name:

Suffix:

\* Title:

\*Telephone Number:

Fax Number:

\* Email:

\* Signature of Authorized Representative:

Completed by Grants.gov upon submission.

\* Date Signed:

Completed by Grants.gov upon submission.

**LOAN CLOSING OPINION**

TO: City/Village of \_\_\_\_\_ County of \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TO: Other Type of Municipality: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

and

The United States of America

I have examined and rechecked the records and proceedings of \_\_\_\_\_  
(hereinafter called Borrower).

Based on the foregoing examination, and to the best of my knowledge, information and belief, I am of the opinion that:

1. Borrower has been duly created as a \_\_\_\_\_  
and is in good standing under the laws of the State of Kansas;
2. Borrower's governing body and officers are duly and validly elected and appointed and are empowered to act for the Borrower;
3. Borrower has the power to own, construct, maintain, and operate the  
\_\_\_\_\_ in \_\_\_\_\_,  
\_\_\_\_\_, County, Kansas, which it proposes;
4. The Loan Resolution of \_\_\_\_\_, \_\_\_\_\_, and other  
proceedings of Borrower and its representatives necessary to be taken in connection with the  
authorization, execution, and delivery of a valid General Obligation Bond have been duly  
taken, all such authorizations were in effect when the General Obligation Bond was executed  
and delivered;

6. The General Obligation Bond has been duly and properly issued, executed, and delivered by Borrower in accordance with the laws of the State of Kansas, and constitute valid and legally binding obligations of Borrower;
7. The covenants and agreements made by Borrower in the resolution authorizing the issuance, execution, and delivery of the General Obligation Bond are valid and legally binding of Borrower and within its authorized powers;
8. Exceptions: (None, unless indicated);

---

---

This opinion is issued expressly for the benefit of the above-named Borrower and the United States of America acting through United States Department of Agriculture, Rural Development, and I assume liability to each hereunder.

---

(Date)

---

(Attorney's Name)

---

(Attorney's Signature)



WRITTEN NOTICE OF INTEREST RATE SELECTION

Applicant: \_\_\_\_\_

Project: \_\_\_\_\_

Please check the appropriate block below and sign, date, and return to USDA Rural Development.

☐ YES            I hereby request that the interest rate on our loan(s) be the lower of the rate in effect at the time of loan approval or the time of loan closing.

☐ NO              We do not want our interest rate changed. We understand that we will have no future choice or interest rate for this loan(s) under the provision of Public Law 99-88.

\_\_\_\_\_  
AUTHORIZED BORROWER SIGNATURE

\_\_\_\_\_  
DATE

## GRADUATION CERTIFICATION

Agency Loans are a temporary source of credit; and borrowers are to refinance their loans when other credit is available at reasonable rates and terms.

The Agency expects borrowers to comply with graduation requirements, evidenced by the legally binding graduation clauses in the promissory note, security instrument and the loan agreement.

Borrower accounts are periodically reviewed for graduation by the Agency.

The borrower will be required to provide financial information upon request.

In certain cases, prepayment restrictions or other limiting conditions will be considered in the graduation process.

Requests for additional loan funds, subordinations, or consent to incur additional indebtedness will not normally be approved until an outstanding graduation request has been resolved.

**I have read and understand the graduation requirements of our agreement with the Federal Government.**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Attested to: \_\_\_\_\_  
Clerk

\_\_\_\_\_  
Date

*Certification to be signed at loan closing to comply with RD Instruction 1951-F, Section 1951.260.*

**Evidence and Verification of  
Contributions/Other Funds**

For the proposed project identified in our application to USDA Rural Development dated \_\_\_\_\_ and as an Authorized Representative of the organization and/or public body, I verify the following funds are available:

Other Sources of Funds	Applicant Cash Contribution	Are funds available prior to closing or start of construction?

I/We understand that the amounts described above are to be used for eligible costs associated with the project.

Signature of Authorized Representative: \_\_\_\_\_ Date: \_\_\_\_\_

Title of Authorized Representative: \_\_\_\_\_

\_\_\_\_\_  
USDA Rural Development Area Specialist

\_\_\_\_\_  
Date

**EXCERPT OF MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF ALTAMONT, KANSAS  
HELD ON AUGUST 12, 2021**

The City Council (the "Governing Body") met in regular session at the usual meeting place in the City, at 7:00 p.m., the following members being present and participating, to-wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

\* \* \* \* \*

(Other Proceedings)

Thereupon, there was presented an Ordinance and Resolution entitled:

**AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2021, OF THE CITY OF ALTAMONT, 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.**

**A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION BONDS, SERIES, OF THE CITY OF ALTAMONT, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. 629 OF THE ISSUER; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.**

Thereupon, Councilmember \_\_\_\_\_ moved that said Ordinance be passed and the Resolution be adopted. The motion was seconded by Councilmember \_\_\_\_\_. Said Ordinance and Resolution were duly read and considered, and upon being put, the motion for the passage of said Ordinance and adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Yea: \_\_\_\_\_

Nay: \_\_\_\_\_

The Mayor declared the Ordinance duly passed and the Ordinance was then duly numbered Ordinance No. 629, was signed by the Mayor and attested by the Clerk and the Ordinance or a summary thereof was directed to be published one time in the official newspaper of the City. The Mayor further declared Resolution duly adopted and the Resolution was then duly numbered Resolution No. 286, and was signed by the Mayor and attested by the Clerk.

\* \* \* \* \*

(Other Proceedings)

On motion duly made, seconded and carried, the meeting thereupon adjourned.

**CERTIFICATE**

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the Governing Body of the City of Altamont, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

---

Clerk

**ORDINANCE NO. 629**

**OF**

**THE CITY OF ALTAMONT, KANSAS**

**PASSED**

**AUGUST 12, 2021**

---

**GENERAL OBLIGATION BONDS**  
**SERIES 2021**

---

(PUBLISHED IN THE *LABETTE AVENUE* ON AUGUST 19, 2021)

**ORDINANCE NO. 629**

**AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION BONDS, SERIES 2021, OF THE CITY OF ALTAMONT, 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 Altamont, Kansas (the “City”) is a city of the third 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 Governing Body has authorized the following improvements (the “Improvements”) to be made in the City, to-wit:

<i><b>Project Description</b></i>	<i><b>Res No.</b></i>	<i><b>Authority</b></i>	<i><b>Amount</b></i>
Firefighting Equipment	284	K.S.A. 12-110c	\$314,500

**WHEREAS**, the City has received a commitment from the United States of America, acting through the Department of Agriculture - Rural Development to purchase the City's general obligation bonds in an aggregate amount of \$260,000, the proceeds of which, together with available funds of the Issuer in the amount of \$54,500 will be used to acquire the Improvements, all pursuant a letter of conditions dated March 25, 2021; and

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

**WHEREAS**, none of such general obligation bonds heretofore authorized have been issued and the City now proposes to issue its General Obligation Bonds, Series 2021 in the principal amount of \$260,000 to pay a portion of the costs of the Improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF ALTAMONT, 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. 12-110c, 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 Issuer’s General Obligation Bonds, Series 2021, dated August 27, 2021, authorized by this Ordinance.

**“City”** means the City of Altamont, Kansas.

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

**“Governing Body”** means the City Council of the City.

**“Improvements”** means the improvements referred to in the preamble to this Ordinance.

**“Mayor”** means the duly elected and acting Mayor 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.

**“Paying Agent”** means the State Treasurer, and any successors and assigns.

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

**Section 2. Authorization of the Bonds.** There shall be issued and hereby are authorized and directed to be issued the General Obligation Bonds, Series 2021, of the City in the principal amount of \$260,000, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; and (b) pay costs of issuance of the Bonds.

**Section 3. Security for the Bonds.** The Bonds shall be general obligations of the City payable as to both principal and interest 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 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. 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 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, and publication of the Ordinance or a summary thereof in the official City newspaper.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**PASSED** by the Governing Body on August 12, 2021 and **APPROVED AND SIGNED** by the Mayor.

(SEAL)

---

Mayor

ATTEST:

---

Clerk

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

## CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on August 12, 2021 that the record of the final vote on its passage is found on page \_\_\_\_ of journal \_\_\_\_; and that it was published in the ***Labette Avenue*** on August 19, 2021.

DATED: August 19, 2021

---

Clerk

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**RESOLUTION NO. 286**

**OF**

**THE CITY OF ALTAMONT, KANSAS**

**ADOPTED**

**AUGUST 12, 2021**

**GENERAL OBLIGATION BONDS**  
**SERIES 2021**

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## RESOLUTION NO. 286

**A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION BONDS, SERIES, OF THE CITY OF ALTAMONT, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. 629 OF THE ISSUER; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.**

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**WHEREAS**, the Issuer has heretofore passed the Ordinance authorizing the issuance of the Bonds; and

**WHEREAS**, the Ordinance authorized the City Council (the “Governing Body”) of the Issuer to adopt a resolution prescribing certain details and conditions and to make certain covenants with respect to the issuance of the Bonds; and

**WHEREAS**, the Internal Revenue Code of 1986, as amended and regulations promulgated thereunder (collectively, the “Code”), impose ongoing requirements related to the investment, use and expenditure of proceeds of tax-advantaged obligations and related funds and restrictions on use of the facilities financed by such tax-advantaged obligations; and

**WHEREAS**, the Issuer is committed to full compliance with all such requirements with respect to the tax-advantaged obligations and deems it necessary and advisable to adopt a Tax and Securities Compliance Procedures, dated as of the Dated Date (the “Compliance Procedures”).

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALTAMONT, KANSAS, AS FOLLOWS:**

### ARTICLE I

#### DEFINITIONS

**Section 101. Definitions of Words and Terms.** In addition to words and terms defined elsewhere herein, the following words and terms as used in this Bond Resolution 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. 12-110c, all as amended and supplemented from time to time.

**“Amortization Schedule”** means the schedule that set forth the principal and interest payments on the Bonds, and which is attached hereto as ***Schedule I***, which shall also be printed on the Bond.



**“Authorized Denomination”** means \$5,000 or any integral multiples thereof or any amount of principal stated to be paid pursuant to the Amortization Schedule.

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

**“Bond Counsel”** means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

**“Bond Payment Date”** means each anniversary of the Dated Date of the Bonds, commencing on the anniversary of the Dated Date in 2022.

**“Bond Register”** means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

**“Bond Registrar”** means the State Treasurer, Topeka, Kansas, and any successors and assigns.

**“Bond Resolution”** means this resolution relating to the Bonds.

**“Bonds”** means the General Obligation Bonds, Series 2021, authorized and issued by the Issuer pursuant to the Ordinance and this Bond Resolution.

**“Business Day”** means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

**“City”** means the City of Altamont, Kansas.

**“Clerk”** means the duly appointed and/or elected Clerk or, in the Clerk's absence, the duly appointed Deputy Clerk or Acting Clerk of the Issuer.

**“Code”** means the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder by the United States Department of the Treasury.

**“Consulting Engineer”** means an independent engineer or engineering firm, or architect or architectural firm, having a favorable reputation for skill and experience in the construction, financing and operation of public facilities, at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Consulting Engineer by this Bond Resolution.

**“Costs of Issuance”** means all costs of issuing the Bonds, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

**“Costs of Issuance Account”** means the Costs of Issuance Account for General Obligation Bonds, Series 2021 created pursuant to *Section 501* hereof.

**“Dated Date”** means August 27, 2021.

**“Debt Service Account”** means the Debt Service Account for General Obligation Bonds, Series 2021 created within the Bond and Interest Fund pursuant to **Section 501** hereof.

**“Debt Service Requirements”** means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

**“Defaulted Interest”** means interest on any Bond which is payable but not paid on any Bond Payment Date.

**“Defeasance Obligations”** means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that rating agency to United States Government Obligations.

**“Derivative”** means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

**“Event of Default”** means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Resolution on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

**“Federal Tax Certificate”** means the Issuer's Federal Tax Certificate dated as of the Issue Date, as the same may be amended or supplemented in accordance with the provisions thereof.

**“Financeable Costs”** means the amount of expenditure for an Improvement which has been duly authorized by action of the Governing Body to be financed by general obligation bonds, less: (a) the amount of any temporary notes or general obligation bonds of the Issuer which are currently Outstanding and available to pay such Financeable Costs; and (b) any amount of Financeable Costs which has been previously paid by the Issuer or by any eligible source of funds unless such amounts are entitled to be reimbursed to the Issuer under State or federal law.

**“Fiscal Year”** means the twelve-month period ending on December 31.

**“Funds and Accounts”** means funds and accounts created pursuant to or referred to in *Section 501* hereof.

**“Governing Body”** means the City Council of the Issuer.

**“Improvement Fund”** means the Improvement Fund for General Obligation Bonds, Series 2021, created pursuant to *Section 501* hereof.

**“Improvements”** means the improvements referred to in the preamble to the Ordinance.

**“Independent Accountant”** means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by this Bond Resolution.

**“Issue Date”** means the date when the Issuer delivers the Bonds to the Purchaser in exchange for the Purchase Price.

**“Issuer”** means the City and any successors or assigns.

**“Loan Resolution”** means the Loan Resolution (Form RD 1942-47) of the Issuer, dated as of June 24, 2021.

**“Maturity”** when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

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

**“Moody's”** means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, “Moody's” shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

**“Notice Address”** means with respect to the following entities:

(a) To the Issuer at:

City of Altamont  
407 S. Huston  
P.O. Box 305  
Altamont, Kansas 67330-0305  
Fax: (620) 784-5882

(b) To the Paying Agent at:

State Treasurer of the State of Kansas  
Landon Office Building  
900 Southwest Jackson, Suite 201  
Topeka, Kansas 66612-1235  
Fax: (785) 296-6976

(c) To the Purchaser:

United States of America  
Department of Agriculture  
4300 Goodfellow Blvd., Bldg. 104  
St. Louis, Missouri 63120-1703

or such other address as is furnished in writing to the other parties referenced herein.

**“Notice Representative”** means:

(a) With respect to the Issuer, the Clerk.

(b) With respect to the Bond Registrar and Paying Agent, the Director of Fiscal Services.

(c) With respect to the Purchaser, any director or the manager of its Municipal Bond Department.

**“Ordinance”** means Ordinance No. 629 of the Issuer authorizing the issuance of the Bonds, as amended from time to time.

**“Outstanding”** means, when used with reference to the Bonds, as of a particular date of determination, all Bonds theretofore authenticated and delivered, except the following Bonds:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds deemed to be paid in accordance with the provisions of *Article VII* hereof; and
- (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

**“Owner”** when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

**“Paying Agent”** means the State Treasurer, and any successors and assigns appointed in accordance with *Section 203* hereof.

**“Permitted Investments”** shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f), all as may be further restricted or modified by amendments to applicable State law.

**“Person”** means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

**“Purchase Price”** means 100% of the principal amount of the Bonds.

**“Purchaser”** means USDA, or if and to the extent any rights, privileges or duties of USDA hereunder are assigned by USDA pursuant to an assignment of the Loan Resolution, the assignee of USDA.

**“Record Dates”** means the fifteenth day (whether or not a Business Day) next preceding such Bond Payment Date.

**“Redemption Date”** when used with respect to any Bond to be redeemed means the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.

**“Redemption Price”** means, when used with respect to any Bond to be redeemed, the price at which such Bond is to be redeemed pursuant to the terms of this Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

**“Special Record Date”** means the date fixed by the Paying Agent pursuant to *Article II* hereof for the payment of Defaulted Interest.

**“Standard & Poor's” or “S&P”** means S&P Global Ratings, a division of S&P Global, Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

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

**“State Treasurer”** means the duly elected Treasurer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

**“Stated Maturity”** when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable as set forth in the Amortization Schedule.

**“Treasurer”** means the duly appointed and/or elected Treasurer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

**“United States Government Obligations”** means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

**“USDA”** means the United States Department of Agriculture – Rural Development

## **ARTICLE II**

### **AUTHORIZATION AND DETAILS OF THE BONDS**

**Section 201. Authorization of the Bonds.** The Bonds have been heretofore authorized and directed to be issued pursuant to the Ordinance in the principal amount of \$260,000 for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; and (b) pay Costs of Issuance.

**Section 202. Description of the Bonds.** The Bonds shall consist of fully registered bonds in an Authorized Denomination, and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in **Article III** hereof. The Bonds shall bear interest at the rate of 2.125% per annum (computed on the basis of a 365-day year) from the later of the Dated Date or the most recent Bond Payment Date on which interest has been paid in the manner set forth in **Section 204** hereof.

At the option of the Purchaser, the Bonds may be issued as a single certificate in the principal amount thereof or the Outstanding declining principal balance thereof. The principal such Bond shall be payable on the dates and in the amounts set forth on the Amortization Schedule, provided that the entire remaining principal payments shall become due and payable on the Bond Payment Date in 2036. Interest on such Bond shall be payable on the Bond Payment Date. If issued as other than as a single certificate with an Amortization Schedule, the Stated Maturities and principal amounts of the Bonds shall be on the dates and in the amounts as set forth in the Amortization Schedule.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as **EXHIBIT A** or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

**Section 203. Designation of Paying Agent and Bond Registrar.** The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and Bond Registrar with respect to the registration, transfer and exchange of Bonds. The Mayor of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer and an agreement with the Bond Registrar and Paying Agent for the Bonds.

The Issuer will at all times maintain a Paying Agent and Bond Registrar meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right to appoint a successor Paying Agent or Bond Registrar, and shall appoint a successor Paying Agent at the request of USDA, by (a) filing with the Paying Agent or Bond Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Bond Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Bond Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor acceptable to USDA has been appointed and has accepted the duties of Paying Agent or Bond Registrar. Each successor Paying Agent shall be approved in writing by USDA before the appointment of such successor Paying Agent shall become effective.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the requirements of K.S.A. 10-501 *et seq.* and K.S.A. 10-620 *et seq.*, respectively.

**Section 204. Method and Place of Payment of the Bonds.** The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. As long as the USDA is the Owner of the Bonds, payments of principal and interest, or the Redemption Price shall be by preauthorized debit or similar banking means or such other manner as is specified by the USDA from time to time

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent. Notwithstanding the foregoing, if a single certificate with an Amortization Schedule is issued, principal will be paid in the same manner as interest is paid and presentation and surrender of the Bond to the Paying Agent shall not be necessary until the final payment of the entire obligation evidenced by such Bond.

The interest payable on each Bond on any Bond Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner or (b) in the case of an interest payment to any Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice at the address of such Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

**Section 205. Payments Due on Saturdays, Sundays and Holidays.** In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

**Section 206. Registration, Transfer and Exchange of Bonds.** The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.



Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Bond Resolution and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Code § 3406, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Bonds.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to *Article III* hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to this *Article II*.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute Owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Owner or upon the Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Bond Registrar, the Bond Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Bond Registrar.

**Section 207. Execution, Registration, Authentication and Delivery of Bonds.** Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the Clerk and the seal of the Issuer shall be affixed thereto or imprinted thereon. The Mayor and Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Clerk, which registration shall be evidenced by the manual or facsimile signature of the Clerk with the seal of the Issuer affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the

State Treasurer, which registration shall be evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Mayor and Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Bond Registrar for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as **EXHIBIT A** hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Bonds to the Purchaser upon instructions of the Issuer or its representative.

**Section 208. Mutilated, Lost, Stolen or Destroyed Bonds.** If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Issuer and the Paying Agent may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of this Bond Resolution equally and ratably with all other Outstanding Bonds.

**Section 209. Cancellation and Destruction of Bonds Upon Payment.** All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

**Section 210. Nonpresentment of Bonds.** If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available

to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

**Section 211. Sale of the Bonds.** The sale of the Bonds to the Purchaser is hereby ratified and confirmed. Delivery of the Bonds shall be made to the Purchaser on the Issue Date (which shall be as soon as practicable after the adoption of this Bond Resolution), upon payment of the Purchase Price.

**Section 212. Loan Resolution.** So long as USDA is the Owner of any of the Bonds, the Issuer shall be subject to the separate Loan Resolution executed and entered into by it at closing of the issuance of the Bonds in accordance with the Loan Resolution. The provisions of the Loan Resolution and the provisions of this Bond Resolution are to be construed wherever possible so that they will not be in conflict. In the event such a construction is not possible, the provisions of the Loan Resolution shall prevail.

