



119 North Hersey Avenue
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www.beloitks.org

CITY COUNCIL AGENDA

Tuesday, March 3, 2015
7:00 p.m.

1. CALL TO ORDER

- A. Roll Call
- B. Invocation
- C. Pledge of Allegiance

2. MAYOR AND COUNCIL REPORTS

3. STAFF REPORTS

- A. City Attorney Report
- B. City Administrator Report

4. PUBLIC COMMENT

5. CONSENT AGENDA

- A. 2/17/15 City Council Meeting Minutes
- B. Appropriations 3A

6. ORDINANCES

- A. Ordinance 2160 Landoll Tax Exemption

7. RESOLUTIONS

- A. Resolution 2015-9 Issuing the Offering for Sale of GO Temporary Notes
- B. Resolution 2015-10 Signature Authorization for Farm Service Agency

8. FORMAL ACTIONS

- A. Roof Bid for CDBG Downtown Rehab Grant
- B. Fire Protection Request
- C. Police Vehicle Leases
- D. Airport Farm Lease Agreement

9. CLOSED SESSION

- A. None

10. ADJOURNMENT

WORK SESSION AGENDA

1. CORRESPONDENCE AND STAFF REPORTS

- A. City Attorney Report
- B. City Administrator Report

2. DISCUSSION ITEMS

- A. CDBG Housing and Demolition Grant
- B. Repair Estimate for Rock Hanger

3. ADJOURNMENT

NOTE: Background information is available for review in the office of the City Clerk prior to the meeting.

The Public Comment section is to allow members of the public to address the Council on matters pertaining to any business within the scope of Council authority and not appearing on the Agenda. Kansas Statutes prohibit the Council from taking action on any item not appearing on the Agenda, except where an emergency is determined to exist.

BELOIT CITY COUNCIL MEETING MINUTES
February 17, 2015

The Beloit City Council met in regular session on February 17, 2015 in the Council Chambers. Mayor Tom Naasz called the meeting to order at 7:00 p.m. Council Members in attendance were Charlene Abell, Bob Richard, Kent Miller, Rick Brown, Tony Gengler, Matt Otte, and Lloyd Littrell. Also present were City Administrator Glenn Rodden, City Attorney Katie Schroeder, and City Clerk Amanda Lomax. Absent for the meeting was Councilor Bob Petterson.

Department heads in attendance were Chris Jones, Mike Clark, Ronnie Sporleder, Dave Elam, and Heather Hartman.

Mayor Tom Naasz gave the invocation and the Pledge of Allegiance was recited.

Councilor Littrell said he drove passed the Municipal Building one night and one of the doors was open. Councilor Littrell asked on behalf of Councilor Petterson about using the oil tank at the North Campus for oil storage. Director of Transportation Mike Clark said the tank was old, riveted, and didn't believe the state would allow a storage permit for the tank.

Public Comment: Charlie Wright with the VFW talked with Council about the American Flags for downtown. Charlie would like the City to purchase the flags because the flags now are in bad shape because of the hail storm last year. The VFW would like the city to purchase 120 flags for \$14.50 apiece.

Public Comment: Mike Blass was served an unfit structure notice from Code Enforcement Officer Chris Jones for the old power plant by the river. Mike wants to replace the damaged windows for the building but is hesitant because of kids throwing rocks through almost all of them. Mike is requesting that the building gets patrolled more often and be informed that his building has been vandalized.

The Consent Agenda consisted of February 3, 2015 Council Meeting Minutes, and appropriations 2B. A motion was made by Councilor Miller and seconded by Councilor Abell to approve the Consent Agenda in its entirety. Roll call vote yeas: Abell, Brown, Gengler, Miller, Otte, Littrell, and Richard. Nays: None.

Resolution 2015-6 Unfit Structure for property located at 402 South Mill was presented to Council for approval. Resolution 2015-6 gives the property owner 60 days from the date of publication of this resolution to either repair or remove the structure. A motion was made by Councilor Richard and seconded by Councilor Brown to approve Resolution 2015-6 Unfit Structure for property located at 402 South Mill. Roll call vote yeas: Richard, Abell, Gengler, Littrell, Brown, Otte, and Miller. Nays: None.

Resolution 2015-7 Opposing Election Partisan was presented to Council for approval. Resolution 2015-7 opposes the State of Kansas to move local elections to fall and making those elections part of a partisan political process. A motion was made by Councilor Littrell and seconded by Councilor Otte to approve Resolution 2015-7 Opposing Election Partisan. Roll call vote yeas: Littrell, Abell, Gengler, Littrell, Brown, Otte, and Miller. Nays: None.

Resolution 2015-8 Multi-Jurisdictional Hazard Mitigation Plan was presented to Council for approval. A motion was made by Councilor Brown and seconded by Councilor Otte to approve Resolution 2015-8 Multi-Jurisdictional Hazard Mitigation Plan. Roll call vote yeas: Abell, Brown, Gengler, Miller, Otte, Littrell, and Richard. Nays: None.

Staff is recommending that Council approve the North Campus Street Construction Bid from Vogts-Parga Construction LLC in the amount of \$994,823.00. A motion was made by Councilor Miller and seconded by Councilor Otte to approve the North Campus Street Construction Bid from Vogts-Parga Construction LLC in the amount of \$994,823.00. Motion carried 7-0. Nays: None.

Staff is recommending that Council approve the contract with Schwab-Eaton in the amount of \$66,600.00. The agreement will have Schwab-Eaton engineers perform contract administration and construction inspection services for the North Campus Street project. A motion was made by Councilor Brown and seconded by Councilor Abell to approve the contract with Schwab-Eaton in the amount of \$66,600.00. Motion carried 7-0. Nays: None.

Staff is recommending that Council approve the cereal malt beverage license for Shopko Hometown #537 located at 1026 N Independence Ave. A motion was made by Councilor Miller and seconded by Councilor Abell to approve the cereal malt beverage license for Shopko Hometown #537 located at 1026 N Independence Ave. Motion carried 7-0. Nays: None.

Staff is recommending that Council approve the Teen Dating Awareness Proclamation. A motion was made by Councilor Otte and seconded by Councilor Abell to approve the Teen Dating Awareness Proclamation. Motion carried 7-0. Nays: None.

A motion was made by Councilor Brown and seconded by Councilor Richard to go into Closed Session for the purpose of Attorney-Client Privileged Information for a period of 30 minutes with City Attorney Katie Schroeder, City Administrator Glenn Rodden, and Attorney Allen Glendenning. Motion also excluded Councilor Littrell from closed session. Motion carried 7-0. Nays: None. Time started: 7:40 p.m. Time Ended: 8:08 p.m.

A motion was made by Councilor Brown and seconded by Councilor Miller to adjourn the Council Meeting. Motion passed 7-0. The meeting ended at 8:09 p.m.

Work Session started 8:09 p.m. Council Members in attendance were Charlene Abell, Bob Richard, Kent Miller, Rick Brown, Tony Gengler, Matt Otte, and Lloyd Littrell. Also present were City Administrator Glenn Rodden, City Attorney Katie Schroeder, and City Clerk Amanda Lomax. Absent for the meeting was Councilor Bob Petterson.

Department heads in attendance were Mike Clark, Ronnie Sporleder, Dave Elam, and Heather Hartman.

City Administrator Rodden went over 2014 4th quarter treasurer's report and fund balance report.

City Administrator Rodden reported on the following: 1. Westside Park was vandalized last week and the damage to the playground equipment is beyond repair. 2. The Comprehensive Plan will be brought back to the Planning Commission March 24th with requested changes. 2. The League is still proof reading our codes for codification. 3. The Power Plant plans to meet with Kansas Gas Service in March about the pipeline.

Work Session ended at 8:25 p.m.

TOM NAASZ, Mayor

ATTEST:

AMANDA LOMAX, City Clerk

Accounts Payable Detail Listing

City of Beloit

Vend# Vendor Name		Pay#	Post Date	Due Date	Amount	Invoice	Date	PO#	Date	Status
	Account#			Work Order		Description			Debit	Credit
767	AIRGAS MID SOUTH INC									
61224	3/5/2015 3/5/2015 53-41-6230	45.31	9924597801		20252	CYLINDER RENTAL			45.31 ✓	Posted 0.00
37	APPA									
61209	3/5/2015 3/5/2015 53-41-5410	2,831.63	260636		21870	APPA DUES			2,831.63 ✓	Posted 0.00
2032	AT&T									
61210	3/5/2015 3/5/2015 10-13-5310	95.00	08900759485827		21879	PD-INTERNET-MAR			95.00 ✓	Posted 0.00
2809	BELOIT CAR WASH LLC									
61211	3/5/2015 3/5/2015 10-13-4310 10-13-4310 10-13-4310	34.40			26190	INV#285 INV#293 INV#326			7.00 ✓ 5.25 ✓ 22.15 ✓	Posted 0.00 0.00 0.00
									34.40 ✓	0.00
74	BELOIT MEDICAL CENTER, PA									
61212	3/5/2015 3/5/2015 53-43-3000	85.00	5830		22092	PRE-EMPLOYMENT PHYSICAL			85.00 ✓	Posted 0.00
669	BLADE-EMPIRE PUBLISHING									
61213	3/5/2015 3/5/2015 10-11-5400	92.95	140478		21878	UNFIT STRUCTURE NOTICE			92.95 ✓	Posted 0.00
2800	BLUE VALLEY COMMUNICATIONS/NETWORKS PLUS									
61214	3/5/2015 3/5/2015 10-11-3360	497.35	INV-3813		21881	CLIENT CARE CHECK			497.35 ✓	Posted 0.00
61215	3/5/2015 3/5/2015 10-13-3360 10-13-3360	390.00			21882	INV-3815-DRIVE TIME INV-3814-CLIENT CARE CHECK			256.00 ✓ 134.00 ✓	Posted 0.00 0.00
									390.00 ✓	0.00
2314	BURNS & MCDONNELL ENGINEERING CO., INC.									
61216	3/5/2015 3/5/2015 30-00-3000	3,000.00	83044-1		21872	ENGINEERING CONTRACT FOR AIRPOF			3,000.00 ✓	Posted 0.00
142	CHAMBER OF COMMERCE									
61217	3/5/2015 3/5/2015 26-00-5410	60.00	1278		21868	ANNUAL BANQUET REGISTRATION			60.00 ✓	Posted 0.00
61218	3/5/2015 3/5/2015 10-11-3000	60.00	396		21867	ANNUAL BANQUET REGISTRATION			60.00 ✓	Posted 0.00
2761	CHENEY DOOR COMPANY, INC.									
61219	3/5/2015 3/5/2015 53-41-3000	2,302.51	0282423-IN		20260	DOOR OPENER INSTALLATION			2,302.51 ✓	Posted 0.00
158	COMPUTER SOLUTIONS INC									
61220	3/5/2015 3/5/2015 51-41-6110	105.95	178265		22056	EXTERNAL HARD DRIVE			105.95 ✓	Posted 0.00
61301	3/5/2015 3/5/2015 10-11-7460	1,351.94	178538		21893	COMPUTER & SOFTWARE			1,351.94 ✓	Posted 0.00
174	CROWLEY CARS AND SALVAGE									
61221	3/5/2015 3/5/2015 52-43-7450	100.00	288567		21457	USED WHEELS & TIRES			100.00 ✓	Posted 0.00
1903	DIGITAL ALLY INC									
61222	3/5/2015 3/5/2015 10-13-7440	4,325.00	1073833		21689	CAR ACESSORIES			4,325.00 ✓	Posted 0.00
2053	EMG, INC									
61223	3/5/2015 3/5/2015 53-41-3000	1,000.00	3825		20264	ENERGY CONSULTING AGREEMENT			1,000.00 ✓	Posted 0.00
2824	VINCENT ENGELBERT									
61300	3/5/2015 3/5/2015 10-15-3000	13.00			CLARK186	LICENSE RENEWAL			13.00 ✓	Posted 0.00
222	FARMWAY COOP INC.									
61225	3/5/2015 3/5/2015 53-41-6260	14,606.67	118-A01190		20233	FUEL			14,606.67 ✓	Posted 0.00

