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CITY COUNCIL AGENDA

Tuesday, February 16, 2016
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 Staff Report
4. PUBLIC COMMENT
 - A. None
5. CONSENT AGENDA
 - A. 2/2/2016 City Council Meeting Minutes
 - B. Appropriations 2B
6. ORDINANCES
 - A. Ordinance 2168 Authorizing the Issuance of General Obligation Refunding Bonds 2016-A
7. RESOLUTIONS
 - A. Resolution 2016-8 Authorizing and Directing the Sale and Delivery of General Obligation Bonds 2016-A
8. FORMAL ACTIONS
 - A. CDBG Rehabilitation/Demolition Bids
 - B. KDOT Cost Estimate for Observation/Inspection
 - C. Domestic Violence Proclamation

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. City Administrator LEAPS Proposal

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 2, 2016

The Beloit City Council met in regular session on February 2, 2016 in the Council Chambers. Mayor Tom Naasz called the meeting to order at 7:00 p.m. Council Members in attendance Bob Richard, Kent Miller, Rick Brown, Tony Gengler, Matt Otte, Lloyd Littrell, and Robert Petterson. Also present were City Attorney Katie Schroeder, and City Clerk Amanda Lomax.

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

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

Councilor Otte thanked Lynn Miller for reserving the Municipal Building for the March 5th Democratic Caucus. Councilor Richard asked about code violations at several properties around town and asked Chris Jones if he would look into them. Councilor Petterson hopes the sun will start shining.

City Attorney Katie Schroeder let the Council know that there was a KARL invitation enclosed in their packets.

Mayor Naasz said he has been in contact with John Devine about recruiting an interim city administrator. They are still waiting on information about a possible candidate.

Bob Serverance, President of the Isle of Lights, presented the 2015 report to council and requested a new lease for the 2016 season.

A motion was made by Councilor Miller and seconded by Councilor Brown to extend a 2016 Lease Agreement with the Isle of Lights. Motion carried 7-0. Nays: None.

The Consent Agenda consisted of January 19, 2016 Council Meeting Minutes, and appropriations 2A. A motion was made by Councilor Petterson and seconded by Councilor Littrell to approve the Consent Agenda in its entirety. Roll call vote yeas: Brown, Gengler, Miller, Otte, Petterson, Littrell, and Richard. Nays: None.

Ordinance 2176 Code Adoption was presented to Council for Approval. A motion was made by Councilor Otte and seconded by Councilor Brown to adopt Ordinance 2176 Code Adoption. Roll call vote yeas: Littrell, Richard, Gengler, Petterson, Otte, Brown, and Miller. Nays: None.

Resolution 2016-5 Financing Police Radios was presented to Council for approval. Resolution 2016-5 will allow the city to finance police radios from Solomon Valley Bank at 2.19% for 3 years in the amount of \$16,800.00 and allow Mayor Tom Naasz and City Clerk Amanda Lomax to sign lease documents. A motion was made by Councilor Richard and seconded by Councilor Miller to approve Resolution 2016-5 Financing Police Radios radios from Solomon Valley Bank at 2.19% for 3 years in the amount of \$16,800.00 and allow Mayor Tom Naasz and City Clerk Amanda Lomax to sign lease documents. Roll call vote yeas: Richard, Gengler, Petterson, Littrell, Brown, Otte, and Miller. Nays: None.

Resolution 2016-6 2016 Fee Schedule was presented to Council for approval. A motion was made by Councilor Miller and seconded by Councilor Gengler to approve Resolution 2016-6 2016 Fee Schedule. Roll call vote yeas: Littrell, Richard, Gengler, Petterson, Otte, Brown, and Miller. Nays: None.

Resolution 2016-7 GAAP Waiver was presented to Council for approval. Resolution 2016-7 would waive GAAP Accounting for the fiscal year 2015. A motion was made by Councilor Brown and seconded by Councilor Gengler to approve Resolution 2016-7 GAAP Waiver. Roll call yeas: Brown, Gengler, Miller, Otte, Petterson, Littrell, and Richard. Nays: None.

Staff is recommending that Council approve the Audit Firm Agreement with Clubine and Rettele in an amount not to exceed \$8,800.00 and designate the Director of Finance/City Clerk to oversee their services. A motion was made by Councilor Otte and seconded by Councilor Petterson to approve the Audit Firm Agreement with Clubine and Rettele in an amount not to exceed \$8,800.00 and designate the Director of Finance/City Rettele. Motion carried 7-0. Nays: None.

Staff is recommending that Council approve a 2016 4wd GMC Sierra 1500 from Beloit Motor Company in the amount of \$28,704.20 for the Waste-water Department. A motion was made by Councilor Richard and seconded by Councilor Brown to permanently deny the purchase of 2016 4wd GMC Sierra 1500. Motion carried 4-3. Nays: Gengler, Littrell, and Miller.

A motion was made by Councilor Brown and seconded by Councilor Richard to go into Closed Session for Attorney-Client Privileged Information for a period of 10 minutes with City Attorney Katie Schroeder. Motion carried 7-0. Nays: None. Time started 7:39 p.m. Time Ended 7:49 p.m.

A motion was made by Councilor Brown and seconded by Councilor Richard to adjourn the meeting. Motion carried 7-0. The meeting ended at 7:50 p.m.

Work Session started 7:51 p.m. Council Members in attendance were Kent Miller, Bob Richard, Matt Otte, Tony Gengler, Robert Petterson, Lloyd Littrell, and Rick Brown. Also present were City Attorney Katie Schroeder, and City Clerk Amanda Lomax.

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

Chris Gutschow with People Service, Inc discussed his proposal regarding outsourcing water and waste-water services.

Work Session ended: 8:38 p.m.

TOM NAASZ, Mayor

ATTEST:

AMANDA LOMAX, City Clerk

Accounts Payable Detail Listing

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	<u>Account#</u>			<u>Work Order</u>		<u>Description</u>			<u>Debit</u>	<u>Credit</u>
1060	ACCURATE LABS									
65070	2/18/2016	2/18/2016		92.55	SU23545				92.55 ✓	Posted
	52-41-6170					BUFFER 7 SOLUTION				0.00
8	ACE HARDWARE									
65071	2/18/2016	2/18/2016		146.27			24220			Posted
	10-11-4300					486150-SPRAYPAINT			3.99 ✓	0.00
	10-11-4300					486286-COVER BOX/SPREAD ADHESIVE			3.97 ✓	0.00
	10-11-4300					486382-DRILL BIT/CARPET BAR/HDW			41.00 ✓	0.00
	10-11-4300					486453-BLOCK PLANE			24.99 ✓	0.00
	10-11-4300					486457-DOOR STOP			8.99 ✓	0.00
	10-11-4300					486726-BRUSH/DRILL BIT/PAINT			37.76 ✓	0.00
	10-11-4300					486586-EDGE STAIRNOSE			12.99 ✓	0.00
	10-11-4300					487112-SCREWDRIVER/KEY CLIP			12.58 ✓	0.00
									146.27 ✓	0.00
65072	2/18/2016	2/18/2016		8.99	486945		24020			Posted
	53-43-6000					SPRAY NOZZLE			8.99 ✓	0.00
65073	2/18/2016	2/18/2016		181.40			24021			Posted
	53-41-6000					486607-WORKING HANDS/CLEANER/SC			53.93 ✓	0.00
	53-41-6000					486756-PAPER CLIPS/BRUSH/EDGER			27.82 ✓	0.00
	53-41-6000					486757-TRAY/LINER			15.23 ✓	0.00
	53-41-6000					486758-TRAY			4.49 ✓	0.00
	53-41-6000					486800-TAPE/HOLDER/EXHAUST FAN			63.95 ✓	0.00
	53-41-6000					486878-WIRE BRUSH			15.98 ✓	0.00
									181.40 ✓	0.00
65074	2/18/2016	2/18/2016		47.29			24022			Posted
	53-41-4360					486861-HDW/COMP UNION			14.30 ✓	0.00
	53-41-4360					486881-GALLON PAINT			32.99 ✓	0.00
									47.29 ✓	0.00
65075	2/18/2016	2/18/2016		47.87			24257			Posted
	53-43-6000					486602-WAX/MITT WASH/409			38.95 ✓	0.00
	53-43-6000					486715-PAINT BRUSH & FOAM			8.92 ✓	0.00
									47.87 ✓	0.00
65076	2/18/2016	2/18/2016		7.49	486460		23652			Posted
	10-19-7400					GLUE/COLD WELD			7.49 ✓	0.00
65077	2/18/2016	2/18/2016		40.97			23998			Posted
	53-41-6000					486153-SCRAPER BLADE			12.99 ✓	0.00
	53-41-6000					486248-HEFTY CONTRACTOR BAGS			27.98 ✓	0.00
									40.97 ✓	0.00
65078	2/18/2016	2/18/2016		21.16			23989			Posted
	53-43-6000					485956-SCRUBBER/GLOVES			16.96 ✓	0.00
	53-43-6000					485975-HDW			4.20 ✓	0.00
									21.16 ✓	0.00
65079	2/18/2016	2/18/2016		57.95						Posted
	51-43-6130					486840-COM CONNECT			12.98 ✓	0.00
	51-43-6130					486864-LAUNDRY TUB			29.99 ✓	0.00
	51-43-6130					486866-SPLYFCT3			14.98 ✓	0.00
									57.95 ✓	0.00
65080	2/18/2016	2/18/2016		74.42						Posted
	51-41-6000					486178-FUNNEL/BLADES/MOUSE TRAP!			48.44 ✓	0.00
	51-41-6000					486140-HEX KEY SET			9.99 ✓	0.00
	51-41-6000					486564-ICE MELT			15.99 ✓	0.00
									74.42 ✓	0.00
65081	2/18/2016	2/18/2016		93.92						Posted
	52-41-6000					486483-SANITIZER/BATTERY			20.97 ✓	0.00
	52-41-6000					486781-BULB/MOTION SENSOR/OUTLET			60.96 ✓	0.00
	52-41-6000					486869-BULB			11.99 ✓	0.00
									93.92 ✓	0.00
65082	2/18/2016	2/18/2016		41.98	486863					Posted
	51-43-7200					MASKING TAPE/ASPIRE			20.99 ✓	0.00
	52-43-7200					MASKING TAPE/ASPIRE			20.99 ✓	0.00
									41.98 ✓	0.00

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	<u>Account#</u>					<u>Description</u>						
8	ACE HARDWARE (continued)											
65083	2/18/2016 2/18/2016	14.98								Posted		
	52-43-6000	486798-ROUTER BIT	9.99	✓	0.00							
	52-43-6000	485823-FOAM TAPE	4.99	✓	0.00							
			14.98	✓	0.00							
65084	2/18/2016 2/18/2016	43.99						CLARK498		Posted		
	25-00-6000	486181-BRUSH SET	8.99	✓	0.00							
	25-00-6000	486402-PLEXY GLOSS	35.00	✓	0.00							
			43.99	✓	0.00							
65085	2/18/2016 2/18/2016	22.32	486475							Posted		
	51-43-6000	SCREEN/PLUG/WIRE	22.32	✓	0.00							
65086	2/18/2016 2/18/2016	12.99	486199							Posted		
	51-43-6000	SPRING SNAP	12.99	✓	0.00							
65087	2/18/2016 2/18/2016	43.48								Posted		
	51-43-6000	486021-GREAT STUFF/RSTP	14.49	✓	0.00							
	52-43-6000	486021-GREAT STUFF/RSTP	14.49	✓	0.00							
	53-43-6000	486021-GREAT STUFF/RSTP	14.50	✓	0.00							
			43.48	✓	0.00							
65088	2/18/2016 2/18/2016	128.72						CLARK499		Posted		
	25-00-6000	485809-SPRAY PAINT/SCREWS	4.49	✓	0.00							
	25-00-6000	485813-SIMPLE GREEN/FOAM/ARMORA	35.95	✓	0.00							
	25-00-6000	485841-BOLTS	5.40	✓	0.00							
	25-00-6000	485861-PAINT/BARRICADES	33.99	✓	0.00							
	25-00-6000	485952-PAINT/BARRICADES	38.98	✓	0.00							
	25-00-6000	485988-OUTLET ADAPTER	4.99	✓	0.00							
	25-00-6000	485993-BOLTS	4.92	✓	0.00							
			128.72	✓	0.00							
65089	2/18/2016 2/18/2016	39.99	485791							Posted		
	51-43-6000	CONTRACTOR FARM HOSE	13.33	✓	0.00							
	52-43-6000	CONTRACTOR FARM HOSE	13.33	✓	0.00							
	53-43-6000	CONTRACTOR FARM HOSE	13.33	✓	0.00							
			39.99	✓	0.00							
65106	2/18/2016 2/18/2016	38.90						CLARK500		Posted		
	30-00-6130	486819-3 THREADED ROD	20.97	✓	0.00							
	30-00-6130	487063-CLEAR CAULK	14.94	✓	0.00							
	10-22-7200	487025-WHITE CAULK	2.99	✓	0.00							
			38.90	✓	0.00							
2498	ACTION T'S											
65210	2/18/2016 2/18/2016	710.00	189991					24298		Posted		
	53-43-2911	SCREEN PRINT T-SHIRTS	710.00	✓	0.00							
11	ADVANCE INSURANCE COMPANY											
65090	2/18/2016 2/18/2016	812.23						23473		Posted		
	21-00-2100	FEB. 2016 LIFE INS. PREMIUMS	812.23	✓	0.00							
767	AIRGAS MID SOUTH INC											
65091	2/18/2016 2/18/2016	223.95	9047144879					24256		Posted		
	53-41-7450	CART CYCLE MINI MADE	223.95	✓	0.00							
65208	2/18/2016 2/18/2016	629.64						24295		Posted		
	53-43-2911	9047832686-GLOVES/SAFETY GLASSES	415.27	✓	0.00							
	53-41-6230	9047832688-NITROGEN	42.94	✓	0.00							
	53-41-6230	9047832687-NITROGEN	171.43	✓	0.00							
			629.64	✓	0.00							
65209	2/18/2016 2/18/2016	49.36	9933301809					24296		Posted		
	53-41-6230	BOTTLE RENTAL	49.36	✓	0.00							
2373	ALFRED BENESCH & COMPANY											
65092	2/18/2016 2/18/2016	4,453.76	89947					23526		Posted		
	30-00-3000	PROFESSIONAL SERV 12/28/15-1/24/16	4,453.76	✓	0.00							
813	AMERIPRIDE SERVICES INC.											
65093	2/18/2016 2/18/2016	109.83	2300632011					20893		Posted		
	10-13-4300	FLOOR MATS	109.83	✓	0.00							
65107	2/18/2016 2/18/2016	83.50	2300633588					CLARK501		Posted		
	10-15-6000	SHOP TOWELS/RUGS	83.50	✓	0.00							

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2032	AT&T (continued)									
65094	2/18/2016 2/18/2016	105.00	08900759485827		23495				105.00 ✓	Posted 0.00
	10-13-5310		PD INTERNET							
65095	2/18/2016 2/18/2016	125.00	78573838216789		23494				125.00 ✓	Posted 0.00
	51-43-5310		SEWER							
74	BELOIT MEDICAL CENTER, PA									
65310	2/18/2016 2/18/2016	71.94			20880				71.94 ✓	Posted 0.00
	10-13-3000		REPRICING-B. REYNOLDS-20150072							
80	BELOIT TYPEWRITER EXCHANGE									
65097	2/18/2016 2/18/2016	86.19	622249		23551				86.19 ✓	Posted 0.00
	26-00-6000		PRINTER INK							
65098	2/18/2016 2/18/2016	39.28	624067		24001				39.28 ✓	Posted 0.00
	53-41-6000		PENS							
65099	2/18/2016 2/18/2016	19.99	824008		23522				19.99 ✓	Posted 0.00
	10-11-6110		FILE FOLDERS							
65100	2/18/2016 2/18/2016	55.77	622698		24221				55.77 ✓	Posted 0.00
	10-11-6110		PRINTER CARTRIDGE							
65101	2/18/2016 2/18/2016	65.34	622658		23995				65.34 ✓	Posted 0.00
	53-41-6110		POST-ITS/FILE FOLDERS							
65102	2/18/2016 2/18/2016	67.00	622668						67.00 ✓	Posted 0.00
	51-41-6110		STORAGE BOXES/TABS/PADS							
65103	2/18/2016 2/18/2016	75.07	624089						75.07 ✓	Posted 0.00
	51-43-6000		PAPER/TAPE/UPS							
2735	BEVERAGE CARBONATION SERVICE									
65127	2/18/2016 2/18/2016	268.36	G18928						268.36 ✓	Posted 0.00
	51-41-6170		CO2							
669	BLADE-EMPIRE PUBLISHING									
65104	2/18/2016 2/18/2016	1,418.38			23539					Posted
	10-11-5400		150712-COUNCIL AGENDA						87.10 ✓	0.00
	10-11-5400		150794-RESOLUTION 2016-3						75.00 ✓	0.00
	10-11-5400		150795-RESOLUTION 2016-1						270.00 ✓	0.00
	10-11-5400		BLADE-COUNCIL AGENDA						90.45 ✓	0.00
	10-11-5400		151084-CHARTER ORDINANCE NO.14						274.70 ✓	0.00
	10-11-5400		151328-SOIL CONSERVATION						35.00 ✓	0.00
	10-11-6110		062913-CONNECT/DISCONNECT BOOKS						178.30 ✓	0.00
	10-11-6110		062913-COPY PAPER						369.90 ✓	0.00
	10-11-6110		151425-DISCOUNT						0.00	36.05 ✓
	10-18-6110		2 CASES COPY PAPER						73.98 ✓	0.00
									<u>1,454.43 ✓</u>	<u>36.05 ✓</u>
65105	2/18/2016 2/18/2016	167.50			23545					Posted
	52-43-5400		151013-WASTEWATER SYS OP AD						33.50 ✓	0.00
	52-43-5400		151080-WASTEWATER SYS OP AD						33.50 ✓	0.00
	52-43-5400		151102-WASTEWATER SYS OP AD						33.50 ✓	0.00
	52-43-5400		151141-WASTEWATER SYS OP AD						33.50 ✓	0.00
	52-43-5400		151412-WASTEWATER SYS OP AD						33.50 ✓	0.00
									<u>167.50 ✓</u>	<u>0.00</u>
88	BLUE CROSS & BLUE SHIELD INSURANCE									
65108	2/18/2016 2/18/2016	55,214.35			23472				55,214.35 ✓	Posted 0.00
	21-00-2100		FEBRUARY 2016 HEALTH INS. PREMIUM							
91	BOETTCHER SUPPLY INC									
65109	2/18/2016 2/18/2016	224.45			24019					Posted
	53-41-4360		954459-1-ANGLE PLUG						13.64 ✓	0.00
	53-41-4360		955031-1-OPEN CONTACTOR						210.81 ✓	0.00
									<u>224.45 ✓</u>	<u>0.00</u>
65110	2/18/2016 2/18/2016	245.77			24018					Posted
	53-43-6000		956348-1-4" STEEL CONDUIT						242.42 ✓	0.00
	53-43-6000		955200-1-1" SERVICE ENTRANCE HEAD						3.35 ✓	0.00
									<u>245.77 ✓</u>	<u>0.00</u>
65111	2/18/2016 2/18/2016	73.14	953756-1		23979					Posted
	53-43-7450		8" ADJUSTABLE WRENCH						24.38 ✓	0.00
	52-43-7450		8" ADJUSTABLE WRENCH						24.38 ✓	0.00
	51-43-7450		8" ADJUSTABLE WRENCH						24.38 ✓	0.00
									<u>73.14 ✓</u>	<u>0.00</u>

