

ORDINANCE NO. 1593

LEXINGTON, NEBRASKA

4619

ORDINANCE NO. 1593

AN ORDINANCE AUTHORIZING THE ISSUANCE OF REFUNDING BONDS OF THE CITY OF LEXINGTON, NEBRASKA, IN THE PRINCIPAL AMOUNT OF ONE HUNDRED NINETY THOUSAND DOLLARS (\$190,000); PRESCRIBING THE FORM OF SAID BONDS AND PROVIDING FOR INVESTMENT OF PROCEEDS AND DISBURSEMENTS THEREOF; FOR A SINKING FUND AND FOR THE LEVY OF TAXES TO PAY SAID BONDS; PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER; PROVIDING FOR THE DISPOSITION OF THE BOND PROCEEDS AND ORDERING THE ORDINANCE PUBLISHED IN PAMPHLET FORM.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF LEXINGTON, NEBRASKA:

Section 1. The Mayor and Council find and determine: That the City of Lexington, Nebraska, has outstanding and unpaid the following described bonds:

Various Purpose Bonds, Nos. 30 to 67 inclusive, in the principal amount of One Hundred Ninety Thousand Dollars (\$190,000) dated May 15, 1975, optional for prepayment at par on May 15, 1980,

which bonds are the valid and interest bearing obligations of said City; that since the issuance of said bonds the rate of interest has so declined in the markets that by taking up and paying off such bonds by an issue of Refunding Bonds of the City, a substantial savings in the amount of yearly running interest will be made to the City; that all conditions, acts and things required by law to exist precedent to the issuance of refunding bonds of the City in the amount of \$190,000, pursuant to Section 16-214 R.R.S. Nebraska, 1943, do exist and have been done as required by law.

Section 2. There shall be, and there hereby are, ordered issued negotiable coupon bonds of the City of Lexington to be known as "Refunding Bonds", consisting of thirty-eight bonds, numbered from 1 to 38 inclusive, for \$5,000 each, payable to bearer, dated May 15, 1978. Said bonds shall bear interest as follows:

Bonds Nos. 1 to 7 inclusive at the rate of four and thirty hundredths per centum (4.30%) per annum

Bonds Nos. 8 to 14 inclusive at the rate of four and forty hundredths per centum (4.40%) per annum

Bonds Nos. 15 to 22 inclusive at the rate of four and fifty hundredths per centum (4.50%) per annum

Bonds Nos. 23 to 30 inclusive at the rate of four and sixty hundredths per centum (4.60%) per annum

Bonds Nos. 31 to 38 inclusive at the rate of four and seventy hundredths per centum (4.70%) per annum

Said interest shall be represented by one set of interest coupons and shall be payable semiannually on the fifteenth days of November and May in each year. In addition thereto the bonds shall bear additional interest from May 15, 1978, until May 15, 1980, at the rate of two per centum (2.00%) per annum, payable at the time the above interest is payable, which shall be represented by supplemental coupons which shall have the letter "A" affixed to their numbers and which may be detached and sold separately. The principal of said bonds shall become due and payable as follows:

Bonds Nos.	1 - 7	\$35,000 due May 15, 1981
	8 - 14	35,000 due May 15, 1982
	15 - 22	40,000 due May 15, 1983
	23 - 30	40,000 due May 15, 1984
	31 - 37	35,000 due May 15, 1985
	38	5,000 due May 15, 1986

provided, however, the City reserves the right and option of redeeming any or all of Bonds Nos. 23 to 38 inclusive on May 15, 1983, or at any time thereafter in the inverse order of their serial numbers, bond or bonds bearing a higher serial number being redeemed before the redemption of any bond or bonds bearing a lower serial number.

Section 3. That attached to each bond shall be interest coupons payable at the time the respective interest payments thereon become due and for the amount thereof.

Section 4. Said bonds shall be executed on behalf of the City by being signed by the facsimile signature of the Mayor and by the manual signature of the City Clerk and shall have the seal of the City impressed on each bond. The interest coupons shall be executed on behalf of the City by being signed by the Mayor and City Clerk either by affixing their own proper signatures on each coupon or by causing their facsimile signatures to be affixed thereto and the Mayor and Clerk shall, by such execution of each bond, be deemed to have adopted as and for their own proper signatures their facsimile signatures affixed to the coupons.

Section 5. Said bonds and coupons shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF DAWSON
CITY OF LEXINGTON

No. _____ REFUNDING BOND \$5,000.00

KNOW ALL MEN BY THESE PRESENTS: That the City of Lexington in the County of Dawson in the State of Nebraska, hereby acknowledges itself to owe and for value received promises to pay to bearer the sum of Five Thousand Dollars (\$5,000) in lawful money of the United States of America on the fifteenth day of May, 19 ____, with interest thereon from the date hereof to maturity at the rate of _____ per centum (____%) per annum, represented by one set of interest coupons, and, in addition thereto, interest from the date of issuance until May 15, 1980, at the rate of two per centum (2.00%) per annum, represented by supplemental coupons which shall have the letter "A" affixed to their numbers and which may be detached and sold separately. Said interest shall be payable November 15, 1978, and semiannually thereafter on the fifteenth days of May and November in each year upon

presentation and surrender of the interest coupons as they severally become due. Both the principal hereof and the interest hereon are payable at the office of the Treasurer of Dawson County in Lexington, Nebraska. For the prompt payment of interest accruing on this bond from date of issue until May 15, 1980, the City has provided by making deposit of investment securities bearing sufficient interest to make such payment as described in the ordinance authorizing the issuance of the bonds of this issue. For the prompt payment of this bond principal and interest as the same become due, from and after May 15, 1980, the full faith, credit and resources of said City shall be and hereby are irrevocably pledged.