Accounts Payable Detail Listing

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	<u>Account#</u>	<u>Work Order</u>		<u>Description</u>			<u>Debit</u>	<u>Credit</u>
237 FINN-KOOL INC (continued)								
61226	3/5/2015	3/5/2015	168.73	5313		21453	168.73 ✓	Posted 0.00
	51-43-6000			PLATE				
427 FOLEY EQUIPMENT INC								
61227	3/5/2015	3/5/2015	2,511.99	M20268-01		21454	2,511.99 ✓	Posted 0.00
	30-00-8200			TRENCH ROLLER RENTAL				
236 FOUTS INSURANCE AGENCY INC.								
61228	3/5/2015	3/5/2015	100.00	14027		21884	100.00 ✓	Posted 0.00
	10-12-5250			PUBLIC OFFICIAL BOND/WILSON				
537 GALLS INC/ QUARTERMASTER								
61229	3/5/2015	3/5/2015	249.92	003065415		21692	249.92 ✓	Posted 0.00
	10-13-2911			UNIFORMS				
61230	3/5/2015	3/5/2015	1,596.90			21691		Posted
	10-13-7440			3048120-LIGHT BAR			513.36 ✓	0.00
	10-13-7440			3048119-DASH LIGHT			543.56 ✓	0.00
	10-13-7440			3060013-DASH LIGHT			539.98 ✓	0.00
							1,596.90 ✓	0.00
262 GRAINGER CO								
61231	3/5/2015	3/5/2015	1,713.10	9655669811		20261	1,713.10 ✓	Posted 0.00
	53-41-4360			25D254 UNIT HEATER				
2793 HFE PROCESS								
61232	3/5/2015	3/5/2015	38.96	7192		21447	38.96 ✓	Posted 0.00
	52-43-6000			GASKETS				
328 IIMC								
61233	3/5/2015	3/5/2015	50.00			21783	50.00 ✓	Posted 0.00
	10-11-2400			CMC APP FOR ADMISSION FOR MANDY				
2510 INDUSTRIAL SCIENTIFIC CORPORATION								
61234	3/5/2015	3/5/2015	866.75	1756931		21445	866.75 ✓	Posted 0.00
	52-43-7440			VENTIS, GAS DETECTOR				
2451 KANSAS CITY CALIBRATION LABORATORIES INC								
61253	3/5/2015	3/5/2015	109.46	00057969		21459	109.46 ✓	Posted 0.00
	51-43-7450			ORINGS/TUBING/PLASTIC SLEEVE				
356 KANSAS DEPARTMENT OF REVENUE-ABC								
61252	3/5/2015	3/5/2015	25.00			19864	25.00 ✓	Posted 0.00
	10-11-3000			CMB LICENSE-SHOPKO				
2823 KELLER, CRAIG & ASSOCIATES								
61282	3/5/2015	3/5/2015	2,887.14	15-520		21883	2,887.14 ✓	Posted 0.00
	30-00-3000			APPRAISAL SERVICES-N. INDEPENDEN				
1887 KMEA GRDA OPERATING FUND								
61236	3/5/2015	3/5/2015	146,794.88	GRDA-BE-15-03		20244	146,794.88 ✓	Posted 0.00
	53-41-6220			MARCH SERVICE				
556 KMEA WAPA OPERATING FUND								
61235	3/5/2015	3/5/2015	15,523.54	WAPA-BL-15-02		20243	15,523.54 ✓	Posted 0.00
	53-41-6220			FEBRUARY SERVICE				
2416 KNCK AM/KNCK FM-NCK 94.9								
61274	3/5/2015	3/5/2015	175.00	15020154		21888	175.00 ✓	Posted 0.00
	53-41-6400			POWER PLANT OPERATOR JOB				
805 KRONE'S SERVICE CENTER, INC								
61254	3/5/2015	3/5/2015	61.52	18368		21451		Posted
	51-43-6000			ARGON			20.51 ✓	0.00
	52-43-6000			ARGON			20.51 ✓	0.00
	53-43-6000			ARGON			20.50 ✓	0.00
							61.52 ✓	0.00
1037 LATTIN AVIATION-TRAVIS LATTIN								
61255	3/5/2015	3/5/2015	1,200.00			21875	1,200.00 ✓	Posted 0.00
	10-22-3000			SERVICE CONTRACT-MARCH 2015				
188 LAWSON PRODUCTS INC								
61256	3/5/2015	3/5/2015	353.45	9303053406		20257	353.45 ✓	Posted 0.00
	53-41-4360			NUTS & BOLTS				

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	<u>Account#</u>			<u>Work Order</u>		<u>Description</u>			<u>Debit</u>	<u>Credit</u>
405	LEAGUE OF KS MUNICIPALITIES (continued)									
61257	10-11-2400	3/5/2015	3/5/2015		25.00	15-936 WEBINAR-CITY ELECTIONS		21880	25.00 ✓	Posted 0.00
409	LIGHT & WATER UTILITIES									
61295	10-11-6220	3/5/2015	3/5/2015		37,769.94	ADMIN		21887	4,096.31 ✓	Posted 0.00
	10-11-6220					ADMIN SHARE			52.01 ✓	0.00
	10-13-6220					PD SHARE			52.01 ✓	0.00
	51-41-6220					WATER SHARE			52.00 ✓	0.00
	10-14-6220					FIRE DEPT			260.47 ✓	0.00
	10-15-6220					TRANSPORTATION			858.35 ✓	0.00
	10-18-6220					PARKS & REC			563.02 ✓	0.00
	10-20-6220					CEMETERY			382.85 ✓	0.00
	10-22-6220					AIRPORT			654.75 ✓	0.00
	51-41-6220					WATER PLANT			9,736.67 ✓	0.00
	52-41-6220					SEWER PLANT			12,314.48 ✓	0.00
	53-41-6220					POWER PLANT			302.59 ✓	0.00
	51-43-6220					WATER SYSTEMS			266.71 ✓	0.00
	52-43-6220					SEWER SYSTEMS			266.70 ✓	0.00
	53-43-6220					SYSTEMS OP SHARE			266.70 ✓	0.00
	51-43-6220					SYSTEMS OP SHARE			37.05 ✓	0.00
	52-43-6220					SYSTEMS OP SHARE			37.05 ✓	0.00
	53-43-6220					SYSTEMS OP SHARE			37.05 ✓	0.00
	10-13-6220					PD SHARE			37.05 ✓	0.00
	53-43-6220					ELECTRIC SYSTEMS			55.48 ✓	0.00
	10-19-6220					NORTH CAMPUS			7,350.67 ✓	0.00
	10-21-6220					POOL			89.97 ✓	0.00
									37,769.94 ✓	0.00
2726	MID-AMERICAN RESEARCH CHEMICAL									
61292	52-41-6000	3/5/2015	3/5/2015		151.39	0544964-IN GLOVES & GREASE		15359	151.39 ✓	Posted 0.00
470	MITCHELL COUNTY SOLID WASTE									
61258	10-18-4300	3/5/2015	3/5/2015		8.00	03460 TRASH & PLASTIC PIECES		21992	8.00 ✓	Posted 0.00
61259	52-41-3000	3/5/2015	3/5/2015		6.30	003641-A LUMBER		21460	6.30 ✓	Posted 0.00
61293	52-41-3000	3/5/2015	3/5/2015		98.80	003609-A DISPOSAL OF GRIT SCREENINGS		15361	98.80 ✓	Posted 0.00
342	MUNICIPAL SUPPLY INC. OF NEBRASKA									
61260	52-43-6000	3/5/2015	3/5/2015		139.04	0583076-IN PVC FERNCO		21446	139.04 ✓	Posted 0.00
2301	NEX-TECH WIRELESS									
61283	25-00-7450	3/5/2015	3/5/2015		94.69	3854632 STREET DEPT.-PHONE BILL-MARCH		21889	94.69 ✓	Posted 0.00
1946	OLDCASLTE PRECAST									
61296	30-00-6150	3/5/2015	3/5/2015		13,309.00	120030926 PIPE/END SECTIONS/STORM BOXES		CLARK187	13,309.00 ✓	Posted 0.00
2513	OZONIA NORTH AMERICA									
61294	52-41-4360	3/5/2015	3/5/2015		1,862.68	406927 BALLAST & GLAND NUTS		15358	1,862.68 ✓	Posted 0.00
527	PIERCE ELECTRONICS									
61261	53-41-3000	3/5/2015	3/5/2015		40.00	28026 FCC RENEWAL		20250	40.00 ✓	Posted 0.00
526	RODNEY PILCHER									
61297	10-15-3000	3/5/2015	3/5/2015		26.00	LICENSE RENEWAL		CLARK188	26.00 ✓	Posted 0.00
1263	PRAIRE FIRE COFFEE ROASTERS									
61262	51-41-6000	3/5/2015	3/5/2015		144.16	199200-COFFEE		20265	57.50 ✓	Posted 0.00
	53-41-6000					148100-COFFEE			86.66 ✓	0.00
									144.16 ✓	0.00

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	<u>Account#</u>			<u>Work Order</u>		<u>Description</u>			<u>Debit</u>	<u>Credit</u>	
1263	PRAIRE FIRE COFFEE ROASTERS (continued)										
61298	10-15-6000	3/5/2015	3/5/2015		43.40	719979 COFFEE		CLARK189	43.40 ✓	0.00	Posted
1335	PUR- O- ZONE, INC.										
61263	10-11-4300	3/5/2015	3/5/2015		68.80	658036 BRUSH SIDE		21874	68.80 ✓	0.00	Posted
61264	10-11-4300	3/5/2015	3/5/2015		1,678.40	657696 CLEANING SUPPLIES FOR MUNI		21869	1,678.40 ✓	0.00	Posted
2377	REINTJES & HITER CO., INC.										
61265	10-19-7200	3/5/2015	3/5/2015		400.67	1076272-01 PUMP PARTS FOR N. CAMPUS		21969	400.67 ✓	0.00	Posted
582	SALINA SUPPLY COMPANY										
61266	53-41-4360	3/5/2015	3/5/2015		474.67	S100010586.001 BALL VALVES		20255	474.67 ✓	0.00	Posted
603	SEWELL'S MACHINE SHOP										
61268	51-43-6000	3/5/2015	3/5/2015		64.00	013815 4X8 18GA		21448	64.00 ✓	0.00	Posted
640	ST JOHN'S HIGH SCHOOL										
61270	10-11-5400	3/5/2015	3/5/2015		75.00	1/4 PAGE AD IN YEARBOOK		21885	75.00 ✓	0.00	Posted
84	ST JOHN'S SCHOOL - CROSSWALK GUARD										
61269	10-13-3000	3/5/2015	3/5/2015		85.00	CROSSWALK 17 DAYS @ 5.00		21876	85.00 ✓	0.00	Posted
643	STANION WHSE ELECTRIC COMPANY										
61271	53-43-8300	3/5/2015	3/5/2015		1,073.65	3762760-00 NORDIC MG56X16		22095	1,073.65 ✓	0.00	Posted
61272	53-43-8300	3/5/2015	3/5/2015		1,621.99	3777484-00 ADDED 900 FT TO INV.		22091	1,621.99 ✓	0.00	Posted
2478	SelectAccount										
61267	21-00-2100	3/5/2015	3/5/2015		328.00	HSA		21871	328.00 ✓	0.00	Posted
2459	UOM SCHOOLS, INC										
61275	53-43-2400	3/5/2015	3/5/2015		200.00	377 3 DAY SCHOOL-MONG/BRIN		22093	200.00 ✓	0.00	Posted
697	USD 273										
61276	10-13-3000	3/5/2015	3/5/2015		331.50	CROSSWALK 17 DAYS @ 19.50		21877	331.50 ✓	0.00	Posted
2751	VALLEY VET SUPPLY										
61278	52-41-6170	3/5/2015	3/5/2015		69.90	214904 INSECT CAN DISPENSERS		15349	69.90 ✓	0.00	Posted
2067	VERIZON WIRELESS SERVICES, LLC										
61284	10-11-5310	3/5/2015	3/5/2015		180.44	9740689844 ADMIN-MARCH		21890	115.09 ✓	0.00	Posted
	10-20-5310					CEMETERY-MARCH			65.35 ✓	0.00	
									180.44 ✓	0.00	
61285	53-41-5310	3/5/2015	3/5/2015		44.89	9740728581 POWER PLANT STAND-BY-MARCH		21891	44.89 ✓	0.00	Posted
61286	53-43-5310	3/5/2015	3/5/2015		121.85	9740720704 SYSTEMS-MARCH		21892	40.77 ✓	0.00	Posted
	52-43-5310					SYSTEMS-MARCH			40.54 ✓	0.00	
	51-43-5310					SYSTEMS-MARCH			40.54 ✓	0.00	
									121.85 ✓	0.00	
2629	WAGEWORKS										
61279	10-11-3000	3/5/2015	3/5/2015		77.00	125A10377148 MONTHLY ADMIN FEE-JAN		21873	77.00 ✓	0.00	Posted
1649	WILLOW SPRINGS SERVICES INC										
61280	30-00-7200	3/5/2015	3/5/2015		11,216.92	15392 REPLACEMENT OF HAIL DAMAGE COIL		21993	11,216.92 ✓	0.00	Posted

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City of Beloit

Vend# Vendor Name

<u>Pay#</u>	<u>Post Date</u>	<u>Due Date</u>	<u>Amount</u>	<u>Invoice</u>	<u>Date</u>	<u>PO#</u>	<u>Date</u>	<u>Status</u>
<u>Account#</u>	<u>Work Order</u>	<u>Description</u>	<u>Debit</u>	<u>Credit</u>				
1035 BRUCE WILSON (continued)								
61281	3/5/2015	3/5/2015	60.00			20447		Posted
	10-11-3000	BANK RECONCILIATION	60.00 ✓	0.00				
753 WORLD PEST CONTROL								
61299	3/5/2015	3/5/2015	500.00	30520		CLARK190		Posted
	10-15-4300	TERMITE ANNUAL RENEWAL	500.00 ✓	0.00				
277,814.13			71 Non-voided payables listed.					

Report Setup
 AP - Accounts Payable Listing : Vendor Name
 Filter Options
 Starting: 3/5/2015
 Ending: 3/5/2015
 Banks: All
 Payable Status: Posted, Printed, ACH, Recorded, Voided
 All Vendors Selected

REQUEST FOR COUNCIL ACTION

DATE:	TITLE:
March 3, 2015	ORDINANCE 2160 LANDOLL TAX EXEMPTION
ORIGINATING DEPARTMENT:	TYPE OF ACTION: <input checked="" type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION
Administration	<input type="checkbox"/> FORMAL ACTION <input type="checkbox"/> OTHER

RECOMMENDATION:

I recommend that the Council approve Ordinance 2160 to exempt Landoll Corporation from 2015 property tax.