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91	BOETTCHER SUPPLY INC (continued)									
65112	2/18/2016	2/18/2016		162.73	954971-1	CLARK502			162.73 ✓	Posted
		10-15-7450			SELF BALLAST LIGHTS					0.00
65113	2/18/2016	2/18/2016		240.00	955355-1				240.00 ✓	Posted
		52-43-6000			3 PHASE BREAKER					0.00
65114	2/18/2016	2/18/2016		20.29	954504-1				20.29 ✓	Posted
		52-41-4360			PVC PIPE & FITTINGS					0.00
65115	2/18/2016	2/18/2016		5.81	954465-1				5.81 ✓	Posted
		51-43-6000			ELBOW/FEMALE ADAPTER					0.00
65211	2/18/2016	2/18/2016		524.60		24294			450.00 ✓	Posted
		53-43-6000			954158-1-COPPER WIRE				74.60 ✓	0.00
		53-43-7450			955409-1-STRAP WRENCH				524.60 ✓	0.00
1258	BUMPER TO BUMPER AUTO PARTS									
65116	2/18/2016	2/18/2016		27.97	678188	24015			27.97 ✓	Posted
		53-41-4310			FUEL & AIR FILTER/ANTIFREEZE					0.00
65117	2/18/2016	2/18/2016		16.42	678144	24014			16.42 ✓	Posted
		53-43-4310			AIR FILTER					0.00
65118	2/18/2016	2/18/2016		150.61		24260			36.35 ✓	Posted
		53-43-4310			677902-AIR FILTER				44.71 ✓	0.00
		53-43-4310			678082-OIL & FUEL FILTER				69.55 ✓	0.00
		53-43-4310			677895-OIL FILTERS				150.61 ✓	0.00
65119	2/18/2016	2/18/2016		40.47	678204	23655			40.47 ✓	Posted
		10-18-4330			HOSE CLAMPS					0.00
65120	2/18/2016	2/18/2016		133.03	677146	23994			133.03 ✓	Posted
		53-41-4310			FUEL PUMP					0.00
65121	2/18/2016	2/18/2016		60.48	677263	23986			20.16 ✓	Posted
		53-43-4360			RUST AWAY				20.16 ✓	0.00
		52-43-4360			RUST AWAY				20.16 ✓	0.00
		51-43-4360			RUST AWAY				60.48 ✓	0.00
65122	2/18/2016	2/18/2016		43.38	678143				43.38 ✓	Posted
		51-43-6000			AIR FILTER					0.00
65123	2/18/2016	2/18/2016		41.44		CLARK503			24.63 ✓	Posted
		25-00-4310			677835-OIL FILTER/ARMORALL				16.81 ✓	0.00
		25-00-4310			678062-OIL FILTER				41.44 ✓	0.00
65124	2/18/2016	2/18/2016		17.36	677189	CLARK504			17.36 ✓	Posted
		10-15-4310			BEARING					0.00
65125	2/18/2016	2/18/2016		90.83					68.83 ✓	Posted
		52-43-4310			677092-OIL/FUEL/AIR FILTER				22.00 ✓	0.00
		52-43-4310			676860-BAGS OF OIL DRY				90.83 ✓	0.00
65126	2/18/2016	2/18/2016		62.09	677903				62.09 ✓	Posted
		51-43-7420			FUEL FILTER					0.00
1091	CARD SERVICES									
65128	2/18/2016	2/18/2016		455.52	8803	23548			150.00 ✓	Posted
		31-00-6000			HOTEL FEE				106.82 ✓	0.00
		10-12-7460			PRINTER				46.54 ✓	0.00
		10-13-4310			OIL CHANGE				152.16 ✓	0.00
		10-13-2911			UNIFORM				455.52 ✓	0.00
65129	2/18/2016	2/18/2016		105.70	5240	23549			105.70 ✓	Posted
		26-00-5800			HOTEL					0.00

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<u>Account#</u>	<u>Work Order</u>	<u>Description</u>							
1091 CARD SERVICES (continued)									
65139	2/18/2016	2/18/2016	3,069.41	7407		23547		Posted	
	10-15-6260						32.71 ✓		0.00
	10-15-6260						38.26 ✓		0.00
	51-41-5320						5.95 ✓		0.00
	53-41-5320						12.65 ✓		0.00
	10-15-2911						198.85 ✓		0.00
	53-41-2911						843.76 ✓		0.00
	10-15-5800						385.38 ✓		0.00
	10-11-6110						28.67 ✓		0.00
	10-15-2400						75.00 ✓		0.00
	10-18-2400						400.00 ✓		0.00
	10-21-2400						135.00 ✓		0.00
	10-21-2400						54.00 ✓		0.00
	10-21-2400						35.00 ✓		0.00
	10-11-4300						140.00 ✓		0.00
	10-11-4300						35.00 ✓		0.00
	10-17-2400						10.00 ✓		0.00
	10-11-6110						572.88 ✓		0.00
	10-11-6000						66.30 ✓		0.00
							3,069.41 ✓		0.00
65151 2/18/2016 2/18/2016 1,786.01 8199 23550 Posted									
	51-41-5320						9.85 ✓		0.00
	51-41-5320						3.54 ✓		0.00
	51-41-5320						12.02 ✓		0.00
	52-41-7490						250.00 ✓		0.00
	52-43-4360						75.24 ✓		0.00
	52-41-5800						8.12 ✓		0.00
	52-43-5800						223.17 ✓		0.00
	52-43-5800						223.17 ✓		0.00
	52-43-5800						223.17 ✓		0.00
	52-43-5800						223.17 ✓		0.00
	52-43-5800						223.17 ✓		0.00
	52-43-3000						150.49 ✓		0.00
	51-41-3000						160.90 ✓		0.00
							1,786.01 ✓		0.00
124 CARRICO IMPLEMENT									
65130	2/18/2016	2/18/2016	43.71	IA28520		24267		Posted	
	53-43-4330						43.71 ✓		0.00
65131	2/18/2016	2/18/2016	523.86	EA08600		23650		Posted	
	10-18-4330						306.00 ✓		0.00
	10-20-4330						217.86 ✓		0.00
							523.86 ✓		0.00
65132	2/18/2016	2/18/2016	134.99	IA28011		24210		Posted	
	10-11-6000						134.99 ✓		0.00
65133	2/18/2016	2/18/2016	8.83	IA27829		23001		Posted	
	10-18-4330						8.83 ✓		0.00
65134	2/18/2016	2/18/2016	33.96			CLARK505		Posted	
	25-00-4330						12.59 ✓		0.00
	25-00-4330						21.37 ✓		0.00
							33.96 ✓		0.00
65135	2/18/2016	2/18/2016	278.54			CLARK506		Posted	
	10-15-4330						73.35 ✓		0.00
	10-15-4330						205.19 ✓		0.00
							278.54 ✓		0.00
65136	2/18/2016	2/18/2016	16.19	IA27665		CLARK507		Posted	
	25-00-4310						16.19 ✓		0.00
65140	2/18/2016	2/18/2016	175.14					Posted	
	51-43-7450						79.04 ✓		0.00
	52-43-7450						79.04 ✓		0.00
	51-43-7450						8.53 ✓		0.00
	52-43-7450						8.53 ✓		0.00
							175.14 ✓		0.00

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124	CARRICO IMPLEMENT (continued)											
65141	2/18/2016	2/18/2016	295.00	IA27640						Posted		
	52-43-7490			SKID STEER RENT					295.00 ✓		0.00	
65173	2/18/2016	2/18/2016	213.01					23657		Posted		
	10-20-4330			IA28901-OIL FILTER					33.01 ✓		0.00	
	10-20-4330			IA28753-OIL FILTER					44.44 ✓		0.00	
	10-18-4330			IA28842-AIR CLEANER					135.56 ✓		0.00	
									213.01 ✓		0.00	
126	CATLIN'S FRIENDLY APPLEMARKET											
65142	2/18/2016	2/18/2016	34.80	6018				24006		Posted		
	53-43-6000			WATER					11.60 ✓		0.00	
	52-43-6000			WATER					11.60 ✓		0.00	
	51-43-6000			WATER					11.60 ✓		0.00	
									34.80 ✓		0.00	
65143	2/18/2016	2/18/2016	34.80	7046				24253		Posted		
	53-43-6000			WATER					11.60 ✓		0.00	
	52-43-6000			WATER					11.60 ✓		0.00	
	51-43-6000			WATER					11.60 ✓		0.00	
									34.80 ✓		0.00	
65144	2/18/2016	2/18/2016	49.97					23496		Posted		
	10-11-6000			5356-WATER					40.95 ✓		0.00	
	10-11-6000			5358-CREAMER/SUPPLIES					9.02 ✓		0.00	
									49.97 ✓		0.00	
65146	2/18/2016	2/18/2016	47.78	5839				23996		Posted		
	53-41-6000			WATER/PAPER TOWELS					47.78 ✓		0.00	
65147	2/18/2016	2/18/2016	27.84	2758				23983		Posted		
	53-43-6000			WATER					9.28 ✓		0.00	
	52-43-6000			WATER					9.28 ✓		0.00	
	51-43-6000			WATER					9.28 ✓		0.00	
									27.84 ✓		0.00	
65148	2/18/2016	2/18/2016	26.01	2321				24174		Posted		
	10-11-6000			SUPPLIES					26.01 ✓		0.00	
65149	2/18/2016	2/18/2016	103.34	3825						Posted		
	51-41-6000			VINEGAR/TP/CLEANING SUPPLIES					103.34 ✓		0.00	
65150	2/18/2016	2/18/2016	17.94	4377				CLARK509		Posted		
	10-15-6000			SHOP SUPPLIES					17.94 ✓		0.00	
142	CHAMBER OF COMMERCE											
65180	2/18/2016	2/18/2016	30.00	1631				23664		Posted		
	10-17-6800			CHAMBER CHECKS					30.00 ✓		0.00	
512	CHAUTAUQUA ISLE OF LIGHTS											
65153	2/18/2016	2/18/2016	35.00	823				23541		Posted		
	10-11-5400			ADVERTISING					35.00 ✓		0.00	
2906	CINTAS FIRE 636525											
65158	2/18/2016	2/18/2016	1,384.08	OF58564418				CLARK509		Posted		
	10-22-3000			NEW & SERVICED FIRE EXTINGUISHER					1,384.08 ✓		0.00	
2953	CLINTON CO. SHERIFF OFFICE											
65321	2/18/2016	2/18/2016	4.32					23865		Posted		
	10-12-3000			PAPER SERVICE-A. SWAFFORD-201500					4.32 ✓		0.00	
1601	COLE PARMER INSTRUMENT CO											
65159	2/18/2016	2/18/2016	328.13	9488192						Posted		
	51-41-4360			FLEX TUBING					328.13 ✓		0.00	
2950	CORRECT CARE SOLUTIONS, LLC											
65318	2/18/2016	2/18/2016	54.00	012116-04				20877		Posted		
	10-13-3000			REPRICING-B. REYNOLDS-201500072					54.00 ✓		0.00	
1358	CUNNINGHAM TELEPHONE & CABLE CO											
65160	2/18/2016	2/18/2016	259.70	12754				23505		Posted		
	51-41-5310			WATER PLANT-FEB					72.34 ✓		0.00	
	53-41-5310			POWER PLANT-FEB					187.36 ✓		0.00	
									259.70 ✓		0.00	
65161	2/18/2016	2/18/2016	79.87	03362				23519		Posted		
	10-15-5310			STREET DEPT.-FEB					79.87 ✓		0.00	

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									<u>Debit</u>	<u>Credit</u>
1358	CUNNINGHAM TELEPHONE & CABLE CO (continued)									
65162	2/18/2016 2/18/2016	111.20	13609	23518						Posted
	53-43-5310		SYSTEMS-FEB						37.07 ✓	0.00
	52-43-5310		SYSTEMS-FEB						37.07 ✓	0.00
	51-43-5310		SYSTEMS-FEB						37.06 ✓	0.00
									<u>111.20 ✓</u>	<u>0.00</u>
65163	2/18/2016 2/18/2016	95.30	10210	23517					95.30 ✓	0.00
	26-00-5310		COMM DEV-FEB							
65164	2/18/2016 2/18/2016	163.00	13610	23516					163.00 ✓	0.00
	10-22-5310		AIRPORT-FEB							
65165	2/18/2016 2/18/2016	286.99	13094	23515					286.99 ✓	0.00
	10-18-5310		PARKS & REC-FEB							
65166	2/18/2016 2/18/2016	75.61	12334	23514					75.61 ✓	0.00
	10-14-5310		FD-FEB							
65167	2/18/2016 2/18/2016	85.32	11856	23513					85.32 ✓	0.00
	10-13-5310		PD-FEB							
65168	2/18/2016 2/18/2016	344.94	11854	23520					344.94 ✓	0.00
	10-11-5310		ADMIN-FEB							
65169	2/18/2016 2/18/2016	5.00	13611	23521					5.00 ✓	0.00
	10-21-5310		POOL-FEB							
2555	DEPT OF MOTOR VEHICLES									
65241	2/18/2016 2/18/2016	20.00		23864					20.00 ✓	Ck# 72343 Printed 0.00
	10-12-3000		CERTIFIED DL REQUEST FOR HAROLD							
2951	DESAINTS GUNHIDE									
65319	2/18/2016 2/18/2016	782.63	403356	20881					782.63 ✓	0.00
	10-13-7440		THUMB BREAK SCABBARD							
2053	EMG, INC									
65212	2/18/2016 2/18/2016	1,205.20	4201	24292					1,205.20 ✓	0.00
	53-41-3000		ENERGY CONSULTING AGREEMENT							
222	FARMWAY COOP INC.									
65170	2/18/2016 2/18/2016	19.54	4510	23543					22.00 ✓	0.00
	10-14-6260		CLEAR DIESEL						0.00	2.46 ✓
	10-14-6260		EXCISE TAX CREDIT						22.00 ✓	2.46 ✓
									<u>22.00 ✓</u>	<u>2.46 ✓</u>
65171	2/18/2016 2/18/2016	295.21	3840	CLARK511					110.89 ✓	0.00
	10-15-6270		CLEAR DIESEL						63.48 ✓	0.00
	10-15-6270		CLEAR DIESEL						41.38 ✓	0.00
	10-15-6270		CLEAR DIESEL						117.68 ✓	0.00
	10-15-6270		EXCISE TAX CREDIT						0.00	38.22 ✓
									<u>333.43 ✓</u>	<u>38.22 ✓</u>
1838	FINNEY MACHINE INC									
65172	2/18/2016 2/18/2016	134.38	8904	24008					134.38 ✓	0.00
	53-43-4330		REPAIR SHAFT							
2934	EVE FLYNN									
65174	2/18/2016 2/18/2016	51.00	4361706	24000					51.00 ✓	0.00
	53-43-3000		CDL LICENSE							
236	FOUTS INSURANCE AGENCY INC.									
65175	2/18/2016 2/18/2016	100.00	14481	23538					100.00 ✓	0.00
	10-12-5250		PUBLIC OFFICIAL BOND/WILSON							
243	FRASIER AND JOHNSON LLC									
65176	2/18/2016 2/18/2016	264.98		23860					88.00 ✓	0.00
	10-12-3000		ATTY FEES-2015000180						80.49 ✓	0.00
	10-12-3000		ATTY FEES-201500091						96.49 ✓	0.00
	10-12-3000		ATTY FEES-201500276						<u>264.98 ✓</u>	<u>0.00</u>
2902	JORDAN GRUBER									
65177	2/18/2016 2/18/2016	52.00	4361705	23999					52.00 ✓	0.00
	53-43-3000		CDL LICENSE							

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1010	MORGAN HARRIS (continued)										
65309	2/18/2016	2/18/2016	4,900.00	1127	23558					Posted	
	10-11-6600					HOUSING DEMO REIMBURSEMENT-709			4,900.00 ✓	0.00	
2573	HEATHER HARTMAN										
65181	2/18/2016	2/18/2016	237.16		6958					Posted	
	26-00-5310					REIMBURSEMENT PHONE-DEC			73.96 ✓	0.00	
	26-00-5310					REIMBURSEMENT PHONE-JAN			80.30 ✓	0.00	
	26-00-5310					REIMBURSEMENT PHONE-FEB			82.90 ✓	0.00	
									<u>237.16 ✓</u>	<u>0.00</u>	
65182	2/18/2016	2/18/2016	243.86		6954					Posted	
	26-00-5800					SVED IN TIPTON-55 MILES			29.70 ✓	0.00	
	26-00-5800					POST ROCK IN DOWNS-52 MILES			27.86 ✓	0.00	
	26-00-5800					CAWKER CITY COUNCIL-39 MILES			21.06 ✓	0.00	
	26-00-5800					KARL IN TOPEKA-306 MILES			165.24 ✓	0.00	
									<u>243.86 ✓</u>	<u>0.00</u>	
2659	HAWKINS										
65183	2/18/2016	2/18/2016	3,385.25	3829018						Posted	
	51-41-6170					ALUM SULFATE/CHLOR/SODIUM HEX			3,385.25 ✓	0.00	
1279	HD SUPPLY WATERWORKS, LTD										
65178	2/18/2016	2/18/2016	6,659.83	F015949						Posted	
	30-00-8100					PARTIAL COURT STR. ORDER			6,659.83 ✓	0.00	
2869	HEARTLAND ENVIRONMENTAL DISTRIBUTORS, IN										
65184	2/18/2016	2/18/2016	813.00	102407						Posted	
	52-41-4300					ANNUAL WEED & GRASS STERILANT			813.00 ✓	0.00	
2940	JOE HOLLERICH										
65185	2/18/2016	2/18/2016	41.65		14140					Posted	
	30-00-6150					REIMBURSEMENT FOR COST OF DEMC			41.65 ✓	0.00	
2111	HOMMAN ELECTRONICS										
65186	2/18/2016	2/18/2016	479.00	6003	20892					Posted	
	10-13-7460					4 CHANNEL DVR			479.00 ✓	0.00	
2517	HQH2O INC.										
65179	2/18/2016	2/18/2016	23.00		23527					Posted	
	10-13-6000					206829-WATER			17.25 ✓	0.00	
	10-13-6000					207060-WATER			5.75 ✓	0.00	
									<u>23.00 ✓</u>	<u>0.00</u>	
2359	KANSAS CORPORATION COMMISSION										
65256	2/18/2016	2/18/2016	127.56	111						Posted	
	10-11-3000					Frasier/Johnson - 116 N Hersey			67.33 ✓	0.00	
	10-11-3000					Darwin Wiles - 627 E 3rd			60.23 ✓	0.00	
									<u>127.56 ✓</u>	<u>0.00</u>	
364	KANSAS JUDICIAL COUNCIL										
65213	2/18/2016	2/18/2016	43.40	34883	23863					Posted	
	10-12-6110					KS MUNI COURT MANUAL 2015 SUPPLE			43.40 ✓	0.00	
65214	2/18/2016	2/18/2016	40.00	34748	23529					Posted	
	10-12-6110					COURT SUPPLEMENTS			40.00 ✓	0.00	
367	KANSAS MUNICIPAL UTILITIES										
65215	2/18/2016	2/18/2016	2,895.00	13084	23528					Posted	
	53-41-5410					2016 DUES-1ST QUARTER TRAINING			2,895.00 ✓	0.00	
370	KANSAS ONE CALL SYSTEM INC										
65216	2/18/2016	2/18/2016	66.00	6010162	23530					Posted	
	53-43-3000					LOCATES-JANUARY			22.00 ✓	0.00	
	51-43-3000					LOCATES-JANUARY			22.00 ✓	0.00	
	52-43-3000					LOCATES-JANUARY			22.00 ✓	0.00	
									<u>66.00 ✓</u>	<u>0.00</u>	
2952	KANSAS SAND & CONSTRUCTION										
65320	2/18/2016	2/18/2016	20,730.00	14-HR-001	23557					Posted	
	30-00-3000					BELOIT HOUSING REHAB GRANT			20,730.00 ✓	0.00	
1380	KDHE-BUREAU OF AIR & RADIATION										
65187	2/18/2016	2/18/2016	222.00	20-123-0012	23525					Posted	
	53-41-6700					EMISSION INVENTORY & FEE FORM			222.00 ✓	0.00	

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486 KDHE-BUREAU OF WATER (continued)										
65188	2/18/2016	2/18/2016		95,472.05			23474			Posted
	52-41-4710					REVOLVING LOAN PAYMENT FOR SEW			91,836.77 ✓	0.00
	52-41-4722					REVOLVING LOAN PAYMENT FOR SEW			3,635.28 ✓	0.00
									<u>95,472.05 ✓</u>	<u>0.00</u>
65189	2/18/2016	2/18/2016		20.00	17641	CERTIFICATE RENEWAL			20.00 ✓	0.00
2416 KNCK AM/KNCK FM-NCK 94.9										
65217	2/18/2016	2/18/2016		99.00	16010159	WASTEWATER SYSTEMS OP AD	23537		99.00 ✓	0.00
	52-43-5400									
394 KRIERS' AUTO PARTS										
65218	2/18/2016	2/18/2016		351.29			20873			Posted
	10-13-4310					4925-208089-BATTERY			160.80 ✓	0.00
	10-13-4310					4925-208350-BATTERY & BLADE			190.49 ✓	0.00
									<u>351.29 ✓</u>	<u>0.00</u>
65219	2/18/2016	2/18/2016		106.06	4925-204696	FLEX/REDUCERS	23542		106.06 ✓	0.00
65220	2/18/2016	2/18/2016		10.59	4925-208744	V-BELT	24005		10.59 ✓	0.00
65221	2/18/2016	2/18/2016		27.40	4925-208526	CLEAN SAND	24266		27.40 ✓	0.00
65222	2/18/2016	2/18/2016		21.84	4925-206983	SNAP RINGS	23002		21.84 ✓	0.00
65223	2/18/2016	2/18/2016		151.35	4925-208706	REGULATOR & GAUGE			151.35 ✓	0.00
65224	2/18/2016	2/18/2016		117.61			CLARK511			Posted
	10-15-4310					4925-207537-OIL FILTER			8.78 ✓	0.00
	10-15-4310					4925-207568-WIPER FLUID			12.40 ✓	0.00
	10-15-4310					4925-207684-LAMPS			4.50 ✓	0.00
	10-15-4310					4925-208065-WIPER BLADES			13.93 ✓	0.00
	10-15-4310					4925-208167-LAMPS & LENSES			48.22 ✓	0.00
	10-15-4310					4925-208175-SOLENOID			8.37 ✓	0.00
	10-15-4310					4925-208527-BLOWER MOTOR			21.41 ✓	0.00
									<u>117.61 ✓</u>	<u>0.00</u>
65225	2/18/2016	2/18/2016		16.18	4925-207845	CAN OF UNDERCOATING			16.18 ✓	0.00
65226	2/18/2016	2/18/2016		55.86	4925-208122	PLASMA FILTER			18.62 ✓	0.00
	51-43-6000					PLASMA FILTER			18.62 ✓	0.00
	52-43-6000					PLASMA FILTER			18.62 ✓	0.00
	53-43-6000								<u>55.86 ✓</u>	<u>0.00</u>
65227	2/18/2016	2/18/2016		8.57	4925-207576	AIR FILTER			8.57 ✓	0.00
65228	2/18/2016	2/18/2016		29.20			CLARK512			Posted
	25-00-4310					4925-207087-NYLON RECOIL			39.20 ✓	0.00
	25-00-4310					4925-207228-RETURN FROM 4925-2072			0.00	10.00 ✓
									<u>39.20 ✓</u>	<u>10.00 ✓</u>
65229	2/18/2016	2/18/2016		114.38	4925-207269	WIRE			38.12 ✓	0.00
	51-43-6000					WIRE			38.13 ✓	0.00
	52-43-6000					WIRE			38.13 ✓	0.00
	53-43-6000								<u>114.38 ✓</u>	<u>0.00</u>
65230	2/18/2016	2/18/2016		31.92	4925-207101	CHOPSAW BLADE			10.64 ✓	0.00
	51-43-6000					CHOPSAW BLADE			10.64 ✓	0.00
	52-43-6000					CHOPSAW BLADE			10.64 ✓	0.00
	53-43-6000								<u>31.92 ✓</u>	<u>0.00</u>
65231	2/18/2016	2/18/2016		7.08	4925-207119	DIA/HOBART/MILLER			7.08 ✓	0.00
65232	2/18/2016	2/18/2016		12.54	4925-208472	XTREME BLUE			12.54 ✓	0.00