## ARTICLE III

### REDEMPTION OF BONDS

#### **Section 301. Redemption by Issuer.**

**Optional Redemption.** At the option of the Issuer, the Bonds (including installments of principal set forth on the Amortization Schedule) may be called for redemption and payment prior to the Stated Maturity as a whole or in part (selection of principal installments and amounts to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date.

**Mandatory Redemption.** The Issuer acknowledges the provisions of 7 U.S.C. 1983(3) and right of USDA to require the redemption of the entire unpaid principal amount of the Bonds in accordance therewith.

#### **Section 302. Selection of Bonds to be Redeemed.**

(a) In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. The Paying Agent may in

its discretion waive such notice period so long as the notice requirements set forth in **Section 303** are met.

(b) Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine. Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in a minimum Authorized Denomination of principal amount in such equitable manner as the Bond Registrar may determine.

(c) In the case of a partial redemption of Bonds, the Owner of a single certificate with Amortization Schedule need not submit such certificate for re-registration. In the case of a partial redemption of any other Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each a minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of the denomination of a minimum Authorized Denomination. If it is determined that one or more, but not all, of a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem such a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of such a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of a minimum Authorized Denomination of face value called for redemption (and to that extent only).

**Section 303. Notice and Effect of Call for Redemption.** In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption.

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the Purchaser. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information:

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;

(d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and

(e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Owner a new Bond or Bonds of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

In addition to the foregoing notice, further notice may be given by the Issuer or the Bond Registrar on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed:

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the CUSIP numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Bond Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the CUSIP number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

## **ARTICLE IV**

### **SECURITY FOR BONDS**

**Section 401. Security for the Bonds.** The Bonds shall be general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

**Section 402. 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, to the extent necessary, levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

The taxes referred to above 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 other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be transferred to the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

If at any time said taxes 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 Issuer and to reimburse said general funds for money so expended when said taxes are collected.

## **ARTICLE V**

### **ESTABLISHMENT OF FUNDS AND ACCOUNTS**

#### **DEPOSIT AND APPLICATION OF BOND PROCEEDS AND OTHER MONEYS**

**Section 501. Creation of Funds and Accounts.** Simultaneously with the issuance of the Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

- (a) Improvement Fund;
- (b) Debt Service Account (within the Bond and Interest Fund);
- (c) Costs of Issuance Account.

The Funds and Accounts established herein shall be administered in accordance with the provisions of this Bond Resolution so long as the Bonds are Outstanding.

**Section 502. Deposit of Bond Proceeds and Other Moneys.** The net proceeds received from the sale of the Bonds and certain other fund shall be deposited simultaneously with the delivery of the Bonds as follows:

(1) An amount necessary to pay Costs of Issuance for the Bonds shall be deposited in the Costs of Issuance Account.

(2) The remaining balance of the proceeds derived from the sale of the Bonds shall be deposited in the Improvement Fund.

In addition to the proceeds of the Bonds, the Issuer shall deposit to the Improvement Fund funds in the amount of \$54,500.

**Section 503. Application of Moneys in the Improvement Fund.** Moneys in the Improvement Fund shall be used for the sole purpose of: (a) paying the costs of the Improvements, in accordance with the plans and specifications therefor prepared by the Consulting Engineer heretofore approved by the Governing Body and on file in the office of the Clerk, including any alterations in or amendments to said plans and specifications deemed advisable by the Consulting Engineer and approved by the Governing Body; and (b) paying costs of issuance, as necessary.

Withdrawals from the Improvement Fund shall be made only when authorized by the Governing Body. Each authorization for costs of the Improvements shall be supported by a certificate executed by the Clerk (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution and that the amount of such payment represents only the contract price of the property, equipment, labor, materials or service being paid for or, if such payment is not being made pursuant to an express contract, that such payment is not in excess of the reasonable value thereof. Authorizations for withdrawals for other authorized purposes shall be supported by a certificate executed by the Clerk (or designate) stating that such payment is being made for a purpose within the scope of this Bond Resolution. Upon completion of the Improvements, any surplus remaining in the Improvement Fund: (a) consisting of proceeds of the Federal Grant shall be returned to the grantor thereof; and (b) consisting of proceeds of the Bonds shall be deposited in the Debt Service Account.

**Section 504. Application of Moneys in Debt Service Account.** All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Bond Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Bond Registrar and Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid into the Bond and Interest Fund.

**Section 505. Deposits and Investment of Moneys.** Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States: (a) which has a main or branch office located in the Issuer; or (b) if no such entity has a main or branch office located in the Issuer, with such an entity that has a main or branch office located in the county or counties in which the Issuer is located. All such depositories shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

Moneys held in any Fund or Account may be invested in accordance with this Bond Resolution and the Federal Tax Certificate in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account; provided that, during the period of construction of the Improvements, earnings on the investment of such funds may, at the discretion of the Issuer, be credited to the Debt Service Account.

**Section 506. Application of Moneys in the Costs of Issuance Account.** Moneys in the Costs of Issuance Account shall be used by the Issuer to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Bonds, shall be transferred to the Improvement Fund until completion of the Improvements and thereafter to the Debt Service Account.

## ARTICLE VI

### DEFAULT AND REMEDIES

**Section 601. Remedies.** The provisions of the Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.



**Section 602. Limitation on Rights of Owners.** The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Outstanding Bonds.

**Section 603. Remedies Cumulative.** No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

## ARTICLE VII

### DEFEASANCE

**Section 701. Defeasance.** When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with **Section 302(a)** of this Bond Resolution. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial

bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution.

Notwithstanding anything in this Bond Resolution to the contrary, so long as any of the Bonds are owned or insured by USDA, the Issuer will not issue any additional bonds or other obligations for the purpose of providing funds to refund all or a part of the Bonds unless either: (a) all of the Bonds are paid, retired and cancelled concurrently with the issuance of such refunding bonds or obligations or at the next occurring Stated Maturity; or (b) written consent to the issuance of such refunding bonds or obligations is given by USDA.

## ARTICLE VIII

### TAX COVENANTS

**Section 801. General Covenants.** The Issuer covenants and agrees that it will comply with: (a) all applicable provisions of the Code necessary to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds; and (b) all provisions and requirements of the Federal Tax Certificate. The Mayor and Clerk are hereby authorized and directed to execute the Federal Tax Certificate in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the Issuer. The Issuer will, in addition, adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

**Section 802. Survival of Covenants.** The covenants contained in this Article and in the Federal Tax Certificate shall remain in full force and effect notwithstanding the defeasance of the Bonds pursuant to *Article VII* hereof or any other provision of this Bond Resolution until such time as is set forth in the Federal Tax Certificate.

**Section 803. Compliance Procedures.** The Compliance Procedures are approved in substantially the form presented to the Governing Body this date with such changes as the Mayor and legal counsel to the Issuer shall approve (whose signature thereon shall constitute conclusive evidence of such approval).

## ARTICLE IX

### MISCELLANEOUS PROVISIONS

**Section 901. Insurance; Fidelity Bond Coverage.** The Issuer will carry and maintain such reasonable amount of all-risk insurance on all properties constituting the Improvements insofar as they are of an insurable nature as would be carried by a municipality with similar property and performing similar functions; and in the event of loss or damage, the Issuer will use the proceeds of such insurance to reconstruct or replace the damaged or destroyed property, or if such reconstruction or replacement be unnecessary, then such proceeds shall be used in redeeming or paying off Outstanding Bonds. The Issuer

also will carry general liability insurance in amounts not less than the then maximum liability of a governmental entity for claims arising out of a single occurrence, as provided by the Kansas tort claims act or other similar future law (currently 500,000 per occurrence).

So long as the Bonds are owned or insured by USDA, all officers and employees of the Issuer handling the Funds and Accounts shall be bonded in each Fiscal Year in an amount not less than the total Debt Service Requirements on the Outstanding Bonds, until the final maturity date of the Outstanding Bonds or such other amount as is agreed to by USDA.

As long as any of the Bonds owned or insured by USDA remain Outstanding, the Issuer will annually submit a report of its insurance and fidelity bond coverage to USDA for review and approval.

**Section 902. Annual Audit.** Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of its Funds and Accounts for the preceding Fiscal Year by an Independent Accountant. As long as any of the Bonds owned or insured by USDA remain Outstanding, such audit to be performed in accordance with RD Instruction 1942-A, section 1942.17(q)(4) and in accordance with 2 CFR Part 200, as adopted by USDA through 2 CFR Part 400.

Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Clerk and a duplicate copy of the audit shall be mailed to USDA. Such audit shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or prospective Owner.

As soon as possible after the completion of the annual audit, the Governing Body shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Bond Resolution, the Issuer shall promptly cure such deficiency.

**Section 903. USDA Deemed to be Owner** So long as any of the Bonds are owned or insured by USDA remain Outstanding, USDA shall be deemed to be an Owner of such Bond.

**Section 904. Sale, Disposition or Use of the Improvements** So long as any of the Bonds are owned or insured by USDA remain Outstanding, the Issuer will not sell, lease or otherwise dispose of the Improvements to any nongovernmental person or entity without the prior written consent of USDA.

**Section 905. Amendments.** The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by ordinance or resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond; or

(d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution.

Any provision of the Bonds or of this Bond Resolution may, however, be amended or modified by resolution duly adopted by the Governing Body at any time in any legal respect with the written consent of the Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Bond Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity herein, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate proceeds of the Bonds among Improvements, to conform this Bond Resolution to the Code or future applicable federal law concerning tax-exempt obligations, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Every amendment or modification of the provisions of the Bonds or of this Bond Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution adopted by the Governing Body amending or supplementing the provisions of this Bond Resolution and shall be deemed to be a part of this Bond Resolution. A certified copy of every such amendatory or supplemental ordinance or resolution, if any, and a certified copy of this Bond Resolution shall always be kept on file in the office of the Clerk, and shall be made available for inspection by the Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Bond Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental ordinance or resolution or of this Bond Resolution will be sent by the Clerk to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Clerk a copy of the resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Issuer shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Bond Resolution which affects the duties or obligations of the Paying Agent under this Bond Resolution.

**Section 906. Notices, Consents and Other Instruments by Owners.** Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Bond Resolution, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Bond Resolution, except that, in determining whether the Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the pledgee's right so to act with respect to such Bonds and that the pledgee is not the Issuer.

**Section 907. Notices.** Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

**Section 908. Electronic Transactions.** The issuance of the Bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

**Section 909. Further Authority.** The officers and officials of the Issuer, including the Mayor and Clerk, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial 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 910. Severability.** If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

**Section 911. Governing Law.** This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

**Section 912. Effective Date.** This Bond Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

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**ADOPTED** by the City Council on August 12, 2021.

(SEAL)

---

Mayor

ATTEST:

---

Clerk

**CERTIFICATE**

I hereby certify that the above and foregoing is a true and correct copy of the Bond Resolution of the Issuer adopted by the governing body on August 12, 2021 as the same appears of record in my office.

DATED: August 12, 2021.

---

Clerk

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***SCHEDULE I***

**AMORTIZATION SCHEDULE**

**(Interest Rate is 2.125% per annum)**

<u>Stated Maturity</u>	<u>Amortization</u>			<u>Outstanding</u>
August 27	<u>Payment No.</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Balance</u>
2021				\$260,000.00
2022	1	14,901.39	5,525.00	245,098.61
2023	2	15,218.04	5,208.35	229,880.57
2024	3	15,528.04	4,898.35	214,352.53
2025	4	15,871.40	4,554.99	198,481.13
2026	5	16,208.67	4,217.72	182,272.46
2027	6	16,553.10	3,873.29	165,719.36
2028	7	16,895.21	3,531.18	148,824.15
2029	8	17,263.88	3,162.51	131,560.27
2030	9	17,630.73	2,795.66	113,929.54
2031	10	18,005.39	2,421.00	95,924.15
2032	11	18,382.42	2,043.97	77,541.73
2033	12	18,778.63	1,647.76	58,763.10
2034	13	19,177.67	1,248.72	39,585.43
2035	14	19,585.20	841.19	20,000.23
2036	15	20,000.23	426.17	-0-

**EXHIBIT A**  
**(FORM OF BONDS)**

**REGISTERED  
NUMBER    \_**

**REGISTERED  
\$**

**UNITED STATES OF AMERICA  
STATE OF KANSAS  
COUNTY OF LABETTE  
CITY OF ALTAMONT  
GENERAL OBLIGATION BOND  
SERIES 2021**

**Interest  
Rate:**

**Maturity  
Date:**

**Dated  
Date:   August 27, 2021**

**Identification  
No.:**

**REGISTERED OWNER:**   United States of America  
Department of Agriculture  
4300 Goodfellow Blvd. Bldg. 104  
St. Louis, Missouri 63120-1703  
Tax I.D. No. 43-1757115

**PRINCIPAL AMOUNT:**     \$260,000

**KNOW ALL PERSONS BY THESE PRESENTS:** That the City of Altamont, Kansas, in the County of Labette, State of Kansas (the “Issuer”), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Stated Maturities set forth on the Amortization Schedule printed hereon, unless called for redemption prior to the Maturity Date shown above, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 365-day year), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable annually on the anniversary of the Dated Date of each year (the “Bond Payment Date”), commencing on the anniversary of the Dated Date in 2022, until the entire Principal Amount has been paid in full.

**Method and Place of Payment.** The installments of principal and interest payable on this Bond shall be paid on any Bond Payment Date by the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”) to the person in whose name this Bond is registered on the registration books maintained by the Bond Registrar at the close of business on the Record Date(s), which shall be the 15th day (whether or not a business day) next preceding each Bond Payment Date. As long as the USDA is the Owner of the Bonds, payments of principal and interest, or the Redemption Price shall be by preauthorized debit or similar banking means or such other manner as is specified by the USDA from time to time. Such principal of and/or interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other



address as is furnished to the Paying Agent in writing by such Registered Owner. The final payment of principal of this Bond, whether at the Maturity Date set forth above or upon earlier redemption shall be made upon presentation and surrender of this Bond at the principal office of the Paying Agent. The principal or redemption price of and interest on this Bond shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

**Definitions.** Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Bond Resolution

**Authentication.** This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the hereinafter defined Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

**IT IS HEREBY DECLARED AND CERTIFIED** that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the Issuer, including this series of bonds, does not exceed any constitutional or statutory limitation.

**IN WITNESS WHEREOF**, the Issuer has caused this Bond to be executed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its Clerk, and its seal to be affixed hereto or imprinted hereon.

**CITY OF ALTAMONT, KANSAS**

(Facsimile Seal)

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
Clerk

---

**CERTIFICATE OF AUTHENTICATION AND REGISTRATION**

This Bond is one of a series of General Obligation Bonds, Series 2021, of the City of Altamont, Kansas, described in the within-mentioned Bond Resolution.

Registration Date \_\_\_\_\_

Office of the State Treasurer, Topeka, Kansas,  
as Bond Registrar and Paying Agent

By \_\_\_\_\_

**Authorization of Bonds.** This Bond is one of an authorized series of Bonds of the Issuer designated “General Obligation Bonds, Series 2021,” aggregating the principal amount of \$260,000 (the “Bonds”) issued for the purposes set forth in the Ordinance of the Issuer authorizing the issuance of the Bonds and the Resolution of the Issuer prescribing the form and details of the Bonds (collectively, the “Bond Resolution”). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 12-110c, all as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

**General Obligations.** The Bonds constitute general obligations of the Issuer payable as to both principal and interest 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 Issuer. The full faith, credit and resources of the Issuer are hereby pledged for the payment of the principal of and interest on this Bond and the issue of which it is a part as the same respectively become due.

**Redemption Prior to Maturity.** The Bonds are subject to redemption prior to maturity as set forth in the Bond Resolution.

**Transfer and Exchange.** This Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Bond, together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any authorized denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Bonds are issued in fully registered form in Authorized Denominations.

---

## LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Bonds:

**GILMORE & BELL, P.C.**

Attorneys at Law  
100 N. Main Suite 800  
Wichita, Kansas 67202

(PRINTED LEGAL OPINION)

---

## BOND ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer to

\_\_\_\_\_  
(Name and Address)

\_\_\_\_\_  
(Social Security or Taxpayer Identification No.)

the Bond to which this assignment is affixed in the outstanding principal amount of \$ \_\_\_\_\_, standing in the name of the undersigned on the books of the Bond Registrar. The undersigned do(es) hereby irrevocably constitute and appoint \_\_\_\_\_ as agent to transfer said Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated \_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Social Security or  
Taxpayer Identification No.

\_\_\_\_\_  
Signature (Sign here exactly as name(s)  
appear on the face of Certificate)

Signature guarantee:

By \_\_\_\_\_

**CERTIFICATE OF CLERK**

STATE OF KANSAS                    )  
  ) SS.  
COUNTY OF LABETTE            )

The undersigned, Clerk of the City of Altamont, Kansas, does hereby certify that the within Bond has been duly registered in my office according to law as of August 27, 2021.

WITNESS my hand and official seal.

(Facsimile Seal)

By: \_\_\_\_\_  
Clerk

---

**CERTIFICATE OF STATE TREASURER**

OFFICE OF THE TREASURER, STATE OF KANSAS

LYNN W. ROGERS, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Bond has been filed in the office of the State Treasurer, and that this Bond was registered in such office according to law on \_\_\_\_\_.

WITNESS my hand and official seal.

(Facsimile Seal)

By: \_\_\_\_\_  
Treasurer of the State of Kansas

***SCHEDULE I***

<u>Stated Maturity</u>	<u>Amortization</u>			<u>Outstanding</u>
August 27	Payment No.	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Balance</u>
2021				\$260,000.00
2022	1	14,901.39	5,525.00	245,098.61
2023	2	15,218.04	5,208.35	229,880.57
2024	3	15,528.04	4,898.35	214,352.53
2025	4	15,871.40	4,554.99	198,481.13
2026	5	16,208.67	4,217.72	182,272.46
2027	6	16,553.10	3,873.29	165,719.36
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2033	12	18,778.63	1,647.76	58,763.10
2034	13	19,177.67	1,248.72	39,585.43
2035	14	19,585.20	841.19	20,000.23
2036	15	20,000.23	426.17	-0-

**TRANSCRIPT OF PROCEEDINGS**

**AUTHORIZING THE ISSUANCE**

**OF**

**\$260,000**

**CITY OF ALTAMONT, KANSAS**

**GENERAL OBLIGATION BONDS  
SERIES 2021**

**DATED AUGUST 27, 2021**

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**Legal Opinion**

**Gilmore & Bell, P.C.  
Wichita, Kansas**

**\$260,000**  
**CITY OF ALTAMONT, KANSAS**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2021**  
**DATED AUGUST 27, 2021**

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**CLOSING LIST**

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The transcript of proceedings will be prepared in electronic format unless otherwise noted, for the above referenced issue (the “Bonds”), and distributed as follows:

1. City of Altamont, Kansas (the “Issuer”) [Original + electronic]
2. Charles S. Gray, Esq., Parsons, Kansas (“Issuer's Counsel”)
3. Attorney General of the State of Kansas [Original]
4. State Treasurer, Topeka, Kansas (the “Paying Agent”)
5. United States Department of Agriculture - Rural Development, Topeka, Kansas (the “Original Purchaser”)
6. Gilmore & Bell, P.C., Wichita, Kansas (“Bond Counsel”)

Document  
Number

**PROCEEDINGS AUTHORIZING THE IMPROVEMENTS**

1. **Fire Department Project – Fire Fighting Equipment**
  - Excerpt of Minutes of the governing body meeting evidencing adoption of Resolution No. 284
  - Resolution No. 284 authorizing fire-fighting equipment
  - Affidavit of Publication of Notice of Intent
  - Certificate of No Protest

**PROCEEDINGS AUTHORIZING THE SALE  
AND ISSUANCE OF THE BONDS**

2. Excerpt of Minutes evidencing passage of Ordinance No. 629 and adoption of Resolution No. 286
3. Ordinance No. 629 authorizing the issuance of the Bonds
4. Affidavit of publication of Ordinance No. 629
5. Resolution No. 286 prescribing the form and details of the Bonds

### **CLOSING DOCUMENTS**

6. Transcript Certificate  
*Exhibit A* – Statement of Costs  
*Exhibit B* – Schedule of Outstanding General Obligation Indebtedness
7. Uniform Facsimile of Signature Certificates
8. Authorization of State Treasurer to use facsimile signature and seal
9. Specimen Bond and Bond Printer's Certificate
10. Agreement Between Issuer and Agent
11. Closing Certificate
12. Federal Tax Certificate with attachments as follows:  
*Exhibit A* – Internal Revenue Service Form 8038-G and evidence of filing  
*Exhibit B* – Receipt for Purchase Price  
*Exhibit C* – Receipt and Representation  
*Exhibit D* – Description of Property Comprising the Financed Improvements  
*Exhibit E* – Sample Annual Compliance Checklist  
*Schedule 1* – Debt Service Schedule & Proof of Yield

### **LEGAL OPINIONS**

13. Approving legal opinion of Gilmore & Bell, P.C.
14. Approval letter of Attorney General

### **MISCELLANEOUS DOCUMENTS**

15. Closing Letter
16. Documents Relating to USDA Loan/Grant

\* \* \* \* \*



**TRANSCRIPT CERTIFICATE**

**\$260,000  
CITY OF ALTAMONT, KANSAS  
GENERAL OBLIGATION BONDS  
SERIES 2021  
DATED AUGUST 27, 2021**

The undersigned Mayor and Clerk of the City of Altamont, Kansas (the “Issuer”), do hereby make this certificate for inclusion in the transcript of and as a part of the proceedings authorizing and providing for the issuance of the above described bonds (the “Bonds”); and do hereby certify as of August 12, 2021, as follows:

**1. Meaning of Words and Terms.** Capitalized words and terms used herein, unless otherwise defined herein or the context requires otherwise, shall have the same meanings ascribed to such words and terms in the hereinafter defined Bond Resolution authorizing the Bonds.

