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**MEETING OF THE CITY COMMISSION - AGENDA  
WEDNESDAY, OCTOBER 4, 2023 AT 11:00 AM  
CITY COMMISSION CHAMBER**

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**ORDER OF BUSINESS**

**CALL MEETING TO ORDER** Mayor Susan Brinkman

**MEMBERS PRESENT**

Vice Mayor Becky Smith  
Commissioner Danny Giefer  
Commissioner Erren Harter  
Commissioner Jamie Sauder

**PROCLAMATIONS**

Proclamation Recognizing October as Domestic Violence Awareness Month.

Accepted by: Connie Cahoone, Executive Director of SOS, Inc.

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**PUBLIC FORUM**

*The public is invited to make comments at this time. Please limit comments to two (2) minutes each. Please state your name and address prior to making comments.*

**NEW BUSINESS**

**1) Appoint City Appointees to the Economic Development Structure Advisory Board.**

*Presented by: Mayor Brinkman and Commissioner Harter*

**Recommended Action:** Approve the Appointment of Aaron Larson and Mark Remmert to the Economic Development Structure Advisory Board.

**2) Appoint City Appointee to Community Corrections Advisory Board.**

*Presented by: Mayor Brinkman and Commissioner Harter*

**Recommended Action:** Approve Appointment of City Appointee to the Community Corrections Advisory Board.

**3) Ordinance No. 23-29 Annexing Property Located at 515 S. West Street into the City of Emporia.**

*Presented by: Justin Givens, Administrator of Planning & Zoning*

**Recommended Action:** Approve Ordinance No. 23-29 Annexing Property Located at 515 S. West Street into the City of Emporia.

**4) Resolution No. 3708 Authorizing Sale of \$9,925,000 of City of Emporia Series 2023 General Obligation Bonds.**

*Presented by: Mark Detter, Assistant City Manager*

**Recommended Action:** Approve Resolution No. 3708 Authorizing Sale of \$9,925,000 of City of

Emporia Series 2023 General Obligation Bonds.

5) **Petition for Fairview Hotels, LLC. for Community Improvement District and Resolution 3707 Establishing Public Hearing for the Creation of Fairview Hotels, LLC. CID.**

*Presented by: Tayler Wash, Director of Special Projects*

**Recommended Action:** Accept Petition for Fairview Hotels, LLC. for Community Improvement District and Resolution 3707 Establishing Public Hearing for the Creation of Fairview Hotels, LLC. CID.

**COMMUNICATIONS**

*Presented by Trey Cocking, City Manager.*

**CONSENT AGENDA**

*Presented by Trey Cocking, City Manager.*

- 1) Commission Meeting Minutes for September 20, 2023.
- 2) Ordinance No. 23-30 Authorizing Beer Garden for 627 Event Space for Oktoberfest.
- 3) Acquisition of Industrial Park III Waterline Easements.
- 4) 2023 Street Preservation Project Change Order #1.
- 5) Seventh Incentive Compliance Agreement with Simmons Foods, Inc.

**INFORMATIONAL ITEMS**

*Presented by Trey Cocking, City Manager.*

- 1) Informational Items

**GOVERNING BODY COMMENTS**

Mayor Susan Brinkman  
Vice Mayor Becky Smith  
Commissioner Danny Giefer  
Commissioner Erren Harter  
Commissioner Jamie Sauder

**EXECUTIVE SESSION**

**RECESS**

Recess to Conference Room 1AB for Study Session

**STUDY SESSION AGENDA ITEMS**

- 1) Discuss Purchase of Fire Department Extrication Tools.
- 2) Discuss Purchase of Fire Department Training Props.
- 3) Water System Update.

**ADJOURNMENT**





## PROCLAMATION

**WHEREAS**, domestic violence is a serious crime that affects people of all races, ages, genders, and income levels; and

**WHEREAS**, domestic violence is widespread and affects more than four million Americans each year; and

**WHEREAS**, one in three Americans has witnessed an incident of domestic violence; and

**WHEREAS**, children who grow up in violent homes are believed to be abused and neglected at a rate higher than the national average; and

**WHEREAS**, domestic violence costs the nation billions of dollars annually in medical expenses, police and court costs, shelters, foster care, sick leave, absenteeism, non-productivity; and

**WHEREAS**, only a coordinated community effort will put a stop to this heinous crime; and

**WHEREAS**, Domestic Violence Awareness Month provides an excellent opportunity for citizens to learn more about preventing domestic violence and to show support for the numerous organizations and individuals who provide critical advocacy, services, and assistance to victims.