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	Account#	Work Order		Description			Debit	Credit
394 KRIERS' AUTO PARTS (continued)								
65233	2/18/2016	2/18/2016	53.74			CLARK513		Posted
	25-00-4330			4925-208862-CIRCUIT BREAKER/RESIST			40.09✓	0.00
	25-00-4330			4925-209044-LIGHTER WELL			4.78✓	0.00
	25-00-4330			4925-209183-OIL FILTER			4.12✓	0.00
	25-00-4330			4925-209206-OIL FILTER			4.75✓	0.00
							53.74✓	0.00
395 KRIZ-DAVIS CO								
65234	2/18/2016	2/18/2016	704.17			24289		Posted
	53-43-6000			S101255288.002-WOOD BRACE			128.30✓	0.00
	53-43-6000			S101225198.001-CAP			575.87✓	0.00
							704.17✓	0.00
65235	2/18/2016	2/18/2016	403.93			24023		Posted
	53-43-7440			S101248236.001-THERMAL WINTER LIN			88.16✓	0.00
	53-43-7440			S101248236.003-HARD HATS/SUSPENS			274.11✓	0.00
	53-43-7440			S101248236.005-HAR HAT BROW PADS			19.05✓	0.00
	53-43-7440			S101248236.004-HARD HAT CHIN STRAI			22.61✓	0.00
							403.93✓	0.00
65236	2/18/2016	2/18/2016	83.84			24024		Posted
	53-43-6000			S101249738.001-INSULATORS			624.96✓	0.00
	53-43-6000			S101257522.001-CREDIT FROM S101249			0.00	541.12✓
							624.96✓	541.12✓
65237	2/18/2016	2/18/2016	1,332.37	S101255288.001		24025		Posted
	53-43-6000			DEADEND/ALUMAFORM			1,332.37✓	0.00
65238	2/18/2016	2/18/2016	2,012.13	S101241506.001		24265		Posted
	53-43-2911			LONG SLEEVE T-SHIRTS			2,012.13✓	0.00
805 KRONE'S SERVICE CENTER, INC								
65311	2/18/2016	2/18/2016	61.52	14382		24007		Posted
	53-43-6000			ARGON			20.51✓	0.00
	52-43-6000			ARGON			20.51✓	0.00
	51-43-6000			ARGON			20.50✓	0.00
							61.52✓	0.00
2264 KVSU								
65239	2/18/2016	2/18/2016	630.00	1215-00003-0000		23536		Posted
	52-43-5400			WASTEWATER SYSTEMS JOB AD			630.00✓	0.00
424 MCHENRY ELECTRIC & SUPPLY								
65242	2/18/2016	2/18/2016	231.88	15495		24288		Posted
	53-43-4330			CHAIN SAW REPAIRS			231.88✓	0.00
65243	2/18/2016	2/18/2016	25.00	015493		23663		Posted
	10-18-4330			SHARPEN CHAINS			25.00✓	0.00
65244	2/18/2016	2/18/2016	124.00	015579		CLARK514		Posted
	10-15-4330			BATTERY			124.00✓	0.00
2787 MIDWEST SERVICE BUREAU, INC								
65257	2/18/2016	2/18/2016	228.99	5489				Posted
	53-43-3000			COLLECTION FEES			228.99✓	0.00
2177 MITCHELL CO HOSPITAL HEALTH SYSTEMS								
65314	2/18/2016	2/18/2016	145.85			20878		Posted
	10-13-3000			REPRICING-B. REYNOLDS-201500072			145.85✓	0.00
2271 MITCHELL COUNTY EMS								
65312	2/18/2016	2/18/2016	185.00			20879		Posted
	10-13-3000			REPRICING B. REYNOLDS-201500072			185.00✓	0.00
465 MITCHELL COUNTY HEALTH DEPARTMENT								
65313	2/18/2016	2/18/2016	65.00	5261		23555		Posted
	10-18-3000			HEP A-ADULT			65.00✓	0.00
470 MITCHELL COUNTY SOLID WASTE								
65245	2/18/2016	2/18/2016	20,373.14	107				Posted
	54-41-3000			TRASH COLLECTION			20,373.14✓	0.00
65246	2/18/2016	2/18/2016	8.00	003752				Posted
	52-41-3000			DISPOSAL OF SCREENINGS			8.00✓	0.00

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		<u>Account#</u>		<u>Work Order</u>		<u>Description</u>			<u>Debit</u>	<u>Credit</u>
499	NCKTC (continued)									
65248		2/18/2016	2/18/2016		800.00	2612		CLARK515	800.00 ✓	Posted
		10-15-2400				CDL TUITION				0.00
2832	NEX-TECH, INC.									
65247		2/18/2016	2/18/2016		67.50	MA-11332		23862	67.50 ✓	Posted
		10-12-4320				LABOR-TRYING TO FIX MUNI COURT PF				0.00
65249		2/18/2016	2/18/2016		87.95	MLKH-11363			87.95 ✓	Posted
		52-41-6110				APC COMPUTER BACKUP				0.00
65250		2/18/2016	2/18/2016		131.80	MLKH-10864			131.80 ✓	Posted
		51-41-6110				PRINTER INK				0.00
65251		2/18/2016	2/18/2016		131.80	MA-10560		CLARK516	131.80 ✓	Posted
		10-15-6110				PRINTER INK				0.00
2839	NEXTRUST INC.									
65258		2/18/2016	2/18/2016		1,768.73	159044			1,389.54 ✓	Posted
		10-11-5400				UTILITY BILLS			379.19 ✓	0.00
		10-17-5400				PARKS & REC BROCHURE			1,768.73 ✓	0.00
2946	PACE ANALYTICAL SERVICES, INC.									
65252		2/18/2016	2/18/2016		973.00				458.00 ✓	Posted
		52-41-3000				164376-DEC. LAB TESTING			515.00 ✓	0.00
		52-41-3000				164722-JAN. LAB TESTING			973.00 ✓	0.00
536	POST MASTER									
65096		2/18/2016	2/18/2016		144.00	337		20882	144.00 ✓	Posted
		10-13-5320				PD PO BOX 337				0.00
1263	PRAIRE FIRE COFFEE ROASTERS									
65253		2/18/2016	2/18/2016		89.83	813647		24002	89.83 ✓	Posted
		53-43-3000				COFFEE				0.00
65254		2/18/2016	2/18/2016		43.40	813655		CLARK517	43.40 ✓	Posted
		10-15-6000				COFFEE				0.00
41	QLT CONSUMER LEASE SERVICES INC									
65255		2/18/2016	2/18/2016		8.03			CLARK518	8.03 ✓	Posted
		10-15-6000				INDOOR GONG				0.00
321	RICOH USA, INC									
65259		2/18/2016	2/18/2016		27.61	96206304		23531	27.61 ✓	Posted
		10-11-3360				RICOH RENTAL-FEB				0.00
65315		2/18/2016	2/18/2016		152.87	5040265469		23554	152.87 ✓	Posted
		10-11-3000				COPY MACHINE				0.00
2282	ROYAL PUBLISHING									
65260		2/18/2016	2/18/2016		135.00	7786798		23533	135.00 ✓	Posted
		10-11-5400				2016 BELOIT WRESTLING AD				0.00
2818	PATTY RUFENER									
65261		2/18/2016	2/18/2016		36.00			24003	9.00 ✓	Posted
		53-43-3000				SWEET ROLLS			9.00 ✓	0.00
		52-43-3000				SWEET ROLLS			9.00 ✓	0.00
		51-43-3000				SWEET ROLLS			9.00 ✓	0.00
		53-41-3000				SWEET ROLLS			9.00 ✓	0.00
									36.00 ✓	0.00
586	S & S DRUG STORE									
65262		2/18/2016	2/18/2016		4.99			23665	4.99 ✓	Posted
		10-17-6800				DISPOSABLE ICE PACKS				0.00
582	SALINA SUPPLY COMPANY									
65263		2/18/2016	2/18/2016		478.43	S100043274.001		24287	478.43 ✓	Posted
		53-41-4360				FLANGES				0.00
94	SCHENDEL PEST CONTROL									
65264		2/18/2016	2/18/2016		50.00	41410		24028	16.67 ✓	Posted
		53-43-3000				PEST CONTROL			16.67 ✓	0.00
		52-43-3000				PEST CONTROL			16.66 ✓	0.00
		51-43-3000				PEST CONTROL			50.00 ✓	0.00

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	<u>Account#</u>	<u>Work Order</u>		<u>Description</u>							
593 SCHNELL & PESTINGER (continued)											
65265	2/18/2016	2/18/2016	104.45	688367		24299		Posted	104.45 ✓	0.00	
	53-41-4360			HOTPOINT TIMER							
2418 SCHROEDER LAW OFFICE, LLC											
65266	2/18/2016	2/18/2016	19.06	1752		23535		Posted	19.06 ✓	0.00	
	10-11-6110			OFFICE EXPENSES-JANUARY							
488 SCHWAB EATON BELOIT											
65267	2/18/2016	2/18/2016	152.00	BELOIT		23544		Posted	152.00 ✓	0.00	
	30-00-3000			RIGHT OF WAY-N CAMPUS/INDUSTRIAL							
607 SHAMBURG OIL COMPANY											
65268	2/18/2016	2/18/2016	70.00	515064		24252		Posted	70.00 ✓	0.00	
	53-43-6270			DIESEL							
65269	2/18/2016	2/18/2016	25.00	515053				Posted	25.00 ✓	0.00	
	51-43-6270			DIESEL							
65270	2/18/2016	2/18/2016	70.80	514452				Posted	70.80 ✓	0.00	
	51-41-4360			SERIUS GEAR LUBE							
65271	2/18/2016	2/18/2016	(10.94)	497852		23540		Posted	0.00	10.94 ✓	
	53-43-6270			EXCISE TAX CREDIT-JANUARY							
2816 DELMAR SHOEMAKER											
65272	2/18/2016	2/18/2016	100.00			20891		Posted	100.00 ✓	0.00	
	10-12-3320			RESTITUTION-CASE 201400180							
2944 HECTOR SOLER											
65273	2/18/2016	2/18/2016	50.00			23859		Posted	50.00 ✓	0.00	
	10-12-3000			INTERPERTOR FEE-CASE 2015000294							
626 SOLOMON VALLEY HOME CENTER											
65274	2/18/2016	2/18/2016	46.36			23485		Posted			
	10-11-4300			10380012-NOTCH TROWEL					3.79 ✓	0.00	
	10-11-4300			10380183-PARABOND					18.29 ✓	0.00	
	10-11-4300			10380792-GLUE/PLASTER					24.28 ✓	0.00	
									<u>46.36 ✓</u>	<u>0.00</u>	
65275	2/18/2016	2/18/2016	14.99	10380849		23653		Posted	14.99 ✓	0.00	
	10-18-6000			WHITE PANEL							
65276	2/18/2016	2/18/2016	493.87			CLARK519		Posted			
	10-15-4300			10380851-CORRUGATED METAL					181.07 ✓	0.00	
	10-15-4300			10380906-6X8 PINE					5.99 ✓	0.00	
	10-22-4300			10381024-CYLINDER LOCK & TOOLS					34.27 ✓	0.00	
	10-22-4300			10381100-SUPPLIES FOR WALK IN DOC					83.84 ✓	0.00	
	10-22-4300			10381222-DOOR TRIM					2.29 ✓	0.00	
	30-00-4300			10381352-4X8 PLYWOOD					115.56 ✓	0.00	
	30-00-4300			10381369-6X8 STD & BTR					43.60 ✓	0.00	
	30-00-4300			10381386-6X8 STD & BTR					5.45 ✓	0.00	
	30-00-4300			10381389-6X8 STD & BTR					21.80 ✓	0.00	
									<u>493.87 ✓</u>	<u>0.00</u>	
65277	2/18/2016	2/18/2016	161.44					Posted			
	51-41-6000			10379982-FLOOR ENAMEL					59.98 ✓	0.00	
	51-41-6000			10380741-FLOOR ENAMEL & BRUSHES					101.46 ✓	0.00	
									<u>161.44 ✓</u>	<u>0.00</u>	

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									<u>Debit</u>	<u>Credit</u>
626	SOLOMON VALLEY HOME CENTER (continued)									
65278		2/18/2016	2/18/2016		307.87					Posted
	51-43-7200					10379464-NUTS			0.12✓	0.00
	52-43-7200					10379464-NUTS			0.13✓	0.00
	52-43-7200					10379464-NUTS			0.13✓	0.00
	51-43-7200					10380392-8' STD & BTR			18.38✓	0.00
	52-43-7200					10380392-8' STD & BTR			18.39✓	0.00
	53-43-7200					10380392-8' STD & BTR			18.39✓	0.00
	51-43-7200					10380616-COMPOUND/SPONGE/PINE			14.99✓	0.00
	52-43-7200					10380616-COMPOUND/SPONGE/PINE			14.99✓	0.00
	53-43-7200					10380616-COMPOUND/SPONGE/PINE			15.00✓	0.00
	51-43-7200					10380623-DOOR/BRUSH/STAIN/CASING			59.97✓	0.00
	52-43-7200					10380623-DOOR/BRUSH/STAIN/CASING			59.97✓	0.00
	53-43-7200					10380623-DOOR/BRUSH/STAIN/CASING			59.97✓	0.00
	51-43-7200					10380783-PRIMER			5.83✓	0.00
	52-43-7200					10380783-PRIMER			5.83✓	0.00
	53-43-7200					10380783-PRIMER			5.83✓	0.00
	51-43-7200					10380816-CREDIT FROM 10380623			0.00	0.91✓
	52-43-7200					10380816-CREDIT FROM 10380623			0.00	0.92✓
	52-43-7200					10380816-CREDIT FROM 10380623			0.00	0.92✓
	51-43-7200					10380850-OAK CASING			4.23✓	0.00
	52-43-7200					10380850-OAK CASING			4.23✓	0.00
	53-43-7200					10380850-OAK CASING			4.24✓	0.00
									<u>310.62</u> ✓	<u>2.75</u> ✓
65279		2/18/2016	2/18/2016		186.16			CLARK520		Posted
	10-15-6130					10379800-STD &BTR/PINE			36.18✓	0.00
	10-15-6130					10379804-PAINT			36.99✓	0.00
	10-15-6130					10380158-DRYWALL SCREWS			17.65✓	0.00
	10-15-6130					10380361-PAINT & PINE			51.37✓	0.00
	10-15-6130					10380774-STD & BTR/PINE			43.97✓	0.00
									<u>186.16</u> ✓	<u>0.00</u>
65280		2/18/2016	2/18/2016		62.86					Posted
	51-43-6130					10380393-THREAD & RIGID CASTER			5.59✓	0.00
	52-43-6130					10380393-THREAD & RIGID CASTER			5.59✓	0.00
	53-43-6130					10380393-THREAD & RIGID CASTER			5.59✓	0.00
	51-43-6130					10380451-TAPE/COMPOUND/SHEETRO(15.36✓	0.00
	52-43-6130					10380451-TAPE/COMPOUND/SHEETRO(15.36✓	0.00
	53-43-6130					10380451-TAPE/COMPOUND/SHEETRO(15.37✓	0.00
									<u>62.86</u> ✓	<u>0.00</u>
65281		2/18/2016	2/18/2016		170.26			CLARK521		Posted
	25-00-6000					10379298-CAULK/TOOLS			98.47✓	0.00
	25-00-6000					10379365-PLYWOOD			39.76✓	0.00
	25-00-6000					10379480-DRYWALL SCREWS			17.65✓	0.00
	25-00-6000					10379492-PINE			14.38✓	0.00
									<u>170.26</u> ✓	<u>0.00</u>
65282		2/18/2016	2/18/2016		40.57					Posted
	51-43-6130					10380699-STD & BTR/PINE			16.00✓	0.00
	51-43-6130					10380808-ROLLER COVERS			12.99✓	0.00
	51-43-6130					10381243-MINI BLIND			11.58✓	0.00
									<u>40.57</u> ✓	<u>0.00</u>
628	SOLOMON VALLEY VET HOSPITAL PA									
65283		2/18/2016	2/18/2016		99.08	251189		20894		Posted
	10-13-3510					DOG FOOD			99.08✓	0.00
65284		2/18/2016	2/18/2016		412.26	251659		23532		Posted
	10-11-3500					ANIMAL BOARDING & CARE			412.26✓	0.00
643	STANION WHSE ELECTRIC COMPANY									
65285		2/18/2016	2/18/2016		319.24			24286		Posted
	53-43-6000					4022434-00-CT			281.00✓	0.00
	53-43-6000					4023770-01-OVAL EYE NUTS			38.24✓	0.00
									<u>319.24</u> ✓	<u>0.00</u>
2740	SUMMER KIDS CAFE									
65286		2/18/2016	2/18/2016		150.00			23552		Posted
	10-11-6000					DONATION			150.00✓	0.00

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2740	SUMMER KIDS CAFE (continued)											
65287	2/18/2016	2/18/2016	100.00				23658				100.00 ✓	Posted 0.00
	10-00-3478							EXTRA MONEY FROM CROCK POT CLA				
423	SUNNYVIEW CUSTOM DESIGNS											
65316	2/18/2016	2/18/2016	468.00	685792			23553				468.00 ✓	Posted 0.00
	10-14-2911							UNIFORMS				
673	THOMPSON'S OK TIRE, INC											
65288	2/18/2016	2/18/2016	2,095.73	1-115563			24009				2,095.73 ✓	Posted 0.00
	53-43-6140							TIRES				
65289	2/18/2016	2/18/2016	523.00	1-115523			24010				523.00 ✓	Posted 0.00
	53-43-6140							TIRES				
65290	2/18/2016	2/18/2016	45.90				23984					Posted 0.00
	53-43-6140							1-114768-TIRE REPAIR			33.90 ✓	0.00
	53-43-6140							1-114819-TIRE REPAIR			12.00 ✓	0.00
											45.90 ✓	0.00
65291	2/18/2016	2/18/2016	176.71	1-114581			20876				176.71 ✓	Posted 0.00
	10-13-4310							TIRES				
65292	2/18/2016	2/18/2016	15.49	1-115882			CLARK522				15.49 ✓	Posted 0.00
	10-15-6140							HAND CLEANER				
65293	2/18/2016	2/18/2016	12.00	1-114936			CLARK523				12.00 ✓	Posted 0.00
	10-15-6140							TIRE REPAIR				
201	THYSSENKRUPP ELEVATOR											
65294	2/18/2016	2/18/2016	313.42	3002373506			23534				313.42 ✓	Posted 0.00
	10-11-3000							SERVICE DATE 2/01/16-4/30/16				
1163	TMHC SERVICES INC											
65317	2/18/2016	2/18/2016	480.50				23556					Posted 0.00
	10-13-3000							213396-PRE-EMPLOYMENT TEST			75.00 ✓	0.00
	10-11-3000							213396-EAP FEE			42.00 ✓	0.00
	10-11-3000							213396-ADMIN FEE			126.50 ✓	0.00
	10-11-3000							213395-EAP FEE			72.00 ✓	0.00
	10-11-3000							213395-ADMIN FEE			165.00 ✓	0.00
											480.50 ✓	0.00
704	UNIVAR USA INC											
65295	2/18/2016	2/18/2016	9,314.88	WI1614008							9,314.88 ✓	Posted 0.00
	51-41-6170							SODA ASH				
2941	US CELLULAR											
65296	2/18/2016	2/18/2016	45.02	0119989199			20895				45.02 ✓	Posted 0.00
	10-13-5310							PD PHONE				
410	UTILITIES											
65297	2/18/2016	2/18/2016	611.18				108				611.18 ✓	Posted 0.00
	10-13-6220							CITY SHARE OF JAIL UTILITIES				
2067	VERIZON WIRELESS SERVICES, LLC											
65298	2/18/2016	2/18/2016	152.65	9759002579			23504					Posted 0.00
	53-43-5310							SYSTEMS			39.68 ✓	0.00
	52-43-5310							SYSTEMS			41.30 ✓	0.00
	51-43-5310							SYSTEMS			41.30 ✓	0.00
	51-41-5310							WATER PLANT ON-CALL PHONE			30.37 ✓	0.00
											152.65 ✓	0.00
65299	2/18/2016	2/18/2016	175.31	9758972846			23501					Posted 0.00
	10-11-5310							ADMIN			109.78 ✓	0.00
	10-20-5310							CEMETERY			65.53 ✓	0.00
											175.31 ✓	0.00
65300	2/18/2016	2/18/2016	53.73	3352596863			20874				53.73 ✓	Posted 0.00
	10-13-7460							PD PHONE				
65301	2/18/2016	2/18/2016	53.61	9759010161			23502				53.61 ✓	Posted 0.00
	53-41-5310							POWER PLANT STAND-BY PHONE				
65302	2/18/2016	2/18/2016	45.50	9759879910			23503				45.50 ✓	Posted 0.00
	10-18-5310							PARKS & REC ON-CALL PHONE				
712	WACONDA TRADER											
65303	2/18/2016	2/18/2016	50.40								50.40 ✓	Posted 0.00
	52-43-5400							WASTEWATER OP AD				

Accounts Payable Detail Listing

City of Beloit

<u>Vend#</u>	<u>Vendor Name</u>	<u>Pay#</u>	<u>Post Date</u>	<u>Due Date</u>	<u>Amount</u>	<u>Invoice</u>	<u>Date</u>	<u>PO#</u>	<u>Description</u>	<u>Date</u>	<u>Status</u>
										<u>Debit</u>	<u>Credit</u>
2948	SHEILA WAGNER (continued)										
65304		2/18/2016	2/18/2016		3.73	8781		23661	CLASS MATERIAL REIMBURSEMENT	3.73 ✓	Posted 0.00
	10-17-6800										
734	WESCO RECEIVABLES CORP										
65305		2/18/2016	2/18/2016		1,692.60	74430		24012	JEANS	1,692.60 ✓	Posted 0.00
	53-43-2911										
65306		2/18/2016	2/18/2016		1,694.44	74603		24013	POLYSET	1,694.44 ✓	Posted 0.00
	53-43-6000										
1649	WILLOW SPRINGS SERVICES INC										
65307		2/18/2016	2/18/2016		257.50	16610		CLARK524	HEAT & HVAC SYSTEM WORK	257.50 ✓	Posted 0.00
	10-22-3000										
2747	LAW OFFICE OF SCOTT WRIGHT										
65308		2/18/2016	2/18/2016		56.00			23861	ATTY FEES-CASE 201500064	56.00 ✓	Posted 0.00
	10-12-3000										
					272,831.45	225 Non-voided payables listed.					