**2. Organization.** The Issuer is a legally constituted city of the third class organized and existing under the laws of the State of Kansas.

**3. Transcript of Proceedings.** The transcript of proceedings (the “Transcript”) relating to the authorization and issuance of the Bonds is to the best of our knowledge, information and belief full and complete; none of such proceedings have been modified, amended or repealed, except as might be shown in the Transcript, and the facts stated in the Transcript still exist. In each and every instance where copies appear in the Transcript, such copies are true and correct duplicates of the original instruments now on file with the Clerk.

**4. Newspaper.** The *Labette Avenue* was the official newspaper of the Issuer at all times during these proceedings.

**5. Meetings.** All of the meetings of the governing body of the Issuer at which action was taken as shown in the Transcript were either regular meetings or duly adjourned regular meetings or special meetings duly called and held in accordance with law and the ordinances and rules of the Issuer.

**6. Incumbency of Officers.** The following named persons were and are the duly qualified and acting officers of the Issuer at and during all the times when action was taken as indicated in the Transcript as follows:

<u>Name</u>	<u>Title</u>	<u>Term of Office</u>
Richard Hayward	Mayor	01/17 to 12/21
Craig Carnahan	Councilmember	01/19 to 12/23
Raymond Coffey	Councilmember	01/19 to 12/23
Paul Sounders	Councilmember	01/17 to 12/21
Ben Cochran	Councilmember	01/19 to 12/23
Jeff Garretson	Councilmember	01/17 to 12/21
LeaAnn Myers	Clerk	10/21 to Date

**7. Execution of Bonds.** The Bonds have been executed with facsimile signatures; and the facsimile signatures appearing on the face of the Bonds are facsimiles of the true and genuine signatures of the Mayor and Clerk of the Issuer; which facsimiles are ratified as a proper execution of said Bonds. Each signature has either been duly filed in the office of the Secretary of State of Kansas pursuant to K.S.A. 75-4001 *et seq* or executed in accordance with K.S.A. 16-1601 *et seq*. A facsimile of the seal of the Issuer is affixed to or imprinted on each of the Bonds and on the reverse side of each of the Bonds at the place where the Clerk has executed by facsimile signature the Certificate of Registration; and each Bond bears a Certificate of Registration evidencing the fact that it has been registered in the office of the Clerk. A true impression of the seal is set forth adjacent to the signature of the Clerk below. The specimen bond included in the Transcript is in the form adopted by the governing body of the Issuer for the Bonds.

**8. Authorization and Purpose of the Bonds.** The Bonds are being issued pursuant to and in full compliance with the Constitution and statutes of the State, including particularly K.S.A. 12-110c, as amended, Ordinance No. 629 and Resolution No. 286 of the Issuer duly adopted by the Governing Body of the Issuer on August 12, 2021 (collectively the “Bond Resolution”) for the purpose of paying a portion of the costs of certain capital improvements (the “Improvements”).

The total principal amount of the Bonds does not exceed the cost of the Improvements for which the Bonds are issued. A Statement of Cost is attached hereto as **Exhibit A** and made a part hereof by reference as though fully set out herein.

The interest rates on the Bonds on the date of the sale of the Bonds were within the maximum legal limit for interest rates under K.S.A. 10-1009, as amended.

**9. Bonded Indebtedness.** The currently outstanding applicable indebtedness of the Issuer, including the Bonds, does not exceed any applicable constitutional or statutory limitations. A Schedule of Bonded Indebtedness, which sets forth all currently outstanding general obligation indebtedness of the Issuer, is attached hereto as **Exhibit B** and made a part hereof by reference as though fully set out herein.

**10. Valuation.** The total assessed valuation of the taxable tangible property within the Issuer for the year 2021 is as follows:

Equalized Assessed Valuation of	
Taxable Tangible Property .....	\$4,580,425
Tangible Valuation of Motor Vehicles (2020) .....	49,729
Equalized Assessed Tangible Valuation	
for Computation of Bonded Debt Limitations .....	\$4,630,154

**11. Non-litigation.** There is no controversy, suit or other proceedings of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way: (a) the legal organization of the Issuer or its boundaries; (b) the right or title of any of its officers to their respective offices; (c) the legality of any official act shown to have been done in the Transcript; (d) the constitutionality or validity of the indebtedness represented by the Bonds shown to be authorized in the Transcript; (e) the validity of the Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof; or (f) the levy and collection of a tax to pay the principal of and interest on the Bonds.

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**WITNESS** our true and genuine manual signatures and the seal of the Issuer.

---

Mayor

---

Clerk

***EXHIBIT A***

**STATEMENT OF COST**

Re: General Obligation Bonds, Series 2021, Dated August 27, 2021, of the City of  
Altamont, Kansas

**Sources of Funds:**

Principal Amount of the Bonds	\$260,000.00
Available funds of the Issuer	<u>54,500.00</u>
<b><i>Total</i></b>	<b><i>\$314,500.00</i></b>

**Uses of Funds:**

Deposit to Improvement Fund	308,500.00
Costs of Issuance	<u>\$6,000.00</u>
<b><i>Total</i></b>	<b><i>\$314,500.00</i></b>

***EXHIBIT B***

**CITY OF ALTAMONT, KANSAS**

**SCHEDULE OF OUTSTANDING GENERAL OBLIGATION INDEBTEDNESS  
(as of August 27, 2021)**

**GENERAL OBLIGATION BONDS**

<b>Description of <u>Indebtedness</u></b>	<b>Dated <u>Date</u></b>	<b>Final <u>Maturity</u></b>	<b>Original Principal <u>Amount</u></b>	<b>Amount <u>Outstanding</u></b>	<b>Exempt From <u>Debt Limit</u></b>
General Obligation Bonds	6/18/2015	6/18/2055	\$977,000	\$888,881	\$888,881
General Obligation Bonds*	8/27/2021	8/27/2041	260,000	260,000	0
	<b><i>Total</i></b>			<b><i>\$1,148,881</i></b>	<b><i>\$888,881</i></b>

\*This issue.

**TEMPORARY NOTES**

**[NONE]**

**CERTIFICATE OF MANUAL SIGNATURE  
OF THE MAYOR OF THE CITY OF ALTAMONT, KANSAS**

**IN THE OFFICE OF THE SECRETARY OF STATE OF THE STATE OF KANSAS**

STATE OF KANSAS                                 )  
  ) SS.  
COUNTY OF LABETTE                         )

I, the undersigned, **Richard Hayward**, being duly sworn on oath certify that I am the duly qualified **Mayor** of the City of Altamont, Kansas, and that the signature appearing below is my signature and I file herewith this certificate pursuant to K.S.A. 75-4001 to 75-4007, inclusive.

\_\_\_\_\_  
Richard Hayward

Subscribed and sworn to before me as of August 12, 2021.

\_\_\_\_\_  
Notary Public in and for said County and State

(SEAL)

My commission expires: \_\_\_\_\_.

**CERTIFICATE OF MANUAL SIGNATURE  
OF THE CLERK OF THE CITY OF ALTAMONT, KANSAS**

**IN THE OFFICE OF THE SECRETARY OF STATE OF THE STATE OF KANSAS**

STATE OF KANSAS                                 )  
  ) SS.  
COUNTY OF LABETTE                         )

I, the undersigned, **LeaAnn Myers**, being duly sworn on oath certify that I am the duly qualified **Clerk** of the City of Altamont, Kansas, and that the signature appearing below is my signature and I file herewith this certificate pursuant to K.S.A. 75-4001 to 75-4007, inclusive.

\_\_\_\_\_  
LeaAnn Myers

Subscribed and sworn to before me as of August 12, 2021.

\_\_\_\_\_  
Notary Public in and for said County and State

(SEAL)

My commission expires: \_\_\_\_\_.

**AGREEMENT BETWEEN ISSUER AND AGENT**

**\$260,000  
CITY OF ALTAMONT, KANSAS  
GENERAL OBLIGATION BONDS  
SERIES 2021  
DATED AUGUST 27, 2021**

**THIS AGREEMENT**, dated as of August 27, 2021, between the City of Altamont, Kansas, a municipality (the “Issuer”), and the State Treasurer of Kansas, as Agent (the “Agent”).

**WHEREAS**, for its lawful purposes, the Issuer has duly authorized the issue of the above-captioned bonds (the “Securities”), and the Issuer wishes the Agent to act as its Paying Agent, Bond Registrar, and Transfer Agent for the Securities:

Now, therefore, it is hereby agreed as follows:

**I. APPOINTMENT**

Issuer hereby appoints or has heretofore appointed the State Treasurer of Kansas to act as Paying Agent, Bond Registrar and Transfer Agent for the Securities. The State Treasurer of Kansas hereby accepts its appointment as the Paying Agent, Bond Registrar and Transfer Agent.

**II. BASIC DUTIES**

- A. Issuer or its duly authorized representative agrees to furnish Agent the name(s) and address(es) of the initial registered owner(s) of the Securities together with such registered owners' tax identification (social security) number(s), the maturity date(s), denomination(s) and interest rate(s) for each Security.
- B. Agent shall manually authenticate the originally issued Securities upon the written order of one or more authorized officers of Issuer. Thereafter, Agent shall manually authenticate all Securities resulting from transfer or exchange of Securities.
- C. Agent shall maintain an office in the City of Topeka, Kansas, where Securities may be presented for registration, transfer and exchange; and shall also maintain an office in the City of Topeka, Kansas, where Securities may be presented for payment. Agent shall keep a register of the Securities and their transfer and exchange.
- D. Agent may rely upon any document believed by it to be genuine and to have been signed or presented by the proper person. Agent need not investigate any fact or matter stated in the document. Agent undertakes to perform such duties and only such duties set forth in K.S.A. 10-620 *et seq.*, except as specifically provided in this Agreement.
- E. Agent shall notify the owners of the Securities upon default in payment of principal or interest on the Securities and the Agent shall have no duties or responsibilities thereafter.



### III. COMPENSATION

Issuer covenants and agrees to pay to Agent, as reasonable compensation for the services provided as Agent, an initial setup fee of \$300, a registration fee of \$30, plus a fee of \$325, based on a percentage of the aggregate principal amount of the Securities as follows:

1/8 of 1% (.125%) of the first \$10,000,000  
1/16 of 1% (.0625%) of the next \$15,000,000  
1/32 of 1% (.03125%) of the next \$25,000,000  
1/64 of 1% (.015625%) of the next \$50,000,000  
1/128 of 1% (.0078125%) over \$100,000,000.

This amount will be due at the time of registration unless such fee is to be paid from the proceeds of the bond issue in which case Issuer agrees to pay such fee within two (2) business days of the closing of the bond issue. In addition to the aforementioned fee, Issuer covenants and agrees to pay to Agent the fee as stated and required by K.S.A. 10-505 for performing the duties of paying the principal of the Securities.

### IV. STANDARD OF PERFORMANCE

Issuer shall provide, or shall cause to be provided to Agent, a designation of whether its Securities are to be issued in certificated or uncertificated form, or both.

#### A. *STATEMENTS OF OWNERSHIP*

Agent agrees to provide Statements of Ownership to the owner of uncertificated Securities. Such Statements shall be in accordance with the standards set forth by the Attorney General. All Statements shall be issued in the denominations of \$1,000 or \$5,000 or integral multiples thereof except for one additional Security in another denomination, which additional Security shall mature in the initial maturity year of the series of the Securities. Interest is computed on the basis of \$1,000 or \$5,000 units and in all transactions involving the payment of interest, fractions of a cent equalling or exceeding five mills shall be regarded as one cent; fractions of a cent less than five mills shall be disregarded. Agent shall at all times maintain an adequate supply of Statements of Ownership for any anticipated transfers or exchanges of the Statements.

#### B. *CERTIFICATED SECURITIES*

All certificated Securities issued by Issuer under this Agreement shall be in accordance with the standards set forth by the Attorney General and unless otherwise authorized by Agent, the principal thereof shall be payable only upon surrender of the Security to Agent. All certificates shall be issued in the denomination of \$1,000 or \$5,000 or integral multiples thereof except one authorized Security in another denomination which additional Security shall mature in the initial maturity year of the series of Securities. Interest is computed on the basis of \$1,000 or \$5,000 units and in all transactions involving the payment of interest, fractions of a cent equaling or exceeding five mills shall be regarded as one cent; fractions of a cent less than five mills shall be disregarded. Issuer shall at Issuer's cost provide Agent with an adequate supply of certificates for any anticipated transfers or exchanges of the certificates. Issuer shall be responsible for the payment of the printing or other expenses for such certificates. Issuer shall be responsible for obtaining appropriate "CUSIP"

number(s) and shall notify Agent of each number(s) prior to the issuance of the applicable Securities.

C. ***INTEREST CALCULATIONS***

Agent shall calculate interest on the basis of \$1,000 and \$5,000 units, or in the case of one odd denomination, calculate the unit separately. Each intermediate unit calculation is first determined, then rounded to the sixth decimal position; i.e. whenever the seventh decimal place is equal to or greater than five the sixth decimal place is increased by one. The final per unit calculation is subsequently rounded to two decimal positions. (See Attachment "A" for sample calculation.)

D. ***SURRENDER***

Securities surrendered for payment, cancellation or partial redemption shall be cancelled by Agent and returned to Issuer in accordance with K.S.A. 10-111.

E. ***TRANSFERS AND EXCHANGES***

1. When Securities are presented to Agent for transfer or exchange, Agent shall so transfer or exchange such Securities if the requirements of Section 8-401(1) of the Uniform Commercial Code are met.
2. In accordance with the authorizing Resolution or Ordinance of the Issuer (the "Bond Resolution"), payments of interest shall be made to the owner of record of each Security as of the close of business on the fifteenth day of the month preceding each interest payment date. The Agent shall make such payments to the record owner of each Security as set forth on the registration books maintained by Agent as of such date.
3. Agent shall not be required to transfer or exchange any Security during a period beginning on the day following the fifteenth day of the month preceding any interest payment date for such Securities and ending at the close of business on the interest payment date, or to transfer or exchange any Security selected or called for redemption in whole or in part subsequent to the date notice of such redemption is given in accordance with the Bond Resolution authorizing the Securities.

F. ***REGISTRATION DATES AND FUNDS FOR PAYMENTS***

Date of Registration shall be affixed on the initial Securities. Subsequent transfers or exchanges shall bear a Date of Registration as of the date that all the required documentation is received at the Agent's official place of business. Issuer will provide funds to make any interest or principal payments in accordance with K.S.A. 10-130 and amendments thereto. Agent is hereby authorized to effect any semiannual payment of interest or any principal by charging the Issuer's Fiscal Agency account with Agent.

G. ***REPLACEMENT OF SECURITIES***

If the owner of a Security claims that a Security has been lost, destroyed or wrongfully taken, Issuer shall issue and Agent shall authenticate a replacement Security if the requirements of Section 8-405 of the Uniform Commercial Code are met. Only Agent shall

perform this function. An indemnity bond and affidavit of loss shall be provided to Agent and Issuer at the expense of the owner of the Security. Such indemnity bond and affidavit of loss must be sufficient in the judgment of Issuer and Agent to protect Issuer and Agent from any loss which any of them may suffer if the Security is replaced. Issuer may charge the Security owner for its expenses in the replacement of a Security.

H. **REDEMPTIONS**

**Optional Redemption.** If any Securities are to be redeemed pursuant to an optional redemption in accordance with their terms, Issuer agrees to give Agent at least fifteen (15) days written notice thereof prior to the notice to be given the Security owners. If there is no provision for notice to the Security owners, Issuer agrees to give at least thirty (30) days written notice to Agent.

**Notice of Redemption.** Agent shall then notify, by ordinary mail, the owner of such Securities to be so redeemed. Agent shall select the Securities to be so redeemed. Agent shall not be required to exchange or register a transfer of any Security for a period of fifteen (15) days preceding the date notice is to be provided to the Security owners for the purpose of selecting Securities on a partial redemption. Further, in the event notice is given to Agent for a complete redemption of the Issue according to the terms of the Bond Resolution, Agent shall not be required to transfer or exchange any Security beginning on the day following the 15th day preceding the date set for redemption.

I. **MISCELLANEOUS**

Agent hereby acknowledges receipt of numbered Securities of Issuer for registration and exchange, and shall safeguard any "blank" Securities held for purpose of exchange or transfer.

J. **REPORTS**

Agent shall provide Issuer an annual report of the activity with respect to the issuance of Securities upon written request of Issuer.

K. **CONSTRUCTION**

This Agreement shall be construed in accordance with the laws of the State of Kansas and also the Bond Resolution authorizing the issuance of the Securities.

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**CITY OF ALTAMONT, KANSAS**

(SEAL)

By \_\_\_\_\_  
Mayor

ATTEST:

By \_\_\_\_\_  
Clerk

**OFFICE OF THE TREASURER  
OF THE STATE OF KANSAS**

(SEAL)

By \_\_\_\_\_  
Director of Fiscal Services

***ATTACHMENT "A"***

SAMPLE

$$\begin{array}{rcll} & \$5,000.00000 & \text{..... Bond Unit} & \\ \times & \underline{.06875} & \text{..... Interest Rate} & \\ = & 343.750000 & \text{Rounded to six decimal places} & \\ & & & \\ / & \underline{360} & \text{..... Days per year} & \\ = & .954861 & \text{Rounded to six decimal places} & \\ & & & \\ \times & \underline{180} & \text{..... Day in interest period} & \\ = & 171.874980 & \text{(Rounded to second decimal = \$171.87)} & \end{array}$$

Unit interest is then multiplied by the number of units in the maturity.

**CLOSING CERTIFICATE**  
  
**\$260,000**  
**CITY OF ALTAMONT, KANSAS**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2021**  
**DATED AUGUST 27, 2021**

The undersigned Mayor and Clerk of the City of Altamont, Kansas (the “Issuer”), make this Certificate for inclusion in the transcript of and as a part of the proceedings authorizing and providing for the issuance of the above described bonds (the “Bonds”); and certify as of August 27, 2021 (the “Issue Date”), as follows:

**1. Meaning of Words and Terms.** Capitalized words and terms used in this Certificate, unless otherwise defined in this Certificate or the context requires otherwise, have the same meanings ascribed to such words and terms in the Bond Resolution (defined below) authorizing the Bonds.

**2. Transcript of Proceedings.** The transcript of proceedings relating to the authorization and issuance of the Bonds (the “Transcript”), furnished to the Purchaser of the Bonds, is to the best of our knowledge, information and belief full and complete; none of such proceedings have been modified, amended or repealed, except as might be shown in the Transcript; and the facts stated in the Transcript still exist. In each instance where copies appear in the Transcript, such copies are true and correct duplicates of the original instruments now on file with the Clerk. All certifications made by the Issuer in the Transcript Certificate dated August 12, 2021 are true and correct as of this date and are incorporated in this Certificate by reference.