**NOW, THEREFORE, BE IT RESOLVED** that I, Susan Brinkman Mayor for the City of Emporia, Kansas, proclaim the month of October as

### **Domestic Violence Awareness Month**

and urge the citizens of Emporia to work together to eliminate domestic violence from our community

On this 4<sup>th</sup> Day of October 2023

ATTEST:

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Susan Brinkman, Mayor

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Kerry Sull, City Clerk



## Commission Action Report

### Appoint City Appointees to the Economic Development Structure Advisory Board

**Title:** Appoint City Appointees to Economic Development Structure Advisory Board

**Agenda Date:** October 4, 2023

**Presented By:** Mayor Brinkman & Commissioner Harter

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#### **Background:**

The Economic Development Structure Advisory Board requests that the City Commission fill board openings with qualified candidates.

#### **Discussion:**

Applications were received, and interviews were conducted by Mayor Brinkman and Commissioner Harter.

Interviewing Commissioners recommend the appointment of Aaron Larson and Mark Remmert.

#### **Recommended action:**

Approve the appointment of Aaron Larson and Mark Remmert to the Economic Development Structure Advisory Board.



## Commission Action Report

### Appoint City Appointee to the Community Corrections Advisory Board

**Title:** Appoint City Appointee to the Community Corrections Advisory Board

**Agenda Date:** October 4, 2023

**Presented By:** Mayor Brinkman & Commissioner Harter

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**Background:**

The Community Corrections Advisory Board requests that the City Commission fill board openings with qualified candidates.

**Discussion:**

Applications were received, and interviews were conducted by Mayor Brinkman and Commissioner Harter.

Interviewing Commissioners recommend the appointment of Tayler Wash.

**Recommended action:**

Approve the appointment of Tayler Wash to the Community Corrections Advisory Board.



## **Commission Action Report**

Ordinance 23-29 Annexing Property Located at 515 S. West Street  
into the City of Emporia

**Title:** Ordinance No. 23-29 Annexing Property located at 515 S. West Street  
into the City of Emporia

**Agenda Date:** October 4, 2023

**Presented By:** Justin Givens, Planning & Zoning Administrator

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### **Background:**

The owner of the property located at 515 S. West Street has consented to the annexation of a tract of land for the purpose of building a new single-family home. The new home will be on an 8,927-square-foot tract of land.

### **Discussion:**

The applicant has requested the annexation for access to public utilities for the new home. Sewer and water are available to the property without the extension of any new mains. The intended area of construction is outside of the floodplain as well.

### **Financial considerations:**

The City will pay the cost of ordinance publication in the designated official local newspaper.

### **Recommended action:**

Approve Ordinance No. 23-29 Annexing Property into the City of Emporia.

### **Attachments:**

Ordinance No. 23-29  
Aerial Location Map  
Consent to Annexation  
Copy of Survey

## ORDINANCE NO. 23-29

AN ORDINANCE ANNEXING LAND TO THE CITY OF EMPORIA, KANSAS.

WHEREAS, the following described land adjoins the City of Emporia, Kansas and is generally located south of Riverside Court and west of South West Street, Emporia, Kansas; and

WHEREAS, a written petition for annexation of the following described land, signed by all of the owners thereof, has been filed with the City of Emporia, Kansas pursuant to K.S.A. 12-520, as amended; and

WHEREAS, the governing body of the City of Emporia, Kansas, finds it advisable to annex such land.

NOW THEREFORE, BE IT ORDANIED BY THE GOVERNING BODY OF THE CITY OF EMPORIA, KANSAS:

SECTION 1. That the following described land is hereby annexed and made part of the City of Emporia, Kansas:

A TRACT IN THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 19 SOUTH, RANGE 11 EAST OF THE 6TH P.M., LYON COUNTY, KANSAS, AND ADJOINING THE SOUTH LINE OF LOTS 1 AND 2 IN THE FINAL PLAT OF RIVERSIDE ADDITION TO THE CITY OF EMPORIA, LYON COUNTY, KANSAS, AS SURVEYED AND DESCRIBED BY AARON C. DAVIS, PS 1368, ON SEPTEMBER 12, 2023, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 1;

THENCE N. 88°34'59" E. (BASIS OF BEARINGS) ON AN EXTENSION OF THE EAST LINE OF SAID LOT 1 FOR 15.00 FEET TO AN IRON PIN WITH PS 1368 ID CAP:

THENCE S. 01°01'50" E. PARALLEL WITH THE EAST LINE OF SAID RIVERSIDE ADDITION AND THE WEST LINE OF A PREVIOUSLY DESCRIBED TRACT FOR 71.90 FEET TO AN IRON PIN WITH PS 1368 ID CAP AND THE NORTH LINE OF A PREVIOUSLY DESCRIBED TRACT;