FISCAL NOTE:

- There is a cost to the city for publishing this ordinance.

DISCUSSION:

The city passes this ordinance every year to exempt Landoll Corporation from property tax. Attached is Landoll Corporation's recent exemption request for 2015 and background information of when the third expansion exemption for 2008 was received and reviewed.

Respectfully submitted,

Glenn Rodden
City Administrator

ORDINANCE NO. 2160

AN ORDINANCE EXEMPTING CERTAIN PROPERTY FROM AD VALOREM TAXATION FOR ECONOMIC DEVELOPMENT PURPOSES.

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

SECTION 1: In accordance with Section 13 of Article 11 of the Kansas Constitution, and pursuant to Resolution No. 1-90 and Resolution No. 59-96, the following property, referred to as ICON Industries, Inc. (now Landoll Corporation), is hereby exempt from ad valorem taxation for a term of ten (10) calendar years, from 2006 to 2015, subject to annual review in accordance with the Resolution pursuant to Ordinance No. 1674 to wit:

A tract of land located in the Southwest Quarter (SW/4) of Section Five (5), Township (5), Township Seven (7) South, Range Seven (7) West of the 6th P.M., in Mitchell County, Kansas, located West of the Beloit Airport Hangars; AND more particularly described as follows:

Beginning at a point 1,180.0 feet West of the Southeast corner of the Southwest Quarter (SW/4) of Section 5-7-7 and 33.0 feet North at right angle to the South line of the Southwest Quarter (SW/4), which point is on the North Right-of-Way of Eighth (8th) Street; thence continuing on North at right angle to the South line of the Southwest Quarter (SW/4) 600.0 feet; thence West parallel to the South line of the Southwest Quarter (SW/4) of Section 5-7-7, 370.7 feet; thence South parallel to the East line of this tract and right angle to the North line of this tract 600 feet to a point 33.0 feet North of the South line of the Southwest Quarter (SW/4); thence East parallel to the South line of the Southwest Quarter (SW/4) 370.7 feet to the point of beginning; subject to the restrictions concerning the resale and uses of the property contained in the contract for sale dated September 20, 1988, on file in the City Clerk's office.

SECTION 2: The Governing Body of the City of Beloit has conducted its annual review in accordance with Section 18 of the Statement of Policy and Procedures Tax Exemptions and Incentives for Economic Development and has determined that the qualifying criteria of the business for tax exemption-incentives continues to exist.

SECTION 3: A copy of the Ordinance, duly certified, shall be provided to the owner of the property and to the County Appraiser, Clerk and Treasurer.

SECTION 4: The Ordinance shall be published once in the official city newspaper.

PASSED and ADOPTED by the Governing Body and signed by the Mayor this 3rd day of March 2015.

Tom Naasz, Mayor

ATTEST:

Amanda Lomax, City Clerk





LANDOLL CORPORATION

1900 North St. • Marysville, Kansas 66508 • Phone (785) 562-5381

February 13, 2015

City of Beloit
119 N Hersey Avenue
Beloit KS 67420

Subject: 2006-421-EDX

Dear City Clerk,

Landoll Corporation's Beloit manufacturing plant is requesting continuing tax exemption for 2015.

The Beloit location designs and markets pull type industrial tools, scrapers, packers, and graders, which are sold through various dealers throughout the United States.

Please find enclosed the necessary documents to approve the exemption. If you need something further call me at 785-562-4709 or email desiree.nietfeld@landoll.com.

Sincerely,

Desiree Nietfeld
Landoll Corporation

Enc.



Remember: Quality is always a bargain!

ANNUAL CLAIM FOR EXEMPTION FROM PROPERTY TAXATION

To Be Filed with the County Appraiser on or before March 1st

See other side for instructions

Name & Address of Taxpayer:

County:

Mitchell

Landoll Corporation

Parcel I.D. No.:

062-093-0000-008-050

P.O. Box 111

Personal Prop No.:

010003035

Marysville KS 66508

Tax Year:

2015

County Use Only

Description on file Check if Yes

If Yes mail copy of form and written statement to PVD

NOTICE

This Annual Claim for Exemption by law must be accompanied by:

- (1) A Written Statement See instructions, other side and
- (2) A Description/List of Exempt Property See instructions, other side

1. I (we) Landoll Corporation, do hereby file a claim for property tax exemption for the tax year 2015, on the attached list of property.

2. The basis for the exemption is:

Board of Tax Appeals Order, Docket No. 2006-421-EDX.

3. The Board Order indicates that the property is exempt pursuant to:

- A. K.S.A. 79-201a *Second* (Industrial Revenue Bond-Funded Property)
- B. Article 11, Section 13 of the Kansas Constitution
- C. K.S.A. 79-221 (Certain Leased Property)
- D. Other decending exempt scale (explain).

4. The period of exemption set forth in the Board's Order is:

2006 through 2015.

5. If the property is only partially exempt or if a payment in lieu of tax must be made, please attach the agreement and/or uniform policy setting forth the terms.

6. Are you filing a claim for any property acquired *after* the Board of Tax Appeals issued the order exempting disclosed in number 2 above? no. If yes, please explain why you believe this property is exempt.

7. Has the *ownership* of the property for which you are filing a claim for exemption changed in the past year? no. If yes, attach a full explanation.

8. Has the *use* of the property for which you are filing a claim for exemption changed in since the Board determined that it was exempt? no. If yes, attach a full explanation.

I do hereby assert that the information furnished by me herein and in the attached schedules is true, accurate, and complete.

Applicant's Signature

Dan Coffrey

Date:

FEB. 12, 2015

Name & Title

Dan Coffrey VP Finance

Phone:

785 562-5381

EXEMPT REAL PROPERTY FORM

Supplemental page

If more than one building exists on a parcel identification number (PIN), please report only one building on each copy of the Exempt Real Property Form. The requested information is parcel specific. Make as many copies of this form as is necessary to report your exempt real property.

Firm Name: Landoll Corporation Parcel Id. #: 062-093-050-00-00-008.05-0
Docket Number: 2006-421-EDX Exempt Period: 2006-2015

Legal Description:
Tract of land located SW 1/4 of 5-7-7 W of 6th in Mitchell County KS located W of Beloit airport hangers

Is land acquisition associated with this exemption? Yes ___ No X

If land acquisition is associated with this exemption, then provide the following information:

What date was the land purchased? _____

What was the purchase price of the land? _____

- If this is an Industrial Revenue Bond (IRBX) exemption, provide the amount of bond funds spent on this parcel of land associated with this docket number:

If an improvement(s) is/are associated with this exemption, then provide the following information:

Building name and number (if applicable): Docket #2006-421-EDX

Description of the improvement: Metal building addition (50' x 150') See exhibit "A"

Date of completion: 1-31-05

Total square footage of the improvement: 7,500 sq. ft.

Provide the total cost of the improvement attributable to the exemption under this docket number: \$325,132.09

- If this is an Industrial Revenue Bond (IRBX) exemption, provide the amount of bond funds spent on the improvement associated with this docket number:

If an in-lieu-of payment agreement is associated with this exemption provide the following information:

Amount of in-lieu-of tax payment for _____ for this parcel:
Please attach a copy of the in-lieu-of tax agreement.

I do hereby assert that the information furnished by me herein and in the attached schedules is true, accurate, and complete.

Applicant's Signature Dan Caffrey Date: FEB 12, 2015
Name & Title Dan Caffrey VP Finance Phone: 785 562-5381

FIGURES FOR YEAR (1999)

TOTAL PAYROLL UP TO END OF DECEMBER, 1999-----\$671,298.00
TOTAL EMPLOYMENT---25 EMPLOYEES--PRESENTLY ADVERTISING TO HIRE 5
MORE EMPLOYEES

FIGURES FOR YEAR (2000)

TOTAL PAYROLL UP TO END OF DECEMBER, 2000----\$907,760.89
TOTAL EMPLOYMENT---30 FULL TIME EMPLOYEES ---8 PART TIME EMPLOYEES.

FIGURES FOR YEAR (2001)

TOTAL PAYROLL UP TO END OF DECEMBER, 2001----\$819,133.28
TOTAL EMPLOYMENT---31 FULL TIME EMPLOYEES --- 4 PART TIME EMPLOYEES.
5 FULL TIME SALES REPS. UNDER CONTRACT LABOR

FIGURES FOR YEAR (2002)

TOTAL PAYROLL UP TO END OF DECEMBER, 2002-----\$448,060.00
(WE WERE ON WORKSHARE PLAN FROM JULY TO DECEMBER, 2002)
BUSINESS HAS IMPROVED, WE ARE PRESENTLY HIRING.
TOTAL EMPLOYMENT ---21 FULL TIME EMPLOYEES---2 PART TIME EMPLOYEES.
2 FULL TIME SALES REPS UNDER CONTRACT LABOR

FIGURES FOR YEAR (2003)

TOTAL PAYROLL UP TO END OF DECEMBER, 2003----\$566,443.00
TOTAL EMPLOYMENT----34 FULL TIME EMPLOYEES--2 PART TIME EMPLOYEES.
WE WILL BE HIRING MORE EMPLOYEES AS BUSINESS PICKS UP.

FIGURES FOR YEAR (2004)

TOTAL PAYROLL UP TO END OF DECEMBER, 2004---\$975,974.80
TOTAL EMPLOYMENT--37 FULL TIME EMPLOYEES---3 PART TIME EMPLOYEES.
WE ARE HIRING MORE PEOPLE AT THIS TIME.

FIGURES FOR YEAR (2005)

TOTAL PAYROLL UP TO END OF DECEMBER, 2005--\$1,145,358.00
TOTAL EMPLOYMENT---40 FULL TIME EMPLOYEES---3 PART TIME EMPLOYEES.
WE HAVE HIRED 12 MORE EMPLOYEES AFTER 1/01/05

FIGURES FOR YEAR (2006)

TOTAL PAYROLL UP TO END OF DECEMBER, 2006---\$1,095,937.00
TOTAL EMPLOYMENT---32 FULL TIME EMPLOYEES---3 PART TIME EMPLOYEES.
WE HAD---53 FULL TIME---3 PART TIME--- UNTIL SEPT., 2006, (WE WENT ON
THE WORKSHARE PLAN FROM JULY TO DECEMBER, 2006.)
WE LAYED OFF SEVERAL EMPLOYEES IN SEPT. 06. BUSINESS HAS IMPROVED AND
WE ARE PRESENTLY HIRING SOME BACK.

FIGURES FOR YEAR (2007)

TOTAL PAYROLL TO END OF DECEMBER 2007---\$918,178.56
TOTAL EMPLOYMENT---27 FULL TIME EMPLOYEES---2 PART TIME EMPLOYEES.
WE HAVE HIRED 4 FULL TIME EMPLOYEES---1 PART TIME AFTER 1/1/07

FIGURES FOR YEAR (2008)

TOTAL PAYROLL TO END OF DECEMBER 2008---\$1,059,934.47
TOTAL EMPLOYMENT---30 FULL TIME EMPLOYEES---1 PART TIME EMPLOYEE.
WE HAVE HIRED 3 FULL TIME EMPLOYEES AND 0 PART TIME AFTER 1/1/08.
BUSINESS IS SLOW AND WE ARE NOT HIRING AT THE PRESENT TIME.

FIGURES FOR YEAR (2009)

TOTAL PAYROLL TO END OF DECEMBER 2009---\$ 639,574.45
TOTAL EMPLOYMENT—22 FULL TIME EMPLOYEES---1 PART TIME EMPLOYEE.
WE HAVE NOT HIRED ANY NEW EMPLOYEES AFTER 1/1/09.
BUSINESS IS SLOW AND WE ARE NOT HIRING AT THE PRESENT TIME.

FIGURES FOR YEAR (2010)

TOTAL PAYROLL TO END OF DECEMBER 2010---\$ 627,069.40
TOTAL EMPLOYMENT—19 FULL TIME EMPLOYEES---3 PART TIME EMPLOYEES.
WE WERE ABLE TO HIRE 1 PART TIME EMPLOYEE IN NOVEMBER AND HOPE TO
HIRE MORE EMPLOYEES IN THE SPRING OF 2011.

FIGURES FOR YEAR (2011)

TOTAL PAYROLL TO END OF DECEMBER 2011---\$ 846,905.82
TOTAL EMPLOYMENT—25 FULL TIME EMPLOYEES---4 PART TIME EMPLOYEES.
WE WERE ABLE TO ADD 6 FULL AND 1 PART TIME EMPLOYEE AND WILL BE
HIRING MORE IN 2012.

FIGURES FOR YEAR (2012)

TOTAL PAYROLL TO END OF DECEMBER 2012---\$1,550,069.00
TOTAL EMPLOYMENT—26 FULL TIME EMPLOYEES---2 PART TIME EMPLOYEES.

FIGURES FOR YEAR (2013)

TOTAL PAYROLL TO END OF DECEMBER 2013---\$1,828,508.75
TOTAL EMPLOYMENT—32 FULL TIME EMPLOYEES---1 PART TIME EMPLOYEE.