**3. Authorization and Purpose of the Bonds.** The Issuer is issuing and delivering the Bonds simultaneously with the delivery of this Certificate, pursuant to and in full compliance with the Constitution and statutes of the State, including particularly K.S.A. 12-110c, as amended, Ordinance No. 629 and Resolution No. 286 of the Issuer duly adopted by the Governing Body of the Issuer on August 12, 2021 (collectively the “Bond Resolution”) for the purpose of paying a portion of the costs of certain capital improvements and/or acquisitions (the “Improvements”).

**4. Security for the Bonds.** The Bonds are general obligations of the Issuer 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 Issuer. The full faith, credit and resources of the Issuer are pledged under the Bond Resolution to the payment of the principal of and interest on the Bonds. In the Bond Resolution, the governing body of the Issuer has covenanted to annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by, to the extent necessary, by levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law.

**5. Sale of Bonds.** The Bonds have been sold at rates not in excess of the limitations set forth in K.S.A. 10-1009.

**6. Non-Litigation.** There is no controversy, action, suit, proceeding, or to the best of our knowledge, any inquiry or investigation at law or in equity or before or by any public board or body pending

or, to the best of our knowledge, threatened against or affecting the Issuer, its officers or its property, or, to the best of our knowledge, any basis therefor questioning, disputing or affecting in any way: (a) the legal organization of the Issuer or its boundaries; (b) the right or title of any of its officers to their respective offices; (c) the legality of any official act shown to have been done in the Transcript; (d) the constitutionality or validity of the indebtedness represented by the Bonds shown to be authorized in the Transcript; (e) the validity of the Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof; (f) the levy and collection of an ad valorem property tax to pay the principal of and interest on the Bonds; or (g) the federal or state tax-exempt status of the interest on the Bonds; wherein any unfavorable decision, ruling or finding would adversely affect the Issuer, the transactions contemplated by the Bond Resolution, or the validity or enforceability of the Bonds.

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**WITNESS** our hands and the seal of the Issuer.

Signature

Official Title

(SEAL)

Mayor

Clerk



[FORM OF BOND COUNSEL OPINION]

**GILMORE & BELL, P.C.**  
**Attorneys at Law**  
**100 N. Main Suite 800**  
**Wichita, Kansas 67202**

[August 27, 2021]

Governing Body  
City of Altamont, Kansas

United States Department of Agriculture  
- Rural Development  
Topeka, Kansas

Re: \$260,000 General Obligation Bonds, Series 2021, of the City of Altamont, Kansas,  
Dated August 27, 2021

We have acted as Bond Counsel in connection with the issuance by the City of Altamont, Kansas (the "Issuer"), of the above-captioned bonds (the "Bonds"). In this capacity, we have examined the law and the certified proceedings, certifications and other documents that we deem necessary to render this opinion. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the resolution adopted by the governing body of the Issuer prescribing the details of the Bonds.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify them by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and legally binding general obligations of the Issuer.

2. The Bonds are payable as to both principal and interest 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 Issuer. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent that necessary funds are not provided from other sources.

3. The interest on the Bonds is: (a) excludable from gross income for federal income tax purposes; and (b) not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause interest on the Bonds to be included in gross income

for federal income tax purposes retroactive to the date of issuance of the Bonds. The Bonds are “qualified tax-exempt obligations” within the meaning of Code § 265(b)(3). We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

4. The interest on the Bonds is exempt from income taxation by the State of Kansas.

The rights of the owners of the Bonds and the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

**GILMORE & BELL, P.C.**

MLW:paj

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**FEDERAL TAX CERTIFICATE**

**Dated as of August 27, 2021**

**OF**

**THE CITY OF ALTAMONT, KANSAS**

---

**\$260,000**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2021**  
**DATED AUGUST 27, 2021**

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# **FEDERAL TAX CERTIFICATE**

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Evidence of filing
- B. RECEIPT FOR PURCHASE PRICE
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### **Schedule 1**

Debt Service Schedule and Proof of Yield

\* \* \*

## FEDERAL TAX CERTIFICATE

**THIS FEDERAL TAX CERTIFICATE** (the “Tax Certificate”) is executed as of August 27, 2021 (the “Issue Date”), by the City of Altamont, Kansas (the “Issuer”).

### RECITALS

1. This Tax Certificate is being executed and delivered in connection with the issuance by the Issuer of its \$260,000 principal amount of General Obligation Bonds, Series 2021 (the “Bonds”) under the Bond Resolution (as herein defined), for the purposes described in this Tax Certificate and in the Bond Resolution.

2. The Internal Revenue Code of 1986, as amended (the “Code”), and the applicable Regulations and rulings issued by the U.S. Treasury Department (the “Regulations”), impose certain limitations on the uses and investment of the Bond proceeds and of certain other money relating to the Bonds and set forth the conditions under which the interest on the Bonds will be excluded from gross income for federal income tax purposes.

3. The Issuer is executing this Tax Certificate in order to set forth certain facts, covenants, representations, and expectations relating to the use of Bond proceeds and the property financed or refinanced with those proceeds and the investment of the Bond proceeds and of certain other related money, in order to establish and maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes and to provide guidance for complying with the arbitrage rebate provisions of Code § 148(f).

4. The Issuer adopted a Tax Compliance Procedure (as defined below) for the purpose of setting out general procedures for the Issuer to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations.

5. This Tax Certificate is entered into as required by the Tax Compliance Procedure to set out specific tax compliance procedures applicable to the Bonds.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual representations, covenants and agreements set forth in this Tax Certificate, the Issuer represents, covenants and agrees as follows:

### Article I

### DEFINITIONS

**Section 1.01 Definitions of Words and Terms.** Except as otherwise provided in this Tax Certificate or unless the context otherwise requires, capitalized words and terms used in this Tax Certificate have the same meanings as set forth in the Bond Resolution, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. The following words and terms used in this Tax Certificate have the following meanings:

“**Annual Compliance Checklist**” means a checklist for each of the Financed Improvements designed to measure compliance with the requirements of this Tax Certificate and the Tax Compliance

Procedure after the Issue Date as further described in **Section 4.02** and substantially in the form attached as **Exhibit E**.

**“Bona Fide Debt Service Fund”** means a fund, which may include Bond proceeds, that: (a) is used primarily to achieve a proper matching of revenues with principal and interest payments within each Bond Year; and (b) is depleted at least once each Bond Year, except for a reasonable carryover amount not to exceed the greater of (1) the earnings on the fund for the immediately preceding Bond Year, or (2) one-twelfth of the principal and interest payments on the Bonds for the immediately preceding Bond Year.

**“Bond”** or **“Bonds”** means collectively the Bonds described in the recitals, authenticated and delivered under the Bond Resolution.

**“Bond Compliance Officer”** means the Issuer’s Clerk or other person named in the Tax Compliance Procedure.

**“Bond Counsel”** means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the Issuer.

**“Bond Resolution”** means Ordinance No. \_\_\_\_ and Resolution No. \_\_\_\_ of the Issuer duly adopted by the governing body of the Issuer on August 12, 2021, as originally executed by the Issuer, as amended and supplemented in accordance with the provisions of the Bond Resolution.

**“Bond Year”** means each one-year period (or shorter period for the first Bond Year) ending February 1 or another one-year period selected by the Issuer.

**“Code”** means the Internal Revenue Code of 1986, as amended.

**“Final Written Allocation”** means the Final Written Allocation of expenditures prepared by the Bond Compliance Officer in accordance with the Tax Compliance Procedure and **Section 4.02(b)** of this Tax Certificate.

**“Financed Improvements”** means the portion of the Improvements financed or refinanced with the proceeds of the Bonds as described in the Bond Resolution and on **Exhibit D**.

**“Gross Proceeds”** means (a) sale proceeds (any amounts actually or constructively received by the Issuer from the sale of the Bonds, including amounts used to pay underwriting discount or fees, but excluding pre-issuance accrued interest), (b) Investment proceeds (any amounts received from investing sale proceeds or other Investment proceeds), (c) any amounts held in a sinking fund for the Bonds, (d) any amounts held in a pledged fund or reserve fund for the Bonds, and (e) any other replacement proceeds.

Specifically, the term Gross Proceeds includes (but is not limited to) amounts held in the following funds and accounts:

- (1) Improvement Fund.
- (2) Debt Service Account.
- (3) Costs of Issuance Account.

**“Guaranteed Investment Contract”** is any Investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract).

**“Improvements”** means all of the property acquired, developed, constructed, renovated, and equipped by the Issuer using Bond proceeds and other money contributed by the Issuer, as described on *Exhibit D*.

**“Investment”** means any security, obligation, annuity contract or other investment-type property that is purchased directly with, or otherwise allocated to, Gross Proceeds. This term does not include a tax-exempt bond, except for “specified private activity bonds” as defined in Code § 57(a)(5)(C), but does include the investment element of most interest rate caps.

**“IRS”** means the United States Internal Revenue Service.

**“Issue Date”** means August 27, 2021.

**“Issuer”** means the City of Altamont, Kansas, and its successors and assigns, or any body, agency or instrumentality of the State succeeding to or charged with the powers, duties and functions of the Issuer.

**“Management Agreement”** means a legal agreement defined in Regulations § 1.141-3(b) as a management, service, or incentive payment contract with an entity that provides services involving all or a portion of any function of the Financed Improvements, such as a contract to manage the entire Financed Improvements or a portion of the Financed Improvements. However, contracts for services that are solely incidental to the primary governmental function of the Financed Improvements (for example, contracts for janitorial, office equipment repair, billing, or similar services) are not treated as Management Agreements.

**“Measurement Period”** means, with respect to each item of property financed as part of the Financed Improvements, the period beginning on the later of: (a) the Issue Date, or (b) the date the property is placed in service and ending on or the earlier of (1) the final maturity date of the Bonds or (2) the expected economic useful life of the property.

**“Minor Portion”** means the lesser of \$100,000 or 5% of the sale proceeds of the Bonds.

**“Net Proceeds”** means, when used in reference to the Bonds, the sale proceeds of the Bonds (excluding pre-issuance accrued interest), less any proceeds deposited in a reasonably required reserve or replacement fund, plus all Investment earnings on such sale proceeds.

**“Non-Qualified Use”** means use of Bond proceeds or the Financed Improvements in a trade or business carried on by any Non-Qualified User. The rules set out in Regulations § 1.141-3 determine whether Bond proceeds or the Financed Improvements are “used” in a trade or business. Generally, ownership, a lease, or any other use that grants a Non-Qualified User a special legal right or entitlement with respect to the Financed Improvements, will constitute use under Regulations § 1.141-3.

**“Non-Qualified User”** means any person or entity other than a Qualified User.



**“Post-Issuance Tax Requirements”** means those requirements related to the use of proceeds of the Bonds, the use of the Financed Improvements and the investment of Gross Proceeds after the Issue Date of the Bonds.

**“Preliminary Expenditures”** means: (a) costs incurred for architectural, engineering, surveying, soil testing, costs of issuance, and similar costs prior to commencement of acquisition, construction, or rehabilitation of the Financed Improvements, other than land acquisition, site preparation, and similar costs incident to commencement of construction of the Financed Improvements up to an amount not in excess of 20 percent of the issue price of the Bonds; and (b) costs incurred in an amount not in excess of the lesser of \$100,000 or 5% of the sale proceeds of the Bonds.

**“Purchaser”** means the United States Department of Agriculture – Rural Development, Topeka, Kansas, the original purchaser of the Bonds, and any successor and assigns.

**“Qualified Use Agreement”** means any of the following:

(a) A lease or other short-term use by members of the general public who occupy the Financed Improvements on a short-term basis in the ordinary course of the Issuer’s governmental purposes.

(b) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Improvements for a period up to 200 days in length pursuant to an arrangement whereby (1) the use of the Financed Improvements under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business and (2) the compensation for the use is determined based on generally applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed. Any Qualified User or Non-Qualified User using all or any portion of the Financed Improvements under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(c) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Improvements for a period up to 100 days in length pursuant to arrangements whereby (1) the use of the property by the person would be general public use but for the fact that generally applicable and uniformly applied rates are not reasonably available to natural persons not engaged in a trade or business, (2) the compensation for the use under the arrangement is determined based on applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed, and (3) the Financed Improvements was not constructed for a principal purpose of providing the property for use by that Qualified User or Non-Qualified User. Any Qualified User or Non-Qualified User using all or any portion of the Financed Improvements under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(d) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Improvements for a period up to 50 days in length pursuant to a negotiated arm's-length arrangement at fair market value so long as the Financed Improvements was not constructed for a principal purpose of providing the property for use by that person.

**“Qualified User”** means a state, territory, possession of the United States, the District of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

**“Regulations”** means all Regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to the Bonds.

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

**“Tax Certificate”** means this Federal Tax Certificate as it may from time to time be amended and supplemented in accordance with its terms.

**“Tax Compliance Procedure”** means the Issuer’s Tax and Securities Compliance Procedures, dated August 12, 2021.

**“Tax-Exempt Bond File”** means documents and records for the Bonds, maintained by the Bond Compliance Officer pursuant to the Tax Compliance Procedure.

**“Transcript”** means the Transcript of Proceedings relating to the authorization and issuance of the Bonds.

**“Yield”** means yield on the Bonds, computed under Regulations § 1.148-4, and yield on an Investment, computed under Regulations § 1.148-5.

## Article II

### GENERAL REPRESENTATIONS AND COVENANTS

**Section 2.01 Representations and Covenants of the Issuer.** The Issuer represents and covenants as follows:

(a) ***Organization and Authority.*** The Issuer: (1) is a city of the third class, duly created, organized and existing under the Constitution and laws of the State, (2) has lawful power and authority to issue the Bonds for the purposes set forth in the Bond Resolution, to enter into, execute and deliver the Bond Resolution, the Bonds, and this Tax Certificate and to carry out its obligations under this Tax Certificate and under such documents, and (3) by all necessary action has been duly authorized to execute and deliver the Bond Resolution, the Bonds, and this Tax Certificate, acting by and through its duly authorized officials.

(b) ***Tax-Exempt Status of Bonds—General Covenant.*** The Issuer (to the extent within its power or direction) will not use any money on deposit in any fund or account maintained in connection with the Bonds, whether or not such money was derived from the proceeds of the sale of the Bonds or from any other source, in a manner that would cause the Bonds to be “arbitrage bonds,” within the meaning of Code § 148, and will not (to the extent within its power or direction) otherwise use or permit the use of any Bond proceeds or any other funds of the Issuer, directly or indirectly, in any manner, or take or permit to be taken any other action or actions, that would cause interest on the Bonds to be included in gross income for federal income tax purposes.

(c) ***Governmental Obligations—Use of Proceeds.*** Throughout the Measurement Period: (1) all of the Financed Improvements are expected to be owned by the Issuer or another Qualified User; (2) no portion of the Financed Improvements are expected to be used in a Non-Qualified Use; and (3) the Issuer will not permit any Non-Qualified Use of the Financed Improvements without first consulting with Bond Counsel. The Issuer will monitor the usage of all portions of the Financed Improvements during

the Measurement Period. If the Non-Qualified Use of the Financed Improvements exceeds 10% of the total use over the Measurement Period, then the Issuer will take “remedial action” in accordance with Regulations § 1.141-12, as specified in advice from Bond Counsel, as necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes. The Issuer understands that remedial action could include redemption or defeasance of all or a portion of the Bonds.

(d) ***Governmental Obligations–Private Security or Payment.*** As of the Issue Date, the Issuer expects that none of the principal and interest on the Bonds will be (under the terms of the Bonds or any underlying arrangement) directly or indirectly:

(1) secured by (i) any interest in property used or to be used for a Non-Qualified Use, or (ii) any interest in payments in respect of such property; or

(2) derived from payments (whether or not such payments are made to the Issuer) in respect of property, or borrowed money, used or to be used for a Non-Qualified Use.

For purposes of the foregoing, taxes of general application, including payments in lieu of taxes, are not treated as private payments or as private security. The Issuer will not permit any private security or payment with respect to the Bonds without first consulting with Bond Counsel.

(e) ***No Private Loan.*** Not more than 5% of the Net Proceeds of the Bonds will be loaned directly or indirectly to any Non-Qualified User.

(f) ***Management Agreements.*** As of the Issue Date, the Issuer has no Management Agreements with Non-Qualified Users. During the Measurement Period, the Issuer will not enter into or renew any Management Agreement with any Non-Qualified User without first consulting with Bond Counsel.

(g) ***Leases.*** As of the Issue Date, the Issuer has not entered into any leases of any portion of the Financed Improvements other than Qualified Use Agreements. During the Measurement Period, the Issuer will not enter into or renew any lease or similar agreement or arrangement other than a Qualified Use Agreement without first consulting with Bond Counsel.

(h) ***Intentionally Omitted.***

(i) ***Limit on Maturity of Bonds.*** A list of the assets included in the Financed Improvements and a computation of the “average reasonably expected economic life” is attached to this Tax Certificate as ***Exhibit D***. Based on this computation, the “average maturity” of the Bonds as computed by Bond Counsel does not exceed 120% of the average reasonably expected economic life of the Financed Improvements.

(j) ***Expenditure of Bond Proceeds.***

(1) ***Reimbursement of Expenditures; Official Intent.*** The governing body of the Issuer adopted resolutions declaring the intent of the Issuer to finance the Financed Improvements with tax-exempt bonds or other obligations and to reimburse the Issuer for expenditures made for the Financed Improvements prior to the issuance of those bonds. The resolutions are contained in Tab 1 of the Transcript. No portion of the Net Proceeds of the Bonds will be used to reimburse an expenditure paid by the Issuer more than 60 days prior to the date the respective resolution was adopted, except for Preliminary Expenditures. The Issuer will evidence each allocation of the

proceeds of the Bonds to an expenditure in writing. No reimbursement allocation will be made more than 3 years following the later of (A) the date of the expenditure or (B) the date the Financed Improvements were placed in service.

(2) ***Final Allocation of Bond Proceeds to Expenditures.*** The Issuer understands that, under Regulations § 1.148-6(d), the Issuer is required to account for the allocation of Bond proceeds to Improvement expenditures (including expenditures made before and after the Issue Date) within 18 months after the later of (A) the date the expenditure is made, or (B) the date the Improvements are placed in service, and in any event not later than the date that is 60 days after the fifth anniversary of the Issue Date, or the date the Bonds are retired, if earlier (a “Final Allocation”). The Issuer will maintain accurate records of all expenditures made for the Improvements, including the amount, the date paid, a description of the purpose, and the source of funds (whether Bond proceeds or other money) initially allocated to each Improvement expenditure. Not later than the time limit set forth above, the Issuer will prepare a Final Allocation, showing the allocation of Bond proceeds and other money to all Improvement costs and identifying the Financed Improvement, and will maintain the Final Allocation in its books and records in accordance with **Section 4.02** hereof. The Issuer reserves the right to make modifications to the expected allocation of Bond proceeds and other money for purposes of compliance with the limitations on Non-Qualified Use following completion of the Financed Improvement in accordance with, and within the time limits prescribed in, the Regulations. In the absence of such subsequent allocation, the Bond proceeds will be deemed allocated as shown on ***Exhibit D***.

(k) ***Registered Bonds.*** The Bond Resolution requires that all of the Bonds will be issued and held in registered form within the meaning of Code § 149(a).

(l) ***Bonds Not Federally Guaranteed.*** The Issuer will not take any action or permit any action to be taken which would cause any Bond to be “federally guaranteed” within the meaning of Code § 149(b); provided, however, that the Purchaser may provide for the Bonds to be sold out of the Agricultural Credit Insurance Fund or the Rural Development Insurance Fund as an insured loan pursuant to the provisions of Section 306(a)(1) [7 U.S.C. 1926(a)(1)] or Section 309A(h) [7 U.S.C. 1929a(h)] of the Consolidated Farm and Rural Development Act, in which event interest on the Bonds will be included in gross income for Federal income tax purposes when paid to an insured holder.