THENCE S. 88°58'10" W. AT RIGHT ANGLES, ON SAID NORTH LINE FOR 125.00 FEET AND BEING MARKED BY AN IRON PIN WITH PS 1368 ID CAP;

THENCE N. 01°01'50" W. PARALLEL WITH THE EAST LINE OF SAID RIVERSIDE ADDITION FOR 71.06 FEET TO THE SOUTH LINE OF LOT 2 IN SAID RIVERSIDE ADDITION;

THENCE N. 88°34'59" E. ON THE SOUTH LINE OF SAID LOTS 1 AND 2 FOR 110.00 FEET TO THE POINT OF BEGINNING.

SECTION 2. This ordinance shall take effect and be in force from and after its publication in the official city newspaper.

PASSED AND APPROVED by the Governing Body of the City of Emporia, Kansas, this 4<sup>th</sup> day of October 2023.

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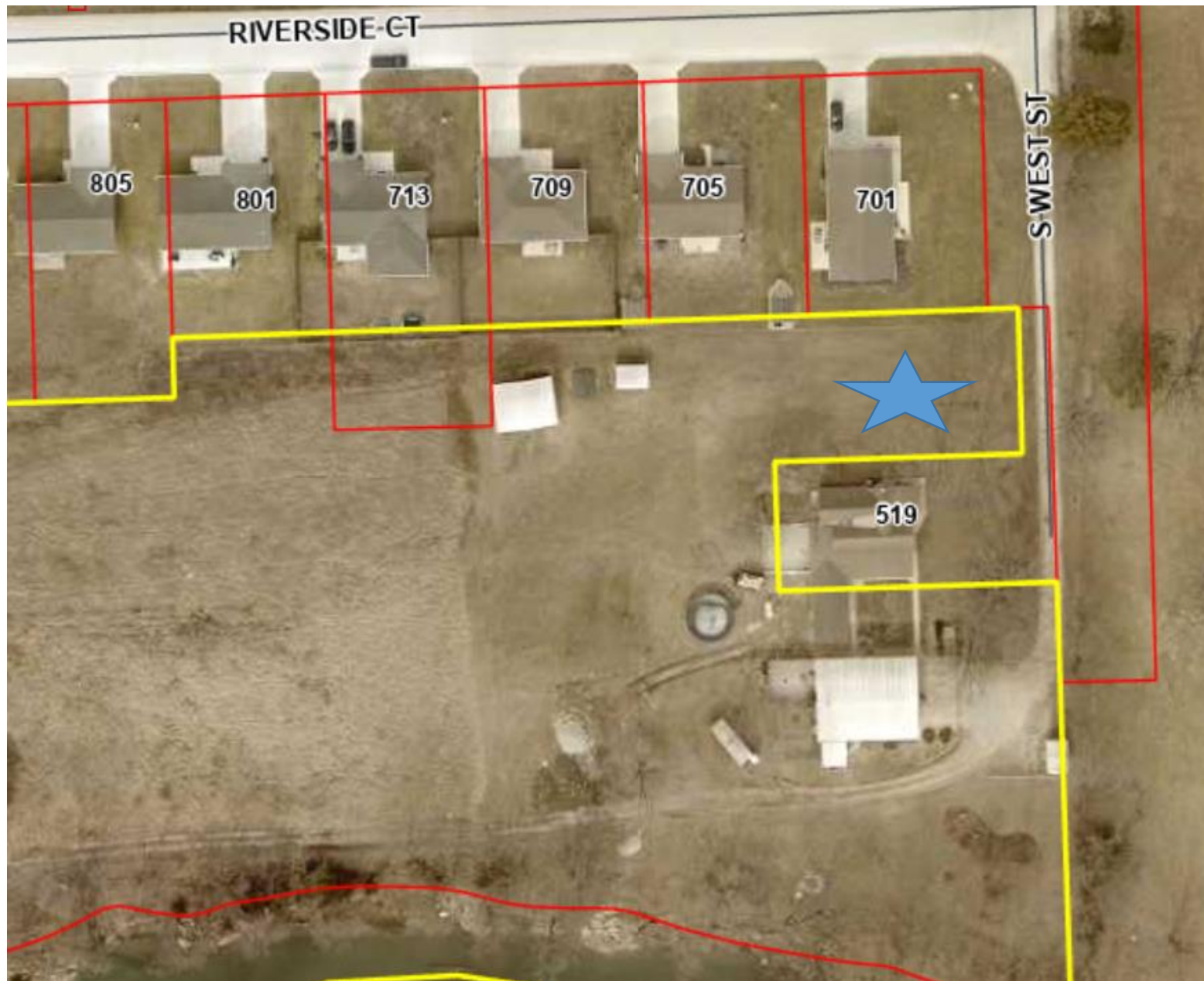
Susan Brinkman, Mayor