The City, however, reserves the right and option of paying bonds of this issue numbered 23 to 38 inclusive on May 15, 1983, or at any time thereafter, provided bonds called for payment prior to their maturity shall be called in the inverse order of their serial numbers, bond or bonds bearing a higher serial number being redeemed before the redemption of any bond or bonds bearing a lower serial number.

This bond is one of an issue of thirty-eight bonds, numbered 1 to 38 inclusive, in the total principal amount of One Hundred Ninety Thousand Dollars (\$190,000), of even date and like tenor herewith except as to date of maturity and rate of interest, issued by said City for the purpose of paying the bonded debt of said City on its legally issued Various Purpose Bonds, Nos. 30 to 67 inclusive, dated May 15, 1975, in the principal amount of One Hundred Ninety Thousand Dollars (\$190,000), now existing and unpaid, and in strict compliance with the provisions of Section 16-214, Reissue Revised Statutes of Nebraska, 1943. This bond and the others of said issue have been duly authorized by an ordinance duly passed and adopted by the Mayor and Council of said City.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond and precedent to and in the issuance of the bonds refunded hereby did exist, did happen and were done and performed in regular and due form and time as required by law, and that the indebtedness of said City, including this bond, does not exceed any limitations imposed by law. The City covenants that it will annually levy and collect taxes on all the taxable property in the City, in addition to all other taxes, for the purpose of paying and sufficient to pay the interest on this bond as the same becomes due and to create a sinking fund to pay the principal hereof at maturity, except that for the period from May 15, 1978, to May 15, 1980, the interest on the bonds of this issue shall be paid only from the earnings from the investment of proceeds of the bonds of this issue as provided by the ordinance authorizing this bond. All moneys collected from special assessments levied for improvements in Street Improvement Districts Nos. 149, 150, 152, 153, 154, 166, 167, 169, 170, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182 and 184, after May 15, 1980, shall be kept in this sinking fund and used to pay the principal and interest of the bonds of this issue.

IN WITNESS WHEREOF, the Mayor and Council of the City of Lexington, Nebraska, have caused this bond to be executed on behalf of the City by being signed by the facsimile signature of the Mayor and by the manual signature of the City Clerk and by causing the official seal of said City to be hereto affixed, and have caused the interest coupons hereto attached to be executed on behalf of said City by having affixed thereto the facsimile signatures of the Mayor and Clerk.

Dated this fifteenth day of May, 1978.

CITY OF LEXINGTON, NEBRASKA

By _____ (Facsimile Signature)
Mayor

ATTEST:

(Do not sign)

City Clerk

(FORM OF COUPON)

No. _____

\$ _____

On the fifteenth day of November (May), 19____, (Insert on Bonds Nos. 23 to 38 inclusive the following clause: "Unless the bond to which this coupon is attached has theretofore been called for payment and payment made or provided for") the City of Lexington, Nebraska, will pay to bearer _____ Dollars (\$ _____) at the office of the Treasurer of Dawson County in Lexington, Nebraska, for interest due on that date on its Refunding Bond dated May 15, 1978.

Bond No. _____.

 (Facsimile Signature)
 City Clerk

 (Facsimile Signature)
 Mayor

Section 6. All interest accruing on the bonds of this issue from May 15, 1978, to May 15, 1980, shall be payable solely from earnings on the investment of the proceeds of the bonds of this issue, as provided for in this Section 6. Until payment on the Various Purpose Bonds dated May 15, 1975, has been provided for by deposit of the proceeds of the bonds of this issue with the County Treasurer of Dawson County on or before May 15, 1980, said proceeds shall stand as security for the payment in full of the bonds of this issue, both principal and interest. From and after the redemption of the Various Purpose Bonds dated May 15, 1975, the holders of the bonds of this issue shall be subrogated to the rights of the holders of said Various Purpose Bonds dated May 15, 1975. The Mayor and Council shall cause to be levied and collected annually a tax on all the taxable property in the City, in addition to all other taxes, sufficient in amount to pay the interest on the bonds of this issue as the same becomes due from and after May 15, 1980, and to create a sinking fund to pay the principal of said bonds when and as such bonds become due. All moneys collected from special

assessments levied for improvements in Street Improvement Districts Nos. 149, 150, 152, 153, 154, 166, 167, 169, 170, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182 and 184 after May 15, 1980, shall be kept in this sinking fund and used to pay the principal and interest of the bonds of this issue.