FIGURES FOR YEAR (2014)

TOTAL PAYROLL TO END OF DECEMBER 2014---\$1,925,565.13
TOTAL EMPLOYMENT—27 FULL TIME EMPLOYEES---2 PART TIME EMPLOYEES.

Exhibit "A"

Docket No. 2006-421-EDX

One (1) Nigata Machining Center Horizontal CNC

One (1) Yale Forklift, 5000 lbs.

One (1) Airless Blaster

One (1) Electric Forklift, 3700 lbs.

One (1) Bridge Crane plus accessories

One (1) Diamond Vogel Paint Equipment

One (1) Oscillating Sander

One (1) Big Joe Electric Forklift, 1000 lbs.

One (1) Supermax Vertical Machining Center

Cat 50 Tooling to Complete Nigata and Super Max CNC Machining Centers

Two (2) Lincoln Powerwave 455M Welders

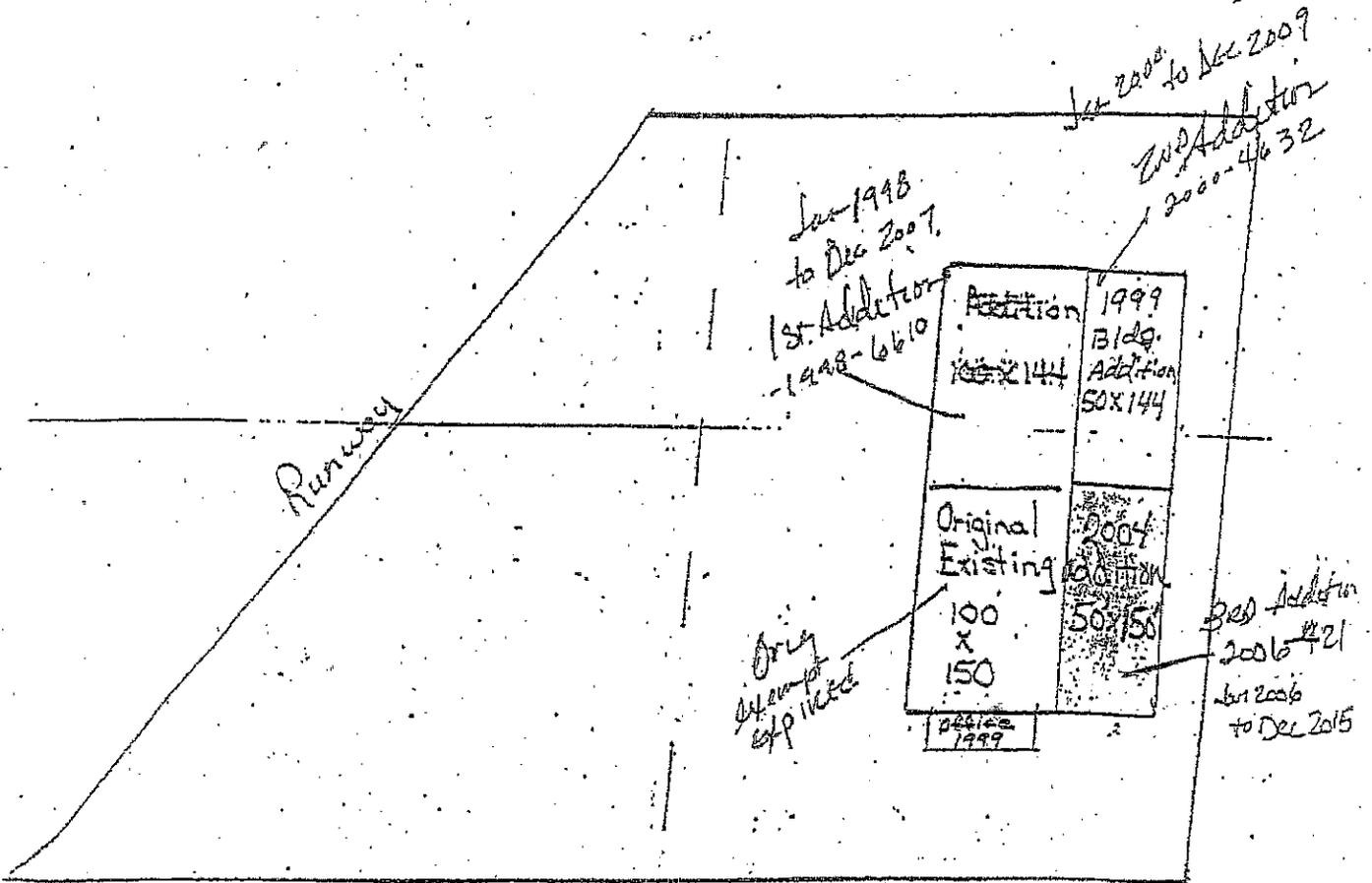
One (1) HP Server

ProE Software, Computer Peripherals, and Manufacturing Mas90 Software.

ICON INDUSTRIES, INC.
1600 WEST 8TH STREET
BELOIT, KS 67420

* See note

PHONE (785) 738-3547



REAL ESTATE DESCRIPTION:

A tract of land located in the southwest qtr. (S.W./4) of section five (5) township seven (7) south, range (7) west of the 6th p.m., in Mitchell / County, KS, located west of Beloit Airport hangers.

MEMO

TO: Mayor Roberts and City Council members

FROM: Harry W. Gantenbein

DATE: February 21, 2008

RE: ICON Industries, Inc., third expansion site tax exemption, for 2006- 2015

Section 8 of the Policies and Procedures for Tax Exemptions and Incentives for Economic Development lists several factors that the governing body should consider in granting tax exemption incentives. In addition to those factors, Section 10 states that the governing body should consider certain standards.

The governing body on June 7, 2005, adopted Ordinance No. 1998 which granted ICON Industries, Inc., exemption from ad valorem taxation for a period of ten years according to a descending scale which scales grants a 100% exemption for the first three years and then descends to 60% for the fourth, fifth and sixth years, and on to 30% the last four years. The exemption was not allowed until 2006 by the State Board of Tax Appeals and therefore, this is the third year of the exemption incentive period for the third expansion of ICON Industries, Inc. and based on the factors set forth in Section 8 and application of the standards provided for in Section 10, it is my recommendation that you grant a 100% tax abatement for 2008 and that the governing body adopt Ordinance 2045 to allow the abatement.

ICON INDUSTRIES TAX EXEMPTION MEMO
3rd Expansion Exemption Site - 2006 to 2015

POLICY AND PROCEDURES

10(A) BASE EXEMPTION - INCENTIVE

May grant 25% of property taxes due on projects with a minimum of \$50,000.00 of new capital investment and create a minimum of (3) three full-time jobs.

In Brinkers Case - base year they had

\$103,180.00 - capital investment for building	
\$199,705.00 - capital investment for equipment	
<u>\$ 50,000.00</u> - minimum capital required	\$50,000.00
\$252,885.00	

13 new jobs	
3 minimum required	
	+ <u>3 jobs</u>
	= 25%

10(b) ADDITIONAL EXEMPTIONS:

Governing Body may consider increasing the tax exemption incentive up to 100% by giving consideration to amount of capital investment and number of their jobs - based on the following scale:

(1) An additional 5% may be given for each additional new full time job above minimum

Brinker Case:
 13 jobs
03 minimum
 10 additional at 5% each = 50%

(2) An additional tax exemption incentive of 1% may be given for each additional \$25,000.00 of investment over the minimum.

Brinker Original Capital		
2006 - original building investment	\$103,180.00	
- original equipment investment	\$199,705.00	
- base exemption incentive	<u>\$ 50,000.00</u>	
- additional credit 1%	\$252,885.00	10%
Successor Years Capital Expense		
2007	<u>\$52,920.39</u>	
Total Additional Capital	\$52,920.39	<u>2%</u>

Balance of Additional Capital
for 1% = 12%

Totals to Date

10(a)	25%
10(b)(1)	50%
10(b)(2)	<u>12%</u>
TOTAL	87%

Section 10(c) allows for a descending exemption scale as follows:

Descending Exemption Scale - The actual tax exemption-incentive may be applied according to the following scale:

(1) Years 1, 2, 3	100%
(2) Years 4, 5, 6	60%
(3) Years 7, 8, 9, 10	30%

119 North Hersey Avenue
P O Box 567
Beloit, Kansas 67420



Tel No (785) 738-3551
Fax No (785) 738-2517
Email beloit@nckcn.com

March 5, 2008

Chris Treaster
Mitchell County Clerk
Courthouse
Beloit, Kansas 67420

RE: Tax Exemption of ICON Industries, Inc.
2006-2015 Third Addition

Dear Chris:

The governing body of the City of Beloit has received and reviewed the request and application from ICON Industries, Inc., for tax exemption for the 2008 tax year.

The governing body has concluded that ICON has met all of the requirements set forth and has granted a 100% tax abatement for the 3rd expansion exemption for 2008.

Sincerely,


Charlene Abell
City Clerk
City of Beloit

WRITTEN STATEMENT
OF THE CITY CLERK
OF THE CITY OF BELOIT
MITCHELL COUNTY, KANSAS

The following written statement is supplied as a requirement of K.S.A. 79-210. This exemption is subject to the submission of an annual claim for exemption to the Mitchell County Assessor on behalf of ICON Industries, Inc., Docket #2006-421-EDX for a tax exemption under Article 11, Section 13 of the Kansas Constitution.

I, Charlene Abell, the duly appointed City Clerk for the City of Beloit, Mitchell County, Kansas, do hereby certify that:

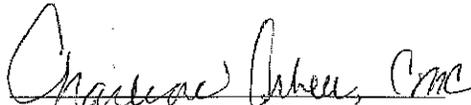
1. The governing body of the City of Beloit, Kansas has received and reviewed the applicant's request for exemption from property taxation on their 3rd building expansion according to the Policies and Procedures for Tax Exemption and Incentives for Economic Development.

2. On March 4, 2008, at its regular meeting, the governing body of the City of Beloit, Kansas approved the tax exemption request of the applicant for their 3rd building expansion as stated in the annual claim for exemption and described in the docket order from the State of Kansas, and adopted Ordinance 2045 which grants such exemption.

3. The applicant has met the requirements for an annual renewal as stated on the attached annual claim for exemption for property taxation.

4. The City of Beloit requests that the Mitchell County Assessor continue the existing tax exemption for the applicant listed in this statement for their original building site with a 100% tax abatement.

CITY OF BELOIT, KANSAS
A Kansas Municipality


Charlene Abell, City Clerk

REQUEST FOR COUNCIL ACTION

DATE:	TITLE:
March 3, 2015	Resolution 2015-9 Authorizing and Directing the Issuance, Sale of General Obligation Temporary Notes
ORIGINATING DEPARTMENT:	TYPE OF ACTION:
Administration	<input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> RESOLUTION
	<input type="checkbox"/> FORMAL ACTION <input type="checkbox"/> OTHER

RECOMMENDATION:

I recommend that the City Council approve Resolution 2015-9 Authorizing and Directing the Issuance, Sale of General Obligation Temporary Notes for street improvements at the North Campus and Silver Fox Additions.

FISCAL NOTE:

- The General Obligation Temporary Notes will have the principle amount of \$1,665,000.00.

DISCUSSION:

Resolution 2015-9 authorizes the city to issue GO Temporary Notes to finance the street improvements for North Campus and Silver Fox Additions.

Respectfully submitted,

Glenn Rodden
City Administrator

RESOLUTION NO. 2015-9

A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF GENERAL OBLIGATION TEMPORARY NOTES, SERIES 2015-1, OF THE CITY OF BELOIT, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX, IF NECESSARY, FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID NOTES AS THEY BECOME DUE; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, the City of Beloit, Kansas (the "Issuer") is a municipal corporation, duly created, organized and existing under the Constitution and laws of the State; and

WHEREAS, pursuant to the provisions of the laws of the State of Kansas applicable thereto, by proceedings duly had, the governing body of the Issuer has caused the following improvements (collectively the "Improvements") to be made in the City, to-wit:

<i>Project Description</i>	<i>Res. No.</i>	<i>Authority (K.S.A.)</i>	<i>Estimated Cost</i>
Paving Improvements/North Campus Addition	2014-20	12-6a01 et seq.	\$1,270,000
Paving Improvements/Silver Fox Estates	2014-22	12-6a01 et seq.	630,000

; and

WHEREAS, the governing body of the Issuer is authorized by law to issue general obligation bonds to pay a portion of the costs of the Improvements; and

WHEREAS, it is necessary for the Issuer to provide cash funds (from time to time) to meet its obligations incurred in constructing the Improvements prior to the completion thereof and the issuance of the Issuer's general obligation bonds, and it is desirable and in the interest of the Issuer that such funds be raised by the issuance of temporary notes of the Issuer pursuant to the Act; and

WHEREAS, none of such general obligation bonds heretofore authorized have been issued and the Issuer proposes to issue its temporary notes to pay the costs of the Improvements; and

WHEREAS, the governing body of the Issuer has advertised the sale of the Notes and at a meeting held in the City on this date, awarded the sale of such Notes to the best bidder; and

WHEREAS, the governing body of the Issuer hereby finds and determines that it is necessary for the Issuer to authorize the issuance and delivery of the Notes in the principal amount of \$1,665,000 to pay a portion of the costs of the Improvements.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF BELOIT, 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 Note 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, specifically including K.S.A. 10-123, K.S.A. 10-620 *et seq.*, and K.S.A. 12-6a01 *et seq.*, all as amended and supplemented from time to time.