(m) ***IRS Form 8038-G.*** Bond Counsel will prepare IRS Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) based on the representations and covenants of the Issuer contained in this Tax Certificate or otherwise provided by the Issuer. Bond Counsel will sign the return as a paid preparer following completion and will then deliver copies to the Issuer for execution and for the Issuer’s records. The Issuer agrees to timely execute and return to Bond Counsel the execution copy of Form 8038-G for filing with the IRS. A copy of the IRS Form 8038-G as filed with the IRS with proof of filing will be included in ***Exhibit A*** of Tax Certificate.

(n) ***Hedge Bonds.*** At least 85% of the Net Proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within 3 years after the Issue Date, and not more than 50% of the proceeds of the Bonds will be invested in Investments having a substantially guaranteed Yield for four years or more.

(o) ***Single Issue; No Other Issues.*** The Bonds constitute a single “issue” under Regulations § 1.150-1(c). No other debt obligations of the Issuer: (1) are being sold within 15 days of the sale of the Bonds, (2) are being sold under the same plan of financing as the Bonds, and (3) are expected to be paid

from substantially the same source of funds as the Bonds (disregarding guarantees from unrelated parties, such as bond insurance).

(p) **Interest Rate Swap.** As of the Issue Date, the Issuer has not entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Bonds. The Issuer will not enter into any such arrangement in the future without first consulting with Bond Counsel.

(q) **Guaranteed Investment Contract.** As of the Issue Date, the Issuer does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of the Bonds. The Issuer will be responsible for complying with **Section 4.04(d)** hereof if it decides to enter into a Guaranteed Investment Contract at a later date.

(r) **Bank Qualified Tax-Exempt Obligation.** The Issuer designates the Bonds as “qualified tax-exempt obligations” under Code § 265(b)(3), and with respect to this designation certifies as follows:

(1) The Issuer reasonably anticipates that the amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) that will be issued by or on behalf of the Issuer (and all subordinate entities of the Issuer) during the calendar year that the Bonds are issued, including the Bonds, will not exceed \$10,000,000; and

(2) the Issuer (including all subordinate entities of the Issuer) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during the calendar year that the Bonds are issued, including the Bonds, in an aggregate principal amount or aggregate issue price in excess of \$10,000,000, without first consulting with Bond Counsel that the designation of the Bonds as “qualified tax-exempt obligations” will not be adversely affected.

(s) **General Allocation and Accounting.** The portion of the Improvements financed by the Bonds may have been financed in part with proceeds of the Bonds and in part with other funds of the Issuer. The portion of the Improvements financed with proceeds of the Bonds is referred to as the Financed Improvements. Attached as **Exhibit D** is a schedule showing the Improvements financed, in whole or in part, with proceeds of the Bonds. For purposes of determining Non-Qualified Use, if any, of the Financed Improvements during the Measurement Period, the Issuer will allocate Non-Qualified Use first to the portion of the applicable Improvements financed with other funds of the Issuer and second to the Financed Improvements. During the Measurement Period, the Issuer will, on an annual basis, determine the extent to which Non-Qualified Use exceeds the portion of the applicable Improvements financed with other funds of the Issuer and determine the extent to which the proceeds of the Bonds and the Financed Improvements are used in a Non-Qualified Use.

(t) **Compliance with Future Tax Requirements.** The Issuer understands that the Code and the Regulations may impose new or different restrictions and requirements on the Issuer in the future. The Issuer will comply with such future restrictions that are necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

**Section 2.02 Continuing Application of Representations and Covenants.** All representations, covenants and certifications contained in this Tax Certificate or in any certificate or other instrument delivered by the Issuer under this Tax Certificate, will survive the execution and delivery of such documents and the issuance of the Bonds, as representations of facts existing as of the date of

execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Bonds.

### Article III

#### ARBITRAGE CERTIFICATIONS AND COVENANTS

**Section 3.01 General.** The purpose of this Article is to certify, under Regulations § 1.148-2(b), the Issuer's expectations as to the sources, uses and investment of Bond proceeds and other money, in order to support the Issuer's conclusion that the Bonds are not arbitrage bonds. The person executing this Tax Certificate on behalf of the Issuer is an officer of the Issuer responsible for issuing the Bonds.

**Section 3.02 Reasonable Expectations.** The facts, estimates and expectations set forth in this Article are based upon and in reliance upon the Issuer's understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the Issuer's knowledge, the facts and estimates set forth in this Tax Certificate are accurate, and the expectations of the Issuer set forth in this Tax Certificate are reasonable. The Issuer has no knowledge that would cause it to believe that the representations, warranties and certifications described in this Tax Certificate are unreasonable or inaccurate or may not be relied upon.

**Section 3.03 Purpose of Financing.** The Bonds are being issued for the purpose of providing funds to pay: (a) a portion of the costs of the Financed Improvements; and (b) Costs of Issuance.

**Section 3.04 Funds and Accounts.** The following funds and accounts have been established under the Bond Resolution:

- (a) Improvement Fund.
- (b) Debt Service Account.
- (c) Costs of Issuance Account.

**Section 3.05 Amount and Use of Bond Proceeds and Other Money.**

(a) ***Amount of Bond Proceeds.*** The total proceeds to be received by the Issuer from the sale of the Bonds are as evidenced in ***Exhibit B*** attached to this Tax Certificate.

(b) ***Use of Bond Proceeds.*** The Bond proceeds are expected to be allocated to expenditures as follows:

(1) \$6,000.00 of Bond proceeds will be deposited in the Costs of Issuance Account and used to pay the Costs of Issuance of the Bonds.

(2) The remaining Bond proceeds in the amount of \$254,000.00, together with funds provided by the Issuer in accordance with ***section (c)*** hereof, will be deposited in the Improvement Fund.

(c) ***Use of Other Moneys.*** In addition to proceeds of the Bonds, the Issuer expects to allocate available in the amount of \$54,500.00 to pay a portion of the costs of the Financed Improvements.

**Section 3.06 Intentionally Omitted**

**Section 3.07 No Refunding.** No proceeds of the Bonds will be used to pay principal or interest on any other debt obligation.

**Section 3.08 Completion of Financed Improvements.** The Issuer has incurred, or will incur within 6 months after the Issue Date, a substantial binding obligation to a third party to spend at least 5% of the Net Proceeds of the Bonds on the Financed Improvements. The completion of the Financed Improvements and the allocation of the Net Proceeds of the Bonds to expenditures will proceed with due diligence. At least 85% of the Net Proceeds of the Bonds will be allocated to expenditures on the Financed Improvements within 3 years after the Issue Date.

**Section 3.09 Sinking Funds.** The Issuer is required to make periodic payments in amounts sufficient to pay the principal of and interest on the Bonds. Such payments will be deposited into the Debt Service Account. Except for the Debt Service Account, no sinking fund or other similar fund that is expected to be used to pay principal of or interest on the Bonds has been established or is expected to be established. The Debt Service Account is used primarily to achieve a proper matching of revenues with principal and interest payments on the Bonds within each Bond Year, and the Issuer expects that the Debt Service Account will qualify as a Bona Fide Debt Service Fund.

**Section 3.10 Reserve, Replacement and Pledged Funds.**

(a) **No Reserve Fund.** No reserve fund has been or will be established for the Bonds.

(b) **No Replacement or Pledged Funds.** None of the Bond proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the Financed Improvements, and that instead has been or will be used to acquire higher yielding Investments. Except for the Debt Service Account, there are no other funds pledged or committed in a manner that provides a reasonable assurance that such funds would be available for payment of the principal of or interest on the Bonds if the Issuer encounters financial difficulty.

**Section 3.11 Purpose Investment Yield.** The proceeds of the Bonds will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

**Section 3.12 Issue Price and Bond Yield.**

(a) **Issue Price; Private Placement.** On *Exhibit C*, the Purchaser has certified that it purchased all of the Bonds for its own account, with no intent to re-sell the Bonds to other parties, for the price of par, without accrued interest. As of the date hereof, the Purchaser has not sold and has no present intention to sell the Bonds to any person. The aggregate issue price of the Bonds is \$260,000.00, as set forth on *Exhibit C*, hereto.

(b) **Bond Yield.** Based on the Issue Price, the Yield on the Bonds is 2.115194%, as computed by Bond Counsel and shown on *Schedule 1* attached to this Certificate. The Issuer has not entered into an interest rate swap agreement with respect to any portion of the proceeds of the Bonds.

**Section 3.13 Miscellaneous Arbitrage Matters.**

(b) **No Abusive Arbitrage Device.** The Bonds are not and will not be part of a transaction or series of transactions that has the effect of: (1) enabling the Issuer to exploit the difference between tax-

exempt and taxable interest rates to gain a material financial advantage, and (2) overburdening the tax-exempt bond market.

(b) ***No Over-Issuance.*** The sale proceeds of the Bonds, together with expected Investment earnings thereon and other money contributed by the Issuer, do not exceed the cost of the governmental purpose of the Bonds as described above.

**Section 3.14 Conclusion.** On the basis of the facts, estimates and circumstances set forth in this Tax Certificate, the Issuer does not expect that the Bond proceeds will be used in a manner that would cause any Bond to be an “arbitrage bond” within the meaning of Code § 148 and the Regulations.

## Article IV

### TAX COMPLIANCE POLICIES AND PROCEDURES

#### Section 4.01 General.

(a) ***Purpose of Article.*** The purpose of this Article is to supplement the Tax Compliance Procedure and to set out specific policies and procedures governing compliance with the federal income tax requirements that apply after the Bonds are issued. The Issuer recognizes that interest on the Bonds will remain excludable from gross income only if the Post-Issuance Tax Requirements are followed after the Issue Date. The Issuer further acknowledges that written evidence substantiating compliance with the Post-Issuance Tax Requirements must be retained in order to permit the Bonds to be refinanced with tax-exempt obligations and substantiate the position that interest on the Bonds is exempt from gross income in the event of an audit of the Bonds by the IRS.

(b) ***Written Policies and Procedures of the Issuer.*** The Issuer intends for the Tax Compliance Procedure, as supplemented by this Tax Certificate, to be its primary written policies and procedures for monitoring compliance with the Post-Issuance Tax Requirements for the Bonds and to supplement any other formal policies and procedures related to the Post-Issuance Tax Requirements that the Issuer has established or establishes in the future. The provisions of this Tax Certificate are intended to be consistent with the Tax Compliance Procedure. In the event of any inconsistency between the Tax Compliance Procedure and this Tax Certificate, the terms of this Tax Certificate will govern.

(c) ***Bond Compliance Officer.*** The Issuer, when necessary to fulfill the Post-Issuance Tax Requirements, will, through its Bond Compliance Officer, sign Form 8038-T in connection with the payment of arbitrage rebate or Yield reduction payments, participate in any federal income tax audit of the Bonds or related proceedings under a voluntary compliance agreement procedures (VCAP) or undertake a remedial action procedure pursuant to Regulations §§ 1.141-12 and 1.145-2. In each case, all costs and expenses incurred by the Issuer shall be treated as a reasonable cost of administering the Bonds and the Issuer shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Bond Resolution or State law.

#### Section 4.02 Record Keeping; Use of Bond Proceeds and Use of Financed Improvements.

(a) ***Record Keeping.*** The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Bonds in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in writing by Bond Counsel or to the extent otherwise provided in this Tax Certificate, the Bond Compliance Officer shall retain records related to the Post-Issuance Tax Requirements until 3 years



following the final maturity of (1) the Bonds or (2) any obligation issued to refund the Bonds. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (A) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (B) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (C) exhibit a high degree of legibility and readability both electronically and in hardcopy, (D) provide support for other books and records of the Issuer and (5) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the Issuer's premises.

(b) ***Accounting and Allocation of Bond Proceeds to Expenditures.*** The Bond Compliance Officer will account for the investment and expenditure of Bond proceeds in the level of detail required by the Tax Compliance Procedure. The Bond Compliance Officer will supplement the expected allocation of Bond proceeds to expenditures with a Final Written Allocation as required by the Tax Compliance Procedure.

(c) ***Annual Compliance Checklist.*** Attached as ***Exhibit E*** is a sample Annual Compliance Checklist for the Bonds. The Bond Compliance Officer will prepare and complete an Annual Compliance Checklist for the Financed Improvements at least annually in accordance with the Tax Compliance Procedure. In the event the Annual Compliance Checklist identifies a deficiency in compliance with the requirements of this Tax Certificate, the Bond Compliance Officer will take the actions identified in advice from Bond Counsel or the Tax Compliance Procedure to correct any deficiency.

(d) ***Advice from Bond Counsel.*** The Bond Compliance Officer is responsible for obtaining and delivering to the Issuer any advice received from Bond Counsel required under the provisions of this Tax Certificate or the Annual Compliance Checklist.

**Section 4.03 Restrictions on Investment Yield.** Except as described below, Gross Proceeds must not be invested at a Yield greater than the Yield on the Bonds:

(a) ***Improvement Fund and Cost of Issuance Account.*** Bond proceeds deposited in the Improvement Fund and the Cost of Issuance Account and Investment earnings on those proceeds may be invested without Yield restriction for up to 3 years following the Issue Date. If any unspent proceeds remain in such fund and account after 3 years, those amounts may continue to be invested without Yield restriction so long as the Issuer pays to the IRS all Yield reduction payments in accordance with Regulations § 1.148-5(c). These payments are required whether or not the Bonds are exempt from the arbitrage rebate requirements of Code § 148.

(b) ***Debt Service Account.*** To the extent that the Debt Service Account qualifies as a Bona Fide Debt Service Fund, money in such account may be invested without Yield restriction for 13 months after the date of deposit. Earnings on such amounts may be invested without Yield restriction for 1 year after the date of receipt of such earnings.

(c) ***Minor Portion.*** In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

#### **Section 4.04 Procedures for Establishing Fair Market Value of Investments.**

(a) ***General.*** No Investment may be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment, or sold or otherwise disposed of for an amount (including transaction costs) less than the fair market value of the Investment. The fair

market value of any Investment is the price a willing buyer would pay to a willing seller to acquire the Investment in a bona fide, arm's-length transaction. Fair market value will be determined in accordance with Regulations § 1.148-5.

(b) ***Established Securities Market.*** Except for Investments purchased for a yield-restricted defeasance escrow, if an Investment is purchased or sold in an arm's-length transaction on an established securities market (within the meaning of Code § 1273), the purchase or sale price constitutes the fair market value. Where there is no established securities market for an Investment, market value must be established using one of the paragraphs below. The fair market value of Investments purchased for a Yield-restricted defeasance escrow must be determined in a bona fide solicitation for bids that complies with Regulations § 1.148-5.

(c) ***Certificates of Deposit.*** The purchase price of a certificate of deposit (a "CD") is treated as its fair market value on the purchase date if (1) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (2) the Yield on the CD is not less than the Yield on reasonably comparable direct obligations of the United States, and (3) the Yield is not less than the highest Yield published or posted by the CD issuer to be currently available on reasonably comparable CDs offered to the public.

(d) ***Guaranteed Investment Contracts.*** The Issuer is applying Regulations § 1.148-5(d)(6)(iii)(A) (relating to electronic bidding of Guaranteed Investment Contracts) to the Bonds. The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if all of the following requirements are met:

(1) ***Bona Fide Solicitation for Bids.*** The Issuer makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:

(A) The bid specifications are in writing and are timely forwarded to potential providers, or are made available on an internet website or other similar electronic media that is regularly used to post bid specifications to potential bidders. A writing includes a hard copy, a fax, or an electronic e-mail copy.

(B) The bid specifications include all "material" terms of the bid. A term is material if it may directly or indirectly affect the yield or the cost of the Guaranteed Investment Contract.

(C) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (i) that the potential provider did not consult with any other potential provider about its bid, (ii) that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Issuer, or any other person (whether or not in connection with the bond issue), and (iii) that the bid is not being submitted solely as a courtesy to the Issuer, or any other person, for purposes of satisfying the requirements of the Regulations.

(D) The terms of the bid specifications are "commercially reasonable." A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the Guaranteed Investment Contract.

(E) The terms of the solicitation take into account the Issuer's reasonably expected deposit and draw-down schedule for the amounts to be invested.

(F) All potential providers have an equal opportunity to bid. If the bidding process affords any opportunity for a potential provider to review other bids before providing a bid, then providers have an equal opportunity to bid only if all potential providers have an equal opportunity to review other bids. Thus, no potential provider may be given an opportunity to review other bids that is not equally given to all potential providers (that is no exclusive “last look”).

(G) At least 3 “reasonably competitive providers” are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased.

(2) *Bids Received.* The bids received by the Issuer must meet all of the following requirements:

(A) The Issuer receives at least 3 bids from providers that were solicited as described above and that do not have a “material financial interest” in the issue. For this purpose, (i) a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the issue date of the issue, (ii) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue, and (iii) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.

(B) At least 1 of the 3 bids received is from a reasonably competitive provider, as defined above.

(C) If the Issuer uses an agent or broker to conduct the bidding process, the agent or broker did not bid to provide the Guaranteed Investment Contract.

(3) *Winning Bid.* The winning bid is the highest yielding bona fide bid (determined net of any broker’s fees).

(4) *Fees Paid.* The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the Guaranteed Investment Contract.

(5) *Records.* The Issuer retains the following records with the bond documents until 3 years after the last outstanding Bond is redeemed:

(A) A copy of the Guaranteed Investment Contract.

(B) The receipt or other record of the amount actually paid by the Issuer for the Guaranteed Investment Contract, including a record of any administrative costs paid by the Issuer, and the certification as to fees paid, described in paragraph (d)(4) above.

(C) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.

(D) The bid solicitation form and, if the terms of the Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

(e) **Other Investments.** If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:

(b) At least 3 bids on the Investment must be received from persons with no financial interest in the Bonds (e.g., as underwriters or brokers); and

(2) the Yield on the Investment must be equal to or greater than the Yield offered under the highest bid.

#### **Section 4.05 Bonds Exempt from the Rebate Requirement.**

(b) ***The Bonds Qualify as a Rebate-Exempt Small Issue.***

(b) The Issuer is a governmental unit under State law with general taxing powers;

(2) no Bond is a “private activity bond” as defined in Code § 141;

(3) 95% or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer; and

(4) the aggregate face amount of all tax-exempt bonds (other than private activity bonds) and qualified tax credit bonds as defined in Code § 54A(d)(1) to be issued by the Issuer during the current calendar year is not reasonably expected to exceed \$5,000,000. The Issuer understands that for this purpose: (A) the Issuer and all entities which issue bonds on behalf of the Issuer are treated as one issuer; (B) all bonds issued by an entity subordinate to the Issuer are treated as issued by the Issuer; and (C) bonds issued by the Issuer to currently refund any other bond are not taken into account to the extent that the amount of the refunding bonds does not exceed the outstanding amount of the refunded obligations.

(b) ***Conclusion as to Small Issuer Exemption.*** Based on these certifications, Bond Counsel has advised the Issuer that the Bonds are exempt from the arbitrage rebate requirements of Code § 148(f), under the small-issuer exception set forth in Code § 148(f)(4)(D).

## **Article V**

### **MISCELLANEOUS PROVISIONS**

**Section 5.01 Term of Tax Certificate.** This Tax Certificate will be effective concurrently with the issuance and delivery of the Bonds and will continue in force and effect until the principal of, redemption premium, if any, and interest on all Bonds have been fully paid and all such Bonds are cancelled; provided that the provisions of **Article IV** of this Tax Certificate regarding payment of arbitrage rebate and all related penalties and interest will remain in effect until all such amounts are paid to the United States and the provisions in **Section 4.02** relating to record keeping shall continue in force for the period described therein for records to be retained.

**Section 5.02 Amendments.** This Tax Certificate may be amended from time to time by the Issuer without notice to or the consent of any of the Bond Owners, but only if such amendment is in writing and is accompanied by advice from Bond Counsel to the effect that, under then-existing law, assuming compliance with this Tax Certificate as so amended and the Bond Resolution, such amendment will not cause any Bond to be an arbitrage bond under Code § 148 or otherwise cause interest on any Bond to be included in gross income for federal income tax purposes. No amendment will become effective until the Issuer receives advice from Bond Counsel, addressed to the Issuer, that the amendment will not adversely affect the exclusion of the interest on the Bonds from gross income for federal income tax purposes.

**Section 5.03 Advice from Bond Counsel.** The Issuer may deviate from the provisions of this Tax Certificate if furnished with an advice from Bond Counsel to the effect that the proposed deviation will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes. The Issuer further agrees to comply with any further or different instructions provided in advice from Bond Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Bonds or the exclusion from gross income of interest on the Bonds.