Report Setup
 AP - Accounts Payable Listing : Vendor Name
 Filter Options
 Starting: 2/18/2016
 Ending: 2/18/2016
 Banks: All
 Payable Status: Posted, Printed, ACH, Recorded, Voided
 All Vendors Selected

REQUEST FOR COUNCIL ACTION

DATE:	TITLE:
February 16, 2016	ORDINANCE 2168 AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS TO REFINANCE ELECTRIC UTILITY REVENUE BONDS
ORIGINATING DEPARTMENT:	TYPE OF ACTION:
Administration	<input checked="" type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> FORMAL ACTION <input type="checkbox"/> OTHER

RECOMMENDATION:

I recommend that the Council approve Ordinance 2168 Authorizing the Issuance of general obligation refunding bonds to refund outstanding electric utility system revenue bonds, Series 2016-A.

FISCAL NOTE:

- The city will save \$429,661.87 over the life of the General Obligation Bond.

DISCUSSION:

Piper Jaffray & Company originally projected \$260,000.00 savings over the remaining life of the bond by refinancing. The market was very favorable Wednesday February 10th, and the savings ended up being \$429,661.87 with the true interest rate being 2.18%. Piper Jaffray and city staff are very pleased with the savings.

Respectfully submitted,

Tom Naasz,
Mayor

SUMMARY OF BONDS REFUNDED

City of Beloit, Kansas
 General Obligation Electric Utility System Refunding Bonds
 Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
 FINAL

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Electric Utility System Revenue Bonds, 2011:					
SERIAL	12/01/2016	2.250%	170,000.00		
	12/01/2017	2.500%	175,000.00		
	12/01/2018	2.750%	180,000.00		
	12/01/2019	3.000%	185,000.00	12/01/2018	100.000
	12/01/2020	3.250%	190,000.00	12/01/2018	100.000
	12/01/2021	3.500%	195,000.00	12/01/2018	100.000
	12/01/2022	3.750%	205,000.00	12/01/2018	100.000
TERM	12/01/2026	4.500%	900,000.00	12/01/2018	100.000
TERM02	12/01/2031	4.750%	1,385,000.00	12/01/2018	100.000
			3,585,000.00		

PRIOR BOND DEBT SERVICE

City of Beloit, Kansas
 General Obligation Electric Utility System Refunding Bonds
 Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
 FINAL

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			72,837.50	72,837.50	
12/01/2016	170,000	2.250%	72,837.50	242,837.50	315,675.00
06/01/2017			70,925.00	70,925.00	
12/01/2017	175,000	2.500%	70,925.00	245,925.00	316,850.00
06/01/2018			68,737.50	68,737.50	
12/01/2018	180,000	2.750%	68,737.50	248,737.50	317,475.00
06/01/2019			66,262.50	66,262.50	
12/01/2019	185,000	3.000%	66,262.50	251,262.50	317,525.00
06/01/2020			63,487.50	63,487.50	
12/01/2020	190,000	3.250%	63,487.50	253,487.50	316,975.00
06/01/2021			60,400.00	60,400.00	
12/01/2021	195,000	3.500%	60,400.00	255,400.00	315,800.00
06/01/2022			56,987.50	56,987.50	
12/01/2022	205,000	3.750%	56,987.50	261,987.50	318,975.00
06/01/2023			53,143.75	53,143.75	
12/01/2023	210,000	4.500%	53,143.75	263,143.75	316,287.50
06/01/2024			48,418.75	48,418.75	
12/01/2024	220,000	4.500%	48,418.75	268,418.75	316,837.50
06/01/2025			43,468.75	43,468.75	
12/01/2025	230,000	4.500%	43,468.75	273,468.75	316,937.50
06/01/2026			38,293.75	38,293.75	
12/01/2026	240,000	4.500%	38,293.75	278,293.75	316,587.50
06/01/2027			32,893.75	32,893.75	
12/01/2027	250,000	4.750%	32,893.75	282,893.75	315,787.50
06/01/2028			26,956.25	26,956.25	
12/01/2028	265,000	4.750%	26,956.25	291,956.25	318,912.50
06/01/2029			20,662.50	20,662.50	
12/01/2029	275,000	4.750%	20,662.50	295,662.50	316,325.00
06/01/2030			14,131.25	14,131.25	
12/01/2030	290,000	4.750%	14,131.25	304,131.25	318,262.50
06/01/2031			7,243.75	7,243.75	
12/01/2031	305,000	4.750%	7,243.75	312,243.75	319,487.50
	3,585,000		1,489,700.00	5,074,700.00	5,074,700.00

SAVINGS

City of Beloit, Kansas
 General Obligation Electric Utility System Refunding Bonds
 Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
 FINAL

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 03/01/2016 @ 1.9163070%
12/01/2016	315,675.00	1,588.13	314,086.87	288,987.50	25,099.37	25,192.94
12/01/2017	316,850.00	2,117.50	314,732.50	279,350.00	35,382.50	34,431.35
12/01/2018	317,475.00	2,117.50	315,357.50	280,650.00	34,707.50	33,137.33
12/01/2019	317,525.00	2,117.50	315,407.50	281,850.00	33,557.50	31,435.57
12/01/2020	316,975.00	2,117.50	314,857.50	281,000.00	33,857.50	31,117.05
12/01/2021	315,800.00	2,117.50	313,682.50	275,000.00	38,682.50	34,852.32
12/01/2022	318,975.00	2,117.50	316,857.50	279,000.00	37,857.50	33,465.10
12/01/2023	316,287.50	2,117.50	314,170.00	277,700.00	36,470.00	31,630.31
12/01/2024	316,837.50	2,117.50	314,720.00	276,250.00	38,470.00	32,713.22
12/01/2025	316,937.50	2,117.50	314,820.00	279,650.00	35,170.00	29,342.07
12/01/2026	316,587.50	2,117.50	314,470.00	277,750.00	36,720.00	30,036.97
12/01/2027	315,787.50	2,117.50	313,670.00	275,700.00	37,970.00	30,454.23
12/01/2028	318,912.50	2,117.50	316,795.00	278,500.00	38,295.00	30,116.20
12/01/2029	316,325.00	2,117.50	314,207.50	276,000.00	38,207.50	29,461.21
12/01/2030	318,262.50	2,117.50	316,145.00	280,800.00	35,345.00	26,733.70
12/01/2031	319,487.50	425,617.50	-106,130.00		-106,130.00	-78,549.16
	5,074,700.00	456,850.63	4,617,849.37	4,188,187.50	429,661.87	385,570.42

Savings Summary

PV of savings from cash flow	385,570.42
Net PV Savings	385,570.42

SUMMARY OF REFUNDING RESULTS

City of Beloit, Kansas
General Obligation Electric Utility System Refunding Bonds
Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
FINAL

Dated Date	03/01/2016
Delivery Date	03/01/2016
Arbitrage yield	1.916307%
Escrow yield	0.793821%
Value of Negative Arbitrage	107,188.55
Bond Par Amount	3,310,000.00
True Interest Cost	2.184820%
Net Interest Cost	2.313276%
Average Coupon	3.239050%
Average Life	8.191
Par amount of refunded bonds	3,585,000.00
Average coupon of refunded bonds	4.460141%
Average life of refunded bonds	9.089
PV of prior debt to 03/01/2016 @ 1.916307%	4,358,485.93
Net PV Savings	385,570.42
Percentage savings of refunded bonds	10.755102%
Percentage savings of refunding bonds	11.648653%

SOURCES AND USES OF FUNDS

City of Beloit, Kansas
 General Obligation Electric Utility System Refunding Bonds
 Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
 FINAL

Dated Date 03/01/2016
 Delivery Date 03/01/2016

Sources:

Bond Proceeds:	
Par Amount	3,310,000.00
Premium	284,100.60
	3,594,100.60
Other Sources of Funds:	
Transfer from Prior DSRF	423,500.00
	4,017,600.60

Uses:

Refunding Escrow Deposits:	
Cash Deposit	10.11
SLGS Purchases	3,931,893.00
	3,931,903.11
Cost of Issuance:	
Bond Counsel	25,000.00
Rating Agency Fee	12,000.00
Paying Agent	4,000.00
Escrow Agent	2,500.00
Escrow Verification	2,500.00
CUSIP Fee	1,000.00
Miscellaneous	4,167.49
Publications	500.00
Kansas State Treasurer Setup Fee	300.00
Transcript Approval	300.00
Bond Printing	270.00
Bond Registration	30.00
Bond Redemption	30.00
	52,597.49
Underwriter's Discount:	
(\$10 / 1000)	33,100.00
	4,017,600.60

BOND DEBT SERVICE

City of Beloit, Kansas
 General Obligation Electric Utility System Refunding Bonds
 Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
 FINAL

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
06/01/2016			24,662.50	24,662.50	
12/01/2016	215,000	2.000%	49,325.00	264,325.00	288,987.50
06/01/2017			47,175.00	47,175.00	
12/01/2017	185,000	2.000%	47,175.00	232,175.00	279,350.00
06/01/2018			45,325.00	45,325.00	
12/01/2018	190,000	2.000%	45,325.00	235,325.00	280,650.00
06/01/2019			43,425.00	43,425.00	
12/01/2019	195,000	3.000%	43,425.00	238,425.00	281,850.00
06/01/2020			40,500.00	40,500.00	
12/01/2020	200,000	3.000%	40,500.00	240,500.00	281,000.00
06/01/2021			37,500.00	37,500.00	
12/01/2021	200,000	3.000%	37,500.00	237,500.00	275,000.00
06/01/2022			34,500.00	34,500.00	
12/01/2022	210,000	3.000%	34,500.00	244,500.00	279,000.00
06/01/2023			31,350.00	31,350.00	
12/01/2023	215,000	3.000%	31,350.00	246,350.00	277,700.00
06/01/2024			28,125.00	28,125.00	
12/01/2024	220,000	3.000%	28,125.00	248,125.00	276,250.00
06/01/2025			24,825.00	24,825.00	
12/01/2025	230,000	3.000%	24,825.00	254,825.00	279,650.00
06/01/2026			21,375.00	21,375.00	
12/01/2026	235,000	3.000%	21,375.00	256,375.00	277,750.00
06/01/2027			17,850.00	17,850.00	
12/01/2027	240,000	3.000%	17,850.00	257,850.00	275,700.00
06/01/2028			14,250.00	14,250.00	
12/01/2028	250,000	3.000%	14,250.00	264,250.00	278,500.00
06/01/2029			10,500.00	10,500.00	
12/01/2029	255,000	4.000%	10,500.00	265,500.00	276,000.00
06/01/2030			5,400.00	5,400.00	
12/01/2030	270,000	4.000%	5,400.00	275,400.00	280,800.00
	3,310,000		878,187.50	4,188,187.50	4,188,187.50

BOND PRICING

City of Beloit, Kansas
 General Obligation Electric Utility System Refunding Bonds
 Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
 FINAL

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)	Principal Cost
Serial Bond:										
	12/01/2016	215,000	2.000%	0.550%	101.083				2,328.45	217,328.45
	12/01/2017	185,000	2.000%	0.750%	102.168				4,010.80	189,010.80
	12/01/2018	190,000	2.000%	0.900%	102.980				5,662.00	195,662.00
	12/01/2019	195,000	3.000%	1.000%	107.342				14,316.90	209,316.90
	12/01/2020	200,000	3.000%	1.100%	108.768				17,536.00	217,536.00
	12/01/2021	200,000	3.000%	1.250%	109.679				19,358.00	219,358.00
	12/01/2022	210,000	3.000%	1.400%	110.269				21,564.90	231,564.90
	12/01/2023	215,000	3.000%	1.550%	110.548				22,678.20	237,678.20
	12/01/2024	220,000	3.000%	1.750%	110.098				22,215.60	242,215.60
	12/01/2025	230,000	3.000%	1.950%	109.280				21,344.00	251,344.00
	12/01/2026	235,000	3.000%	2.050%	109.121				21,434.35	256,434.35
		<u>2,295,000</u>							<u>172,449.20</u>	<u>2,467,449.20</u>
Term Bond:										
	12/01/2027	240,000	3.000%	2.300%	106.631 C	2.393%	12/01/2026	100.000	15,914.40	255,914.40
	12/01/2028	250,000	3.000%	2.300%	106.631 C	2.393%	12/01/2026	100.000	16,577.50	266,577.50
		<u>490,000</u>							<u>32,491.90</u>	<u>522,491.90</u>
Term Bond #2:										
	12/01/2029	255,000	4.000%	2.400%	115.078 C	2.749%	12/01/2026	100.000	38,448.90	293,448.90
	12/01/2030	270,000	4.000%	2.400%	115.078 C	2.749%	12/01/2026	100.000	40,710.60	310,710.60
		<u>525,000</u>							<u>79,159.50</u>	<u>604,159.50</u>
		<u>3,310,000</u>							<u>284,100.60</u>	<u>3,594,100.60</u>

Dated Date	03/01/2016	
Delivery Date	03/01/2016	
First Coupon	06/01/2016	
Par Amount	3,310,000.00	
Premium	284,100.60	
Production	3,594,100.60	108.583100%
Underwriter's Discount	-33,100.00	-1.000000%
Purchase Price	3,561,000.60	107.583100%
Accrued Interest		
Net Proceeds	3,561,000.60	

BOND SUMMARY STATISTICS

City of Beloit, Kansas
 General Obligation Electric Utility System Refunding Bonds
 Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
 FINAL

Dated Date	03/01/2016
Delivery Date	03/01/2016
Last Maturity	12/01/2030
Arbitrage Yield	1.916307%
True Interest Cost (TIC)	2.184820%
Net Interest Cost (NIC)	2.313276%
All-In TIC	2.392676%
Average Coupon	3.239050%
Average Life (years)	8.191
Weighted Average Maturity (years)	8.310
Duration of Issue (years)	7.260
Par Amount	3,310,000.00
Bond Proceeds	3,594,100.60
Total Interest	878,187.50
Net Interest	627,186.90
Bond Years from Dated Date	27,112,500.00
Bond Years from Delivery Date	27,112,500.00
Total Debt Service	4,188,187.50
Maximum Annual Debt Service	288,987.50
Average Annual Debt Service	283,944.92
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	10.000000
Total Underwriter's Discount	10.000000
Bid Price	107.583100

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bond	2,295,000.00	107.514	2.926%	5.933
Term Bond	490,000.00	106.631	3.000%	12.260
Term Bond #2	525,000.00	115.078	4.000%	14.264
	3,310,000.00			8.191

	TIC	All-In TIC	Arbitrage Yield
Par Value	3,310,000.00	3,310,000.00	3,310,000.00
+ Accrued Interest			
+ Premium (Discount)	284,100.60	284,100.60	284,100.60
- Underwriter's Discount	-33,100.00	-33,100.00	
- Cost of Issuance Expense		-52,597.49	
- Other Amounts			
Target Value	3,561,000.60	3,508,403.11	3,594,100.60
Target Date	03/01/2016	03/01/2016	03/01/2016
Yield	2.184820%	2.392676%	1.916307%

ESCROW REQUIREMENTS

City of Beloit, Kansas
General Obligation Electric Utility System Refunding Bonds
Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
FINAL

Period Ending	Principal	Interest	Principal Redeemed	Total
06/01/2016		72,837.50		72,837.50
12/01/2016	170,000.00	72,837.50		242,837.50
06/01/2017		70,925.00		70,925.00
12/01/2017	175,000.00	70,925.00		245,925.00
06/01/2018		68,737.50		68,737.50
12/01/2018	180,000.00	68,737.50	3,060,000.00	3,308,737.50
	525,000.00	425,000.00	3,060,000.00	4,010,000.00

ESCROW DESCRIPTIONS

City of Beloit, Kansas
 General Obligation Electric Utility System Refunding Bonds
 Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
 FINAL

Type of Security	Type of SLGS	Maturity Date	First Int Pmt Date	Par Amount	Rate	Max Rate
Mar 1, 2016:						
SLGS	Certificate	05/31/2016	05/31/2016	65,640	0.280%	0.280%
SLGS	Certificate	11/30/2016	11/30/2016	227,590	0.460%	0.460%
SLGS	Note	05/31/2017	05/31/2016	56,464	0.560%	0.560%
SLGS	Note	11/30/2017	05/30/2016	231,621	0.650%	0.650%
SLGS	Note	05/31/2018	05/31/2016	55,187	0.740%	0.740%
SLGS	Note	11/30/2018	05/30/2016	3,295,391	0.810%	0.810%
				3,931,893		

SLGS Summary

SLGS Rates File	10FEB16
Total Certificates of Indebtedness	293,230.00
Total Notes	3,638,663.00
Total original SLGS	3,931,893.00

ESCROW SUFFICIENCY

City of Beloit, Kansas
 General Obligation Electric Utility System Refunding Bonds
 Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
 FINAL

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
03/01/2016		10.11	10.11	10.11
05/30/2016		6,972.09	6,972.09	6,982.20
05/31/2016		65,865.98	65,865.98	72,848.18
06/01/2016	72,837.50		-72,837.50	10.68
11/30/2016		242,837.29	242,837.29	242,847.97
12/01/2016	242,837.50		-242,837.50	10.47
05/30/2017		14,099.10	14,099.10	14,109.57
05/31/2017		56,826.29	56,826.29	70,935.86
06/01/2017	70,925.00		-70,925.00	10.86
11/30/2017		245,924.29	245,924.29	245,935.15
12/01/2017	245,925.00		-245,925.00	10.15
05/30/2018		13,346.33	13,346.33	13,356.48
05/31/2018		55,391.19	55,391.19	68,747.67
06/01/2018	68,737.50		-68,737.50	10.17
11/30/2018		3,308,737.33	3,308,737.33	3,308,747.50
12/01/2018	3,308,737.50		-3,308,737.50	10.00
	4,010,000.00	4,010,010.00	10.00	

ESCROW STATISTICS

City of Beloit, Kansas
 General Obligation Electric Utility System Refunding Bonds
 Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
 FINAL

Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Global Proceeds Escrow: 3,931,903.11	2.471	0.793821%	0.792969%	3,824,520.63	107,188.55	193.93
3,931,903.11				3,824,520.63	107,188.55	193.93

Delivery date 03/01/2016
 Arbitrage yield 1.916307%

ESCROW COST

City of Beloit, Kansas
 General Obligation Electric Utility System Refunding Bonds
 Series 2016-A (Refunding Series 2011 Electric Utility System Revenue Bonds)
 FINAL

Type of Security	Maturity Date	Par Amount	Rate	Total Cost
SLGS	05/31/2016	65,640	0.280%	65,640.00
SLGS	11/30/2016	227,590	0.460%	227,590.00
SLGS	05/31/2017	56,464	0.560%	56,464.00
SLGS	11/30/2017	231,621	0.650%	231,621.00
SLGS	05/31/2018	55,187	0.740%	55,187.00
SLGS	11/30/2018	3,295,391	0.810%	3,295,391.00
		3,931,893		3,931,893.00

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost	Yield
03/01/2016	3,931,893	10.11	3,931,903.11	0.793821%
	3,931,893	10.11	3,931,903.11	

Gilmore & Bell, P.C.
02/10/2016

ORDINANCE NO. 2168

OF

THE CITY OF BELOIT, KANSAS

PASSED

FEBRUARY 16, 2016

**GENERAL OBLIGATION ELECTRIC UTILITY SYSTEM REFUNDING BONDS
SERIES 2016-A**

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

CERTIFICATE

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

(SEAL)

Clerk

(PUBLISHED IN *THE BELOIT CALL* ON FEBRUARY 19, 2016)

ORDINANCE NO. 2168

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF PRINCIPAL AMOUNT OF GENERAL OBLIGATION ELECTRIC UTILITY SYSTEM REFUNDING BONDS, SERIES 2016-A, OF THE CITY OF BELOIT, KANSAS, FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND THE CITY'S OUTSTANDING ELECTRIC UTILITY SYSTEM REVENUE BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; PROVIDING, IF NECESSARY FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.