“Authorized Denomination” means \$5,000 or any integral multiples thereof.

“Beneficial Owner” of the Notes includes any Owner of the Notes and any other Person who, directly or indirectly has the investment power with respect to any of the Notes.

“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.

“Business Day” means a day other than a Saturday, Sunday or holiday 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.

“Cede & Co.” means Cede & Co., as nominee of DTC.

“City” means the City of Beloit, Kansas.

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

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

“Consulting Engineer” means an independent engineer or engineering 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 Note Resolution.

“Costs of Issuance” means all costs of issuing the Notes, 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, and all expenses incurred in connection with receiving ratings on the Notes.

“Dated Date” means March 19, 2015.

“Debt Service Account” means the Debt Service Account for General Obligation Temporary Notes, Series 2015-1 (within the Bond and Interest Fund) created pursuant to *Section 501* hereof.

“Debt Service Requirements” means the aggregate principal payments and interest payments on the Notes 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 Note which is payable but not paid on any Interest 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 a 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.

“Disclosure Undertaking” means the Issuer's Omnibus Continuing Disclosure Undertaking relating to certain obligations contained in the SEC Rule.

“**DTC**” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository duly appointed.

“**DTC Representation Letter**” means the Blanket Letter of Representation from the Issuer and the Paying Agent to DTC which provides for a book-entry system, or any agreement between the Issuer and Paying Agent and a successor securities depository duly appointed.

“**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 Notes 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 Notes 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 Notes or in this Note Resolution (other than the covenants relating to continuing disclosure requirements) 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 Notes 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 of the Issuer 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 by or referred to in *Section 501* hereof.

“**Improvement Fund**” means the Improvement Fund for General Obligation Temporary Notes, Series 2015-1 created pursuant to *Section 501* hereof.

“**Improvements**” means the improvements referred to in the preamble to this Note Resolution and any Substitute Improvements.

“**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 Note Resolution.

“Interest Payment Date(s)” means the Stated Maturity of an installment of interest on any Note which shall be March 1 and September 1 of each year, commencing September 1, 2015.

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

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

“Maturity” when used with respect to any Note means the date on which the principal of such Note 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.

“Note Payment Date” means any date on which principal of or interest on any Note is payable.

“Note Register” means the books for the registration, transfer and exchange of Notes kept at the office of the Note Registrar.

“Note Registrar” means the State Treasurer and its successors and assigns.

“Note Resolution” means this resolution relating to the Notes.

“Notes” means the General Obligation Temporary Notes, Series 2015-1, authorized and issued by the Issuer pursuant to this Note Resolution.

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

(a) To the Issuer at:

City Hall
119 N. Hersey
Beloit, Kansas 67420
Fax: (785) 738-2517

(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:

[Purchaser]
[Purchaser Address]
[Purchaser City, State]
Fax: [Purchaser Fax No]

(d) To the Rating Agency(ies):

Moody's Municipal Rating Desk
7 World Trade Center
250 Greenwich Street
23rd Floor
New York, New York 10007

Standard & Poor's Ratings Services, a division of
McGraw Hill Financial Inc.
55 Water Street, 38th Floor
New York, New York 10004

"Notice Representative" means:

- (a) With respect to the Issuer, the Clerk.
- (b) With respect to the Note Registrar and Paying Agent, the Director of Bond Services.
- (c) With respect to any Purchaser, the manager of its Municipal Bond Department.
- (d) With respect to any Rating Agency, any Vice President thereof.

"Official Statement" means Issuer's Official Statement relating to the Notes.

"Outstanding" means, when used with reference to the Notes, as of a particular date of determination, all Notes theretofore authenticated and delivered, except the following Notes:

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

"Owner" when used with respect to any Note means the Person in whose name such Note is registered on the Note Register. Whenever consent of the Owners is required pursuant to the terms of this Note Resolution, and the Owner of the Notes, as set forth on the Note Register, is Cede & Co., the term Owner shall be deemed to be the Beneficial Owner of the Notes.

"Participants" means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

"Paying Agent" means the State Treasurer, and any successors and assigns.

"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 the principal amount of the Notes plus accrued interest to the date of delivery[, plus a premium of \$ _____] [, less an underwriting discount of \$ _____] [, less an original issue discount of \$ _____].

"Purchaser" means [Purchaser], [Purchaser City, State], the original purchaser of the Notes, and any successors and assigns.

"Rating Agency" means any company, agency or entity that provides financial ratings for the Notes.

"Record Dates" for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

"Redemption Date" when used with respect to any Note to be redeemed means the date fixed for the redemption of such Note pursuant to the terms of this Note Resolution.

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

"Replacement Notes" means Notes issued to the Beneficial Owners of the Notes in accordance with *Article II* hereof.

“**SEC Rule**” means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

“**Securities Depository**” means, initially, DTC, and its successors and assigns.

“**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**” means Standard & Poor's Ratings Services, a division of McGraw Hill Financial 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 Note or any installment of interest thereon means the date specified in such Note and this Note Resolution as the fixed date on which the principal of such Note or such installment of interest is due and payable.

“**Substitute Improvements**” means the substitute or additional improvements of the Issuer described in *Article V* hereof.

“**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.

ARTICLE II

AUTHORIZATION AND DETAILS OF THE NOTES

Section 201. Authorization of the Notes. There shall be issued and hereby are authorized and directed to be issued the General Obligation Temporary Notes, Series 2015-1, of the Issuer in the principal amount of \$1,665,000, 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 Notes. The Notes shall consist of fully registered notes in Authorized Denominations, and shall be numbered in such manner as the Note Registrar shall determine. All of the Notes shall be dated as of the Dated Date, shall become due in the amounts on the Stated

Maturity, subject to redemption and payment prior to the Stated Maturity as provided in *Article III* hereof, and shall bear interest at the rates per annum as follows:

Stated Maturity	Principal	Annual Rate
<u>September 1</u>	<u>Amount</u>	<u>of Interest</u>
2016	\$1,665,000	_____ %

The Notes shall bear interest at the above specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner set forth in *Section 204* hereof.

Each of the Notes, 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 Note Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Note and Note Registrar with respect to the registration, transfer and exchange of Notes. The Mayor of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Note Registrar and Paying Agent for the Notes.

The Issuer will at all times maintain a Paying Agent and Note 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 Note Registrar by (a) filing with the Paying Agent or Note Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Note Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Note Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Note Registrar shall become effective until a successor has been appointed and has accepted the duties of Paying Agent or Note Registrar.

Every Paying Agent or Note 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 Notes. The principal of, or Redemption Price, if any, and interest on the Notes 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.

The principal or Redemption Price of each Note shall be paid at Maturity to the Person in whose name such Note is registered on the Note Register at the Maturity thereof, upon presentation and surrender of such Note at the principal office of the Paying Agent. The interest payable on each Note on any Interest Payment Date shall be paid to the Owner of such Note as shown on the Note 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 Note 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 Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Notes, by electronic transfer to such Owner upon written notice given to the Note 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 Note shall cease to be payable to the Owner of such Note on the relevant Record Date and shall be payable to the Owner in whose name such Note 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 Note and the date of the proposed payment (which date shall be at least 45 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 Note entitled to such notice at the address of such Owner as it appears on the Note 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 Notes 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 Note Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Note Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Note Payment Date, and no interest shall accrue for the period after such Note Payment Date.

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

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

Notes 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 Note 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 Notes is exercised, the Note Registrar shall authenticate and deliver Notes in accordance with the provisions of this Note Resolution. The Issuer shall pay the fees and expenses of the Note Registrar for the registration, transfer and exchange of Notes provided for by this Note Resolution and the cost of printing a reasonable supply of registered note blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Note Registrar, are the responsibility of the Owners of the Notes. 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 Section 3406 of the Code, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Notes.

The Issuer and the Note Registrar shall not be required (a) to register the transfer or exchange of any Note 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 Note 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 Note is registered on the Note Register as the absolute Owner of such Note, whether such Note 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 Note 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 Note 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 Note Registrar, the Note Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Notes then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Note Registrar.

Section 207. Execution, Registration, Authentication and Delivery of Notes. Each of the Notes, including any Notes issued in exchange or as substitutions for the Notes 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 Notes in the manner herein specified, and to cause the Notes 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 Notes 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. The Notes shall be countersigned by the manual or facsimile signature of the Clerk and the seal of the Issuer shall be affixed or imprinted adjacent thereto following registration of the Notes by the Treasurer of the State of Kansas. In case any officer whose signature appears on any Notes ceases to be such officer before the delivery of such Notes, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Note may be signed by such persons who at the actual time of the execution of such Note are the proper officers to sign such Note although at the date of such Note such persons may not have been such officers.

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

The Notes 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 Note Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Notes that may be issued hereunder at any one time. No Note

shall be entitled to any security or benefit under this Note Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Note Registrar. Such executed certificate of authentication upon any Note shall be conclusive evidence that such Note has been duly authenticated and delivered under this Note Resolution. Upon authentication, the Note Registrar shall deliver the Notes to the Purchaser upon instructions of the Issuer or its representative.

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

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

Upon the issuance of any new Note under this Section, the Issuer 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 Note 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 Note Resolution equally and ratably with all other Outstanding Notes.

Section 209. Cancellation and Destruction of Notes Upon Payment. All Notes 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 Notes so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 210. Book-Entry Notes; Securities Depository. The Issuer and Paying Agent have entered into a DTC Representation Letter with DTC. The Notes shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Notes, except in the event the Note Registrar issues Replacement Notes as provided in this Section. It is anticipated that during the term of the Notes, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Notes to the Participants until and unless the Note Registrar authenticates and delivers Replacement Notes to the Beneficial Owners as described in the following paragraph.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or

(3) that the continuation of a book-entry system to the exclusion of any Notes being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Notes; or

(b) if the Note Registrar receives written notice from Participants having interests in not less than 50% of the Notes Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Notes being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Notes, then the Note Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to Owners requesting the same, and the Note Registrar shall register in the name of and authenticate and deliver Replacement Notes to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Note Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Note. Upon the issuance of Replacement Notes, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Note Registrar, to the extent applicable with respect to such Replacement Notes. If the Securities Depository resigns and the Issuer, the Note Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Note Registrar shall authenticate and cause delivery of Replacement Notes to Owners, as provided herein. The Note Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Notes. The cost of printing, registration, authentication, and delivery of Replacement Notes shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Note Registrar receives written evidence satisfactory to the Note Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Note Registrar upon its receipt of a Note or Notes for cancellation shall cause the delivery of Notes to the successor Securities Depository in appropriate denominations and form as provided herein.

Section 211. Nonpresentment of Notes. If any Note is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Note have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Note 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 Note, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Note Resolution or on, or with respect to, said Note. If any Note is not presented for payment within four (4) years following the date when such Note 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 Note, and such Note 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 212. Preliminary and Final Official Statement. The Preliminary Official Statement dated February 3, 2015, is hereby ratified and approved.

The Official Statement is hereby authorized to be prepared by supplementing, amending and completing the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Mayor or chief financial officer of the Issuer are hereby authorized to execute the final Official Statement as so supplemented, amended and completed, and the use and public distribution of the final Official Statement by the Purchaser in connection with the reoffering of the Notes is hereby authorized. The proper officials of the Issuer are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the Issue Date.

The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Notes sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the SEC Rule and Rule G-32 of the Municipal Securities Rulemaking Board.

Section 213. Sale of the Notes. The sale of the Notes to the Purchaser is hereby ratified and confirmed. The Mayor and Clerk are hereby authorized to execute the official bid form submitted by the Purchaser. Delivery of the Notes shall be made to the Purchaser on the Issue Date (which shall be as soon as practicable after the adoption of this Note Resolution), upon payment of the Purchase Price.

ARTICLE III

REDEMPTION OF NOTES

Section 301. Redemption by Issuer.

Optional Redemption. At the option of the Issuer, the Notes will be subject to redemption and payment prior to maturity March 1, 2016, and thereafter, as a whole or in part (selection of the amount of Notes 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.

Section 302. Selection of Notes to be Redeemed. Notes shall be redeemed only in an Authorized Denomination. When less than all of the Notes are to be redeemed and paid prior to their Stated Maturity, such Notes shall be redeemed in such manner as the Issuer shall determine. Notes of less than a full Stated Maturity shall be selected by the Note Registrar in a minimum Authorized Denomination of principal amount in such equitable manner as the Note Registrar may determine.

In the case of a partial redemption of Notes by lot when Notes of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each minimum Authorized Denomination of face value shall be treated as though it were a separate Note 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 Note is selected for redemption, then upon notice of intention to redeem a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Note to the Note Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Note or Notes of the aggregate principal amount of the

unredeemed portion of the principal amount of such Note. If the Owner of any such Note fails to present such Note to the Paying Agent for payment and exchange as aforesaid, such Note 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 Notes for redemption prior to maturity, written notice of such intent shall be provided to the Note Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Note Registrar shall call Notes for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Note 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 Notes 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 this Section are met.

Unless waived by any Owner of Notes to be redeemed, if the Issuer shall call any Notes for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Notes to the Note Registrar and the Purchaser. In addition, the Issuer shall cause the Note Registrar to give written notice of redemption to the Owners of said Notes. 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 Notes are to be redeemed, the identification (and, in the case of partial redemption of any Notes, the respective principal amounts) of the Notes to be redeemed;
- (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Note 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 Notes 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 Notes or portions of Notes that are to be redeemed on such Redemption Date.