**Section 5.04 Reliance.** In delivering this Tax Certificate the Issuer is making only those certifications, representations and agreements as are specifically attributed to them in this Tax Certificate. The Issuer is not aware of any facts or circumstances which would cause it to question the accuracy of the facts, circumstances, estimates or expectations of any other party providing certifications as part of this Tax Certificate and, to the best of its knowledge, those facts, circumstances, estimates and expectations are reasonable. The Issuer understands that its certifications will be relied upon by Bond Counsel in rendering its opinion as to the validity of the Bonds and the exclusion from federal gross income of the interest on the Bonds.

**Section 5.05 Severability.** If any provision in this Tax Certificate or in the Bonds is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

**Section 5.06 Benefit of Certificate.** This Tax Certificate is binding upon the Issuer, its respective successors and assigns, and inures to the benefit of the Issuer and the owners of the Bonds. Nothing in this Tax Certificate, the Bond Resolution or the Bonds, express or implied, gives to any person, other than the Issuer, its successors and assigns, and the owners of the Bonds, any benefit or any legal or equitable right, remedy or claim under this Tax Certificate.

**Section 5.07 Default, Breach and Enforcement.** Any misrepresentation of a party contained herein or any breach of a covenant or agreement contained in this Tax Certificate may be pursued by the Bond Owners pursuant to the terms of the Bond Resolution or any other document which references this Tax Certificate and gives remedies for a misrepresentation or breach thereof.

**Section 5.08 Governing Law.** This Tax Certificate will be governed by and construed in accordance with the laws of the State.

**Section 5.09 Electronic Transactions.** The transactions described in this Tax Certificate may be conducted, and related documents may be stored, by electronic means.

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**THE UNDERSIGNED**, Mayor and Clerk of the Issuer, by their execution of this Tax Certificate hereby make the foregoing certifications, representations, and agreements contained in this Tax Certificate on behalf of the Issuer, as of the Issue Date.

**CITY OF ALTAMONT, KANSAS**

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Clerk

***EXHIBIT A***

IRS FORM 8038-G

(EVIDENCE OF FILING OF FORM 8038-G)



***EXHIBIT B***

**RECEIPT FOR PURCHASE PRICE**

**\$260,000**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2021**  
**DATED AUGUST 27, 2021**

The undersigned Clerk of the City of Altamont, Kansas, this day received from the United States Department of Agriculture – Rural Development, Topeka, Kansas, the original purchaser of the above-described bonds (the “Bonds”), the full purchase price of the Bonds, said purchase price being the principal amount of each series of Bonds.

Principal Amount..... \$260,000

***Total Purchase Price..... \$260,000***

DATED: August 27, 2021.

**CITY OF ALTAMONT, KANSAS**

By: \_\_\_\_\_  
Clerk

***EXHIBIT C***

**RECEIPT AND REPRESENTATION**

**CITY OF ALTAMONT, KANSAS  
\$260,000  
GENERAL OBLIGATION BONDS  
SERIES 2021  
DATED AUGUST 27, 2021**

This certificate is being delivered by United States Department of Agriculture - Rural Development, Topeka, Kansas (the "Purchaser") in connection with the issuance of the above-described bonds (collectively, the "Bonds"), being issued on the date of this Receipt by the City of Altamont, Kansas (the "Issuer"). Based on its records and information available to the undersigned which the undersigned believes to be correct, the Purchaser represents as follows:

- 1. Authorized Representative.** The undersigned is the duly authorized representative of the Purchaser.
- 2. Receipt for Bonds.** The Purchaser acknowledges receipt on the Issue Date of the Bonds consisting of fully registered bonds in Authorized Denominations in a form acceptable to the Purchaser.
- 3. No Public Offering or Present Intent to Resell.** The Purchaser has purchased all of the Bonds as principal for its own account and has not acted as agent for any person or entity. As of the date hereof, the Purchaser has not sold and has no present intention to sell the Bonds to any person. The aggregate purchase price for the Bonds is \$260,000, without accrued interest.
- 4. Compliance with Loan Resolution.** The Purchaser acknowledges that it has timely received in satisfactory form and manner all proceedings, certificates, opinions, letters and other documents required to be submitted to it pursuant to the Loan Resolution on the date of the delivery of and payment for the Bonds (except to the extent the Purchaser has waived or consented to modification of certain provisions thereof), and that the Issuer has in all respects complied with and satisfied all of its obligations to us which are required under the Loan Resolution to be complied with and satisfied on or before the date hereof.
- 5. Reliance.** The Issuer may rely on the foregoing representations in executing and delivering its Federal Tax Certificate with respect to its certification as to issue price of the Bonds under the Internal Revenue Code of 1986, as amended (the "Code"), and Gilmore & Bell, P.C., Bond Counsel may rely on the foregoing representations in rendering its opinion relating to the exclusion from federal gross income of the interest on the Bonds under the Code.

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Dated: August 27, 2021.

**UNITED STATES DEPARTMENT OF  
AGRICULTURE - RURAL DEVELOPMENT  
TOPEKA, KANSAS**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

***EXHIBIT D***

**DESCRIPTION OF PROPERTY COMPRISING THE FINANCED IMPROVEMENTS**

**CITY OF ALTAMONT, KANSAS  
\$260,000  
GENERAL OBLIGATION BONDS  
SERIES 2021  
DATED AUGUST 27, 2021**

<b>Description</b>	<b>Estimated Date Placed in Service</b>	<b>Estimated Useful Life</b>	<b>Estimated Total Cost</b>
Firefighting Equipment	08/2021	20 years	\$314,500
<i>Estimated Amount Financed from Bonds</i>			<i><b>\$260,000</b></i>
<i>Estimated Amount Financed from Other Sources</i>			<i><b>\$54,500</b></i>

**EXHIBIT E**

**FORM OF ANNUAL COMPLIANCE CHECKLIST**

**CITY OF ALTAMONT, KANSAS**  
**\$260,000**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2021**  
**DATED AUGUST 27, 2021**

The Bond Compliance Officer is the person that the Issuer has identified in the Tax Compliance Procedure who is primarily responsible for working with other Issuer officials, departments and administrators and for consulting with Bond Counsel, other legal counsel and outside experts to the extent necessary to carry out the Post-Issuance Tax Requirements for the Bonds. On the Issue Date, the Issuer identified certain assets financed in whole or in part by the Bonds (the "Financed Improvements"), as evidenced on *Exhibit D* to the Federal Tax Certificate. Please complete this checklist within 90 days after the conclusion of the Issuer's Fiscal Year. Should you have questions or need assistance in completing the checklist, please contact Bond Counsel at the address below. A completed copy of this annual checklist should be placed in the Tax-Exempt Bond File and retained in the Issuer's permanent records for at least 3 years after the final maturity of (1) the Bonds or (2) any obligation issued to refund the Bonds.

*Bond Compliance Officer Name:* [\_\_\_\_\_]   
*Bond Compliance Officer Signature:* [\_\_\_\_\_]   
*Date of Report:* [\_\_\_\_\_]   
*Annual Period Covered by Report:* [\_\_\_\_\_]

**\*\*If the answers to any of the following questions identify any compliance deficiencies, the Bond Compliance Officer should immediately contact Bond Counsel and take actions required in the Tax Compliance Procedure.\*\***

Item	Question	Response
<b>1 Ownership</b>	Were all of the Financed Improvements owned by the Issuer during the entire Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "No," was advice of Bond Counsel obtained prior to the transfer?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes, include a description of the advice in the Tax-Exempt Bond File.	
	If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	
<b>2 Leases &amp; Other Rights to Possession</b>	During the Annual Period, was any part of the Financed Improvements leased at any time pursuant to a lease or similar agreement for more than 50 days?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
	<p>If answer above was “Yes,” was advice of Bond Counsel obtained prior to entering into the lease or other arrangement?</p> <p>If Yes, include a description of the advice in the Tax-Exempt Bond File.</p> <p>If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>3 Management or Service Agreements</b>	During the Annual Period, has the management of all or any part of the operations of the Financed Improvements (e.g., cafeteria, gift shop, etc.) been assumed by or transferred to another entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>If answer above was “Yes,” was advice of Bond Counsel obtained prior to entering into the management agreement?</p> <p>If Yes, include a description of the advice in the Tax-Exempt Bond File.</p> <p>If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>4 Other Use</b>	Was any other agreement entered into with an individual or entity that grants special legal rights to the Financed Improvements?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>If answer above was “Yes,” was advice from Bond Counsel obtained prior to entering into the agreement?</p> <p>If Yes, include a description of the advice in the Tax-Exempt Bond File.</p> <p>If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>5 Proceeds &amp; Investments</b>	Have any Gross Proceeds of the Bonds been invested in a Guaranteed Investment Contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Has the Issuer entered into an Interest Rate Swap Agreement with respect to the Bonds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Has any sinking or reserve fund for the payment of the Bonds been established (other than funds and accounts created in the Bond Resolution)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Have any of the Bonds been redeemed or refunded in advance of their scheduled maturities?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer to any of the above questions was “Yes,” notify Bond Counsel with such information and place a copy of documentation in the Tax-Exempt Bond File.	
<b>6 Arbitrage &amp; Yield Restriction</b>	Has the Issuer set aside money in any fund or account in excess of an amount needed to pay debt service on the Bonds within the next 12 months (i.e. is more than one year of debt service pre-funded)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	Were any Bond proceeds on deposit in the Improvement Fund more than three years after the Issue Date?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
	If Yes, contact Bond Counsel and incorporate report or include description of resolution in the Tax-Exempt Bond File.	

**Bond Counsel:**

**Gilmore & Bell, P.C.**

100 N. Main, Suite 800

Wichita, Kansas 67202

Phone: (316) 267-2091

Attn: Mitch L. Walter

Email: [mwalter@gilmorebell.com](mailto:mwalter@gilmorebell.com)

***SCHEDULE 1***

**DEBT SERVICE SCHEDULE AND PROOF OF YIELD**



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**THE CITY OF ALTAMONT, KANSAS**  
**TAX AND SECURITIES COMPLIANCE PROCEDURES**  
**Dated as of August 27, 2021**

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# **TAX AND SECURITIES COMPLIANCE PROCEDURES**

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Exhibit A-1 – List of Outstanding Governmental Tax-Advantaged Bonds

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Exhibit B – Sample Annual Compliance Checklist for Governmental Tax-Advantaged  
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Exhibit C – Material Events

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## TAX AND SECURITIES COMPLIANCE PROCEDURES

### ARTICLE I

#### DEFINITIONS

**Section 1.1. Definitions.** Capitalized words and terms used in these Compliance Procedures have the following meanings:

**“Annual Compliance Checklist”** means: (a) for Governmental Tax-Advantaged Bonds, a questionnaire and/or checklist described in **Section 4.5** that is completed each year for a Governmental Tax-Advantaged Bond issue; and (b) for Conduit Tax-Advantaged Bonds, a questionnaire and/or checklist described in **Section 6.5** that is completed each year for a Conduit Tax-Advantaged Bond issue.

**“Annual Report”** means: (a) with respect to Governmental Tax-Advantaged Bonds, the audited financial statements (or unaudited financial statements as permitted by the Continuing Disclosure Undertaking for the Tax-Advantaged Obligations) of the Issuer and certain other financial information and operating data required to be filed annually with the MSRB for the Tax-Advantaged Bonds; and (b) with respect to Conduit Tax-Advantaged Bonds, the audited financial statements (or unaudited financial statements as permitted by the Continuing Disclosure Undertaking for the Tax-Advantaged Obligations) of the Conduit Borrower, and certain other financial information and operating data required to be filed annually with the MSRB for the Conduit Tax-Advantaged Bonds.

**“Bond Compliance Officer”** means the Issuer’s Clerk or, if said position is vacant, the person appointed or elected to fill the responsibilities of said position for the Issuer.

**“Bond Counsel”** means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel, selected by the Issuer to provide a legal opinion regarding the tax status of interest on Tax-Advantaged Bonds as of the issue date or the law firm selected to advise the Issuer regarding matters referenced in these Compliance Procedures.

**“Bond Restricted Funds”** means the funds, accounts, and investments that are subject to arbitrage rebate and/or yield restriction rules that have been identified in the Tax Compliance Agreement for a Tax-Advantaged Bond issue.

**“Bond Transcript”** means the “transcript of proceedings” or other similar titled set of documents assembled by Bond Counsel following the issuance of Tax-Advantaged Bonds.

**“Code”** means the Internal Revenue Code, as amended.

**“Compliance Procedures”** means this Tax and Securities Compliance Procedures.

**“Conduit Tax-Advantaged Bond”** means any bond, note, installment sale agreement, lease or certificate intended to be a debt obligation of the Issuer, the proceeds of the which are to be loaned or otherwise made available to the Conduit User, and the interest on which is excludable from gross income for federal income tax purposes or is subject to other advantages, requirements or limitations of the Code and Regulations or any other United States laws related to taxation. A list of all Conduit Tax-Advantaged Bonds outstanding and subject to these Compliance Procedures as of the Effective Date, is attached as **Exhibit A-2**.

**“Conduit Tax-Advantaged Bond File”** means documents and records which may consist of paper and electronic medium, maintained for each Conduit Tax-Advantaged Bond. Each Conduit Tax-Advantaged Bond File will include the following information if applicable:

- (a) Intent Resolution (Duplicate Copy Maintained by Bond Compliance Officer).
- (b) Bond Transcript (Duplicate Copy Maintained by Bond Compliance Officer).
- (c) Final Written Allocation and/or all available accounting records related to the Project Facility showing expenditures allocated to the proceeds of a Conduit Tax-Advantaged Bond and expenditures (if any) allocated to other sources of funds.
- (d) All rebate and yield reduction payment calculations performed by the Rebate Analyst and all investment records provided to the Rebate Analyst for purposes of preparing the calculation.
- (e) Forms 8038-T together with proof of filing and payment of rebate (Duplicate Copy Maintained by Bond Compliance Officer).
- (f) Investment agreement bid documents (unless included in the Bond Transcript) including:
  - (1) Bid solicitation, bid responses, certificate of broker;
  - (2) Written summary of reasons for deviations from the terms of the solicitation that are incorporated into the investment agreement; and
  - (3) Copies of the investment agreement and any amendments.
- (g) Any item required to be maintained by the terms of the Tax Compliance Agreement involving the use of the Project Facility or expenditures related to tax compliance for the Conduit Tax-Advantaged Bonds.
- (h) Any opinion of Bond Counsel regarding the Conduit Tax-Advantaged Bonds not included in the Bond Transcript (Duplicate Copy Maintained by Bond Compliance Officer).
- (i) Amendments, modifications or substitute agreements to any agreement contained in the Bond Transcript (Duplicate Copy Maintained by Bond Compliance Officer).
- (j) Any correspondence with the IRS relating to the Conduit Tax-Advantaged Bonds including all correspondence relating to an audit by the IRS of the Conduit Tax-Advantaged Bonds or any proceedings under the Tax-Advantaged Bonds Voluntary Closing Agreement Program (VCAP) (Duplicate Copy Maintained by Bond Compliance Officer).
- (k) Any available questionnaires or correspondence substantiating the use of the Project Facility in accordance with the terms of the Tax Compliance Agreement for the Conduit Tax-Advantaged Bond issue.
- (l) For refunding bond issues, the Conduit Tax-Advantaged Bond File for the refunded Conduit Tax-Advantaged Bonds.

**“Conduit User”** means the entity that is not related to or controlled by the Issuer and which receives proceeds and is required to pay principal and interest on a Conduit Tax-Advantaged Bond issue.

**“Conduit User Bond Compliance Officer”** means the individual officer or employee of the Conduit User named as the primary individual responsible for post-issuance tax compliance by the Conduit User in connection with a Conduit Tax-Advantaged Bond issue.

**“Continuing Disclosure Undertaking”** means the Continuing Disclosure Agreement(s), Continuing Disclosure Undertaking(s), Continuing Disclosure Instructions or other written certification(s) setting out covenants for satisfying the requirements for providing information to the MSRB pursuant to SEC Rule 15c2-12 on an ongoing basis for one or more series of Tax-Advantaged Bonds.

**“Cost” or “Costs”** means all costs and expenses paid for the acquisition, design, construction, equipping or improvement of a Project Facility or costs of issuing Tax-Advantaged Bonds.

**“Effective Date”** means August 27, 2021.

**“EMMA”** means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at [www.emma.msrb.org](http://www.emma.msrb.org).

**“Final Written Allocation”** means the Final Written Allocation of Bond proceeds prepared pursuant to **Section 4.4** of these Compliance Procedures for Governmental Tax-Advantaged Bonds and pursuant to **Section 6.4** of these Compliance Procedures for Conduit Tax-Advantaged Bonds.

**“Financed Assets”** means that part of a Project Facility treated as financed with Tax-Advantaged Bond proceeds as reflected in a Final Written Allocation or, if no Final Written Allocation was prepared, (a) the accounting records of the Issuer and the Tax Compliance Agreement for the Governmental Tax-Advantaged Bond issue or (b) the accounting records of the Trustee and the Conduit User, and the Tax Compliance Agreement for the Conduit Tax-Advantaged Bond issue.

**“Governing Body”** means the city council of the Issuer.

**“Governmental Tax-Advantaged Bonds”** means any bond, note, installment sale agreement, lease or certificate intended to be a debt obligation of the Issuer or another political subdivision or government instrumentality created or controlled by the Issuer, the proceeds of the which are to be loaned or otherwise made available to the Issuer, and the interest on which is excludable from gross income for federal income tax purposes or is subject to other advantages, requirements or limitations of the Code and Regulations or any other United States laws related to taxation. For purposes of this definition, proceeds of obligations used to make a grant or to provide an economic incentive to another entity unrelated to the Issuer are treated as used or made available to the Issuer, and thus the obligations are considered “Governmental Tax-Advantaged Bonds,” unless the user is required to pay principal and interest on the obligation. A list of all Governmental Tax-Advantaged Bonds outstanding and subject to these Compliance Procedures as of the Effective Date, is attached as **Exhibit A-1**.

**“Governmental Tax-Advantaged Bond File”** means documents and records which may consist of paper and electronic medium, maintained for each Governmental Tax-Advantaged Bond. Each Governmental Tax-Advantaged Bond File will include the following information if applicable:

- (a) Intent Resolution.
- (b) Bond Transcript.
- (c) Final Written Allocation and/or all available accounting records related to the Project Facility showing expenditures allocated to the proceeds of a Governmental Tax-Advantaged Bond and expenditures (if any) allocated to other sources of funds.
- (d) All rebate and yield reduction payment calculations performed by the Rebate Analyst and all investment records provided to the Rebate Analyst for purposes of preparing the calculation.
- (e) Forms 8038-T together with proof of filing and payment of rebate.
- (f) Investment agreement bid documents (unless included in the Bond Transcript) including:
  - (1) Bid solicitation, bid responses, certificate of broker;
  - (2) Written summary of reasons for deviations from the terms of the solicitation that are incorporated into the investment agreement; and
  - (3) Copies of the investment agreement and any amendments.

- (g) Any item required to be maintained by the terms of the Tax Compliance Agreement involving the use of the Project Facility or expenditures related to tax compliance for the Governmental Tax-Advantaged Bonds.
- (h) Any opinion of Bond Counsel regarding the Governmental Tax-Advantaged Bonds not included in the Bond Transcript.
- (i) Amendments, modifications or substitute agreements to any agreement contained in the Bond Transcript.
- (j) Any correspondence with the IRS relating to the Governmental Tax-Advantaged Bonds including all correspondence relating to an audit by the IRS of the Governmental Tax-Advantaged Bonds or any proceedings under the Tax-Advantaged Bonds Voluntary Closing Agreement Program (VCAP).
- (k) Any available questionnaires or correspondence substantiating the use of the Project Facility in accordance with the terms of the Tax Compliance Agreement for the Governmental Tax-Advantaged Bond issue.
- (l) For refunding bond issues, the Governmental Tax-Advantaged Bond File for the refunded Governmental Tax-Advantaged Bonds.