ATTEST:

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Kerry Sull, City Clerk

CUNNINGHAM S WEST ST ANNEXATION  
AERIAL PHOTO



CONSENT TO ANNEXATION

TO THE GOVENING BODY OF THE CITY OF EMPORIA, KANSAS:

The undersigned owner(s) of the following legally described land, located generally property just north of 519 S. West St. Emporia, KS 66801 hereby formally consents to annexation of such land into the City of Emporia, Kansas:

Attached Report of Plat Survey completed by GeoTech Project 23247-02, Field date 9/12/2023,  
Land Survey Stamp Aaron C. Davis-LS-1368 dated 9/15/2023

LEGAL OWNER(S)

Prismatic Endeavors

Lynn A. Cunningham, Sole Member

*Lynn A. Cunningham*  
Name Typed Member

ACKNOWLEDGEMENT

STATE OF KANSAS}

COUNTY OF LYON}

BE IT REMEMBERED, On this 19<sup>th</sup> day of September, 2023 before me, the undersigned, a notary public in and for the County and State aforesaid, came (signatory) Lynn A. Cunningham Member such person being personally known to me to be the same person who executed the within instrument of writing and duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day and year last above written.

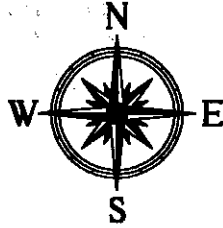
*Lacie C. Hamlin*  
\_\_\_\_\_  
Notary Public





REPORT or PLAT OF SURVEY

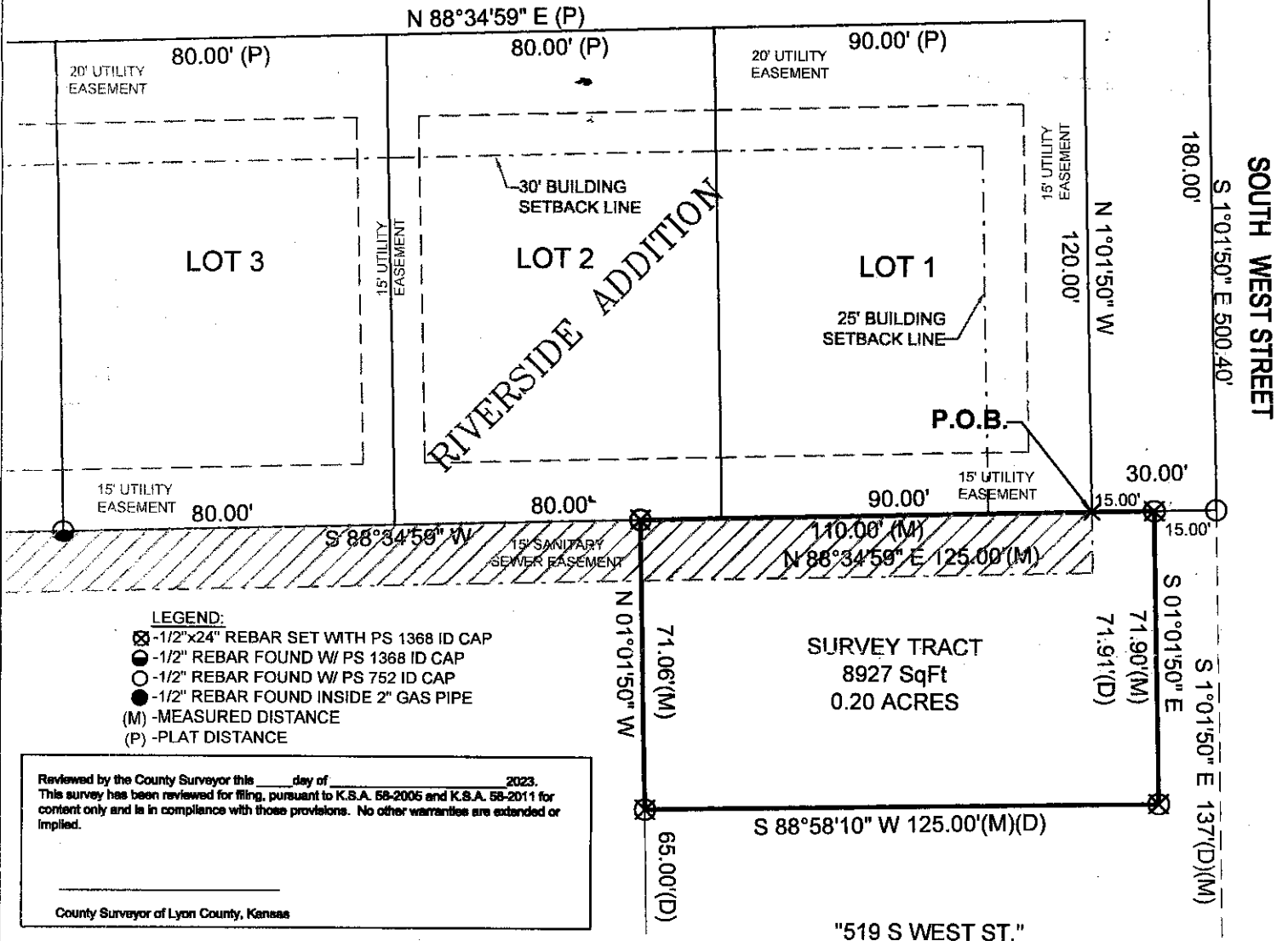
A TRACT IN THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 19 SOUTH, RANGE 11 EAST OF THE 6TH P.M., AND ADJOINING THE SOUTH LINE OF LOTS 1 AND 2 IN THE FINAL PLAT OF RIVERSIDE ADDITION TO THE CITY OF EMPORIA, LYON COUNTY, KANSAS.