For so long as the Securities Depository is effecting book-entry transfers of the Notes, the Note Registrar shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Note (having been mailed notice from the Note Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Note so affected, shall not affect the validity of the redemption of such Note.

Official notice of redemption having been given as aforesaid, the Notes or portions of Notes 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 Notes or portion of Notes shall cease to bear interest. Upon surrender of such Notes for redemption in accordance with such notice, the Redemption Price of such Notes 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 Note, there shall be prepared for the Owner a new Note or Notes of the same Stated Maturity in the amount of the unpaid principal as provided herein. All Notes 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, the Issuer shall provide such notices of redemption as are required by the Disclosure Undertaking. Further notice may be given by the Issuer or the Note 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 Notes being redeemed; (2) the date of issue of the Notes as originally issued; (3) the rate of interest borne by each Note being redeemed; (4) the maturity date of each Note being redeemed; and (5) any other descriptive information needed to identify accurately the Notes 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 Note Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Notes and to one or more national information services that disseminate notices of redemption of obligations such as the Notes.

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

ARTICLE IV

SECURITY FOR NOTES

Section 401. Security for the Notes. The Notes shall be general obligations of the Issuer payable as to both principal and interest in part from special assessments levied upon the property benefited by the construction of the Improvements, or from general obligation bonds of the Issuer, and if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the 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 Notes as the same become due.

Section 402. Levy and Collection of Annual Tax. The governing body of the Issuer shall annually make provision for the payment of principal of, premium, if any, and interest on the Notes as the same become due, if necessary, by 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 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 deposited in the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Notes as and when the same become due, 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 Notes 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 NOTE PROCEEDS

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

- (a) Improvement Fund for General Obligation Temporary Notes, Series 2015-1.
- (b) Debt Service Account for General Obligation Temporary Notes, Series 2015-1.

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

Section 502. Deposit of Note Proceeds. The net proceeds received from the sale of the Notes shall be deposited simultaneously with the delivery of the Notes as follows:

(a) All accrued interest and premium, if any, received from the sale of the Notes and \$[_____], representing interest on the Notes during construction of the Improvements shall be deposited in the Debt Service Account.

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

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 of the Issuer 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 of the Issuer; and (b) paying Costs of Issuance.

Withdrawals from the Improvement Fund shall be made only when authorized by the governing body of the Issuer and only on duly authorized and executed warrants therefor accompanied by a certificate executed by the Clerk (or designate) that such payment is being made for a purpose within the scope of this Note 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 Note Resolution. Upon completion of the Improvements, any surplus remaining in the Improvement Fund shall be deposited in the Debt Service Account.

Section 504. Substitution of Improvements; Reallocation of Proceeds.

(a) The Issuer may elect for any reason to substitute or add other public improvements to be financed with proceeds of the Notes provided the following conditions are met: (1) the Substitute Improvement and the issuance of general obligation bonds to pay the cost of the Substitute Improvement has been duly authorized by the governing body of the Issuer in accordance with the laws of the State; (2) a resolution authorizing the use of the proceeds of the Notes to pay the Financeable Costs of the Substitute Improvement has been duly adopted by the governing body of the Issuer pursuant to this Section, (3) the Attorney General of the State has approved the amendment made by such resolution to the transcript of proceedings for the Notes to include the Substitute Improvements; and (4) the use of the proceeds of the Notes to pay the Financeable Cost of the Substitute Improvement will not adversely affect the tax-exempt status of the Notes under State or federal law.

(b) The Issuer may reallocate expenditure of Note proceeds among all Improvements financed by the Notes; provided the following conditions are met: (1) the reallocation is approved by the governing body of the Issuer; (2) the reallocation shall not cause the proceeds of the Notes allocated to any Improvement to exceed the Financeable Costs of the Improvement; and (3) the reallocation will not adversely affect the tax-exempt status of the Notes under State or federal law.

Section 505. 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 Notes as and when the same become due and the usual and customary fees and expenses of the Note 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 Notes and the fees and expenses of the Note Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent, if other than the Issuer, 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 Note Registrar and Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Notes are no longer entitled to enforce payment of the Notes 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 Note Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Notes entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the indebtedness for which the Notes were issued shall be transferred and paid into the Bond and Interest Fund.

Section 506. 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 depositaries 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 Note 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 be credited to the Debt Service Account.

ARTICLE VI

DEFAULT AND REMEDIES

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

Section 602. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Notes shall be for the equal benefit, protection, and security of the Owners of any or all of the Notes, all of which Notes shall be of equal rank and without preference or priority of one Note over any other Note in the application of the funds herein pledged to the payment of the principal of and the interest on the Notes, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Note 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 Notes.

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 Note 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 Notes by this Note 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 Notes 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 Notes, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Note Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Notes or scheduled interest payments thereon so paid and discharged. Notes, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Note 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 Notes 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 Notes 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 Notes, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Notes, 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 Note Registrar to give such notice of redemption in compliance with *Article III*. 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 Notes, 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 Notes, 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 Note Resolution.

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 Notes; 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 Notes 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 Notes pursuant to *Article VII* hereof or any other provision of this Note Resolution until such time as is set forth in the Federal Tax Certificate.

ARTICLE IX

CONTINUING DISCLOSURE REQUIREMENTS

Section 901. Disclosure Requirements. The Issuer hereby covenants with the Purchaser and the Beneficial Owners to provide and disseminate such information as is required by the SEC Rule and as further set forth in the Disclosure Undertaking, the provisions of which are incorporated herein by reference. Such covenant shall be for the benefit of and enforceable by the Purchaser and the Beneficial Owners.

Section 902. Failure to Comply with Continuing Disclosure Requirements. In the event the Issuer fails to comply in a timely manner with its covenants contained in the preceding section, the Purchaser and/or any Beneficial Owner may make demand for such compliance by written notice to the Issuer. In the event the Issuer does not remedy such noncompliance within 10 days of receipt of such written notice, the Purchaser or any Beneficial Owner may in its discretion, without notice or demand, proceed to enforce compliance by a suit or suits in equity for the specific performance of such covenant or agreement contained in the preceding section or for the enforcement of any other appropriate legal or equitable remedy, as the Purchaser and/or any Beneficial Owner shall deem effectual to protect and enforce any of the duties of the Issuer under such preceding section.

ARTICLE X

MISCELLANEOUS PROVISIONS

Section 1001. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. 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 the Purchaser. 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 Notes, 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 of the Issuer shall review such audit, and if the audit discloses that

proper provision has not been made for all of the requirements of this Note Resolution, the Issuer shall promptly cure such deficiency.

Section 1002. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Notes or of this Note Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Notes 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 Note;
- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Note;
- (c) permit preference or priority of any Note over any other Note; or
- (d) reduce the percentage in principal amount of Notes required for the written consent to any modification or alteration of the provisions of this Note Resolution.

Any provision of the Notes or of this Note Resolution may, however, be amended or modified by resolution duly adopted by the governing body of the Issuer at any time in any legal respect with the written consent of the Owners of all of the Notes at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Note 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 Notes among Improvements, to provide for Substitute Improvements, to conform this Note 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 Notes or of this Note 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 of the Issuer amending or supplementing the provisions of this Note Resolution and shall be deemed to be a part of this Note Resolution. A certified copy of every such amendatory or supplemental resolution, if any, and a certified copy of this Note 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 Note or a prospective purchaser or owner of any Note authorized by this Note Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental resolution or of this Note 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 Notes then Outstanding. It shall not be necessary to note on any of the Outstanding Notes any reference to such amendment or modification.

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

Section 1003. 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 Notes, if made in the following manner, shall be sufficient for any of the purposes of this Note 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 Notes, the amount or amounts, numbers and other identification of Notes, and the date of holding the same shall be proved by the Note Register.

In determining whether the Owners of the requisite principal amount of Notes Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Note Resolution, Notes owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Note 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 Notes which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Notes 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 Notes and that the pledgee is not the Issuer.

Section 1004. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Note 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 1005. Electronic Transactions. The issuance of the Notes and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

Section 1006. 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 Note 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 1007. Severability. If any section or other part of this Note 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 Note Resolution.

Section 1008. Governing Law. This Note Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 1009. Effective Date. This Note Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

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ADOPTED by the governing body of the Issuer on March 3, 2015.

(SEAL)

Mayor

ATTEST:

Clerk

CERTIFICATE

I hereby certify that the above and foregoing is a true and correct copy of the Note Resolution of the Issuer adopted by the governing body on March 3, 2015, as the same appears of record in my office.

DATED: March 3, 2015.

Clerk

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EXHIBIT A
(FORM OF NOTES)

**REGISTERED
NUMBER _____**

**REGISTERED
\$**

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York Corporation (“DTC”), to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), **ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL** inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF MITCHELL
CITY OF BELOIT
GENERAL OBLIGATION TEMPORARY NOTE
SERIES 2015-1**

**Interest
Rate:**

**Maturity
Date:**

**Dated
Date: March 19, 2015**

CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Beloit, in the County of Mitchell, 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 Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing September 1, 2015 (the “Interest Payment Dates”), until the Principal Amount has been paid.

Method and Place of Payment. The principal or redemption price of this Note shall be paid at maturity or upon earlier redemption to the person in whose name this Note is registered at the maturity or redemption date thereof, upon presentation and surrender of this Note at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Note Registrar”). The interest payable on this Note on any Interest Payment Date shall be paid to the person in whose name this Note is registered on the registration books maintained by the Note Registrar at the close of business on

the Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. Such interest shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Note Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Notes, by electronic transfer to such Owner upon written notice given to the Note Registrar by such Registered 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 Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Notes 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 Note Resolution.

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

ADDITIONAL PROVISIONS OF THIS NOTE ARE CONTINUED ON THE REVERSE HEREOF AND SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

Authentication. This Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the hereinafter defined Note Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Note 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 Note 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 notes, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Note 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 BELOIT, KANSAS

(Facsimile Seal)

By: _____ (manual or facsimile)
Mayor

ATTEST:

By: _____ (manual or facsimile)
Clerk

This General Obligation Temporary Note shall not be negotiable unless and until countersigned below following registration by the Treasurer of the State of Kansas.

(Facsimile Seal)

_____ (manual or facsimile)

Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Note is one of a series of General Obligation Temporary Notes, Series 2015-1, of the City of Beloit, Kansas, described in the within-mentioned Note Resolution.

Registration Date: _____

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

By _____

Registration Number: _____

(FORM OF REVERSE SIDE OF NOTE)

ADDITIONAL PROVISIONS

Authorization of Notes. This Note is one of an authorized series of Notes of the Issuer designated "General Obligation Temporary Notes, Series 2015-1," aggregating the principal amount of \$1,665,000 (the "Notes") issued for the purposes set forth in the Resolution of the Issuer authorizing the issuance of the Notes (the "Note Resolution"). The Notes 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. 10-123 and K.S.A. 12-6a01 et seq., as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

General Obligations. The Notes constitute general obligations of the Issuer payable as to both principal and interest in part from special assessments levied upon the property benefited by the construction of certain Improvements (as said term is described in the Note Resolution), or from the proceeds of general obligation bonds of the Issuer, and if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby pledged for the payment of the principal of and interest on this Note and the issue of which it is a part as the same respectively become due.

Redemption Prior to Maturity. The Notes are subject to redemption prior to maturity, as follows:

Optional Redemption. At the option of the Issuer, the Notes will be subject to redemption and payment prior to maturity on March 1, 2016 and thereafter, as a whole or in part (selection of the amount of Notes 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.

Redemption Denominations. Whenever the Note Registrar is to select Notes for the purpose of redemption, it shall, in the case of Notes in denominations greater than a minimum Authorized Denomination, if less than all of the Notes then outstanding are to be called for redemption, treat each minimum Authorized Denomination of face value of each such Note as though it were a separate Note in the denomination of a minimum Authorized Denomination.

Notice of Redemption. Notice of redemption, unless waived, shall be given by the Issuer to the Purchaser of the Notes and to the Note Registrar in accordance with the Note Resolution. The Issuer shall cause the Note Registrar to notify each Registered Owner at the address maintained on the Note Register, such notice to be given by mailing an official notice of redemption by first class mail at least 30 days prior to the redemption date. Notice of redemption having been given as aforesaid, the Notes or portions of Notes to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer defaults in the payment of the redemption price), such Notes or portions of Notes shall cease to bear interest.

Book-Entry System. The Notes are being issued by means of a book-entry system with no physical distribution of note certificates to be made except as provided in the Note Resolution. One Note certificate with respect to each date on which the Notes are stated to mature or with respect to each form of Notes, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Notes by the Securities Depository's participants, beneficial ownership of the Notes in Authorized Denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Issuer and the Note Registrar will recognize the Securities Depository nominee, while the Registered Owner of this Note, as the owner of this Note for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Note, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Notes by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Issuer and the Note Registrar will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Note, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Note shall be made in accordance with existing arrangements among the Issuer, the Note Registrar and the Securities Depository.