**“Intent Resolution”** means a resolution of the Governing Body stating the intent of the Issuer to finance all or a portion of the Project Facility, stating the expected maximum size of the financing and stating the intent of the Issuer to reimburse (a) the costs paid by the Issuer from proceeds of the Governmental Tax-Advantaged Bonds or (b) the costs paid by the Conduit User from proceeds of the Conduit Tax-Advantaged Bonds.

**“IRS”** means the Internal Revenue Service.

**“Issuer”** means the City of Altamont, Kansas, and its successors and assigns, or any body, agency or instrumentality of the State succeeding to or charged with the powers, duties and functions of the Issuer or issuing Tax-Advantaged Bonds on behalf of the City of Altamont, Kansas.

**“MSRB”** means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**“Placed In Service”** means that date (as determined by the Bond Compliance Officer for Governmental Tax-Advantaged Bonds and as determined by the Conduit User Bond Compliance Officer for Conduit Tax-Advantaged Bonds when the Project Facility is complete and is actually used at a level substantially as originally designed.

**“Project Facility”** means all tangible or intangible property financed in whole or in part with Tax-Advantaged Bonds that is functionally related or integrated in use, that is located on the same physical site or proximate sites, and that is expected to be Placed In Service within a one-year period.

**“Rebate Analyst”** means the Rebate Analyst for the Tax-Advantaged Bonds selected pursuant to the Tax Compliance Agreement.

**“Regulations”** means all regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to tax-exempt obligations.

**“Tax Compliance Agreement”** means: (a) with respect to Governmental Tax-Advantaged Bonds, the Federal Tax Certificate, Tax Compliance Agreement, Arbitrage Agreement, or other written

certification or agreement of the Issuer setting out representations and covenants for satisfying the post-issuance tax compliance requirements for a Governmental Tax-Advantaged Bond issue; and (b) with respect to Conduit Tax-Advantaged Bonds, the Federal Tax Certificate, Tax Compliance Agreement, Arbitrage Agreement, or other written certification or agreement of the Issuer and the Conduit User setting out representations and covenants for satisfying the post-issuance tax compliance requirements for a for a Conduit Tax-Advantaged Bond issue.

**“Tax-Advantaged Bond(s)”** means Governmental Tax-Advantaged Bonds and Conduit Tax-Advantaged Bonds.

**“Trustee”** means the corporate trustee, if any, named in a trust indenture for a Tax-Advantaged Bond issue.

## ARTICLE II

### PURPOSE AND SCOPE

#### Section 2.1. Purpose of Compliance Procedures.

(a) ***Issuer’s Use of Tax-Advantaged Bonds.*** The Issuer uses Governmental Tax-Advantaged Bonds to fund Costs of Project Facilities and uses Conduit Tax-Advantaged Bonds and loans or otherwise makes the proceeds available to Conduit Users to fund Costs of Project Facilities. The Issuer understands that in exchange for the right to issue Tax-Advantaged Bonds at favorable interest rates and terms, the Code and related regulations impose ongoing requirements related to the proceeds of the Tax-Advantaged Bonds and the Project Facility financed by the Tax-Advantaged Bonds. These requirements focus on the investment, use and expenditure of proceeds of the Tax-Advantaged Bonds and related funds as well as restrictions on the use of the Project Facility.

(b) ***IRS Recommends Separate Written Procedures.*** The Issuer recognizes that the IRS has stated that all issuers of Tax-Advantaged Bonds should have a separate written policy and procedure regarding ongoing compliance with the federal tax requirements for Tax-Advantaged Bonds.

(c) ***Issuer Commitment.*** The Issuer is committed to full compliance with the federal income tax requirements for all of its outstanding and future tax-advantaged financings. These Compliance Procedures is adopted by the Governing Body to comply with the IRS directive and to improve tax compliance and documentation.

(d) ***Conduit User Responsibilities.*** Since the Conduit User for each Conduit Tax-Advantaged Bond issue is primarily responsible for the expenditure and investment of its Conduit Tax-Advantaged Bonds and the use of the Financed Assets and the Project Facility, this Compliance Policy provides that the Conduit User will assume substantially all obligations related to post-issuance tax compliance for Conduit Tax-Advantaged Bonds issued for its benefit. The provisions of this Compliance Policy related to Conduit Tax-Advantaged Bonds are set forth in **Articles VI and VII**.

(e) ***Scope of Compliance Procedures; Conflicts.*** These Compliance Procedures applies to all Tax-Advantaged Bonds currently outstanding and **all** Tax-Advantaged Bonds issued in the future. If the provisions of these Compliance Procedures conflict with a Tax Compliance Agreement or any other specific written instructions of Bond Counsel, the terms of the Tax Compliance Agreement or specific written instructions of Bond Counsel will supersede and govern in lieu of these Compliance Procedures. Any exception to these Compliance Procedures required by Bond Counsel as part of a future issue of Tax-



Advantaged Bonds will be incorporated in the Tax Compliance Agreement for the future issue. Any requirements imposed on the Issuer in the Tax Compliance Agreement, will be noted by the Bond Compliance Officer and incorporated into the Annual Compliance Checklist.

**Section 2.2. Amendments and Publication of Compliance Procedures.** These Compliance Procedures may be amended from time-to-time by the Governing Body. Copies of these Compliance Procedures and any amendments will be included in the permanent records of the Issuer.

### ARTICLE III

#### BOND COMPLIANCE OFFICER; TRAINING

**Section 3.1. Bond Compliance Officer Duties.** The Bond Compliance Officer is responsible for implementing these Compliance Procedures. The Bond Compliance Officer will work with other employees that use the Project Facility to assist in implementing these Compliance Procedures. The Bond Compliance Officer will consult with Bond Counsel, legal counsel to the Issuer, accountants, tax return preparers and other outside experts to the extent necessary to carry out the purposes of these Compliance Procedures. The Bond Compliance Officer will report to the Governing Body as necessary, but at least annually, regarding implementation of these Compliance Procedures and any recommended changes or amendments to these Compliance Procedures.

#### **Section 3.2. Training.**

(a) **Training Programs.** When appropriate, the Bond Compliance Officer and/or other employees of the Issuer under the direction of the Bond Compliance Officer will attend training programs offered by the IRS or other industry professionals regarding Tax-Advantaged Bonds that are relevant to the Issuer.

(b) **Change in Bond Compliance Officer.** Any time an individual acting as the Bond Compliance Officer passes the responsibilities for carrying out the provisions of these Compliance Procedures to another individual, the Issuer will ensure the incoming individual acting as Bond Compliance Officer is trained on how to implement the policies and procedures included in these Compliance Procedures to ensure the Issuer's continued compliance with the provisions of these Compliance Procedures and all Tax Compliance Agreements for any outstanding Tax-Advantaged Bond.

### ARTICLE IV

#### GOVERNMENTAL TAX-ADVANTAGED BONDS COMPLIANCE PROCEDURES

**Section 4.1. Application.** This **Article IV** applies to all of the Issuer's outstanding Governmental Tax-Advantaged Bonds. These Governmental Tax-Advantaged Bonds are listed on **Exhibit A-1**.

#### **Section 4.2. Prior to Issuance of Governmental Tax-Advantaged Bonds.**

(a) **Intent Resolution.** The Governing Body will authorize and approve the issuance of Governmental Tax-Advantaged Bonds. Prior to or as a part of this authorizing resolution or ordinance, the Governing Body may adopt an Intent Resolution.

(b) ***Directions to Bond Counsel.*** The Bond Compliance Officer will provide a copy of these Compliance Procedures to Bond Counsel with directions for Bond Counsel to structure the documentation and procedural steps taken prior to issuing the Governmental Tax-Advantaged Bonds so that they conform to the requirements of these Compliance Procedures, except to the extent Bond Counsel determines that different procedures are required. The Bond Compliance Officer will consult with Bond Counsel so that appropriate provisions are made to fund or reimburse the Issuer's costs and expenses incurred to implement these Compliance Procedures.

(c) ***Tax Compliance Agreement.*** Each Governmental Tax-Advantaged Bond issue will include a Tax Compliance Agreement signed by the Bond Compliance Officer or his/her designee. The Tax Compliance Agreement will (1) describe the Project Facility and the anticipated Financed Assets, (2) identify all Bond Restricted Funds and provide for arbitrage and rebate compliance, (3) for new money financings – require a Final Written Allocation, and (4) contain a form of the Annual Compliance Checklist for the Governmental Tax-Advantaged Bond issue. The Bond Compliance Officer will confer with Bond Counsel and the Issuer's counsel regarding the meaning and scope of each representation and covenant contained in the Tax Compliance Agreement.

(d) ***Preliminary Cost Allocations.*** The Bond Compliance Officer in consultation with Bond Counsel, will prepare a preliminary cost allocation plan for the Project Facility. The preliminary cost allocation plan will identify the assets and expected costs for the Project Facility, and, when necessary, will break-out the portions of Costs that the Issuer expects to finance with Governmental Tax-Advantaged Bonds (the "Financed Assets") from the portions expected to be financed from other sources.

(e) ***Tax Review with Bond Counsel.*** Prior to the sale of the Governmental Tax-Advantaged Bonds, the Bond Compliance Officer and Bond Counsel will review these Compliance Procedures together with the draft Tax Compliance Agreement to ensure that any tax compliance issues in the new financing are adequately addressed by these Compliance Procedures and/or the Tax Compliance Agreement. In the event Bond Counsel determines that these Compliance Procedures conflicts with, or must be supplemented to account for special issues or requirements for the Governmental Tax-Advantaged Bonds, the Bond Compliance Officer will ask Bond Counsel to include the written modifications or additions in the final Tax Compliance Agreement. The Bond Compliance Officer will request Bond Counsel to prepare a form of Annual Compliance Checklist for use in monitoring the ongoing compliance requirements for the Governmental Tax-Advantaged Bond issue.

### **Section 4.3. Accounting and Recordkeeping.**

(a) ***Accounting for New Money Projects.*** The Bond Compliance Officer will be responsible for accounting for the investment and allocation of proceeds of the Governmental Tax-Advantaged Bonds. The Bond Compliance Officer will establish separate accounts or subaccounts to record expenditures for Costs of the Project Facility. Where appropriate, the Bond Compliance Officer may use accounts established as part of the Issuer's financial records for this purpose. In recording Costs for the Project Facility, the Bond Compliance Officer will ensure that the accounting system will include the following information: (1) identity of person or business paid, along with any other available narrative description of the purpose for the payment, (2) date of payment, (3) amount paid, and (4) invoice number or other identifying reference.

(b) ***Accounting for Refunded Bonds and Related Refunded Bond Accounts.*** For Governmental Tax-Advantaged Bonds that refund prior issues, the Tax Compliance Agreement will set out special accounting and allocation procedures for the proceeds of the financing, and if necessary proceeds of the refinanced debt.

(c) ***Tax-Advantaged Bond File.*** The Bond Compliance Officer will be responsible for assembling and maintaining the Governmental Tax-Advantaged Bond File.

#### **Section 4.4. Final Allocation of Bond Proceeds.**

(a) ***Bond Compliance Officer Responsible for Preparation of Final Written Allocation; Timing.*** The Bond Compliance Officer is responsible for making a written allocation of proceeds to expenditures and the identification of Financed Assets. This process will be memorialized in the Final Written Allocation. For a new money financing, the Bond Compliance Officer will commence this process as of the earliest of: (1) the requisition of all Governmental Tax-Advantaged Bond proceeds from any segregated Governmental Tax-Advantaged Bond funded account; (2) the date the Project Facility has been substantially completed; or (3) four and one-half years following the issue date of the Governmental Tax-Advantaged Bonds. For Governmental Tax-Advantaged Bonds issued only to refund a prior issue of Governmental Tax-Advantaged Bonds, the Bond Compliance Officer will prepare and/or document the Final Written Allocation for the Project Facility financed by the refunded Governmental Tax-Advantaged Bonds in accordance with the advice of Bond Counsel and include it in the Tax Compliance Agreement.

(b) ***Contents and Procedure.*** The Bond Compliance Officer will consult the Tax Compliance Agreement and, if necessary, contact Bond Counsel to seek advice regarding any special allocation of Governmental Tax-Advantaged Bond proceeds and other money of the Issuer to the Costs of the Project Facility. If no special allocation is required or recommended, the Bond Compliance Officer will allocate Costs of the Project Facility to the proceeds of the Governmental Tax-Advantaged Bonds in accordance with the Issuer's accounting records. Each Final Written Allocation will contain the following: (1) a reconciliation of the actual sources and uses to Costs of the Project Facility; (2) the percentage of the cost of the Project Facility financed with proceeds of the Governmental Tax-Advantaged Bonds (sale proceeds plus any investment earnings on those sale proceeds); (3) the Project Facility's Placed in Service date; (4) the estimated economic useful life of the Project Facility; and (5) any special procedures to be followed in completing the Annual Compliance Checklist (e.g., limiting the Annual Compliance Checklist to specific areas of the Project Facility that the Final Written Allocation or the Tax Compliance Agreement treats as having been financed by Governmental Tax-Advantaged Bonds).

(c) ***Finalize Annual Compliance Checklist.*** As part of the preparation of the Final Written Allocation, the Bond Compliance Officer will update the draft Annual Compliance Checklist contained in the Tax Compliance Agreement. The Bond Compliance Officer will include reminders for all subsequent arbitrage rebate computations required for the Governmental Tax-Advantaged Bonds in the Annual Compliance Checklist.

(d) ***Review of Final Written Allocation and Annual Compliance Checklist.*** Each Final Written Allocation and Annual Compliance Checklist will be reviewed by legal counsel to the Issuer or Bond Counsel for sufficiency and compliance with the Tax Compliance Agreement and these Compliance Procedures. Following the completion of the review, the Bond Compliance Officer will execute the Final Written Allocation.

#### **Section 4.5. Annual Compliance Checklist.**

(a) ***General.*** An Annual Compliance Checklist will be completed for Governmental Tax-Advantaged Bonds by the Bond Compliance Officer each year following completion of the Final Written Allocation. Each Annual Compliance Checklist will be designed and completed for the purpose of identifying potential noncompliance with the terms of the Tax Compliance Agreement or these Compliance Procedures and obtaining documents (such as investment records, arbitrage calculations, or

other documentation for the Project Facility) that are required to be incorporated in the Governmental Tax-Advantaged Bond File.

(b) **Potential Non-Compliance.** The Bond Compliance Officer will refer any responses indicating a violation of the terms of the Tax Compliance Agreement to legal counsel to the Issuer or Bond Counsel and, if recommended by counsel, will follow the procedure set out in **Section 4.7** to remediate the non-compliance.

**Section 4.6. Arbitrage and Rebate Compliance.** The Bond Compliance Officer will monitor the investment of Bond Restricted Funds for Governmental Tax-Advantaged Bonds and provide investment records to the Rebate Analyst on a timely basis. The Bond Compliance Officer will follow the directions of the Rebate Analyst with respect to the preparation of and the timing of rebate or yield reduction computations.

**Section 4.7. Correcting Prior Deficiencies in Compliance.** In the event the Bond Compliance Officer determines any deficiency in compliance with a Tax Compliance Agreement for an outstanding Governmental Tax-Advantaged Bond listed on **Exhibit A-1**, the Bond Compliance Officer will follow the procedures described in Treasury Regulations or the Tax-Exempt Bonds Voluntary Closing Agreement Program (VCAP) to remediate the noncompliance. If remediation of the noncompliance requires the Issuer to submit a request under VCAP, the Bond Compliance Officer will undertake this step only after reporting the violation to the Governing Body and obtaining its approval.

## ARTICLE V

### CONTINUING DISCLOSURE – GOVERNMENTAL BONDS

**Section 5.1. General.** The Bond Compliance Officer acknowledges that the Issuer has entered into certain Continuing Disclosure Undertakings with respect to Governmental Tax-Advantaged Bonds and other taxable securities issued by the Issuer. This **Article V** applies to Continuing Disclosure Undertakings entered into by the Issuer prior to, on and after the date of these Compliance Procedures.

**Section 5.2. Annual Disclosure Filings.** For each issuance of Governmental Tax-Advantaged Bonds, the Bond Compliance Officer will review the Continuing Disclosure Undertaking to determine the financial information and operating data required to be included in the Annual Report to be filed by the Issuer with the MSRB on EMMA. The Bond Compliance Officer will cause the Annual Report to be filed with the MSRB on EMMA within the timeframe provided in the Continuing Disclosure Undertaking for the Governmental Tax-Advantaged Bonds.

**Section 5.3. Material Event Disclosure Filings.** For each outstanding issue of Governmental Tax-Advantaged Bonds, the Bond Compliance Officer will review the Continuing Disclosure Undertaking to determine the “material events” that require prompt notice to be filed with the MSRB. Generally, the occurrence of any of the events listed on **Exhibit C** with respect to the Governmental Tax-Advantaged Bonds represents a “material event.”

After obtaining actual knowledge of the occurrence of any event that the Bond Compliance Officer believes may constitute an event requiring disclosure, the Bond Compliance Officer will contact Bond Counsel to determine if notice of the event is required to be given to the MSRB under the applicable Continuing Disclosure Undertaking. If it is determined that notice should be provided to the MSRB or is required to be provided to the MSRB by the Continuing Disclosure Undertaking, the Bond Compliance Officer will cause the appropriate notice to be filed with the MSRB on EMMA within the

applicable time frame set forth in the Continuing Disclosure Undertaking (e.g., 10 business days after the occurrence of the event) or as otherwise advised by Bond Counsel.

## ARTICLE VI

### CONDUIT TAX-ADVANTAGED BONDS COMPLIANCE PROCEDURES

**Section 6.1. Conduit Tax-Advantaged Bonds Covered by Procedures.** This Article VI applies to all outstanding Conduit Tax-Advantaged Bonds. These Conduit Tax-Advantaged Bonds are listed on **Exhibit A-2**. The Governing Body reserves the right to charge a fee to administer the Compliance Procedures as they relate to Conduit Tax-Advantaged Bonds.

**Section 6.2. Prior to Issuance of Conduit Tax-Advantaged Bonds.**

(a) ***Intent Resolution.*** The Governing Body will authorize and approve the issuance of Conduit Tax-Advantaged Bonds. Prior to or as a part of this authorizing resolution or ordinance, the Governing Body may adopt an Intent Resolution. The Bond Compliance Officer will provide the Conduit User with a copy of these Compliance Procedures prior to adoption of the Intent Resolution.

(b) ***Directions to Bond Counsel.*** The Bond Compliance Officer will provide a copy of these Compliance Procedures to Bond Counsel with directions for Bond Counsel to structure the documentation and procedural steps taken prior to issuing the Conduit Tax-Advantaged Bonds so that they conform to the requirements of these Compliance Procedures, except to the extent Bond Counsel determines that different procedures are required. The Bond Compliance Officer will consult with Bond Counsel so that appropriate provisions are made to fund or reimburse the Issuer's costs and expenses incurred to implement these Compliance Procedures. To the extent the Issuer relies on or acts at the direction of the Conduit User, the Tax Compliance Agreement will contain appropriate provision for Issuer indemnification by the Conduit User.

(c) ***Tax Compliance Agreement.*** Each Conduit Tax-Advantaged Bond issue will include a Tax Compliance Agreement signed by the Conduit User Bond Compliance Officer. The Tax Compliance Agreement will (1) describe the Project Facility and the anticipated Financed Assets, (2) identify all Bond Restricted Funds and provide for arbitrage and rebate compliance by the Conduit User, (3) for new money financings – require the Conduit User to complete a Final Written Allocation, and (4) contain a form of the Annual Compliance Checklist for the Conduit Tax-Advantaged Bond issue. The Conduit User Bond Compliance Officer will confer with Bond Counsel, the Bond Compliance Officer and the Issuer's counsel regarding the meaning and scope of each representation and covenant contained in the Tax Compliance Agreement.

(d) ***Preliminary Cost Allocations.*** The Conduit User Bond Compliance Officer, in consultation with Bond Counsel, will prepare a preliminary cost allocation plan for the Project Facility. The preliminary cost allocation plan will identify the assets and expected costs for the Project Facility, and, when necessary, will break-out the portions of Costs that the Conduit User expects to finance with proceeds of Conduit Tax-Advantaged Bonds (the "Financed Assets") from the portions expected to be financed from other sources.