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

WHEREAS, the City is authorized under the provisions of the Act, to issue and sell revenue bonds for the purpose of paying all or part of the cost of the acquisition, construction, reconstruction, alteration, repair, improvement, extension or enlargement of the System, provided that the principal of and interest on such revenue bonds shall be payable solely from the Net Revenues derived by the City from the operation of the System; and

WHEREAS, the City heretofore issued and has Outstanding the Refunded Bonds and is authorized by K.S.A. 10-427 *et seq.* and K.S.A. 10-1201 *et seq.* to issue general obligation refunding bonds of the City for the purpose of refunding the Refunded Bonds; and

WHEREAS, the City heretofore adopted Resolution No. 2016-1 declaring it advisable to refund the Refunded Bonds, said resolution being published in accordance with such statutory provisions with no sufficient protest petition being filed against said refunding; and

WHEREAS, the principal amount of the proposed Series 2016-A Bonds does not exceed the maximum principal amount of the bonds described in Resolution No. 2016-1, and

WHEREAS, the total cost to the City on the Series 2016-A Bonds is less than the remaining interest cost to the City on the Refunded Bonds, and the anticipated revenues of the System are expected to be sufficient to retire the Series 2016-A Bonds; and

WHEREAS, in order to achieve interest cost savings through early redemption of the Refunded Bonds, and to provide an orderly plan of finance for the City, it has become desirable and in the best interest of the City and the System to refund the Refunded Bonds; and

WHEREAS, the Issuer does not have Outstanding any System Indebtedness other than the Series 2013 Bonds.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF BELOIT, KANSAS, AS FOLLOWS:

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

“Act” means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-427 *et seq.*, K.S.A. 10-620 *et seq.*, and K.S.A. 10-1201 *et seq.*, all as amended and supplemented from time to time.

“Additional Bonds” means any bonds secured by the Revenues hereafter issued pursuant to the Bond Resolution.

“Additional Obligations” means any leases or other obligations of the Issuer payable from the Revenues, other than the Bonds.

“Bond Resolution” means the resolution to be adopted by the governing body of the City prescribing the terms and details of the Series 2016-A Bonds and making covenants with respect thereto.

“Bonds” means the Series 2013 Bonds, the Series 2016-A Bonds and any Additional Bonds.

“City” means the City of Beloit, Kansas.

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

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

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

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

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

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

“Parity Bonds” means the Series 2013 Bonds and any Additional Bonds hereafter issued pursuant to the Bond Resolution as Parity Bonds with respect to the lien thereof on the Net Revenues.

“Parity Obligations” means any Additional Obligations hereafter issued or incurred pursuant to the Bond Resolution and standing on a parity and equality with the Parity Bonds with respect to the lien on the Net Revenues.

“Parity Resolution” means the Series 2013 Bond Resolution and the ordinances and/or resolutions under which any Additional Bonds which constitute Parity Bonds are hereafter issued.

“Refunded Bonds” means the Series 2011 Bonds maturing in the years 2016 to 2031, inclusive, in the aggregate principal amount of \$3,585,000.

“Refunded Bonds Resolution” means the ordinance and resolution which authorized the Refunded Bonds.

“Revenue Fund” means the Electric Utility System Revenue Fund referred to in the Bond Resolution.

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

“Series 2016-A Bonds” means the Issuer's General Obligation Electric Utility System Refunding Bonds, Series 2016-A, authorized by this Ordinance.

“Series 2013 Bonds” means the Issuer's Taxable Electric Utility System Revenue Bonds, Series 2013, dated April 1, 2013.

“Series 2011 Bonds” means the Issuer's Electric Utility System Revenue Bonds, Series 2011, dated December 21, 2011.

“Series 2013 Resolution” means collectively the Issuer's Ordinance No. 2128 and Resolution No. 2013-6, which authorized the Series 2013 Bonds.

“Series 2011 Resolution” means collectively the Issuer's Ordinance No. 2103 and Resolution No. 2011-12, which authorized the Series 2011 Bonds.

“State” means the State of Kansas.

“Subordinate Lien Bonds” means the Series 2016-A Bonds and any Additional Bonds or Additional Obligations payable from the Revenues, and issued pursuant to the Bond Resolution on a subordinate lien basis to the Parity Bonds and any Junior Lien Obligations, and which constitute general obligations of the Issuer.

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

“**System Indebtedness**” means all Bonds and all Additional Obligations.

Section 2. Authorization of the Series 2016-A Bonds. There shall be issued and hereby are authorized and directed to be issued the General Obligation Electric Utility System Refunding Bonds, Series 2016-A, of the City in the principal amount of \$3,310,000, for the purpose of providing a portion of the funds to: (a) refund the Refunded Bonds and (b) pay costs of issuance of the Series 2016-A Bonds.

Section 3. Security for the Series 2016-A Bonds. The Series 2016-A Bonds shall be general obligations of the City payable from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues, and the City hereby pledges said Net Revenues to the payment of the principal of and interest on the Series 2016-A Bonds. The City shall establish sufficient rates, fees and charges for use of the System to provide for payment of the Expenses and the repayment on the Series 2016-A Bonds. If said Net Revenues are not sufficient to provide for the payment of the principal of and interest on the Series 2016-A Bonds, the City shall levy taxes as set forth in **Section 5** hereof. The covenants and agreements of the City contained herein and in the Series 2016-A Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the Series 2016-A Bonds, all of which Series 2016-A Bonds shall be of equal rank and without preference or priority of one Series 2016-A Bond over any other Series 2016-A Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Series 2016-A Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Ordinance. Pursuant to the terms of the Bond Resolution, the City will reserve the right to issue Additional Bonds which are prior in lien on said Net Revenues to the lien of the Series 2016-A Bonds and/or on the same lien status as the Series 2016-A Bonds upon the satisfaction of certain terms and conditions set forth in the Bond Resolution.

The full faith, credit and resources of the City are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Series 2016-A as the same become due.

Section 4. Terms, Details and Conditions of the Series 2016-A Bonds. The Series 2016-A Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such forms, shall be subject to redemption and payment prior to the maturity thereof, and shall be issued and delivered in the manner prescribed and subject to the provisions, covenants and agreements set forth in the Bond Resolution hereafter adopted by the governing body of the City.

Section 5. Levy and Collection of Annual Tax. The governing body of the City shall annually, to the extent necessary, make provision for the payment of principal of, premium, if any, and interest on the Series 2016-A Bonds as the same become due by levying and collecting the necessary taxes upon all of the taxable tangible property within the City in the manner provided by law.

The taxes above referred to shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the general ad valorem taxes of the City are levied and collected, shall be used solely for the payment of the principal of and interest on the Series 2016-A Bonds as and when the same become due and the fees and expenses of the Paying Agent. The proceeds derived from said taxes and/or assessments shall be deposited in the Bond and Interest Fund.

If at any time said taxes are not collected in time to pay the principal of or interest on the Series 2016-A Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest

out of the general funds of the City and to reimburse said general funds for money so expended when said taxes and/or assessments are collected.

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

Section 7. Governing Law. This Ordinance and the Series 2016-A Bonds shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 8. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the governing body of the City, approval by the Mayor and publication in the official City newspaper.

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PASSED by the governing body of the City on February 16, 2016 and **APPROVED AND SIGNED** by the Mayor.

(SEAL)

Mayor

ATTEST:

Clerk

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REQUEST FOR COUNCIL ACTION

DATE:	TITLE:
February 16, 2016	RESOLUTION 2016-8 AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION BOND 2016-A
ORIGINATING DEPARTMENT:	TYPE OF ACTION: <input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> RESOLUTION
Administration	<input type="checkbox"/> FORMAL ACTION <input type="checkbox"/> OTHER

RECOMMENDATION:

I recommend that the Council approve Resolution 2016-5 Authorizing and Directing the Sale and Delivery of General Obligation Bond Series 2016-A.

FISCAL NOTE:

- The city will save \$429,661.87 over the life of the General Obligation Bond.

DISCUSSION:

Piper Jaffray & Company originally projected \$260,000.00 savings over the remaining life of the bond by refinancing. The market was very favorable Wednesday February 10th, and the savings ended up being \$429,661.87 with the true interest rate being 2.18%. Piper Jaffray and city staff are very pleased with the savings.

Respectfully submitted,

Tom Naasz,
Mayor

Gilmore & Bell, P.C.
02/10/2016

RESOLUTION NO. 2016-8

OF

THE CITY OF BELOIT, KANSAS

ADOPTED

FEBRUARY 16, 2016

\$3,310,000
GENERAL OBLIGATION ELECTRIC UTILITY SYSTEM REFUNDING BONDS
SERIES 2016-A

CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on February 16, 2016; that the record of the final vote on its passage is found on page ____ of journal ____; and that the Ordinance or a summary thereof was published in *The Beloit Call* on February __, 2015.

DATED: February __, 2015.

Clerk

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EXHIBIT A – FORM OF SERIES 2016-A BONDSA-1

RESOLUTION NO. 2016-8

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF GENERAL OBLIGATION ELECTRIC UTILITY SYSTEM REFUNDING BONDS, SERIES 2016-A, OF THE CITY OF BELOIT, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. _____ OF THE ISSUER; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, the Issuer has heretofore passed the Ordinance authorizing the issuance of the Series 2016-A Bonds; and

WHEREAS, the Ordinance authorized the governing body of the Issuer to adopt a resolution prescribing certain details and conditions and to make certain covenants with respect to the issuance of the Series 2016-A Bonds; and

WHEREAS, in order to provide for the payment of the Refunded Bonds it is desirable to enter into the Escrow Agreement, by and between the Issuer and the Escrow Agent.

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 and in the Series 2013 Resolution, the following words and terms as used in this Bond Resolution shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“Act” means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, K.S.A. 10-427 *et seq.*, K.S.A. 10-620 *et seq.*, and K.S.A. 10-1201 *et seq.*, all as amended and supplemented from time to time.

“Additional Bonds” means any bonds secured by the Revenues hereafter issued pursuant to *Article IX* hereof.

“Additional Obligations” means any leases or other obligations of the Issuer payable from the Revenues, other than the Bonds.

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

“Balloon Indebtedness” means Long-Term Indebtedness, 25% or more of the original principal amount of which becomes due (either by maturity or mandatory redemption) during any consecutive

twelve-month period, if such principal amount becoming due is not required to be amortized below such percentage by mandatory redemption or prepayment prior to such twelve-month period.

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

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

“Bond Insurer” means with respect to Additional Bonds, the entity set forth in the supplemental resolution authorizing such Additional Bonds.

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

“Bond Purchase Agreement” means: (a) with respect to the Series 2016-A Bonds, the Bond Purchase Agreement dated as of February 16, 2016 between the Issuer and the Purchaser; and (b) with respect to Additional Bonds, the Bond Purchase Agreement between the Issuer and the Purchaser of such Additional Bonds.

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

“Bond Registrar” means: (a) with respect to the Series 2016-A Bonds, the State Treasurer, and its successors and assigns; and (b) with respect to Additional Bonds, the entity designated as Bond Registrar in the supplemental resolution authorizing such Additional Bonds.

“Bond Resolution” means this resolution relating to the Series 2016-A Bonds and any supplemental resolution authorizing any Additional Bonds.

“Bonds” means the Series 2013 Bonds, the Series 2016-A Bonds and any Additional Bonds.

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

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

“City” means the City of Beloit, Kansas.

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

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

“Compliance Account” means the Compliance Account created pursuant to *Section 501* hereof.

“Compliance Services Agreement” means the agreement between the Issuer and Bond Counsel relating to post-issuance compliance services relating to the Code and the SEC Rule.

“Consultant” means the Consulting Engineer, or the Independent Accountant, or an independent consultant qualified and having a favorable reputation for skill and experience in financial affairs selected by the Issuer for the purpose of carrying out the duties imposed on the Consultant by the Bond Resolution.

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

“Costs of Issuance” means all costs of issuing any series of Bonds, including all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, expenses incurred in connection with compliance with the Code, all expenses incurred in connection with receiving financial ratings on any series of Bonds, and any premiums or expenses incurred in obtaining any credit enhancement.

“Costs of Issuance Account” means the Costs of Issuance Account for General Obligation Electric Utility System Refunding Bonds, Series 2016-A created pursuant to *Section 501* hereof.

“Dated Date” means March 1, 2016.

“Debt Service Account” means the Debt Service Account for General Obligation Electric Utility System Refunding Bonds, Series 2016-A created by *Section 501* hereof.

“Debt Service Coverage Ratio” means, for any Fiscal Year: (a) with respect to the covenants contained in *Section 802* hereof, the ratio determined by dividing (i) a numerator equal to the Net Revenues for such Fiscal Year by (ii) a denominator equal to the Debt Service Requirements for such Fiscal Year; and (b) with respect to the covenants contained in *Article IX* hereof, the ratio determined by dividing (i) a numerator equal to the Net Revenues for such Fiscal Year by (ii) a denominator equal to the the average annual Debt Service Requirements on all System Indebtedness; provided that with respect to Additional Bonds that are proposed to be Parity Bonds, Debt Service Requirements on Junior Lien Obligations and Subordinate Lien Bonds shall be disregarded; further provided that with respect to Additional Bonds that are proposed to be Junior Lien Obligations, Debt Service Requirements on Subordinate Lien Bonds shall be disregarded.

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

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

“Defeasance Obligations” means any of the following obligations:

- (a) Cash; or

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

(c) 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, as may be amended and supplemented, relating to certain obligations contained in the SEC Rule.

“Discount Indebtedness” means Long-Term Indebtedness that is originally sold at a price (excluding accrued interest, but without deduction of any underwriters' discount) of less than 75% of the maturity amount including the amount of principal and interest to accrete at maturity of such Long-Term Indebtedness.

“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.

“Escrow Agent” means Security Bank of Kansas City, Kansas City, Kansas, and its successors and assigns.

“Escrow Agreement” means the Escrow Trust Agreement, dated as of March 1, 2016, between the Issuer and the Escrow Agent.

“Escrow Fund” means the Escrow Fund for Refunded Bonds referred to in *Section 501* hereof.

“Escrowed Securities” means the direct, noncallable obligations of the United States of America, as described in the Escrow Agreement.

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

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

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

(c) The Issuer shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

(d) Any substantial part of the System shall be destroyed or damaged to the extent of impairing its efficient operation or adversely affecting its Net Revenues and the Issuer shall not within a reasonable time commence the repair, replacement or reconstruction thereof and proceed thereafter to complete with reasonable dispatch the repair, replacement or reconstruction thereof; or

(e) Final judgment for the payment of money shall be rendered against the Issuer as a result of the ownership, control or operation of the System and any such judgment shall not be discharged within one hundred twenty (120) days from the entry thereof or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to stay the execution of or levy under such judgment, order, decree or process or the enforcement thereof; or

(f) An order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or receivers of the System or any part thereof or of the revenues thereof, or if such order or decree, having been entered without the consent or acquiescence of the Issuer, shall not be vacated or discharged or stayed on appeal within sixty (60) days after the entry thereof; or

(g) Any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the Net Revenues; or

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

(i) A monetary default shall have occurred on any System Indebtedness.

“Expenses” means all reasonable and necessary expenses of operation, maintenance and repair of the System and keeping the System in good repair and working order (other than interest paid on System Indebtedness and depreciation and amortization charges during the period of determination), determined in accordance with generally accepted accounting principles, including without limiting the generality of

the foregoing, current maintenance charges, expenses of reasonable upkeep and repairs, salaries, wages, costs of materials and supplies, paying agent fees and expenses, annual audits, periodic Consultant's reports, properly allocated share of charges for insurance, the cost of purchased water, gas and power, if any, for System operation, obligations (other than for borrowed money or for rents payable under capital leases) incurred in the ordinary course of business, liabilities incurred by endorsement for collection or deposit of checks or drafts received in the ordinary course of business, short-term obligations incurred and payable within a particular Fiscal Year, other obligations or indebtedness incurred for the purpose of leasing (pursuant to a true or operating lease) equipment, fixtures, inventory or other personal property, and all other expenses incident to the operation of the System, but shall exclude all general administrative expenses of the Issuer not related to the operation of the System.

"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.

"Fiscal Year" means the twelve month period ending on December 31.

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

"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 the Bond Resolution.

"Index Rate" means the rate of interest set forth in *The Bond Buyer* Revenue Bond Index (or, in the event that *The Bond Buyer* does not compile such index or ceases publication, another comparable publication recognized in the municipal bond market) published for the week immediately preceding the date of determination.

"Insurance Consultant" means an individual or firm selected by the Issuer qualified to survey risks and to recommend insurance coverage for entities engaged in operations similar to those of the System and having a favorable reputation for skill and experience in making such surveys and recommendations.

"Insured Bonds" means any Series of Bonds insured by a Bond Insurer.

"Interest Payment Date(s)" means: (a) with respect to the Series 2016-A Bonds, the Stated Maturity of an installment of interest on the Series 2016-A Bonds which shall be June 1 and December 1 of each year, commencing June 1, 2016; and (b) with respect to Additional Bonds, the Stated Maturity of an installment of interest on such Additional Bonds, as set forth in the supplemental resolution authorizing such Additional Bonds.

"Interim Indebtedness" means System Indebtedness having a term not less than one year, and not in excess of five years, incurred or assumed in anticipation of being refinanced or refunded with Long-Term Indebtedness.

"Issue Date" means the date when the Issuer delivers any series of Bonds to the Purchaser in exchange for the Purchase Price.

"Issuer" means the City and any successors or assigns.

“Junior Lien Obligations” means any Additional Bonds or Additional Obligations payable from, and secured by a lien on the Revenues, which lien is junior to that of any Parity Bonds, but senior to that of the Subordinate Lien Bonds.

“Long-Term Indebtedness” means System Indebtedness having an original stated maturity or term greater than five years, or renewable or extendible at the option of the debtor for a period greater than one year from the date of original issuance or incurrence thereof.

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

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

“Maximum Annual Debt Service” means the maximum amount of Debt Service Requirements as computed for the then current or any future Fiscal Year.

“Moody's” means Moody's Investors Service, Inc., 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 with notice to the Bond Insurer.

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

“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:

Series 2016-A Bonds:

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

Additional Bonds:

The address set forth in the supplemental resolution authorizing such Additional Bonds.

(c) To the Purchaser:

Series 2016-A Bonds:

Piper Jeffray & Co.
11635 Rosewood Street
Leawood, Kansas
Fax: (913) 345-3393

Additional Bonds:

The address set forth in the supplemental resolution authorizing such Additional Bonds.

(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

(e) To the Escrow Agent at:

Security Bank of Kansas City
Corporate Trust Department
701 Minnesota Avenue
Suite 206, P.O. Box 171297
Kansas City, Kansas 66117
Fax: (913) 279-7960

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

“Notice Representative” means:

- (a) With respect to the Issuer, the Clerk.
- (b) With respect to the Bond Registrar and Paying Agent, the Director of 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.
- (e) With respect to the Escrow Agent, the Manager of the Corporate Trust Department.

“Official Statement” means Issuer’s Official Statement relating to the Series 2016-A Bonds.

“Operation and Maintenance Account” means the Electric Utility System Operation and Maintenance Account referred to in *Section 501* hereof.

“Ordinance” means Ordinance No. ____ of the Issuer authorizing the issuance of the Series 2016-A Bonds, as amended from time to time.

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

(a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation pursuant to the Bond Resolution;

(b) Bonds deemed to be paid in accordance with the provisions of *Section 1101* of the Bond Resolution; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under the Bond Resolution.

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

“Parity Bonds” means the Series 2013 Bonds and any Additional Bonds hereafter issued pursuant to the Bond Resolution as Parity Bonds with respect to the lien thereof on the Net Revenues.

“Parity Obligations” means any Additional Obligations hereafter issued or incurred pursuant to the Bond Resolution and standing on a parity and equality with the Parity Bonds with respect to the lien on the Net Revenues.

“Parity Resolution” means the Series 2013 Bond Resolution and the ordinances and/or resolutions under which any Additional Bonds which constitute Parity Bonds are hereafter issued.

“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: (a) with respect to the Series 2016-A Bonds, the State Treasurer, and its successors and assigns; and (b) with respect to Additional Bonds, the entity designated as Paying Agent in the supplemental resolution authorizing such Additional Bonds.

“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).

"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: (a) with respect to the Series 2016-A Bonds the amount set forth in the Bond Purchase Agreement; and (b) with respect to Additional Bonds, the amount set forth in the supplemental resolution authorizing such Additional Bonds.