The City hereby agrees to invest the proceeds from the sale of the bonds of this issue in a certificate or certificates of deposit with the United States National Bank, Omaha, Nebraska, with said certificate or certificates to mature not later than May 15, 1980, and to bear interest at the rate of 7.50% per annum payable November 15, 1978, May 15, 1979, November 15, 1979, and May 15, 1980, which interest said bank has agreed to pay, said agreement being hereby accepted by the Mayor and Council.

The First Northwestern Trust Company of Nebraska is hereby appointed as trustee to hold said certificate or certificates on behalf of the City and to make such disbursements from the proceeds thereof as are in this Section provided for. Said Trustee shall make disbursements and applications of investment earnings from said certificate or certificates as follows:

- 1) On November 15, 1978, not less than \$6,182.50 shall be paid to the County Treasurer of Dawson County for payment of interest due on such date on the bonds of this issue, with the remaining balance of said earnings in the amount of \$942.50 being applied \$150.00 to the Trustee's fee and the balance remitted to the City Treasurer for use as hereinafter provided.
- 2) On May 15, 1979, not less than \$6,182.50 shall be paid to the County Treasurer of Dawson County for payment of interest due on such date on the bonds of this issue, with the remaining balance of said earnings in the amount of \$942.50 being applied \$50.00 to the Trustee's fee and the balance remitted to the City Treasurer for use as hereinafter provided.
- 3) On November 15, 1979, not less than \$6,182.50 shall be paid to the County Treasurer of Dawson County for payment of interest due on such date on the bonds of this issue, with the remaining balance of said earnings in the amount of \$942.50 being applied \$50.00 to the Trustee's fee and the balance remitted to the City Treasurer for use as hereinafter provided.

- 4) May 15, 1980, not less than \$6,122.50 shall be paid to the County Treasurer of Dawson County for payment of interest due on such date on the bonds of this issue, with the remaining balance of said earnings in the amount of \$942.50 being applied \$50.00 to the Trustee's fee and the balance remitted to the City Treasurer for use as hereinafter provided.

Any accrued interest received upon the sale of the bonds of this issue shall also be deposited with the Trustee and shall be disbursed to meet the payment required to be made on November 15, 1978.

The outstanding Various Purpose Bonds Nos. 30 to 67 inclusive dated May 15, 1975, have been called for payment on May 15, 1980. On or before May 15, 1980, the Trustee shall deposit \$190,000, being the proceeds of the bonds of this issue and the principal amount of the certificate or certificates of deposit, with the County Treasurer of Dawson County for the payment of the principal of said Various Purpose Bonds dated May 15, 1975, as called for redemption prior to maturity. The City agrees that on or before said date it shall deposit from tax levy or other available sources funds sufficient to pay in full all accrued interest on said Various Purpose Bonds dated May 15, 1975.

The City hereby agrees that none of the proceeds, including earnings on investments, of the bonds of this issue shall be used to pay interest on the Various Purpose Bonds dated May 15, 1975, or to replace funds that are used directly or indirectly to pay such interest but rather such proceeds to the extent available to the City under the preceding provisions of this Section 6 shall be placed in the City's general fund and used for such general governmental purposes as the Mayor and Council may direct. The City further agrees that it will make no investment of investment proceeds receivable by the City under this Section 6 which would cause the total amount of such proceeds receivable to exceed \$5,000. The City hereby covenants and agrees to take all actions necessary to effect the taking up and paying off of

said outstanding Various Purpose Bonds, Nos. 30 to 67 inclusive, dated May 15, 1975, as described in this ordinance.

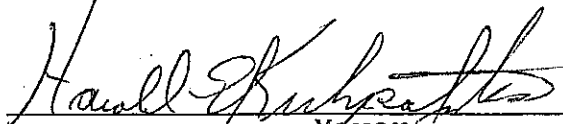
Section 7. The City Clerk shall make and certify in duplicate transcripts of the proceedings had and done by said City precedent to the issuance of said bonds, one of which transcripts shall be filed with the Auditor of Public Accounts of the State of Nebraska and the other of which shall be delivered to the purchaser of said bonds. After being executed by the Mayor and City Clerk, the Clerk shall cause said bonds to be registered in the office of the Clerk of Dawson County, Nebraska, and to be transmitted with the certified statement and transcript aforesaid to the Auditor of Public Accounts of the State of Nebraska, for registration with said Auditor.

Section 8. The City of Lexington hereby covenants to the purchasers and holders of the bonds hereby authorized that it will make no use of the proceeds of said bond issue which, if such use had been reasonably expected on the date of issue of said bonds, would have caused said bonds to be arbitrage bonds within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, and further covenants to comply with said Section 103(c) and all applicable regulations thereunder throughout the term of said bond issue.

Section 9. Said bonds are hereby sold to Robert E. Schweser Company Incorporated at par and the City Treasurer is authorized to deliver the bonds to said purchaser upon receipt of the par amount plus accrued interest to date of payment.


Section 10. This ordinance shall be published in pamphlet form and take effect as provided by law.

PASSED AND APPROVED this 25th day of April, 1978.



Mayor

ATTEST:



(S E A L) City Clerk