(e) ***Tax Review with Bond Counsel.*** Prior to the sale of the Conduit Tax-Advantaged Bonds, the Bond Compliance Officer, the Conduit User Bond Compliance Officer and Bond Counsel will review these Compliance Procedures together with the draft Tax Compliance Agreement to ensure that any tax compliance issues in the new financing are adequately addressed by these Compliance Procedures

and/or the Tax Compliance Agreement. In the event Bond Counsel determines that these Compliance Procedures conflicts with, or must be supplemented to account for special issues or requirements for the Conduit Tax-Advantaged Bonds, the Bond Compliance Officer will ask Bond Counsel to include the written modifications or additions in the final Tax Compliance Agreement. The Bond Compliance Officer will request Bond Counsel to prepare a form of Annual Compliance Checklist for use in monitoring the ongoing compliance requirements for the Conduit Tax-Advantaged Bond issue.

### **Section 6.3. Accounting and Recordkeeping.**

(a) ***Accounting for New Money Projects.*** The Conduit User Bond Compliance Officer will be responsible for accounting for the investment and allocation of proceeds of the Conduit Tax-Advantaged Bonds. The Conduit User Bond Compliance Officer will establish separate accounts or subaccounts to record expenditures for Costs of the Project Facility. The Conduit User Bond Compliance Officer may use accounts established pursuant to a trust indenture for the Conduit Tax-Advantaged Bonds to assist it in accounting for the investment and expenditure of Conduit Tax-Advantaged Bonds. In recording Costs for the Project Facility, the Conduit User Bond Compliance Officer will ensure that the accounting system will include the following information: (1) identity of person or business paid, along with any other available narrative description of the purpose for the payment; (2) date of payment; (3) amount paid; and (4) invoice number or other identifying reference.

(b) ***Accounting for Refunded Bonds and Related Refunded Bond Accounts.*** For Conduit Tax-Advantaged Bonds that refund prior issues, the Tax Compliance Agreement will set out special accounting and allocation procedures for the proceeds of the financing, and if necessary proceeds of the refinanced debt.

(c) ***Conduit Tax-Advantaged Bond File.*** The Conduit User Bond Compliance Officer will be responsible for assembling and maintaining the Conduit Tax-Advantaged Bond File. Upon request, the Conduit User Bond Compliance Officer will provide copies to the Issuer of items contained in the Conduit Tax-Advantaged Bond File.

### **Section 6.4. Final Allocation of Bond Proceeds.**

(a) ***Conduit User Bond Compliance Officer Responsible for Preparation of Final Written Allocation; Timing.*** The Conduit User Bond Compliance Officer is responsible for making a written allocation of proceeds to expenditures and the identification of Financed Assets. This process will be memorialized in the Final Written Allocation. For a new money financing, the Conduit User Bond Compliance Officer will commence this process as of the earliest of: (1) the requisition of all Conduit Tax-Advantaged Bond proceeds from any segregated Conduit Tax-Advantaged Bond funded account; (2) the date the Project Facility has been substantially completed; or (3) four and one-half years following the issue date of the Conduit Tax-Advantaged Bonds. For Conduit Tax-Advantaged Bonds issued only to refund a prior issue of Conduit Tax-Advantaged Bonds, the Conduit User Bond Compliance Officer will prepare and/or document the Final Written Allocation for the Project Facility financed by the refunded Conduit Tax-Advantaged Bonds in accordance with the advice of Bond Counsel and include it in the Tax Compliance Agreement.

(b) ***Contents and Procedure.*** The Conduit User Bond Compliance Officer will review the Tax Compliance Agreement and, if necessary, contact Bond Counsel to seek advice regarding any special allocation of Conduit Tax-Advantaged Bond proceeds and other money of the Conduit User or Issuer to the Costs of the Project Facility. If no special allocation is required or recommended, the Conduit User Bond Compliance Officer will allocate Costs of the Project Facility to the proceeds of the Conduit Tax-Advantaged Bonds in accordance with the Conduit User's accounting records. Each Final Written

Allocation will contain the following: (1) a reconciliation of the actual sources and uses to Costs of the Project Facility; (2) the percentage of the cost of the Project Facility financed with proceeds of the Conduit Tax-Advantaged Bonds (sale proceeds plus any investment earnings on those sale proceeds); (3) the Project Facility's Placed in Service date; (4) the estimated economic useful life of the Project Facility; and (5) any special procedures to be followed in completing the Annual Compliance Checklist (e.g., limiting the Annual Compliance Checklist to specific areas of the Project Facility that the Final Written Allocation or the Tax Compliance Agreement treats as having been financed by Conduit Tax-Advantaged Bonds).

(c) ***Finalize Annual Compliance Checklist.*** As part of the preparation of the Final Written Allocation, the Conduit User Bond Compliance Officer will update the draft Annual Compliance Checklist contained in the Tax Compliance Agreement. The Conduit User Bond Compliance Officer will include reminders for all subsequent arbitrage rebate computations required for the Conduit Tax-Advantaged Bonds in the Annual Compliance Checklist.

(d) ***Review of Final Written Allocation and Annual Compliance Checklist.*** Each Final Written Allocation and Annual Compliance Checklist will be reviewed by legal counsel to the Conduit User or Bond Counsel for sufficiency and compliance with the Tax Compliance Agreement and these Compliance Procedures. Following the completion of the review, the Conduit User Bond Compliance Officer will execute the Final Written Allocation and provide a copy to the Bond Compliance Officer and the Trustee for the Conduit Tax-Advantaged Bonds.

(e) ***Conduit User Certification of Compliance.*** The Conduit User Bond Compliance Officer will annually certify in writing to the Issuer, Trustee, or other party nominated by the Issuer completion of its responsibilities under this **Section 6.4**. Where possible, the Conduit User Bond Compliance Officer will combine this certification request with other disclosures the Conduit User regularly provides to the Trustee (such as ongoing continuing disclosure). Certifications completed by the Conduit User will be retained by the Bond Compliance Officer.

#### **Section 6.5. Annual Compliance Checklist.**

(a) ***General.*** An Annual Compliance Checklist will be completed for Conduit Tax-Advantaged Bonds by the Conduit User Bond Compliance Officer each year following completion of the Final Written Allocation. Each Annual Compliance Checklist will be designed and completed for the purpose of identifying potential noncompliance with the terms of the Tax Compliance Agreement or these Compliance Procedures and obtaining documents (such as investment records, arbitrage calculations, or other documentation for the Project Facility) that are required to be incorporated in the Conduit Tax-Advantaged Bond File.

(b) ***Potential Non-Compliance.*** The Conduit User Bond Compliance Officer will refer any responses indicating a violation of the terms of the Tax Compliance Agreement to legal counsel to the Conduit User or Bond Counsel and, if recommended by counsel, will follow the procedure set out in **Section 6.7** to remediate the non-compliance.

**Section 6.6. Arbitrage and Rebate Compliance.** The Conduit User Bond Compliance Officer will monitor the investment of Bond Restricted Funds and provide investment records to the Rebate Analyst on a timely basis. The Conduit User Bond Compliance Officer will follow the directions of the Rebate Analyst with respect to the preparation of and the timing of rebate or yield reduction computations.

**Section 6.7. Correcting Prior Deficiencies in Compliance.** In the event a Conduit User informs the Bond Compliance Officer of a deficiency in compliance with a Tax Compliance Agreement for an outstanding Conduit Tax-Advantaged Bond listed on **Exhibit A-2**, the Bond Compliance Officer will direct the Conduit User to follow the procedures described in Treasury Regulations or the Tax-Exempt Bonds Voluntary Closing Agreement Program (VCAP) to remediate the noncompliance. If remediation of the noncompliance requires the Issuer to submit a request under VCAP, the Bond Compliance Officer will undertake this step only after reporting the violation to the Governing Body and obtaining its approval.

## ARTICLE VII

### CONTINUING DISCLOSURE - CONDUIT BONDS

**Section 7.1. General.** Certain Conduit Users have entered into Continuing Disclosure Undertakings with respect to certain Conduit Bonds issued by the Issuer for the benefit of Conduit Users. This **Article VII** applies to Continuing Disclosure Undertakings entered into by Conduit Users prior to, on and after the date of these Compliance Procedures.

**Section 7.2. Annual and Quarterly Disclosure Filings.** For each issuance of Conduit Tax-Advantaged Bonds, the Conduit User Bond Compliance Officer will review the Continuing Disclosure Undertaking (if any) to determine the financial information and operating data required to be included in the Annual Report and Quarterly Reports, if any, to be filed by the Conduit User with the MSRB on EMMA. The Conduit User Bond Compliance Officer will cause the Annual Report to be filed with the MSRB on EMMA within the timeframe provided in the Continuing Disclosure Undertaking for the Tax-Advantaged Bonds.

**Section 7.3. Material Event Disclosure Filings.** For each outstanding issue of Conduit Bonds, the Conduit User Bond Compliance Officer will review the Continuing Disclosure Undertaking (if any) to determine the “material events” that require prompt notice to be filed with the MSRB. Generally, the occurrence of any of the following events listed on **Exhibit C** with respect to the Tax-Advantaged Bonds represents a “material event:”

Generally, a Continuing Disclosure Undertaking for a Tax-Advantaged Bond issue will require that after obtaining actual knowledge of the occurrence of any material event, the Conduit User will, after consultation with Bond Counsel, cause the appropriate notice to be filed with the MSRB on EMMA within the applicable time frame set forth in the Continuing Disclosure Undertaking (e.g., 10 business days after the occurrence of the event) or as otherwise advised by Bond Counsel.

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## **CERTIFICATE**

I hereby certify that the above and foregoing is a true and correct copy of the Tax and Securities Compliance Procedures adopted by the Governing Body of the City of Altamont, Kansas on August 27, 2021 as the same appears of record in my office.

DATED: August 27, 2021.

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Clerk

**EXHIBIT A-1**

**LIST OF OUTSTANDING GOVERNMENTAL TAX-ADVANTAGED BONDS**  
**(as of August 27, 2021)**

**GENERAL OBLIGATION BONDS**

<b>Description of <u>Indebtedness</u></b>	<b>Date of <u>Indebtedness</u></b>	<b>Final <u>Maturity</u></b>	<b>Original Principal <u>Amount</u></b>
General Obligation Bonds, Series 2015	6/18/2015	6/18/2055	\$977,000
General Obligation Bonds	8/27/2021	8/27/2041	260,000

***Total***

**GOVERNMENTAL REVENUE BONDS**

<b>Description of <u>Indebtedness</u></b>	<b>Date of <u>Indebtedness</u></b>	<b>Final <u>Maturity</u></b>	<b>Original Principal <u>Amount</u></b>
None			\$

***Total***

**TEMPORARY NOTES**

<b>Description of <u>Indebtedness</u></b>	<b>Date of <u>Indebtedness</u></b>	<b>Final <u>Maturity</u></b>	<b>Original Principal <u>Amount</u></b>
None			\$

***Total***

**LEASE OBLIGATIONS**

<b>Description of <u>Indebtedness</u></b>	<b>Date of <u>Indebtedness</u></b>	<b>Final <u>Payment Date</u></b>	<b>Original Principal <u>Amount</u></b>
None			\$

***Total***

**EXHIBIT A-2**

**LIST OF OUTSTANDING CONDUIT TAX-ADVANTAGED BONDS**  
**(as of August 27, 2021)**

**REVENUE BONDS**

	<b>Description of <u>Indebtedness</u></b>	<b>Date of <u>Indebtedness</u></b>	<b>Final <u>Maturity</u></b>	<b>Original Principal <u>Amount</u></b> \$
None				

*Total*

**INDUSTRIAL REVENUE BONDS**

	<b>Description of <u>Indebtedness</u></b>	<b>Date of <u>Indebtedness</u></b>	<b>Final <u>Maturity</u></b>	<b>Original Principal <u>Amount</u></b> \$
None				

*Total*

**EXHIBIT B  
SAMPLE**

**ANNUAL COMPLIANCE CHECKLIST FOR GOVERNMENTAL TAX-ADVANTAGED BONDS**

<b>Name of tax-advantaged bonds ("Bonds")</b>	
<b>financing Financed Asset:</b>	
<b>Issue Date of Bonds:</b>	
<b>Name of Bond Compliance Officer:</b>	
<b>Period covered by request ("Annual Period"):</b>	

**Description of Project Facility**

*(Note: in lieu of completing the table below, the Issuer may attach a copy of the Preliminary Cost Allocation or Final Written Allocation, as may be updated from time to time)*

Description	Actual Date Placed in Service	Estimated Useful Life	Actual Total Cost	Actual Amount Financed From Bonds

Item	Question	Response
<b>1 Ownership</b>	Was the entire Project Facility owned by the Issuer during the entire Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "No," was an Opinion of Bond Counsel obtained prior to the transfer?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes, include a copy of the Opinion in the Tax-Advantaged Bond File.	
	If No, contact Bond Counsel and include description of resolution in the Tax-Advantaged Bond File.	

<b>2 Leases &amp; Other Rights to Possession</b>	During the Annual Period, was any part of the Project Facility leased at any time pursuant to a lease or similar agreement for more than 50 days?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the lease or other arrangement?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes, include a copy of the Opinion in the Tax-Advantaged Bond File.	
	If No, contact Bond Counsel and include description of resolution in the Tax-Advantaged Bond File.	

Item	Question	Response
<b>3 Management or Service Agreements</b>	During the Annual Period, has the management of all or any part of the operations of the Financed Asset (e.g., cafeteria, gift shop, etc.) been assumed by or transferred to another entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the management agreement?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes, include a copy of the Opinion in the Tax-Advantaged Bond File.	
	If No, contact Bond Counsel and include description of resolution in the Tax-Advantaged Bond File.	
<b>4 Other Use</b>	Was any other agreement entered into with an individual or entity that grants special legal rights to the Financed Asset?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the agreement?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes, include a copy of the Opinion in the Tax-Advantaged Bond File.	
	If No, contact Bond Counsel and include description of resolution in the Tax-Advantaged Bond File.	
<b>5 Arbitrage &amp; Rebate</b>	Have all rebate and yield reduction calculations mandated in the Tax Compliance Agreement been prepared for the current year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If No, contact Rebate Analyst and incorporate report or include description of resolution in the Tax-Advantaged Bond File.	

**Bond Compliance Officer:** \_\_\_\_\_

**Date Completed:** \_\_\_\_\_

## **EXHIBIT C**

### **MATERIAL EVENTS**

- (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 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 status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) the consummation of a merger, consolidation, or acquisition involving the 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;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

**THE CITY OF ALTAMONT, KANSAS  
GENERAL OBLIGATION BONDS  
SERIES 2021, DATED AUGUST 31, 2021**

**DISTRIBUTION LIST**

<p style="text-align:center"><b>ISSUER</b></p> <p>CITY OF ALTAMONT, KANSAS 407 S. Huston P.O. Box 305 Altamont, Kansas 67330-0305 Telephone: (620) 784-5612 Fax: (620) 784-5882</p> <p><b>Ms. Audree Aguilera, City Administrator</b> E-mail: <a href="mailto:cityadmin@altamontks.com">cityadmin@altamontks.com</a>&gt;</p> <p><b>Ms. LeaAnn Myers, City Clerk</b> E-mail: <a href="mailto:LeaAnn@altamontks.com">LeaAnn@altamontks.com</a></p>	<p style="text-align:center"><b>BOND COUNSEL</b></p> <p>GILMORE &amp; BELL, P.C. 100 N. Main, Suite 800 Wichita, Kansas 67202 Telephone: (316) 267-2091 Fax: (316) 262-6523</p> <p><b>Mitch Walter, Esq.</b> E-mail: <a href="mailto:mwalter@gilmorebell.com">mwalter@gilmorebell.com</a></p> <p><b>Ms. Pamela Jones, Legal Practice Assistant</b> E-mail: <a href="mailto:pjones@gilmorebell.com">pjones@gilmorebell.com</a></p>
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## City Administrator Report City Council August 12, 2021

- 1) **Fire Truck/ USDA Loan** Loan closing on August 27<sup>th</sup>.
- 2) **Trash Truck** Anticipated arrival by August 1<sup>st</sup>.
- 3) **Purple Wave Auction.** 1995 E- One Fire Truck in Springfield, MO sold on Purplewave Auction on August 10<sup>th</sup>. Total of \$797.50.
- 4) **Floodplain** KDA and FEMA will begin a floodplain mapping project for our area. This project will update the current floodplain maps.
- 5) **Budget** 2022 RNR and Budget hearing set for August 26, 2021 at 7:00 PM. 2021 Budget Amendment Hearing set for August 26, 2021 at 7:00 PM.
- 6) **American Rescue Plan** City of Altamont is anticipated to receive \$142,662. First disbursement anticipated in July. First half received on 07/15/2021. Have until December 31, 2024 to expend funds. Funds can now also be expended on February high bills.
- 7) **Lake Swings.** Anticipated arrival in mid-September. Experiencing longer than normal shipment times due to COVID.
- 8) **Housing Assessment Tool (HAT)/ Low-Moderate Income (LMI) Survey** LMI Surveys have been sent out.
- 9) **Crosswalks/ Huston Street** Huston seal project completed. The striping project to begin on Thursday, August 12.
- 10) **Electric Utility** – Tabled. Set for discussion in Fall 2021.
- 11) **Old Fire Dept Building** Demolition in 2022 Budget
- 12) **Energy Crisis Committee** First meeting was 07/22/2021. Recommendation to continue with KMGA.
- 13) **Sewer Lagoon Hedge Row / Fence** Hedge row is being removed this week. The fence construction will be the next step.
- 14) **Pole Testing** Loaned electric pole tester from KMEA to begin testing all our poles for replacement.
- 15) **Employee Appreciation Pool Party** Well attended. No incidents occurred.
- 16) **City Administrator Resignation** Last day will be September 3, 2021.





## EXECUTIVE SESSION MOTIONS

I move the city council recess into executive session to discuss an individual employee's performance pursuant to the **non-elected personnel** matter exception, K.S.A. 75-4319 (b) (1) to include: (people to participate besides governing body.) The open meeting will resume in the city council room at \_\_\_\_PM.

I move the city council recess into executive session to discuss **Attorney – Client privilege** matter exception, K.S.A. 75-4319(b)(2) to include: (people to participate besides governing body.) The open meeting will resume in the city council room at \_\_\_\_PM.

I move the city council recess into executive session to preliminary discuss **employer-employee negotiations** matter exception, K.S.A. 75-4319(b) (3) to include: (people to participate besides governing body.) The open meeting will resume in the city council room at \_\_\_\_PM.

I move the city council recess into executive session to preliminary discuss **property acquisition** matter exception, K.S.A. 75-4319(b)(6) to include: (people to participate besides governing body.) The open meeting will resume in the city council room at \_\_\_\_PM.

I move the city council recess into executive session to discuss data relating to **financial affairs or trade secrets** of corporations, partnerships, trusts, and individual proprietorships pursuant to the non-elected personnel matter exception, K.S.A. 75-4319(b)(4) to include: (people to participate besides governing body.) The open meeting will resume in the city council room at \_\_\_\_PM.

**K.S.A. 75-4319.** Closed or executive meetings; conditions; authorized subjects for discussion; binding action prohibited; certain documents identified in meetings not subject to disclosure. (a) Upon formal motion made, seconded and carried, all bodies and agencies subject to the open meetings act may recess, but not adjourn, open meetings for closed or executive meetings. Any motion to recess for a closed or executive meeting shall include a statement of (1) the justification for closing the meeting, (2) the subjects to be discussed during the closed or executive meeting and (3) the time and place at which the open meeting shall resume. Such motion, including the required statement, shall be recorded in the minutes of the meeting and shall be maintained as a part of the permanent records of the body or agency. Discussion during the closed or executive meeting shall be limited to those subjects stated in the motion.

(b) No subjects shall be discussed at any closed or executive meeting, except the following:

(1) Personnel matters of nonelected personnel;

(2) consultation with an attorney for the body or agency which would be deemed privileged in the attorney-client relationship;

(3) matters relating to employer-employee negotiations whether or not in consultation with the representative or representatives of the body or agency;

(4) confidential data relating to financial affairs or trade secrets of corporations, partnerships, trusts, and individual proprietorships;

(5) matters relating to actions adversely or favorably affecting a person as a student, patient or resident of a public institution, except that any such person shall have the right to a public hearing if requested by the person;

(6) preliminary discussions relating to the acquisition of real property;