BASIS OF BEARINGS:  
PLAT OF RIVERSIDE ADDITION

"20 RODS SOUTH OF THE  
NE COR. SE $\frac{1}{4}$ SE $\frac{1}{4}$  OF  
SEC. 16, T19S, R11E"

RIVERSIDE COURT (60')



LEGEND:

- ⊗ -1/2"x24" REBAR SET WITH PS 1368 ID CAP
- -1/2" REBAR FOUND W/ PS 1368 ID CAP
- -1/2" REBAR FOUND W/ PS 752 ID CAP
- -1/2" REBAR FOUND INSIDE 2" GAS PIPE
- (M) -MEASURED DISTANCE
- (P) -PLAT DISTANCE

Reviewed by the County Surveyor this \_\_\_\_\_ day of \_\_\_\_\_, 2023.  
This survey has been reviewed for filing, pursuant to K.S.A. 58-2005 and K.S.A. 58-2011 for  
content only and is in compliance with those provisions. No other warranties are extended or  
implied.

County Surveyor of Lyon County, Kansas

BOUNDARY DESCRIPTION:

A TRACT IN THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 19 SOUTH, RANGE 11 EAST OF THE 6TH P.M., LYON COUNTY, KANSAS, AND ADJOINING THE SOUTH LINE OF LOTS 1 AND 2 IN THE FINAL PLAT OF RIVERSIDE ADDITION TO THE CITY OF EMPORIA, LYON COUNTY, KANSAS, AS SURVEYED AND DESCRIBED BY AARON C. DAVIS, PS 1368, ON SEPTEMBER 12, 2023, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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THENCE S. 88°58'10" W. AT RIGHT ANGLES, ON SAID NORTH LINE FOR 125.00 FEET AND BEING MARKED BY AN IRON PIN WITH PS 1368 ID CAP;  
THENCE N. 01°01'50" W. PARALLEL WITH THE EAST LINE OF SAID RIVERSIDE ADDITION FOR 71.06 FEET TO THE SOUTH LINE OF LOT 2 IN SAID RIVERSIDE ADDITION;  
THENCE N. 88°34'59" E. ON THE SOUTH LINE OF SAID LOTS 1 AND 2 FOR 110.00 FEET TO THE POINT OF BEGINNING.  
SAID TRACT CONTAINS 8,927 SQUARE FEET.

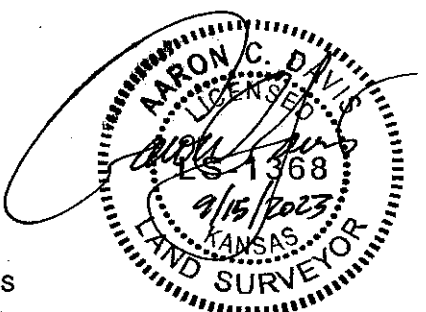
WITNESS CORNER FOUND  
ON EAST LINE OF SE $\frac{1}{4}$ SE $\frac{1}{4}$   
NEAR NORTH BANK OF  
COTTONWOOD RIVER

Certification:  
State of Kansas )  
County of Lyon ) ss

This is to certify and acknowledge that I, Aaron C. Davis, a licensed Land Surveyor in said County and State, did prepare this report under my direct supervision. Further, that this report and survey does not certify, with the client's knowledge, to ownership, easements and other restrictions of record, unless otherwise shown or stated. Further, that the locations of certain corners may have been determined but not physically marked as direct by the client. Field date is shown below.