"Purchaser" means: (a) with respect to the Series 2016-A Bonds, Piper Jeffray & Co., Leawood, Kansas, the original purchaser of the Series 2016-A Bonds, and any successor and assigns; and (b) with respect to Additional Bonds, the original purchaser of such Additional Bonds, as set forth in the supplemental resolution authorizing such Additional Bonds.

"Put Indebtedness" means Long-Term Indebtedness which is (a) payable or required to be purchased or redeemed from the holder by or on behalf of the underlying obligor, at the option of the holder thereof, prior to its stated maturity date, or (b) payable or required to be purchased or redeemed from the holder by or on behalf of the underlying obligor, other than at the option of the holder, prior to its stated maturity date, other than pursuant to any mandatory sinking fund or other similar fund, or other than by reason of acceleration upon the occurrence of an Event of Default under this Bond Resolution.

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

"Rebate Fund" means the Rebate Fund for General Obligation Electric Utility System Refunding, Series 2016-A created pursuant to *Section 501* hereof.

"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 Bond to be redeemed means the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.

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

"Refunded Bonds" means the Series 2011 Bonds maturing in the years 2016 to 2031, inclusive, in the aggregate principal amount of \$3,585,000.

“Refunded Bonds Paying Agent” means the paying agent for the Refunded Bonds as designated in the Refunded Bonds Resolution, and any successor or successors at the time acting as paying agent of the Refunded Bonds.

“Refunded Bonds Redemption Date” means December 1, 2018.

“Refunded Bonds Resolution” means, collectively, the ordinance and resolution which authorized the Refunded Bonds.

“Refunding Bonds” means System Indebtedness issued pursuant to *Section 905* hereof for the purpose of refunding any Outstanding System Indebtedness.

“Replacement Bonds” means Bonds issued to the Beneficial Owners of the Bonds in accordance with *Section 212* hereof.

“Revenue Fund” means the Electric Utility System Revenue Fund referred to in *Section 501* hereof.

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

“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.

“Series 2016-A Bonds” means the Issuer's General Obligation Electric Utility System Refunding Bonds, Series 2016-A, authorized and issued by the Issuer pursuant to the Ordinance and this Bond Resolution.

“Series 2013 Bonds” means the Issuer's Taxable Electric Utility System Revenue Bonds, Series 2013, dated April 1, 2013.

“Series 2011 Bonds” means the Issuer's Electric Utility System Revenue Bonds, Series 2011, dated December 21, 2011.

“Series 2011 Bond Reserve Account” means the Bond Reserve Account for the Series 2011 Bonds.

“Series 2011 Principal and Interest Account” means the Principal and Interest Account for the Series 2011 Bonds.

“Series 2013 Principal and Interest Account” means the Debt Service Account for Taxable Electric Utility System Revenue Bonds, Series 2013.

“Series 2013 Resolution” means collectively the Issuer's Ordinance No. 2128 and Resolution No. 2013-6, which authorized the Series 2013 Bonds.

“Series 2011 Resolution” means collectively the Issuer’s Ordinance No. 2103 and Resolution No. 2011-12, which authorized the Series 2011 Bonds.

“Series 2016-A-2028 Term Bonds” means the Series 2016-A Bonds scheduled to mature in the year 2028.

“Series 2016-A-2030 Term Bonds” means the Series 2016-A Bonds scheduled to mature in the year 2030.

“Short-Term Indebtedness” means System Indebtedness having an original maturity less than or equal to one year from the date of original incurrence thereof, and not renewable or extendible at the option of the obligor thereon for a term greater than one year beyond the date of original issuance.

“Special Record Date” means the date fixed by the Paying Agent pursuant to *Section 207* hereof for the payment of Defaulted Interest.

“Standard & Poor’s” means Standard & Poor’s Ratings Services, a division of McGraw Hill Financial Inc., New York, New York, 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 with notice to the Bond Insurer.

“State” means the state of Kansas.

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

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

“Subordinate Lien Bonds” means the Series 2016-A Bonds and any Additional Bonds or Additional Obligations payable from the Revenues on a subordinate lien basis to any Parity Bonds and Junior Lien Obligations, and which constitute general obligations of the Issuer.

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

“System Indebtedness” means collectively the Bonds and any Additional Obligations which are payable out of, or secured by an interest in, the Revenues.

“Term Bonds” means any Bonds designated as Term Bonds in this Bond Resolution or in any supplemental resolution authorizing the issuance of Additional Bonds.

“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.

“Variable Rate Indebtedness” means any System Indebtedness which provides for interest to be payable thereon at a rate per annum that may vary from time to time over the term thereof in accordance with procedures provided in the instrument creating such System Indebtedness.

“Verification Report” means the verification report referenced in *Section 506* hereof relating to the sufficiency of money and obligations deposited in the Escrow Fund to be applied in accordance with the Escrow Agreement.

ARTICLE II

AUTHORIZATION AND DETAILS OF THE BONDS

Section 201. Authorization of the Series 2016-A Bonds. The Series 2016-A Bonds have been heretofore authorized and directed to be issued pursuant to the Ordinance in the principal amount of \$3,310,000, for the purpose of providing a portion of the funds to: (a) refund the Refunded Bonds. and (b) pay Costs of Issuance.

Section 202. Description of the Series 2016-A Bonds. The Series 2016-A Bonds shall consist of fully registered bonds in Authorized Denominations, and shall be numbered in such manner as the Bond Registrar shall determine. All of the Series 2016-A Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, and subject to redemption and payment, prior to their Stated Maturities as provided in *Article III* hereof and shall bear interest at the rates per annum as follows:

SERIAL BONDS

<u>Stated Maturity December 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Stated Maturity December 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>
2016	\$215,000	2.000%	2022	\$210,000	3.000%
2017	185,000	2.000%	2023	215,000	3.000%
2018	190,000	2.000%	2024	220,000	3.000%
2019	195,000	3.000%	2025	230,000	3.000%
2020	200,000	3.000%	2026	235,000	3.000%
2021	200,000	3.000%			

TERM BONDS

<u>Stated Maturity December 1</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>
2028	\$490,000	3.000%
2030	525,000	4.000%

The Series 2016-A Bonds 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 208* hereof. The Series 2016-A Bonds shall be issued as Book-Entry-Only Bonds and administered in accordance with the provisions of *Section 212* hereof.

Each of the Series 2016-A Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as *Exhibit A* or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

Section 203. Designation of Paying Agent and Bond Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Series 2016-A Bonds and Bond Registrar with respect to the registration, transfer and exchange of the Series 2016-A Bonds. The Mayor of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Bond Registrar and Paying Agent for the Series 2016-A Bonds.

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

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

Section 204. Method and Place of Payment of the Bonds. The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

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

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

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be

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

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

Section 205. Registration, Transfer and Exchange of Bonds. The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

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

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

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

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to *Section 303* hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its

intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to *Section 208* hereof.

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

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

Section 206. Execution, Registration, Authentication and Delivery of Bonds. Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual or facsimile signature of the Mayor, attested by the manual or facsimile signature of the Clerk and the seal of the Issuer shall be affixed thereto or imprinted thereon. The Mayor and Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Clerk, which registration shall be evidenced by the manual or facsimile signature of the Clerk with the seal of the Issuer affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

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

The Series 2016-A Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as *Exhibit A* hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Series 2016-A Bond shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Series 2016-A Bond shall be conclusive evidence that such Series 2016-A Bond has been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Series 2016-A Bond to the Purchaser upon instructions of the Issuer or its representative.

Section 207. Mutilated, Lost, Stolen or Destroyed Bonds. If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute

and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

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

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

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

Section 208. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 209. Book-Entry Bonds; Securities Depository. Any series of Bonds may be issued as Book-Entry-Only Bonds. If so, such series of Bonds 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 Bonds, except in the event the Bond Registrar issues Replacement Bonds as provided in this Section. It is anticipated that during the term of the Bonds, 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 Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraph.

(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 Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, or (b) if the Bond Registrar receives written notice from Participants having interests in not less than 50% of the Bonds 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 Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds 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 Bond 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 Bond. Upon the issuance of Replacement Bonds, 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 Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds 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 Bond Registrar receives written evidence satisfactory to the Bond 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 Bond Registrar upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository in appropriate denominations and form as provided herein.

Section 210. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 211. Calculation of Debt Service Requirements.

(a) Debt Service Requirements on Balloon, Put, Short-Term and Interim Indebtedness.

(1) The principal of Balloon Indebtedness, Put Indebtedness or Short-Term Indebtedness being treated as Long-Term Indebtedness under **Section 902** hereof, or Interim Indebtedness shall be deemed due and payable at its Stated Maturity; provided, however, that at the election of the Issuer for the purpose of any computation of Debt Service Requirements, whether historical or projected, the principal deemed payable on Balloon Indebtedness, Put Indebtedness or Short-Term Indebtedness being treated as Long-Term Indebtedness under **Section 902** hereof, or Interim Indebtedness, shall be deemed to be payable as set forth below:

(A) If the Issuer has obtained a binding commitment of a bank or other financial institution (whose senior debt obligations, or the senior debt obligations of the holding company of which such bank or financial institution is the principal subsidiary, are

then rated "A" or better by any Rating Agency) to refinance such Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness, or a portion thereof, including without limitation, a letter of credit or a line of credit, the Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness, or portion thereof to be refinanced, may be deemed to be payable in accordance with the terms of the refinancing arrangement;

(B) If the Issuer has entered into a binding agreement providing for the deposit by the Issuer with a bank or other financial institution (whose senior debt obligations, or the senior debt obligations of the holding company of which such bank or financial institution is the principal subsidiary, are then rated "A" or better by any Rating Agency), in trust (herein called a "Special Redemption Fund") of amounts, less investment earnings realized and retained in the Special Redemption Fund, equal in aggregate to the principal amount of such Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness, or a portion thereof, when due from the sums so deposited and investment earnings realized thereon, then the principal amount of the Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness, or portion thereof, may be deemed to be payable in accordance with the terms of such agreement;

(C) If the Issuer has entered into arrangements or agreements with respect to the principal amount of such Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness, other than those referred to in subsections (A) and (B) above, which a Consultant in a certificate filed with the Issuer determines, taking into account the interests of the Owners of System Indebtedness, provides adequate assurances that the Issuer will be able to meet the Debt Service Requirements due on such Indebtedness, the Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness may be deemed to be payable in accordance with the terms of such arrangement or agreement; or

(D) Such Balloon Indebtedness, Put Indebtedness or Short-Term Indebtedness may be deemed to be System Indebtedness which, at the date of its original incurrence, was payable over a term not to exceed twenty (20) years in equal annual installments of principal and interest at the Index Rate.

A Consultant shall deliver to the Issuer a certificate stating that it is reasonable to assume that installment obligations of such term of the Issuer can be incurred and stating the interest rate then applicable to installment obligations of such term of comparable quality. Interim Indebtedness may be deemed to be Indebtedness which, at the date of its original incurrence, would meet the conditions specified in the statement of the Consultant as required in *Section 902*; provided that the Consultant shall for each annual period that the Debt Service Requirement is computed, provide a supplemental statement that at such period, the certifications contained in the statement are reasonable.

(2) Interest that is payable prior to the Stated Maturity of any Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness shall be taken into account for such appropriate period in computation of Debt Service Requirements. Interest payable at maturity or early redemption on Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness may either be amortized over the anticipated maturity or such longer period as is permitted under *Section 902* or *Section 214(a)(1)(D)* or may be treated as principal payable on the principal maturity date of such Balloon Indebtedness, Put Indebtedness, Short-Term Indebtedness or Interim Indebtedness.

(3) In measuring compliance with the applicable tests hereunder in connection with incurring Put Indebtedness and generally for purposes of determining the Debt Service Requirements relating thereto, Put Indebtedness shall be deemed to mature based upon the actual amortization requirements for the Put Indebtedness, only to the extent that the Issuer has a commitment to refinance such Put Indebtedness.

(b) ***Debt Service Requirements on Discount Indebtedness.*** At the election of the Issuer for the purpose of any computation of Debt Service Requirements, whether historical or projected, the principal and interest deemed payable on Discount Indebtedness shall be deemed to be payable as set forth below:

(1) If the Issuer has obtained a binding commitment of a bank or other financial institution (whose senior debt obligations, or the senior debt obligations of the holding company of which such bank or financial institution is the principal subsidiary, are then rated "A" or better by any Rating Agency) to refinance such Discount Indebtedness, or a portion thereof, including without limitation, a letter of credit or a line of credit, the Discount Indebtedness, or portion thereof to be refinanced, may be deemed to be payable in accordance with the terms of the refinancing arrangement;

(2) If the Issuer has entered into a binding agreement providing for the deposit with a bank or other financial institution (whose senior debt obligations, or the senior debt obligations of the holding company of which such bank or financial institution is the principal subsidiary, are then rated "A" or better by any Rating Agency), in trust (herein called a "Special Redemption Fund") of amounts, less investment earnings realized and retained in the Special Redemption Fund, equal in aggregate to the principal amount of such Discount Indebtedness, or a portion thereof, and providing for the payment of such principal amount when due from the sums so deposited, and investment earnings realized thereon, then the Discount Indebtedness, or portion thereof, may be deemed to be payable in accordance with the terms of such agreement;

(3) If the Issuer has entered into arrangements or agreements with respect to the principal amount of such Discount Indebtedness, other than those referred to in subsections (1) and (2) above, which a Consultant in a certificate filed with the Issuer determines, taking into account the interests of the holders of System Indebtedness, provides adequate assurances that the Issuer will be able to meet the Debt Service Requirements due on such Indebtedness, the Discount Indebtedness may be deemed to be payable in accordance with the terms of such arrangement or agreement; or

(4) As of any time the maturity amount represented by Discount Indebtedness shall be deemed to be the accreted value of such Indebtedness computed on the basis of a constant yield to maturity.

When calculating interest requirements on Variable Rate Indebtedness which bears a variable rate of interest for periods as to which the rate of interest has not been determined, the rate of interest on Outstanding Variable Rate Indebtedness shall be the average annual rate of interest which was payable on such Variable Rate Indebtedness during the twelve (12) months immediately preceding the date as of which the calculation is made; and the rate of interest on Variable Rate Indebtedness to be incurred (or incurred less than twelve (12) months preceding such date) shall be the average annual rate of interest which would have been payable on such Variable Rate Indebtedness had it been outstanding for a period of twelve (12) months immediately preceding the date as of which the calculation is made, as evidenced in a certificate of a Consultant, delivered to the Issuer.

Section 212. Preliminary and Final Official Statement. For the purpose of enabling the Purchaser to comply with the requirements of Section (b)(1) of the SEC Rule, the Issuer hereby deems the information regarding the Issuer contained in the Preliminary Official Statement to be “final” as of its date, except for the omission of such information as is permitted by Section (b)(1) of the SEC Rule, and the appropriate officers of the Issuer are hereby authorized, if requested, to provide the Purchaser a letter or certification to such effect and to take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the SEC Rule.

The final 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 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 Bonds 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 date of payment for and delivery of the Bonds.

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

Section 213. Sale of the Series 2016-A Bonds - Bond Purchase Agreement. The execution of the Bond Purchase Agreement by the Mayor is hereby ratified and confirmed. Pursuant to the Bond Purchase Agreement, the Issuer agrees to sell the Series 2016-A Bonds to the Purchaser for the Purchase Price, upon the terms and conditions set forth therein.

Section 214. Authorization of Escrow Agreement. The Issuer is hereby authorized to enter into the Escrow Agreement, and the Mayor and Clerk are hereby authorized and directed to execute the Escrow Agreement with such changes therein as such officials may deem appropriate, for and on behalf of and as the act and deed of the Issuer. The Escrow Agent is hereby authorized to carry out, on behalf of the Issuer, the duties, terms and provisions of the Escrow Agreement, and the Escrow Agent, the Purchaser and Bond Counsel are authorized to take all necessary actions for the subscription and purchase of the Escrowed Securities described therein, including the subscription for United States Treasury Securities - State and Local Government Series.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption by Issuer. The Bonds shall be subject to redemption and payment prior to their Stated Maturity, as follows:

(a) ***Optional Redemption.***

(1) *Series 2016-A Bonds.* At the option of the Issuer, Series 2016-A Bonds maturing on December 1, in the years 2027 and thereafter will be subject to redemption and payment prior to their Stated Maturity on December 1, 2026, and thereafter as a whole or in part (selection of maturities and the amount of Series 2016-A Bonds of each maturity 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.

(2) *Additional Bonds.* Additional Bonds are subject to redemption and payment prior to Stated Maturity in accordance with the provisions of the supplemental resolution authorizing the issuance of such Additional Bonds.

(b) *Mandatory Redemption.*

(1) *General.* The Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. At its option, to be exercised on or before the 45th day next preceding any mandatory Redemption Date, the Issuer may: (1) deliver to the Paying Agent for cancellation Term Bonds subject to mandatory redemption on said mandatory Redemption Date, in any aggregate principal amount desired; or (2) furnish the Paying Agent funds, together with appropriate instructions, for the purpose of purchasing any Term Bonds subject to mandatory redemption on said mandatory Redemption Date from any Owner thereof whereupon the Paying Agent shall expend such funds for such purpose to such extent as may be practical; or (3) receive a credit with respect to the mandatory redemption obligation of the Issuer under this Section for any Term Bonds subject to mandatory redemption on said mandatory Redemption Date which, prior to such date, have been redeemed (other than through the operation of the mandatory redemption requirements of this subsection) and cancelled by the Paying Agent and not theretofore applied as a credit against any redemption obligation under this subsection. Each Term Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the Issuer to redeem Term Bonds of the same Stated Maturity on such mandatory Redemption Date, and any excess of such amount shall be credited on future mandatory redemption obligations for Term Bonds of the same Stated Maturity as designated by the Issuer, and the principal amount of Term Bonds to be redeemed by operation of the requirements of this Section shall be accordingly reduced. If the Issuer intends to exercise any option granted by the provisions of clauses (1), (2) or (3) above, the Issuer will, on or before the 45th day next preceding each mandatory Redemption Date, furnish the Paying Agent a written certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with, with respect to such mandatory redemption payment.

(2) *The Series 2016-A-2028 Term Bonds.* The Issuer shall from the payments specified in *Section 602(b)* hereof which are to be deposited into the Debt Service Account redeem on December 1 in each year, the following principal amounts of Series 2016-A-2028 Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$240,000	2027
250,000	2028*

*Final Maturity

(3) *The Series 2016-A-2030 Term Bonds.* The Issuer shall from the payments specified in *Section 602(b)* hereof which are to be deposited into the Debt Service Account

redeem on December 1 in each year, the following principal amounts of Series 2016-A-2030 Term Bonds:

<u>Principal</u> <u>Amount</u>	<u>Year</u>
\$255,000	2029
270,000	2030*

*Final Maturity

(4) *Additional Bonds.* Additional Bonds designated as Term Bonds shall be subject to mandatory redemption in accordance with the provisions of the supplemental resolution authorizing such Additional Bonds.

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

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

Section 303. Notice and Effect of Call for Redemption. In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption. The foregoing provisions of this paragraph shall not apply in the case of any mandatory redemption of Term Bonds hereunder, and Term Bonds shall be called by the Paying Agent for redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Issuer and whether or not the Paying Agent holds moneys available and sufficient to effect the required redemption.

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the State Treasurer and the Purchaser. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said

written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

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

- (a) the Redemption Date;
- (b) the Redemption Price;
- (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed;
- (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and
- (e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

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

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

For so long as the Securities Depository is effecting book-entry transfers of any series of Bonds, the Bond 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 Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

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

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

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

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

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

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

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for the Bonds. The Series 2016-A Bonds shall be general obligations of the Issuer payable from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues, and the Issuer hereby pledges said Net Revenues to the payment of the principal of and interest on the Series 2016-A Bonds. If said Net Revenues are not sufficient to provide for the payment of the principal of and interest on the Series 2016-A Bonds, the Issuer shall levy taxes as set forth in **Section 5** of the Ordinance and **Section 402** hereof. The covenants and agreements of the Issuer contained herein and in the Series 2016-A Bonds shall be for the equal benefit, protection and security of the legal owners of any or all of the Series 2016-A Bonds, all of which Series 2016-A Bonds shall be of equal rank and without preference or priority of one Series 2016-A Bond over any other Series 2016-A Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Series 2016-A Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. The Series 2016-A Bonds shall stand on a parity and be equally and ratably secured with respect to the payment of principal and interest from the Net Revenues with any other Subordinate Lien Bonds. The Series 2016-A Bonds shall not have any priority with respect to the payment of principal or interest from said Net Revenues or otherwise over other Subordinate Lien Bonds; and any other Subordinate Lien Bonds shall not have any priority with respect to the payment of principal or interest from said Net Revenues or otherwise over the Series 2016-A Bonds. The Series 2016-A Bonds shall be junior and subordinate with respect to the payment of principal and interest from the Net Revenues and in all other respects to any Parity Obligations and any Junior Lien Obligations. In the event of any default in the payment of either principal of or interest on any of the System Indebtedness, all of the Net Revenues will be applied solely to the payment of the principal of and interest on the Parity Obligations and the Junior Lien Obligations, in that order, until such default is cured.

Section 402. Tax Levy. The governing body of the Issuer shall annually make provision for the payment of principal of, premium, if any, and interest on the Series 2016-A Bonds as the same become due, if necessary, after applying the Net Revenues pledged herein, 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 above referred to shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the general ad valorem taxes of the Issuer are levied and collected, and the proceeds derived from said taxes shall be applied in the manner set forth in this Bond Resolution.