Transfer and Exchange. **EXCEPT AS OTHERWISE PROVIDED IN THE NOTE RESOLUTION, THIS GLOBAL NOTE MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.** This Note may be transferred or exchanged, as provided in the Note Resolution, only on the Note Register kept for that purpose at the principal office of the Note Registrar, upon surrender of this Note together with a written instrument of transfer or authorization for exchange satisfactory to the Note Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Note or Notes 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 Note 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 Notes and the cost of a reasonable supply of note blanks. The Issuer and the Paying Agent may deem and treat the

person in whose name this Note is registered on the Note 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 Notes 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 Notes:

GILMORE & BELL, P.C.
Attorneys at Law
100 N. Main Suite 800
Wichita, Kansas 67202

(PRINTED LEGAL OPINION)]

NOTE ASSIGNMENT

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

(Name and Address)

(Social Security or Taxpayer Identification No.)

the Note to which this assignment is affixed in the outstanding principal amount of \$ _____, standing in the name of the undersigned on the books of the Note Registrar. The undersigned do(es) hereby irrevocably constitute and appoint _____ as agent to transfer said Note on the books of said Note 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 MITCHELL)

The undersigned, Clerk of the City of Beloit, Kansas, does hereby certify that the within Note has been duly registered in my office according to law as of March 19, 2015.

WITNESS my hand and official seal.

(Facsimile Seal)

_____ (facsimile)

Clerk

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

RON ESTES, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Note has been filed in the office of the State Treasurer, and that this Note was registered in such office according to law on _____.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____ (facsimile)

Treasurer of the State of Kansas

FEDERAL TAX CERTIFICATE

Dated as of March 19, 2015

OF

THE CITY OF BELOIT, KANSAS

\$1,665,000
GENERAL OBLIGATION TEMPORARY NOTES
SERIES 2015-1

FEDERAL TAX CERTIFICATE

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- E. SAMPLE ANNUAL COMPLIANCE CHECKLIST
- F. SAMPLE FINAL WRITTEN ALLOCATION
- [G. ALLOCATION OF SOURCES AND USES]

Schedule 1 Debt Service Schedule and Proof of Yield

* * *

FEDERAL TAX CERTIFICATE

THIS FEDERAL TAX CERTIFICATE (the “Tax Certificate”) is executed as of March 19, 2015 (the “Issue Date”), by the City of Beloit, Kansas (the “Issuer”).

RECITALS

1. This Tax Certificate is being executed and delivered in connection with the issuance by the Issuer of \$1,665,000 principal amount of General Obligation Temporary Notes, Series 2015-1 (the “Notes”), under the Note Resolution (as defined herein), for the purposes described in this Tax Certificate and in the Note 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 Note proceeds and of certain other money relating to the Notes and set forth the conditions under which the interest on the Notes 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 Note proceeds and the property financed or refinanced with those proceeds and the Investment of the Note proceeds and of certain other related money, in order to establish and maintain the exclusion of the interest on the Notes 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 Notes.

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 Note 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 Note 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 Notes for the immediately preceding Bond Year.

“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 Year” means each one-year period (or shorter period for the first Bond Year) ending September 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 being financed or refinanced with the proceeds of the Notes as described in the Note 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 Notes, 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 Notes, (d) any amounts held in a pledged fund or reserve fund for the Notes, 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;

“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 being acquired, developed, constructed, renovated, and equipped by the Issuer using Note 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 March 19, 2015.

“**Issuer**” means the City of Beloit, 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 Notes 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 Notes.

“**Net Proceeds**” means, when used in reference to the Notes, the sale proceeds of the Notes (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 Note 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 Note 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.

“**Note**” or “**Notes**” means any note or notes described in the recitals, authenticated and delivered under the Note Resolution.

“**Note Resolution**” means Resolution No. _____ of the Issuer duly adopted by the governing body of the Issuer on March 3, 2015 as originally executed by the Issuer as amended and supplemented in accordance with the provisions of the Note Resolution.

“**Opinion of Bond Counsel**” means the written opinion of Bond Counsel to the effect that the proposed action or the failure to act will not adversely affect the exclusion of the interest on the Notes from gross income for federal income tax purposes.

“Output Contract” is defined in Regulations § 1.141-7 and generally includes any contract with a Non-Qualified User that provides for the purchase of the output of Financed Improvements. A similar contract with a Qualified User is not an Output Contract.

“Post-Issuance Tax Requirements” means those requirements related to the use of proceeds of the Notes, the use of the Financed Improvements and the investment of Gross Proceeds after the Issue Date of the Notes.

“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 Notes; and (b) costs incurred in an amount not in excess of the lesser of \$100,000 or 5% of the sale proceeds of the Notes.

“Proposed Regulations” means the proposed arbitrage regulations REG 106143-07 (published at 72 Fed. Reg. 54606 (Sept. 26, 2007)).

“Purchaser” means [Purchaser], [Purchaser City, State], the original purchaser of the Notes, 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 Notes.

“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 April 2, 2013.

“Tax-Exempt Bond File” means documents and records for the Notes, 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 Notes.

“Yield” means yield on the Notes, 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 second class, duly created, organized and existing under the Constitution and laws of the State, (2) has lawful power and authority to issue the Notes for the purposes set forth in the Note Resolution, to enter into, execute and deliver the Note Resolution, the Notes, 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 Note Resolution, the Notes, and this Tax Certificate, acting by and through its duly authorized officials.

(b) **Tax-Exempt Status of Notes—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 Notes, whether or not such money was derived from the proceeds of the sale of the Notes or from any other source, in a manner that would cause the Notes 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 Note 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 Notes 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 obtaining an Opinion of 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 an Opinion of Bond Counsel, as necessary to maintain the exclusion of the interest on the Notes 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 Notes.

(d) **Governmental Obligations—Private Security or Payment.** As of the Issue Date the Issuer expects that none of the principal and interest on the Notes will be (under the terms of the Notes or any underlying arrangement) directly or indirectly:

(1) secured by (i) any interest in property used or to be used for a private business 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 private business 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 Notes without first obtaining an Opinion of Bond Counsel.

(e) **No Private Loan, Special Assessments.** Not more than 5% of the net proceeds of the Notes will be loaned directly or indirectly to any Non-Qualified User. The payment of principal and interest on the Notes will be funded, in whole or in part from mandatory special assessments against the property benefiting from the Financed Improvements financed by the Notes. The use of the proceeds of the Notes is not treated as a loan of the Note proceeds because (1) the special assessment is an enforced contribution for the purpose of raising revenue for specific capital improvements; (2) the assessment does not include any fee for services; (3) the assessment and collection of the tax is not dependent upon, and does not vary, depending on whether the taxpayer engaged, or the property is used, in a trade or business; and (4) the tax is imposed to pay for an essential governmental function.

(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 obtaining an Opinion of 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 obtaining an Opinion of Bond Counsel.

(h) **Output Contracts.** As of the Issue Date, the Issuer does not have any “Output Contract.” During the Measurement Period, the Issuer will not enter into any “Output Contract,” without first obtaining an Opinion of Bond Counsel.

(i) **Limit on Maturity of Notes.** 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 Notes of [] years, as computed by Bond Counsel, does not exceed 120% of the average reasonably expected economic life of the Financed Improvements.

(j) **Expenditure of Note 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 and to reimburse the Issuer for expenditures made for the Financed Improvements prior to the issuance of those bonds. The resolutions are contained in Tabs 1 and 2 of the Transcript. No portion of the Net Proceeds of the Notes 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 [****Use if prior expenditures:** and except as described on **Schedule 2.02(i)**. Each expenditure listed on **Schedule 2.01(j)** may be reimbursed from the proceeds of the Notes for the reasons permitted under Regulations § 1.150-2(f)**]. The Issuer will evidence each allocation of the proceeds of the Notes 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 Note Proceeds to Expenditures.** The Issuer understands that, under Regulations § 1.148-6(d), the Issuer is required to account for the allocation of Note proceeds to Improvement expenditures (including expenditures made before and after the Issue Date of the Note) 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 Notes 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 Note 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 Note 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 Note 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 Note proceeds will be deemed allocated as shown on **Exhibit D**.

(k) **Registered Notes.** The Note Resolution requires that all of the Notes will be issued and held in registered form within the meaning of Code § 149(a).

(l) **Notes Not Federally Guaranteed.** The Issuer will not take any action or permit any action to be taken which would cause any Note to be “federally guaranteed” within the meaning of Code § 149(b).

(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 Notes will be used to carry out the governmental purpose of the Notes within 3 years after the Issue Date, and not more than 50% of the proceeds of the Notes will be invested in Investments having a substantially guaranteed Yield for four years or more.

(o) **Single Issue; No Other Issues.** The Notes 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 Notes, (2) are being sold under the same plan of financing as the Notes, and (3) are expected to be paid from substantially the same source of funds as the Notes (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 Notes. The Issuer will not enter into any such arrangement in the future without obtaining an Opinion of 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 Notes. 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 Notes 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 Notes are issued, including the Notes, 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 Notes are issued, including the Notes, in an aggregate principal amount or aggregate issue price in excess of \$10,000,000, without first obtaining an Opinion of Bond Counsel that the designation of the Notes as “qualified tax-exempt obligations” will not be adversely affected.]**

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 Notes, 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 Notes.

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 Note proceeds and other money, in order to support the Issuer's conclusion that the Notes 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 Notes.

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 Notes 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 Note Resolution:

- (a) Improvement Fund.
- (b) Debt Service Account.

Section 3.05 Amount and Use of Note Proceeds.

(a) **Amount of Note Proceeds.** The total proceeds to be received by the Issuer from the sale of the Notes are as evidenced in *Exhibit B* attached to this Tax Certificate.

(b) **Use of Note Proceeds.** The Note proceeds are expected to be allocated to expenditures as follows:

(1) All accrued interest and any premium will be deposited in the Debt Service Account and allocated to pay interest on the Notes. In addition, \$[_____], representing interest on the Notes during construction of the Improvements will be deposited in the Debt Service Account and will be used to pay interest on the Notes coming due on or prior to [_____, 20__].

(2) The remaining Note proceeds in the amount of \$[_____] will be deposited in the Improvement Fund. The Issuer will be reimbursed for costs of the Financed Improvements paid before the Issue Date, if any, in the amount(s) set forth on *Exhibit D* and the balance will be used to pay costs of the Financed Improvements.

Section 3.06 Multipurpose Issue. The Issuer is applying the arbitrage rules to separate financing purposes of the issue as if they constitute separate issues pursuant to Regulations § 1.148-9(h)(2). Under Regulations § 1.148-9(h), each separate capital project (i.e., capital projects that are not integrated or functionally related) financed or refinanced with proceeds of the Notes will be treated as a separate issue for purposes of applying certain of the arbitrage restrictions under Code § 148. The sale proceeds of the Notes allocable to each purpose are set forth on *Exhibit [D]* hereto.

Section 3.07 No Refunding. No proceeds of the Notes 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 Notes on the Financed Improvements. The completion of the Financed Improvements and the allocation of the Net Proceeds of the Notes to expenditures will proceed with due diligence. At least 85% of the Net Proceeds of the Notes 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 Notes. 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 Notes 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 Notes 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 Notes.

(b) *No Replacement or Pledged Funds.* None of the Note 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 Notes if the Issuer encounters financial difficulty.

Section 3.11 Purpose Investment Yield. The proceeds of the Notes will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

Section 3.12 Offering Prices and Yield on Notes.

(a) *Offering Prices.* On *Exhibit C*, the Purchaser has certified that (1) all of the Notes have been the subject of an initial offering to the public at prices no higher than those shown on such *Exhibit C*, without accrued interest (the "Offering Prices"); and (2) the Purchaser expects that at least 10% of the Notes will be sold to the public at initial offering prices no higher than said Offering Prices. The aggregate initial offering price of the Notes is \$[____], without accrued interest.

(b) *Note Yield.* Based on the Offering Prices, the Yield on the Notes is [____]%, 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 Notes.

Section 3.13 Miscellaneous Arbitrage Matters.

(a) *No Abusive Arbitrage Device.* The Notes 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 Notes, together with expected Investment earnings thereon and other money contributed by the Issuer, do not exceed the cost of the governmental purpose of the Notes 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 Note proceeds will be used in a manner that would cause any Note 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 Notes are issued. The Issuer recognizes that interest on the Notes 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 Notes to be refinanced with tax-exempt obligations and substantiate the position that interest on the Notes is exempt from gross income in the event of an audit of the Notes 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 Notes and to supplement any other formal policies and procedures related to the Post-Issuance 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 participate in any federal income tax audit of the Notes 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 Notes and the Issuer shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Note Resolution or State law.

Section 4.02 Record Keeping; Use of Note Proceeds and Use of Financed Improvements.

(a) **Record Keeping.** The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Notes in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in a written Opinion of 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 Notes or (2) any obligation issued to refund the Notes. 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 Note Proceeds to Expenditures.** The Bond Compliance Officer will account for the investment and expenditure of Note proceeds in the level of detail required by the Tax Compliance Procedure. The Bond Compliance Officer will supplement the expected allocation of Note proceeds to expenditures with a Final Written Allocation as required by the Tax Compliance Procedure. A sample form of Final Written Allocation is attached as *Exhibit F*.

(c) **Annual Compliance Checklist.** Attached as *Exhibit E* is a sample Annual Compliance Checklist for the Notes. 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 an Opinion of Bond Counsel or **Section 4.4** of the Tax Compliance Procedure to correct any deficiency.