CLIENT: LYNN CUNNINGHAM/  
PRISMATIC ENDEAVORS  
519 S. WEST ST.  
EMPORIA, KS

NOTE: This document is not original unless the  
signature and date are blue ink.



|                                                                                          |           |             |           |          |
|------------------------------------------------------------------------------------------|-----------|-------------|-----------|----------|
| GeoTech, Inc.<br>115 W. 6th AVE., EMPORIA, KS 66801<br>(820) 342-7491 www.geotechinc.net | PROJECT # | FIELD DATE: | DRAWN BY: | SHEET(S) |
|                                                                                          | 23247-02  | 09/12/2023  | BH        | 1 OF 1   |



## Commission Action Report

### Resolution No. 3708 Authorizing Sale of 2023 GO Bonds

**Title:** Resolution No. 3708 Authorizing Sale of \$9,925,000 in General Obligation Bonds

**Agenda Date:** October 4, 2023

**Presented By:** Mark Detter, Assistant City Manager  
Janet Harrouff, Finance Director

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#### Background:

The City of Emporia, Kansas is working with Greg Vahrenberg, Municipal Financial Advisor of Raymond James, and Dominic Eck, Bond Counsel of Gilmore & Bell on issuing \$9,925,000 Bank Qualified General Obligation Bonds.

City of Emporia staff would like to issue the 2023 Series General Obligation Bonds prior to year-end to use the entire allotment of Bank Qualified bonds allotted to the City for the purposes of banks and other financial institutions bidding on the bonds for tax exemption purposes. The Resolution authorizing the sale of bonds sets the salient details of the bond issues including maturity dates and principal amounts, call dates, redemption requirements, and the registration requirements for the bonds.

#### Discussion:

The projects identified in the Series 2023 General Obligation Bond issue are:

Water Tower rehab-\$865,000  
Replacement of Lift Station # 1-\$2,800,000  
Replacement of Lift Station #15-\$500,000  
Replacement of Sewer Main from Logan Avenue to the south of Zoo Education Building -\$1,000,000  
Meters-\$5,000,000

The Bond Sale will occur on the morning of November 14<sup>th</sup> and the Commission will approve Bond Purchase Agreement at their meeting on the 15<sup>th</sup> based on the best interest rate provided by the Underwriter for the Bonds.

#### Financial considerations:

The 2023 Bond Issue will be factored into the 2024 Debt Service Schedule. Principal and interest will be payable from enterprise funds. Potentially (depending upon premium on bonds) some of the cost of issuance will be paid from enterprise funds as well.

As mentioned in the CIP discussion at the August 16<sup>th</sup> Commission meeting, both the Water Fund and Sewer Fund have debt service reductions that the new debt from 2023 issue will replace and add between 125K and 150K to the yearly debt service of both funds. The Water rate study has factored in meter and water tower improvements. The Sewer Fund will need to be analyzed near year end to determine what level of revenue enhancements should be considered going forward.



## **Commission Action Report**

### Resolution No. 3708 Authorizing Sale of 2023 GO Bonds

Although the projects listed equal \$10,165,000, any amount over the issuance of \$9,925,000 will be paid for from water and sewer funds respectively. Depending on if the City receives a premium on the bonds, the Bond issue could be resized. FYI, the bond issue is being sized below \$10,000,000 to keep the bond Bank Qualified allowing certain financial institutions to buy the bonds and receive tax exempt interest earnings. The FA believes this could save the City 5-10 basis points. However, since the City started the process for the bond issuance, bond yields have risen and the projected Net Interest cost that was just over 4% now be 20-30 basis points higher.

#### **Recommended action:**

Approve Resolution No. 3708 authorizing the sale of \$9,925,000 of City of Emporia Series 2023 General Obligation Bonds.

#### **Attachments:**

Sale Docs  
POS  
Information related to the Issuer  
Timetable

**EXCERPT OF MINUTES OF A MEETING  
OF THE CITY COMMISSION OF  
THE CITY OF EMPORIA, KANSAS  
HELD ON OCTOBER 4, 2023**

The City Commission (the "Governing Body") met in regular session at the usual meeting place in the City at 11:00 A.M., the following members being present and participating, to-wit:

Absent:

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

\* \* \* \* \*

(Other Proceedings)

The matter of providing for the offering for sale of General Obligation Bonds, Series 2023, came on for consideration and was discussed.