If at any time said taxes are not collected in time to pay the principal of or interest on the Series 2016-A Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes and/or assessments are collected.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS DEPOSIT AND APPLICATION OF BOND PROCEEDS AND OTHER MONEYS

Section 501. Creation of Funds and Accounts. Simultaneously with the issuance of the Series 2016-A Bonds, there shall be created within the Treasury of the Issuer the following Funds and Accounts:

- (a) Debt Service Account for General Obligation Electric Utility System Refunding Bonds, Series 2016-A.
- (b) Rebate Fund for General Obligation Electric Utility System Refunding Bonds, Series 2016-A.

The Funds and Accounts established herein shall be administered in accordance with the provisions of this Bond Resolution so long as the Series 2016-A Bonds are Outstanding.

In addition to the Funds and Accounts described above, the Escrow Agreement establishes the following Funds and Accounts to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Agreement:

- (a) Escrow Fund for Refunded Bonds, and
- (b) Costs of Issuance Account for General Obligation Electric Utility System Refunding Bonds, Series 2016-A.
- (c) Compliance Account.

The following separate Funds and Accounts created and established in the treasury of the Issuer are hereby ratified and confirmed:

- (a) Electric Utility System Revenue Fund.
- (b) Series 2013 Principal and Interest Account.

- (c) Electric Utility System Operation and Maintenance Account.

The Funds and Accounts referred to in this paragraph shall be administered in accordance with the provisions of the Series 2013 Resolution so long as the Series 2013 Bonds are Outstanding and thereafter in accordance with this Bond Resolution.

Section 502. Deposit of Series 2016-A Bond Proceeds and Other Moneys. The net proceeds received from the sale of the Series 2016-A Bonds and certain other moneys shall be deposited simultaneously with the delivery of the Series 2016-A Bonds as follows:

(a) Any accrued interest received from the sale of the Series 2016-A Bonds shall be deposited in the Debt Service Account.

(b) The sum of \$52,597.49 shall be transferred to the Escrow Agent for deposit in the Costs of Issuance Account and applied in accordance with the Escrow Agreement.

(c) The remaining balance of the proceeds derived from the sale of the Bonds shall be transferred to the Escrow Agent and deposited in the Escrow Fund and applied in accordance with the Escrow Agreement.

(d) Simultaneously with the issuance of the Series 2016-A Bonds, the Issuer shall make the following transfer:

From the Series 2011 Bond Reserve Account to the Escrow Fund, the sum of \$423,500.

Section 503. Application of Moneys in the Rebate Fund.

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Federal Tax Certificate. All money at any time deposited in the Rebate Fund shall be held in trust, to the extent required to satisfy the Rebate Amount (as defined in the Federal Tax Certificate), for payment to the United States of America, and neither the Issuer nor the Owner of any Series 2016-A Bonds shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section and the Federal Tax Certificate.

(b) The Issuer shall periodically determine the rebatable arbitrage, if any, under Code § 148(f) in accordance with the Federal Tax Certificate, and the Issuer shall make payments to the United States of America at the times and in the amounts determined under the Federal Tax Certificate. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Series 2016-A Bonds and payment and satisfaction of any Rebate Amount, or provision made therefor, shall be deposited into the Revenue Fund.

(c) Notwithstanding any other provision of this Bond Resolution, including in particular *Article XI* hereof, the obligation to pay rebatable arbitrage to the United States of America and to comply with all other requirements of this Section and the Federal Tax Certificate shall survive the defeasance or payment in full of the Series 2016-A Bonds.

Section 504. Application of Moneys in the Costs of Issuance Account. Moneys in the Costs of Issuance Account shall be used by the Escrow Agent to pay the Costs of Issuance. Any funds remaining in the Costs of Issuance Account, after payment of all Costs of Issuance, but not later than the

later of 30 days prior to the first Stated Maturity of principal or one year after the date of issuance of the Series 2016-A Bonds, shall be transferred to the Issuer for deposit into the Compliance Account.

Section 505. Application of Moneys in the Escrow Fund. Under the Escrow Agreement, the Escrow Agent will apply moneys in the Escrow Fund to purchase the Escrowed Securities and to establish an initial cash balance in accordance with the Escrow Agreement. The cash and Escrowed Securities held in the Escrow Fund will be applied by the Escrow Agent solely in the manner authorized by the Escrow Agreement. All money deposited with the Escrow Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in the Refunded Bond Resolution(s) and the Escrow Agreement.

Section 506. Verification of Certified Public Accountant. Prior to or concurrently with the issuance and delivery of the Series General Obligation Electric Utility System Refunding Bonds and the creation of the Escrow Fund, the Issuer shall obtain a Verification Report from an Independent Accountant that such Independent Accountant has verified the accuracy of the calculations that demonstrate that the money and obligations required to be deposited in the Escrow Fund pursuant to *Section 502* of this Bond Resolution and the Escrow Agreement, together with the earnings to accrue thereon, will be sufficient for the timely payment of the principal of, redemption premium, if any, and interest on the Refunded Bonds in accordance with the Escrow Agreement.

Section 507. Application of Moneys in the Compliance Account. Moneys in the Compliance Account shall be used by the Escrow Agent to pay the to pay fees and expenses relating to compliance with federal arbitrage law and state or federal securities laws. Any funds remaining in the Compliance Account on the sixth anniversary of the Issue Date shall be transferred to the Issuer for deposit in the Debt Service Account.

ARTICLE VI

COLLECTION AND APPLICATION OF REVENUES

Section 601. Revenue Fund. The Issuer covenants and agrees that from and after the delivery of the Series 2016-A Bonds, and continuing as long as any of the Bonds remain Outstanding hereunder, all of the Revenues shall as and when received be paid and deposited into the Revenue Fund. Said Revenues shall be segregated and kept separate and apart from all other moneys, revenues, Funds and Accounts of the Issuer and shall not be commingled with any other moneys, revenues, Funds and Accounts of the Issuer. The Revenue Fund shall be administered and applied solely for the purposes and in the manner provided in this Bond Resolution, except as may be modified by the provisions of the Parity Resolution.

Section 602. Application of Moneys in Funds and Accounts. The Issuer covenants and agrees that from and after the delivery of the Series 2016-A Bonds and continuing so long as any of the Bonds shall remain Outstanding, it will on the first day of each month administer and allocate all of the moneys then held in the Revenue Fund as follows:

(a) **Operation and Maintenance Account.** There shall first be paid and credited to the Operation and Maintenance Account an amount equal to the anticipated Expenses for the ensuing month. All Expenses of the System shall be paid as bills accrue, and such bills shall be paid by a property system of vouchers. Such amounts as may be necessary in the opinion of the governing body of the Issuer to pay the reasonable and proper Expenses of the System for a period of thirty (30) days may be retained and

accumulated in the Operation and Maintenance Account before transfers to the other Accounts hereinafter provided for.

(b) ***Debt Service Accounts-Parity Bonds and Parity Obligations.*** There shall next be paid and credited monthly to the debt service account(s) for any Parity Bonds or Parity Obligations, to the extent necessary to meet on each Bond Payment Date an amount equal to the payment of all interest on and principal of any Parity Bonds or Parity Obligations. The amounts required to be paid and credited to the debt service account(s) for any Parity Bonds or Parity Obligations shall be made at the same time and on a parity with the amounts at the time required to be paid and credited to other debt service accounts established for the payment of the Debt Service Requirements on any Parity Bonds and Parity Obligations under the provisions of the Parity Resolution(s).

(c) ***Debt Service Accounts-Junior Lien Obligations.*** There shall next be paid and credited monthly to the debt service account(s) for any Junior Lien Obligations, to the extent necessary to meet on each Bond Payment Date an amount equal to the payment of all interest on and principal of any Junior Lien Obligations. The amounts required to be paid and credited to the debt service account(s) for any Junior Lien Obligations shall be made at the same time and on a parity with the amounts at the time required to be paid and credited to other debt service accounts established for the payment of the Debt Service Requirements on any Junior Lien Obligations.

(d) ***Debt Service Account-Series 2016-A Bonds.*** There shall next be paid and credited monthly to the Debt Service Account, to the extent necessary to meet on each Bond Payment Date the payment of all interest on and principal of the Series 2016-A Bonds, the following sums:

(1) Beginning with the first of said monthly deposits and continuing on the first day of each month thereafter to and including May 1, 2016, an equal pro rata portion of the amount of interest becoming due on the Series 2016-A Bonds on June 1, 2016; and thereafter, beginning on June 1, 2016, and continuing on the first day of each month thereafter so long as any of the Series 2016-A Bonds remain Outstanding an amount not less than 1/6 of the amount of interest that will become due on the Series 2016-A Bonds on the next succeeding Interest Payment Date; and

(2) Beginning with the first of said monthly deposits] and continuing on the first day of each month thereafter, so long as any of the Series 2016-A Bonds remain Outstanding, an amount an equal pro rata portion of the amount of principal that will become due on the Series 2016-A Bonds on the next succeeding Maturity date.

The amounts required to be paid and credited to the Debt Service Account pursuant to this Section shall be made at the same time and on a parity with the amounts at the time required to be paid and credited to the debt service accounts established for the payment of the Debt Service Requirements on Subordinate Lien Bonds under the provisions of the Bond Resolution.

Any amounts deposited in the Debt Service Account in accordance with ***Section 502(a)*** hereof shall be credited against the Issuer's payment obligations as set forth in subsection (b)(1) of this Section.

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 Debt Service Requirements of the Series 2016-A Bonds as and when the same become due at Maturity and on each Interest Payment Date.

If at any time the moneys in the Revenue Fund are insufficient to make in full the payments and credits at the time required to be made to the Debt Service Account and to the debt service accounts established to pay the principal of and interest on any Subordinate Lien Bonds, the available moneys in

the Revenue Fund shall, after provision is made for the Debt Service Requirements on the Parity Bonds, the Parity Obligations and the Junior Lien Obligations, be divided among such debt service accounts in proportion to the respective principal amounts of said series of Subordinate Lien Bonds at the time Outstanding which are payable from the moneys in said debt service accounts.

(g) **Surplus Moneys.** After all payments and credits required at the time to be made under the provisions of the preceding subsections have been made, all moneys remaining in the Revenue Fund may be expended and used for any lawful purpose.

(h) **Deficiency of Payments into Funds and Accounts.** If at any time the Revenues are insufficient to make any payment on the date or dates hereinbefore specified, the Issuer will make good the amount of such deficiency by making additional payments or credits out of the first available Revenues, such payments and credits being made and applied in the order hereinbefore specified in this Section. If at any time the Revenues are insufficient to make any payment of principal or interest on any other Subordinate Lien Bonds, the Issuer will make good the amount of such deficiency by making the required payments out of any moneys available to it, including the proceeds of *ad valorem* taxation levied without limit on all taxable tangible property within the territorial limits of the Issuer.

Section 603. Transfer of Funds to Paying Agent. The Treasurer of the Issuer is hereby authorized and directed to withdraw from the Debt Service Account, and, to the extent necessary to prevent a default in the payment of either principal or interest on the Parity Bonds, from the Series 2011 Bond Reserve Account, sums sufficient to pay the principal of and interest on the Bonds as and when the same become due on any Bond Payment Date, and to forward such sums to the Paying Agent in a manner which ensures the Paying Agent will have available funds in such amounts on or before the Business Day immediately preceding each Bond Payment Date. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution.

Section 604. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

ARTICLE VII

DEPOSIT AND INVESTMENT OF MONEYS

Section 701. Deposits and Investment of Moneys.

(a) 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.

(b) Moneys held in any Fund or Account other than the Escrow Fund may be invested in accordance with this Bond Resolution and the Federal Tax Certificate, in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account. All earnings on investments held in the Debt Service Reserve Account shall accrue to and become a part of the Series 2011 Bond Reserve Account until the amount on deposit in the Series 2011 Bond Reserve Account shall aggregate the Debt Service Reserve Requirement; thereafter, all such earnings shall be credited to the Series 2013 Principal and Interest Account.

In determining the amount held in any Fund or Account under the provisions of the Bond Resolution, Permitted Investments shall be valued at their market value. Such valuation shall be made as of the final Stated Maturity of principal of any Fiscal Year that the Bonds remain Outstanding and may be made in conjunction with redemption of any Bonds. If and when the amount held in any Fund or Account shall be in excess of the amount required by the provisions of this Bond Resolution, the Issuer shall direct that such excess be paid and credited to the Revenue Fund.

(c) So long as any of the Parity Bonds remain Outstanding, any investments made pursuant to this Section shall be subject to any restrictions in the Parity Resolution with respect to the Funds and Accounts created by and referred to in the Parity Resolution.

ARTICLE VIII

GENERAL COVENANTS AND PROVISIONS

The Issuer covenants and agrees with each of the Owners of any of the Bonds that so long as any of the Bonds remain Outstanding and unpaid it will comply with each of the following covenants:

Section 801. Efficient and Economical Operation. The Issuer will continuously own and will operate the System as a revenue producing facility in an efficient and economical manner and will keep and maintain the same in good repair and working order. The Issuer will establish and maintain such rules and regulations for the use of the System as may be necessary to assure maximum utilization and most efficient operation of the System.

Section 802. Rate Covenant. The Issuer, in accordance with and subject to applicable legal requirements, will fix, establish, maintain and collect such rates and charges for the use and services furnished by or through the System as will produce Revenues sufficient to (a) pay the Expenses; (b) pay the Debt Service Requirements on the Bonds as and when the same become due at the Maturity thereof or on any Interest Payment Date; (c) enable the Issuer to have in each Fiscal Year, a Debt Service Coverage Ratio of not less than 1.25 on all Parity Bonds and Parity Obligations at the time Outstanding; 1.10 on any Junior Lien Obligations at the time Outstanding, and 1.00 on all Subordinate Lien Bonds at the time Outstanding; and (d) provide reasonable and adequate reserves for the payment of the Bonds and the interest thereon and for the protection and benefit of the System as provided in this Bond Resolution. The Issuer will require the prompt payment of accounts for service rendered by or through the System and will promptly take whatever action is legally permissible to enforce and collect delinquent charges. The Issuer will, from time to time as often as necessary, in accordance with and subject to applicable legal requirements, revise the rates and charges aforesaid in such manner as may be necessary or proper so that the Net Revenues will be sufficient to cover the obligations under this Section and otherwise under the provisions of this Bond Resolution. If in any Fiscal Year, Net Revenues are an amount less than as

hereinbefore provided, the Issuer will immediately employ a Consultant to make recommendations with respect to such rates and charges. A copy of the Consultant's report and recommendations shall be filed with the Clerk and the Purchaser of the Bonds and shall be furnished to any Owner of the Bonds requesting a copy of the same, at the cost of such Owner. The Issuer shall, to the extent feasible, follow the recommendations of the Consultant.

Section 803. Reasonable Charges for all Services. None of the facilities or services provided by the System will be furnished to any user (excepting the Issuer itself) without a reasonable charge being made therefor. If the Revenues derived from the System are at any time insufficient to pay the reasonable Expenses and also to pay the Debt Service Requirements of the Bonds and Additional Obligations as and when the same become due, then the Issuer will thereafter pay into the Revenue Fund a fair and reasonable payment in accordance with effective applicable rates and charges for all services by the System, and such payments will continue so long as the same may be necessary in order to prevent or reduce the amount of any default in the payment of the Debt Service Requirements of the Bonds and Additional Obligations.

Section 804. Restrictions on Mortgage or Sale of System. The Issuer will not mortgage, pledge or otherwise encumber the System or any part thereof, nor will it sell, lease or otherwise dispose of the System or any material part thereof; provided, however, the Issuer may permanently abandon the use of, or sell at fair market value, any of its System facilities, provided that:

(a) It is in full compliance with all covenants and undertakings in connection with all of its Bonds then outstanding and payable from the Revenues;

(b) In the event of sale, it will apply the proceeds to either (1) redemption of Outstanding Bonds in accordance with the provisions governing repayment of Bonds in advance of Stated Maturity, or (2) replacement of the property so disposed of by other property the revenues of which shall be incorporated into the System as hereinbefore provided;

(c) It certifies, prior to any abandonment of use, that the facility to be abandoned is no longer economically feasible of producing Net Revenues; and

(d) It certifies that the estimated Net Revenues for the remaining System facilities for the next succeeding Fiscal Year plus the estimated Net Revenues of the facilities, if any, to be added to the System satisfy the rate covenants provided in this Resolution.

Section 805. Insurance. The Issuer will carry and maintain such reasonable amounts of all risk insurance on all properties and all operations of the System insofar as they are of an insurable nature as would be carried by a privately owned utility with similar property and performing similar functions; and in the event of loss or damage or destroyed property, or if such reconstruction or replacement be unnecessary, then such proceeds shall be used in redeeming or paying off Outstanding Bonds, in accordance with their call provisions. The Issuer will also carry general liability insurance in amounts not less than the then maximum liability of a governmental entity for claims arising out of a single occurrence, as provided by the Kansas tort claims act or other similar future law (currently \$500,000 per occurrence). In the event of loss or damage, the Issuer, with reasonable dispatch, will use the proceeds of such insurance in reconstructing and replacing the property damaged or destroyed, or in paying the claims on account of which such proceeds were received, or if such reconstruction or replacement is unnecessary or impracticable, then the Issuer will pay and deposit the proceeds of such insurance into the Revenue Fund. The Issuer will annually review the insurance it maintains with respect to the System to determine that it is customary and adequate to protect its property and operations. The cost of all insurance obtained pursuant to the requirements of this Section shall be paid as an Expense out of the Revenues.

Section 806. Books, Records and Accounts. The Issuer will install and maintain proper books, records and accounts (entirely separate from all other records and accounts of the Issuer) in which complete and correct entries will be made of all dealings and transactions of or in relation to the System. Such accounts shall show the amount of Revenues received from the System, the application of such funds, and all financial transactions in connection therewith. Said books shall be kept by the Issuer according to accepted accounting principles as applicable to the operation of municipal utilities in the State of Kansas.

Section 807. Annual Budget. Prior to the commencement of each Fiscal Year, the Issuer will cause to be prepared and filed with the Clerk a budget setting forth the estimated receipts and expenditures of the System for the next succeeding Fiscal Year. The Clerk, promptly upon the filing of said budget in the Clerk's office, will mail a copy of said budget to the Purchaser of the Bonds. Said annual budget shall be prepared in accordance with the requirements of the laws of the State and shall contain all information that is required by such laws, including:

- (a) An estimate of the Revenues from the System during the next ensuing Fiscal Year.
- (b) A statement of the estimated Expenses during the next ensuing Fiscal Year.
- (c) A statement of any anticipated unusual Expenses for the System during the next Fiscal Year.
- (d) A statement of any necessary repairs or replacements to the System which may be anticipated during the next Fiscal Year.
- (e) A statement of the amount of Debt Service Requirements to be paid on Outstanding Bonds and Additional Obligations to be paid from Net Revenues during the next Fiscal Year.
- (f) A statement of the estimated Net Revenues during the next Fiscal Year.

Section 808. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements System for the preceding Fiscal Year by an Independent Accountant to be employed for that purpose and paid from the Revenues. Said annual audit shall cover in reasonable detail the operation of the System during such Fiscal Year. The report of said annual audit shall include:

- (a) A classified statement of the Revenues received, the Expenses for operation and maintenance, the Net Revenues and the amount of any capital expenditures made in connection with the System during the previous Fiscal Year;
- (b) A complete balance sheet as of the end of each Fiscal Year with the amount on hand at the end of such Fiscal Year in each of the Funds and Accounts created by and referred to in this Bond Resolution;
- (c) A statement of all Bonds and Additional Obligations matured or redeemed and interest paid on Bonds and Additional Obligations during said Fiscal Year;
- (d) A statement of the number of customers served by the System at the beginning and the end of such Fiscal Year;

(e) A statement showing the amount and character of the insurance carried on the property constituting the System and showing the names of the insurers, the expiration dates of the policies and the premiums thereon;

(f) A calculation of the Debt Service Coverage Ratio for such Fiscal Year, and a statement regarding compliance by the Issuer with the rate covenants set forth in the Bond Resolution;

(g) A statement regarding compliance by the Issuer with the arbitrage rebate covenants set forth in **Section 1202** hereof and in the Federal Tax Certificate;

(h) A statement regarding compliance by the Issuer with the continuing disclosure covenants set forth in **Section 1301** hereof and in the Disclosure Undertaking; and

(i) Such remarks and recommendations regarding the practices and procedures of operating the System and its accounting practices as said Independent Accountant may deem appropriate.

Within 30 days after the completion of each such annual audit, a copy of the report of thereof shall be filed in the office of the Clerk, and a duplicate copy shall be mailed to the Purchaser. Such audit reports shall at all times during the usual business hours be open to the examination and inspection by any user of the services of the System, any Owner of any of the Bonds, or by anyone acting for or on behalf of such user or Owner.

As soon as possible after the completion of the annual audit, the governing body of the Issuer shall review the report of such audit, and if the audit report discloses that proper provision has not been made for all of the requirements of this Bond Resolution and the Act, the Issuer will promptly cure such deficiency and will promptly proceed to modify the rates and charges to be charged for the use and services furnished by the System or take such other action as may be necessary to adequately provide for such requirements.

Section 809. Right of Inspection. The Purchaser of the Bonds and any Owner or Owners of 10% of the principal amount of the Bonds then Outstanding shall have the right at all reasonable times to inspect the System and all records, accounts and data relating thereto, and shall be furnished all such information concerning the System and the operation thereof which the Purchaser or such Owner or Owners may reasonably request.