(d) **Opinions of Bond Counsel.** The Bond Compliance Officer is responsible for obtaining and delivering to the Issuer any Opinion of 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 Notes:

(a) **Improvement Fund.** Note proceeds deposited in the Improvement Fund 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 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 Notes 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) as amended by the Proposed Regulations (relating to electronic bidding of Guaranteed Investment Contracts) to the Notes. 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 Note 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:

(1) At least 3 bids on the Investment must be received from persons with no financial interest in the Notes (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.

(a) **The Notes Qualify as a Rebate-Exempt Small Issue.**

(1) The Issuer is a governmental unit under State law with general taxing powers;

(2) No Note is a "private activity bond" as defined in Code § 141;

(3) 95% or more of the Net Proceeds of the Notes 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), build America bonds as defined in Code § 54AA, recovery zone economic development bonds as defined in Code § 1400U-2, 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 Notes 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 Notes and will continue in force and effect until the principal of, redemption premium, if any, and interest on all Notes have been fully paid and all such Notes 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 Note Owners, but only if such amendment is in writing and is accompanied by an Opinion of Bond Counsel to the effect that, under then-existing law, assuming compliance with this Tax Certificate as so amended and the Note Resolution, such amendment will not cause any Note to be an arbitrage bond under Code § 148 or otherwise cause interest on any Note to be included in gross income for federal income tax purposes. No amendment will become effective until the Issuer receives an Opinion of Bond Counsel, addressed to the Issuer that the amendment will not adversely affect the exclusion of the interest on the Notes from gross income for federal income tax purposes.

Section 5.03 Opinion of Bond Counsel. The Issuer may deviate from the provisions of this Tax Certificate if furnished with an Opinion of Bond Counsel to the effect that the proposed deviation will not adversely affect the exclusion of interest on the Notes from gross income for federal income tax purposes. The Issuer further agrees to comply with any further or different instructions provided in an Opinion of Bond Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Notes or the exclusion from gross income of interest on the Notes.

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 Notes and the exclusion from federal gross income of the interest on the Notes.

Section 5.05 Severability. If any provision in this Tax Certificate or in the Notes 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 Notes. Nothing in this Tax Certificate, the Note Resolution or the Notes, express or implied, gives to any person, other than the Issuer, its successors and assigns, and the owners of the Notes, 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 Note Owners pursuant to the terms of the Note 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.

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 BELOIT, KANSAS

By: _____
Mayor

By: _____
Clerk

EXHIBIT A

IRS FORM 8038-G

ATTACHMENT TO IRS FORM 8038-G

**\$1,665,000
CITY OF BELOIT, KANSAS
GENERAL OBLIGATION TEMPORARY NOTES
SERIES 2015-1
DATED MARCH 19, 2015**

Project Number	Project Description	Reimbursement Amount (Line 45a)	Date the Official Intent Adopted (Line 45b)
		\$	

(EVIDENCE OF FILING OF FORM 8038-G)

EXHIBIT B

RECEIPT FOR PURCHASE PRICE

\$1,665,000
CITY OF BELOIT, KANSAS
GENERAL OBLIGATION TEMPORARY NOTES
SERIES 2015-1
DATED MARCH 19, 2015

The undersigned Clerk of the City of Beloit, Kansas, this day received from [Purchaser], [Purchaser City, State], the original purchaser of the above-described notes (the "Notes"), the full purchase price of the Notes, said purchase price and net amount received by the Issuer being calculated as follows:

Principal Amount	\$1,665,000.00
Plus Accrued Interest	_____
[!Plus Premium	_____]
[Less Underwriting Discount.....	- _____]
[Plus Original Issue Premium.....	_____]
[Less Original Issue Discount.....	- _____]
Total Purchase Price.....	\$ _____

DATED: March 19, 2015.

CITY OF BELOIT, KANSAS

By _____
Clerk

EXHIBIT C

RECEIPT AND REPRESENTATION

**\$1,665,000
CITY OF BELOIT, KANSAS
GENERAL OBLIGATION TEMPORARY NOTES
SERIES 2015-1
DATED MARCH 19, 2015**

This certificate is being delivered by [Purchaser], [Purchaser City, State] (the "Purchaser") as original purchaser of the above-described notes (the "Notes"), being issued on the date of this Receipt (the "Issue Date") by the City of Beloit, Kansas (the "Issuer"), certifies and represents as follows:

1. Authorized Representative. The undersigned is the duly authorized representative of the Purchaser.

2. Receipt for Notes. The Purchaser acknowledges receipt by the Depository Trust Company on behalf of the Purchaser on the Issue Date, consisting of fully registered "book-entry-only" notes in Authorized Denominations in a form acceptable to the Purchaser.

3. Public Offering. All of the Notes have been the subject of an initial offering to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers, at prices no higher than [par,][the prices set forth on *Schedule I* attached to this Certificate,] without accrued interest (the "Offering Prices"). [The Agreement Among Underwriters obligates each member of the underwriting group to make a bona fide public offering of all Notes allotted to it at the Offering Prices.] On the basis of information available to us which we believe to be correct, we expect that at least 10 percent of the Notes will be sold to the public at offering prices no higher than said Offering Prices.

4. 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 Notes 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 Notes under the Code.

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Dated: March 19, 2015.

[PURCHASER]
[PURCHASER CITY, STATE]

By: _____
Title: _____

SCHEDULE I

Stated Maturity <u>September 1</u> 2016	<u>Principal Amount</u> \$	<u>Annual Rate of Interest</u>	<u>Dollar Price</u>
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EXHIBIT D

**DESCRIPTION OF PROPERTY COMPRISING THE FINANCED IMPROVEMENTS
AND LIST OF REIMBURSEMENT EXPENDITURES**

\$1,665,000

CITY OF BELOIT, KANSAS

GENERAL OBLIGATION TEMPORARY NOTES

SERIES 2015-1

DATED MARCH 19, 2015

EXHIBIT E

FORM OF ANNUAL COMPLIANCE CHECKLIST

\$1,665,000
CITY OF BELOIT, KANSAS
GENERAL OBLIGATION TEMPORARY NOTES
SERIES 2015-1
DATED MARCH 19, 2015
ISSUE DATE: MARCH 19, 2015

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 Notes. On the Issue Date, the Issuer identified certain assets financed in whole or in part by the Notes (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 Notes or (2) any obligation issued to refund the Notes.

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
1 Ownership	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 an Opinion of Bond Counsel obtained prior to the transfer? If Yes, include a copy of the Opinion in the Tax-Exempt Bond File. If No, contact Bond Counsel and include description of resolution in the Tax-Exempt Bond File.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2 Leases & Other Rights to Possession	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 an Opinion of Bond Counsel obtained prior to entering into the lease or other arrangement?</p> <p>If Yes, include a copy of the Opinion 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
3 Management or Service Agreements	<p>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?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the management agreement?</p> <p>If Yes, include a copy of the Opinion 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
4 Other Use	<p>Was any other agreement entered into with an individual or entity that grants special legal rights to the Financed Improvements?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>If answer above was "Yes," was an Opinion of Bond Counsel obtained prior to entering into the agreement?</p> <p>If Yes, include a copy of the Opinion 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
5 Proceeds & Investments	<p>Have any Gross Proceeds of the Notes been invested in a Guaranteed Investment Contract?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>Has the Issuer entered into an Interest Rate Swap Agreement with respect to the Notes?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>Has any sinking or reserve fund for the payment of the Notes been established (other than funds and accounts created in the Note Resolution)?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>Have any of the Notes been redeemed or refunded in advance of their scheduled maturities?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<p>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.</p>	

Bond Counsel: Gilmore & Bell, P.C.
100 N. Main, Suite 800
Wichita, Kansas 67202
Phone: (316) 267-2091
Fax: (316) 262-6523
Attn: Kim A. Bell
Email: kbell@gilmorebell.com

EXHIBIT F

FORM OF FINAL WRITTEN ALLOCATION

\$1,665,000

CITY OF BELOIT, KANSAS

GENERAL OBLIGATION TEMPORARY NOTES

SERIES 2015-1

DATED MARCH 19, 2015

ISSUE DATE: MARCH 19, 2015

The Bond Compliance Officer is the person that the Issuer has identified in the Tax Compliance Procedure who is primarily responsible for the Post-Issuance Tax Requirements for the Notes. On the Issue Date, the Issuer identified certain categories of assets financed in whole or in part by the Notes (the “Financed Improvements”), as evidenced on *Exhibit D* to the Federal Tax Certificate. The Tax Compliance Procedure requires the Bond Compliance Officer to complete a Final Written Allocation of the proceeds of the Notes, in substantially the following form, when all proceeds (including Investment earnings on proceeds) are expended, but not later than 18 months after the Financed Improvements are placed in service. A completed copy of this Final Written Allocation 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 Notes or (2) any obligation issued to refund the Notes.

The undersigned is the Bond Compliance Officer of the City of Beloit, Kansas (the “Issuer”) and in that capacity is authorized to execute federal income tax returns required to be filed by the Issuer and to make appropriate elections and designations regarding federal income tax matters on behalf of the Issuer. This allocation of the proceeds of the note issue referenced above (the “Notes”) is necessary for the Issuer to satisfy ongoing reporting and compliance requirements under federal income tax laws.

Purpose. This document, together with the schedules and records referred to below, is intended to memorialize allocations of Note proceeds to expenditures for purposes of §§ 141 and 148 of the Internal Revenue Code (the “Code”). All allocations are or were previously made no later than 18 months following the date the expenditure was made by the Issuer or, if later, the date the “Financed Improvements” were “placed in service” (both as defined below), and no later than 60 days following the 5th anniversary of the issue date of the Notes.

Definitions. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Federal Tax Certificate, relating to the Notes, dated March 19, 2015 (the “Issue Date”).

Background. The Notes were issued pursuant to the Note Resolution in order to provide funds needed to finance the Financed Improvements. Proceeds of the Notes were deposited into the Funds and Accounts as described in the Federal Tax Certificate.

Sources Used to Fund Improvements and Allocation of Proceeds to Costs of Financed Improvements. A portion of the costs of the Improvements were paid from sale proceeds of the Notes and earnings from the investment of Note sale proceeds and from other money of the Issuer as shown on *Schedule 1* to this Final Written Allocation.

Identification of Financed Improvements. The Financed Improvements are listed on *Schedule 2* to this Final Written Allocation.

Identification and Timing of Expenditures for Arbitrage Purposes. For purposes of complying with the arbitrage rules, the Issuer allocates the proceeds of the Notes to the various expenditures described in the invoices, requisitions or other substantiation attached as *Schedule 2* to this Final Written Allocation. In each case, the cost requisitioned was either paid directly to a third party or reimbursed the Issuer for an amount it had previously paid or incurred. Amounts received from the sale of the Notes and retained as underwriters discount are allocated to that purpose and spent on the Issue Date. Amounts allocated to interest expense are treated as paid on the Interest Payment Dates for the Notes.

Placed In Service. The Financed Improvements were “placed in service” on the date(s) set out on *Schedule 2* to this Final Written Allocation. For this purpose, the assets are considered to be “placed in service” as of the date on which, based on all the facts and circumstances: (a) the constructing and equipping of the asset has reached a degree of completion which would permit its operation at substantially its design level; and (b) the asset is, in fact, in operation at that level.

This allocation has been prepared based on statutes and regulations existing as of this date. The Issuer reserves the right to amend this allocation to the extent permitted by future Treasury Regulations or similar authorities.

CITY OF BELOIT, KANSAS

Date: _____

By: _____
Bond Compliance Officer

This Final Written Allocation has been prepared in the manner required by the Tax Compliance Procedure:

[Issuer Counsel/Bond Counsel]

Date of review: _____

**SCHEDULE 1
TO FINAL WRITTEN ALLOCATION**

ALLOCATION OF SOURCES AND USES

	<i>Estimated at Closing</i> **copy from Transcript Cert**	<i>Actual</i>
Sources of Funds:		
Principal Amount of the Notes	\$1,665,000.00	\$1,665,000.00
[Investment earnings		
[Available funds of the Issuer		
[Accrued Interest		
[Original Issue Premium		
[Original Issue Discount		-
<i>Total</i>	\$	\$
Uses of Funds:		
Deposit to Improvement Fund		\$
Capitalized Interest		
Underwriter's Discount		
Costs of Issuance		
Excess Proceeds		
<i>Total</i>	\$	\$

**SCHEDULE 2
TO FINAL WRITTEN ALLOCATION**

IDENTIFICATION OF FINANCED ASSETS

Description	Actual Date Placed in Service	Estimated Useful Life	Actual Total Cost	Actual Amount Financed From Notes
<i>[copy categories from Ex D]</i>	[month/year]	[] years	[\$ []]	[\$ []]

*note: exclude land costs

DETAILED LISTING OF EXPENDITURES*

<i>Item No.</i>	<i>Date Paid</i>	<i>Amount Paid</i>	<i>Category</i>	<i>Payee</i>	<i>Description</i>	<i>Reference</i>

* or attach General Ledger or Project Ledger

EXHIBIT G

ALLOCATION OF SOURCES AND USES

\$1,665,000

CITY OF BELOIT, KANSAS

GENERAL OBLIGATION TEMPORARY NOTES

SERIES 2015-1

DATED MARCH 19, 2015

SCHEDULE 1

DEBT SERVICE SCHEDULE AND PROOF OF YIELD