Commissioner \_\_\_\_\_ presented and moved the adoption of a Resolution entitled:

**A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL  
OBLIGATION BONDS, SERIES 2023, OF THE CITY OF EMPORIA, KANSAS.**

Commissioner \_\_\_\_\_ seconded the motion to adopt the Resolution. The Resolution was duly read and considered, and upon being put, the motion for the adoption of the Resolution was carried by the following vote of the Governing Body:

Aye: \_\_\_\_\_.

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

The Mayor declared the Resolution duly adopted by the Governing Body and the Clerk designated the same Resolution No. \_\_\_\_\_.

\* \* \* \* \*

(Other Proceedings)

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## **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 Emporia, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

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Clerk

**RESOLUTION NO. 3708**

**A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION BONDS, SERIES 2023, OF THE CITY OF EMPORIA, KANSAS.**

**WHEREAS**, the City of Emporia, Kansas (the “Issuer”), has previously authorized certain improvements described as follows (collectively the “Improvements”):

| <b><u>Project Description</u></b>                                           | <b><u>Ord./Res. No.</u></b> | <b><u>Authority (K.S.A.)</u></b>    | <b><u>Amount</u></b>       |
|-----------------------------------------------------------------------------|-----------------------------|-------------------------------------|----------------------------|
| Water System Improvements                                                   | Ord. 23-07                  | K.S.A. 65-162a <i>et seq.</i>       | \$ 5,000,000               |
| Lift Station #1                                                             | Res. 3706                   | K.S.A. 13-1024a/<br>Charter Ord. 41 | 2,800,000                  |
| Lift Station #15                                                            | Res. 3706                   | K.S.A. 13-1024a/<br>Charter Ord. 41 | 500,000                    |
| 12 <sup>th</sup> Avenue Elevated Water Storage Rehab                        | Res. 3706                   | K.S.A. 13-1024a/<br>Charter Ord. 41 | 865,000                    |
| Sanitary Sewer Main Improvements –<br>Logan Ave to south of Zoo Ed Building | Res. 3706                   | K.S.A. 13-1024a/<br>Charter Ord. 41 | <u>1,000,000</u>           |
| <b>Total:</b>                                                               |                             |                                     | <b><i>\$10,165,000</i></b> |

**WHEREAS**, the Issuer desires to issue its general obligation bonds in order to permanently finance the costs of such Improvements; and

**WHEREAS**, the Issuer proposes to issue its general obligation bonds to pay a portion of the costs of the Improvements; and

**WHEREAS**, the City Commission of the Issuer (the “Governing Body”) hereby selects the firm of Raymond James & Associates, Inc., Leawood, Kansas (the “Municipal Advisor”), as municipal advisor for one or more series of general obligation bonds of the Issuer to be issued in order to provide funds to permanently finance the Improvements; and

**WHEREAS**, the Issuer desires to authorize the Municipal Advisor to proceed with the offering for sale of said general obligation bonds and related activities; and

**WHEREAS**, one of the duties and responsibilities of the Issuer is to prepare and distribute a preliminary official statement relating to said general obligation bonds; and

**WHEREAS**, the Issuer desires to authorize the Municipal Advisor and Gilmore & Bell, P.C., Wichita, Kansas, the Issuer’s bond counsel (“Bond Counsel”), in conjunction with the Director of Finance to proceed with the preparation and distribution of a preliminary official statement and notice of bond sale and to authorize the distribution thereof and all other preliminary action necessary to sell said general obligation bonds; and

**WHEREAS**, due to the volatile nature of the municipal bond market and the desire of the Issuer to achieve maximum benefit of timing of the sale of said general obligation bonds, the Governing Body desires to authorize the Mayor to award the sale of such general obligation bonds, if necessary, prior to the

next meeting of the Governing Body to adopt the necessary ordinance and resolution providing for the issuance thereof.

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF EMPORIA, KANSAS, AS FOLLOWS:**

**Section 1.** There is hereby authorized to be offered for sale the Issuer's General Obligation Bonds, Series 2023 (the "Bonds") described in the Notice of Bond Sale, which is hereby approved in substantially the form presented to the Governing Body this date (the "Notice of Bond Sale"). All proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in the Notice of Bond Sale, and shall be reviewed by the Mayor, the City Manager, the Assistant City Manager, the Director of Finance, the Municipal Advisor and Bond Counsel as soon after the submittal hour as possible. The Mayor is hereby authorized to award the sale of the Bonds to the submitter of the best proposal as determined pursuant to the provisions of the Notice of Bond Sale or to reject all proposals; provided, however, that the principal amount of the Bonds shall not exceed \$9,925,000 and the true interest cost of the Bonds shall not exceed 4.50%. All proposals for the purchase of the Bonds shall be delivered to the Governing Body at its meeting to be held on the date referenced in the Notice of Bond Sale, at which meeting the Governing Body shall review such proposals and ratify the award of the sale of the Bonds or the rejection of all proposals.