Section 810. Administrative Personnel. The Issuer shall use its best efforts to employ at all times administrative personnel experienced and well qualified to operate the System. The Issuer further agrees that such administrative personnel shall be employed in sufficient numbers to ensure that the System will be operated in a prudent and efficient manner.

Section 811. Performance of Duties and Covenants. The Issuer will faithfully and punctually perform all duties, covenants and obligations with respect to the operation of the System now or hereafter imposed upon the Issuer by the Constitution and laws of the State and by the provisions of this Bond Resolution.

Section 812. Report on System Condition. The Issuer shall annually cause a qualified employee of the Issuer to make an examination of and report on the condition and operations of the System. Upon request of the Purchaser, but in no event more often than every five years such examination and report shall be made by the Consulting Engineer. Each such report shall make recommendations as to any changes in operations of the System deemed desirable and shall also make reference to any unusual or extraordinary items of maintenance and repair and any extensions,

enlargements or improvements that may be needed in the period prior to the preparation of the next report required by this Section. A copy of each such report shall be filed in the office of the Clerk, shall be sent to the Purchaser of the Bonds and, upon written request, to any Owner (at the expense of such Owner).

ARTICLE IX

ADDITIONAL BONDS AND OBLIGATIONS

Section 901. Senior Lien Bonds. The Issuer covenants and agrees that so long as any of the Parity Bonds remain Outstanding, the Issuer will not issue any System Indebtedness payable out of the Revenues which are superior to the Parity Bonds with respect to the lien on the Revenues.

Section 902. Parity Bonds and Parity Obligations. The Issuer covenants and agrees that it will not issue any System Indebtedness which stands on a parity or equality of lien against the Net Revenues with the Parity Bonds unless the conditions set forth in the following conditions are met:

(a) The Issuer shall not be in default in the payment of principal of or interest on any Parity Bonds or Parity Obligations at the time Outstanding or in making any payment at the time required to be made into the respective Funds and Accounts created by and referred to in this Bond Resolution or any Parity Resolution (unless such System Indebtedness is being issued to provide funds to cure such default) nor shall any other Event of Default have occurred and be continuing;

(b) The Issuer shall deliver the following:

(1) **Long-Term Indebtedness.** A certificate signed by the Issuer evidencing *either* of the following:

(i) The Debt Service Coverage Ratio for the Fiscal Year immediately preceding the issuance of such System Indebtedness, as reflected by information provided by the Independent Accountant, shall be not less than 1.25, including the System Indebtedness proposed to be issued. In the event that the Issuer has instituted any increase in rates for the use and services of the System and such increase shall not have been in effect during the full Fiscal Year immediately preceding the issuance of such proposed System Indebtedness, the additional Net Revenues which would have resulted from the operation of the System during said preceding Fiscal Year had such rate increase been in effect for the entire period may be added to the stated Net Revenues for the calculation of the Debt Service Coverage Ratio, provided that such estimated additional Net Revenues shall be determined by a Consultant.

(ii) The estimated Debt Service Coverage Ratio (as determined by a Consultant), for the Fiscal Year immediately following the Fiscal Year in which the project, the cost of which is being financed by such System Indebtedness, is to be in commercial operation, shall be not less than 1.25, including the System Indebtedness proposed to be issued. In the event that the Issuer anticipates additional Revenues as a result of expansion or modification of the System by such System Indebtedness, the Issuer may adjust the estimated Net Revenues in determining the Debt Service Coverage Ratio, by adding thereto any estimated increase in Net Revenues resulting from any increase in Revenues, which, in the opinion of the Consultant, are reasonable based on projected operations of the System for such Fiscal Year.

(2) **Short-Term Indebtedness.** A certificate signed by the Issuer evidencing any *one* of the following:

(i) The principal amount of all Outstanding Short-Term Indebtedness does not exceed 15% of the Revenues for the most recently ended Fiscal Year for which financial information is available from the Independent Accountant;

(ii) The Short-Term Indebtedness could be incurred under *subsection (b)(1)* hereof assuming it was Long-Term Indebtedness.

(iii) There is delivered to the Issuer a certificate of a Consultant to the effect that it is such Consultant's opinion that it is reasonable to assume that the Issuer will be able to refinance such Short-Term Indebtedness prior to its Stated Maturity in compliance with the provisions of this Section and the conditions described in *subsection (b)(1)* are met with respect to such Short-Term Indebtedness when it is assumed that such Short-Term Indebtedness is Long-Term Indebtedness maturing over 20 years (or such shorter period as such Consultant indicates is reasonable to assume in such statement) from the date of issuance of the Short-Term Indebtedness and bears interest on the unpaid principal balance at the Index Rate and is payable on a level annual debt service basis over a 20-year period (or such shorter period as such Consultant indicates is reasonable to assume in such statement).

(3) **Interim Indebtedness.** A certificate signed by the Issuer evidencing *either* of the following:

(i) The Interim Indebtedness could be incurred under *subsection (b)(1)* hereof assuming it was Long-Term Indebtedness.

(ii) There is delivered to the Issuer a certificate of a Consultant to the effect that it is such Consultant's opinion that it is reasonable to assume that the Issuer will be able to refinance such Interim Indebtedness prior to its Stated Maturity in compliance with the provisions of this Section and the conditions described in *subsection (b)(1)* are met with respect to such Interim Indebtedness when it is assumed that such Interim Indebtedness is Long-Term Indebtedness maturing over 20 years (or such shorter period as such Consultant indicates is reasonable to assume in such statement) from the date of issuance of the Interim Indebtedness and bears interest on the unpaid principal balance at the Index Rate and is payable on a level annual debt service basis over a 20-year period (or such shorter period as such Consultant indicates is reasonable to assume in such statement).

(c) When the issuance of System Indebtedness of equal stature and priority is permitted by the Statutes of the State.

(d) The ordinance and/or resolution authorizing such System Indebtedness shall contain or provide for substantially the same terms, conditions, covenants and procedures as established in this Bond Resolution.

Notwithstanding the foregoing restrictions, additional System Indebtedness may be issued under this Section if it is necessary: (1) in the opinion of the Consulting Engineer to do so to repair the System if damaged or destroyed by disaster to such extent necessary to keep it in good operating condition; or (2) in the opinion of the Issuer's legal counsel to remedy any deficiency of the System relating to

environmental pollution matters or to comply with the requirements of any governmental agency having jurisdiction over the Issuer with respect thereto.

Additional System Indebtedness issued under the conditions set forth in this Section shall stand on a parity with the Parity Bonds and Parity Obligations and shall enjoy complete equality or lien on and claim against the Net Revenues, and the Issuer may make equal provision for paying the Debt Service Requirements on such System Indebtedness out of the Revenue Fund and may likewise provide for the creation of reasonable debt service accounts and debt service reserve accounts for the payment of the Debt Service Requirements on such System Indebtedness and the interest thereon out of moneys in the Revenue Fund.

Notwithstanding anything in this *Section 902* to the contrary, the Issuer covenants that, as long as any Series 2013 Bonds remain Outstanding, it will not issue any Parity Bonds or Parity Obligations unless the conditions set forth in *Section 902* of the Series 2013 Resolution are met or it has received the written consent of the Owner of the Series 2013 Bonds.

Section 903. Junior Lien Obligations. Nothing in this Article shall prohibit or restrict the right of the Issuer to issue Junior Lien Obligations for any lawful purpose in connection with the operation of and benefiting the System and to provide that the Debt Service Requirements on such Junior Lien Obligations shall be payable out of the Net Revenues, provided at the time of the issuance of such Junior Lien Obligations the Issuer is not in default in the performance of any covenant or agreement contained in the Bond Resolution (unless such System Indebtedness shall be issued to cure such default and shall be junior and subordinate to the Parity Bonds and Parity Obligations) so that if at any time the Issuer shall be in default in paying either interest on or principal of the Parity Bonds or Parity Obligations, or of the Issuer is in default in making debt service, operation and maintenance or debt service reserve deposits or payments required to be made by it under the Bond Resolution, the Issuer shall make no payments of either principal of or interest on said Junior Lien Obligations until said default or defaults be cured.

Notwithstanding anything in this *Section 903* to the contrary, the Issuer covenants that, as long as any Series 2013 Bonds remain Outstanding, it will not issue any Junior Lien Obligations unless the conditions set forth in *Section 903* of the Series 2013 Resolution are met or it has received the written consent of the Owner of the Series 2013 Bonds.

Section 904. Subordinate Lien Bonds. Nothing in this Article shall prohibit or restrict the right of the Issuer to issue Subordinate Lien Bonds for any lawful purpose in connection with the operation of and benefiting the System and to provide that the Debt Service Requirements on such Subordinate Lien Bonds shall be payable out of the Net Revenues, provided at the time of the issuance of such Subordinate Lien Bonds the Issuer is not in default in the performance of any covenant or agreement contained in the Bond Resolution (unless such System Indebtedness shall be issued to cure such default and shall be junior and subordinate to the Parity Bonds, Parity Obligations and Junior Lien Obligations) so that if at any time the Issuer shall be in default in paying either interest on or principal of the Parity Bonds, Parity Obligations and Junior Lien Bonds, or of the Issuer is in default in making debt service, operation and maintenance or debt service reserve deposits or payments required to be made by it under the Bond Resolution, the Issuer shall make no payments of either principal of or interest on said Subordinate Lien Bonds until said default or defaults be cured. Such Subordinate Lien Bonds may also constitute general obligations of the Issuer.

Section 905. Refunding Bonds. The Issuer shall have the right, without complying with the provisions of *Section 902* hereof, to issue Refunding Bonds for the purpose of refunding any of the

System Indebtedness under the provisions of any law then available, and the Refunding Bonds so issued shall enjoy complete equality of pledge as did the System Indebtedness that was refunded.

ARTICLE X

DEFAULT AND REMEDIES

Section 1001. Remedies. The provisions of this Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

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

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

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

The Issuer hereby directs the Paying Agent to notify the Owners and Bond Insurer of any Event of Default of which it has actual notice.

Section 1002. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds of any series shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the Funds and Accounts herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of such Outstanding Bonds.

Section 1003. Remedies Cumulative. No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall be

restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

Section 1004. Control of Remedies Upon an Event of Default and Event of Insolvency. Notwithstanding anything herein to the contrary, upon the occurrence and continuance of an Event of Default, the Bond Insurer, provided the Bond Insurance Policy is in full force and effect and the Bond Insurer shall not be in default thereunder, shall be entitled to control and direct the enforcement of all rights and remedies granted to the Owners under this Bond Resolution.

ARTICLE XI

DEFEASANCE

Section 1101. Defeasance. When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Revenues hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until: (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with *Section 303* of this Bond Resolution. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution. The Issuer shall notify the Bond Insurer of any defeasance of any Insured Bonds insured by the Bond Insurer.

Notwithstanding anything in this Bond Resolution to the contrary, in the event that the principal and/or interest due on the Insured Bonds shall be paid by the Bond Insurer pursuant to the Bond Insurance Policy, the Insured Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer and the covenants, agreements and other obligations of the Issuer to the Owners shall continue to exist and shall run to the benefit of the Bond Insurer, and the Bond Insurer shall be subrogated to the rights of such Owners.

ARTICLE XII

TAX COVENANTS

Section 1201. 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 Series 2016-A Bonds; and (b) all provisions and requirements of the Federal Tax Certificate. The Mayor and Clerk are hereby authorized and directed to execute the Federal Tax Certificate in a form approved by Bond Counsel, for and on behalf of and as the act and deed of the Issuer. The Issuer will, in addition, adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the interest on the Series 2016-A Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Issuer.

Section 1202. 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 Series 2016-A Bonds pursuant to *Article XI* hereof or any other provision of this Bond Resolution until such time as is set forth in the Federal Tax Certificate.

ARTICLE XIII

CONTINUING DISCLOSURE REQUIREMENTS

Section 1301. 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, which are incorporated herein by reference.

Section 1302. 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. The Purchaser or Beneficial Owner shall provide a copy of any such demand or notice to the Bond Insurer.

ARTICLE XIV

MISCELLANEOUS PROVISIONS

Section 1401. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be

recorded, and such instrument or instruments shall be filed with the Clerk, but no such modification or alteration shall:

- (a) extend the maturity of any payment of principal or interest due upon any Bond;
- (b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;
- (c) permit preference or priority of any Bond over any other Bond;
- (d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution; or
- (e) permit the creation of a lien on the Revenues prior or equal to the lien of the Parity Bonds or Additional Obligations.

Any provision of the Bonds or of this Bond 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 Bonds at the time Outstanding.

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

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

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

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

Section 1402. Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing

appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

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

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

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

Section 1403. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

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

Section 1404. Inconsistent Provisions. In case any one or more of the provisions of this Bond Resolution or of the Bonds issued hereunder shall for any reason be inconsistent with the provisions of any Parity Resolution or any Parity Bonds: (a) the provisions of any Parity Resolution adopted prior to this Bond Resolution shall prevail with respect to Parity Bonds issued prior in time, so long as such Parity Bonds are Outstanding; and (b) the provisions of this Bond Resolution shall prevail with respect to any Parity Resolution adopted subsequent to the Bond Resolution, so long as any Parity Bonds issued under this Bond Resolution are Outstanding.

Section 1405. Electronic Transactions. The issuance of the Series 2016-A Bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

Section 1406. Further Authority. The officers and officials of the Issuer, including the Mayor and Clerk, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 1407. Severability. If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

Section 1408. Governing Law. This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 1409. Effective Date.
This Bond 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 February 16, 2016.

(SEAL)

Mayor

ATTEST:

Clerk

CERTIFICATE

I, the undersigned, hereby certify that the above and foregoing is a true and correct copy of the Resolution No. _____ (the "Bond Resolution") of the City of Beloit, Kansas, adopted by the governing body on February 16, 2016, as the same appears of record in my office, and that the Bond Resolution has not been modified, amended or repealed and is in full force and effect as of this date.

DATED: February 16, 2016.

Clerk

EXHIBIT A
(FORM OF SERIES 2016-A BONDS)

**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 БЕЛОIT
GENERAL OBLIGATION ELECTRIC UTILITY SYSTEM REFUNDING BOND
SERIES 2016-A**

Interest Rate:	Maturity Date:	Dated Date: March 1, 2016	CUSIP:
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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 June 1 and December 1 of each year, commencing June 1, 2016 (the “Interest Payment Dates”), until the Principal Amount has been paid.

Method and Place of Payment. The principal or redemption price of this Series 2016-A Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Series 2016-A Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Series 2016-A Bond at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Bond Registrar”). The interest payable on this Series 2016-A Bond on any Interest Payment Date shall be paid to the person in whose name this Series 2016-A Bond is registered on the registration books maintained by the Bond 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 Bond 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 any Registered Owner of \$500,000 or more in aggregate principal amount of Series 2016-A Bonds, by electronic transfer to such Registered Owner upon written notice given to the Bond 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 Series 2016-A Bonds shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

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

ADDITIONAL PROVISIONS OF THIS SERIES 2016-A BOND 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 Series 2016-A Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the hereinafter defined Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Series 2016-A Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, that the total indebtedness of the Issuer, including this series of bonds, does not exceed any constitutional or statutory limitation, and that provision has been duly made for the collection and segregation of the Revenues of the Electric Utility System (the "System") and for the application of the same as provided in the hereinafter defined Bond Resolution.

IN WITNESS WHEREOF, the Issuer has caused this Series 2016-A Bond to be executed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its Clerk, and its seal to be affixed hereto or imprinted hereon.

CITY OF BELOIT, KANSAS

(Facsimile Seal)

(facsimile)
Mayor

ATTEST:

By _____ (facsimile)
Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Series 2016-A Bond is one of a series of General Obligation Electric Utility System Refunding Bonds, Series 2016-A, of the City of Beloit, Kansas, described in the within-mentioned Bond Resolution.

Registration Date: _____

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

By _____

Registration Number: 0387-062-030116-____

(FORM OF REVERSE SIDE OF BOND)

ADDITIONAL PROVISIONS

Authorization of Series 2016-A Bonds. This Series 2016-A Bond is one of an authorized series of bonds of the Issuer designated "General Obligation Electric Utility System Refunding Bonds, Series 2016-A," aggregating the principal amount of \$3,310,000 (the "Series 2016-A Bonds") issued for the purposes set forth in the Ordinance of the Issuer authorizing the issuance of the Series 2016-A Bonds and the Resolution of the Issuer prescribing the form and details of the Series 2016-A Bonds (collectively the "Bond Resolution"). The Series 2016-A Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 10-427 *et seq.*, K.S.A. 10-620 *et seq.* and K.S.A. 10-1201 *et seq.*, as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

General Obligations. The Series 2016-A Bonds are general obligations of the Issuer payable from, and secured as to the payment of principal and interest by a pledge of, the Net Revenues. To the extent necessary, after applying the Net Revenues, the Issuer shall levy and collect the necessary taxes upon all of the taxable tangible property within the Issuer in the manner provided by law in order to provide for the payment of the principal of and interest on the Series 2016-A Bonds. *Under the conditions set forth in the Bond Resolution, the Issuer has the right to issue additional System Indebtedness payable from the same source and secured by, on a prior lien or on a parity lien basis, said Revenues; provided, however, that such additional System Indebtedness may be so issued only in accordance with and subject to the covenants, conditions and restrictions relating thereto set forth in the Bond Resolution.*

The Issuer hereby covenants and agrees with the Registered Owner of this Series 2016-A Bond that it will keep and perform all covenants and agreements contained in the Bond Resolution, and will fix, establish, maintain and collect such rates, fees and charges for the use and services furnished by or through the System, as will produce Net Revenues sufficient to pay the costs of operation and maintenance of the System, pay the principal of and interest on the Series 2016-A Bonds as and when the

same become due, and provide reasonable and adequate reserve funds. Reference is made to the Bond Resolution for a description of the covenants and agreements made by the Issuer with respect to the collection, segregation and application of the Revenues, the nature and extent of the security for the Series 2016-A Bonds, the rights, duties and obligations of the Issuer with respect thereto, and the rights of the Registered Owners thereof.

Redemption Prior to Maturity. The Series 2016-A Bonds are subject to redemption prior to maturity as set forth in the Bond Resolution.

Book-Entry System. The Series 2016-A Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Bond Resolution. One certificate with respect to each date on which the Series 2016-A Bonds are stated to mature or with respect to each form of Series 2016-A Bonds, 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 Series 2016-A Bonds by the Securities Depository's participants, beneficial ownership of the Series 2016-A Bonds 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 Bond Registrar will recognize the Securities Depository nominee, while the Registered Owner of this Series 2016-A Bond, as the owner of this Series 2016-A Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Series 2016-A Bond, (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 Series 2016-A Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such Beneficial Owners. The Issuer and the Bond 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 Series 2016-A Bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Series 2016-A Bond shall be made in accordance with existing arrangements among the Issuer, the Bond Registrar and the Securities Depository.

Transfer and Exchange. EXCEPT AS OTHERWISE PROVIDED IN THE BOND RESOLUTION, THIS GLOBAL BOND 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 Series 2016-A Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Series 2016-A Bond together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Series 2016-A Bond or Series 2016-A Bonds in any Authorized Denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Series 2016-A Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Series 2016-A Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due

hereon and for all other purposes. The Series 2016-A Bonds are issued in fully registered form in Authorized Denominations.

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Series 2016-A Bonds:

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

(PRINTED LEGAL OPINION)

BOND ASSIGNMENT

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

(Name and Address)

(Social Security or Taxpayer Identification No.)

the Series 2016-A Bond to which this assignment is affixed in the outstanding principal amount of \$_____, standing in the name of the undersigned on the books of the Bond Registrar. The undersigned do(es) hereby irrevocably constitute and appoint _____ as agent to transfer said Series 2016-A Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated _____

Name

Social Security or
Taxpayer Identification No.

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

Signature guarantee:

By _____

CERTIFICATE OF CLERK

STATE OF KANSAS)
) SS.
COUNTY OF MITCHELL)

The undersigned, Clerk of the City of Beloit, Kansas, does hereby certify that the within Series 2016-A Bond has been duly registered in my office according to law as of March 1, 2016.

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 Series 2016-A Bond has been filed in the office of the State Treasurer, and that this Series 2016-A Bond was registered in such office according to law on _____, 2016.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____ (facsimile)
Treasurer of the State of Kansas

REQUEST FOR COUNCIL ACTION

DATE:

February 16, 2016

TITLE:

Housing Bid For The Housing Rehabilitation CDBG Grant

ORIGINATING DEPARTMENT:

Administration Department

TYPE OF ACTION:

ORDINANCE

RESOLUTION

FORMAL ACTION

OTHER

RECOMMENDATION:

The Housing Board is recommending that the city council approve the attached bid tab for the CDBG Housing Rehabilitation Bids.

FISCAL NOTE:

- There is no cost to the city for approving this item.

DISCUSSION:

Respectfully submitted,

Tom Naasz,
Mayor

Beloit CDBG Rehabilitation/Demolition Bids
October 28, 2015 Bid Opening
Housing Board Bid Award Recommendations

Rehab Bids

Client	1st	Amount
Emerson 402 E. 6th	Kansas Sand & Const. Salina	\$ 27,150
Gasper 508 N. Chestnut	Kansas Sand & Const. Salina	\$ 32,700

*Bid award contingent on client completing work items or providing gap financing.

Original contractor receiving the awards had to refuse because of a recent injury causing him to be unable to complete the contracts.