**Section 2.** The Mayor and Director of Finance in conjunction with the Municipal Advisor and Bond Counsel are hereby authorized to cause to be prepared a Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement"), and such officials and other representatives of the Issuer are hereby authorized to use such document in connection with the sale of the Bonds.

**Section 3.** The Director of Finance, in conjunction with the Municipal Advisor and Bond Counsel, is hereby authorized and directed to give notice of said bond sale by publishing a summary of the Notice of Bond Sale not less than 6 days before the date of the bond sale in a newspaper of general circulation in Lyon County, Kansas, and the *Kansas Register* and by distributing copies of the Notice of Bond Sale and Preliminary Official Statement to prospective purchasers of the Bonds. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in the Notice of Bond Sale, and awarded or rejected in the manner set forth in the Notice of Bond Sale.

**Section 4.** For the purpose of enabling the purchaser of the Bonds (the "Purchaser") to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), the Mayor and Director of Finance are hereby authorized: (a) to approve the form of the Preliminary Official Statement and to execute the "Certificate Deeming Preliminary Official Statement Final" in substantially the form attached hereto as *Exhibit A* as approval of the Preliminary Official Statement, such official's signature thereon being conclusive evidence of such official's and the Issuer's approval thereof; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to the Municipal Securities Rulemaking Board; and (c) 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 Rule.

**Section 5.** The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

**Section 6.** The Mayor, City Manager, Assistant City Manager, Director of Finance, Clerk and the other officers and representatives of the Issuer, the Municipal Advisor and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale of the Bonds.

The transactions described in this Resolution may be conducted, and documents related to the Bonds may be sent, received, executed, and stored, by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 7.** This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

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**ADOPTED** by the City Commission on October 4, 2023.

(SEAL)

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Mayor

ATTEST:

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Clerk

***EXHIBIT A***

**CERTIFICATE DEEMING  
PRELIMINARY OFFICIAL STATEMENT FINAL**

November 2, 2023

Re: \$9,925,000\* City of Emporia, Kansas, General Obligation Bonds, Series 2023

The undersigned are the duly acting Mayor and Director of Finance of the City of Emporia, Kansas (the “Issuer”), and are authorized to deliver this Certificate to the purchaser (the “Purchaser”) of the above-referenced bonds (the “Bonds”) on behalf of the Issuer. The Issuer has previously caused to be delivered to the Purchaser copies of the Preliminary Official Statement (the “Preliminary Official Statement”) relating to the Bonds.

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the “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 the Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Bonds depending on such matters.

**CITY OF EMPORIA, KANSAS**

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

By: \_\_\_\_\_  
Title: Director of Finance

**NOTICE OF BOND SALE**

**\$9,925,000\***

**CITY OF EMPORIA, KANSAS**

**GENERAL OBLIGATION BONDS  
SERIES 2023**

(GENERAL OBLIGATION BONDS PAYABLE  
FROM UNLIMITED AD VALOREM TAXES)

**Bids.** Email and electronic (as explained below) bids for the purchase of the above-referenced bonds (the “Bonds”) of the City of Emporia, Kansas (the “Issuer”) herein described will be received on behalf of the undersigned Director of Finance of the Issuer at the address hereinafter set forth in the case of email, and via PARITY® in the case of electronic bids, until 10:00 A.M. applicable Central Time (the “Submittal Hour”), on

**TUESDAY, NOVEMBER 14, 2023**

(the “Sale Date”). All bids will be publicly evaluated at said time and place and the award of the Bonds to the successful bidder (the “Successful Bidder”) will be acted upon immediately thereafter by the Issuer’s Mayor, and ratified by the City Commission of the Issuer (the “Governing Body”) at its meeting to be held at 11:00 A.M. on November 15, 2023. No oral or auction bids will be considered. Capitalized terms not otherwise defined herein shall have the meanings set forth in the hereinafter referenced Preliminary Official Statement relating to the Bonds.

**Terms of the Bonds.** The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof (the “Authorized Denomination”). The Bonds will be dated November 29, 2023 (the “Dated Date”), and will become due in principal installments on September 1 in the years as follows:

| <u>Year</u> | <u>Principal<br/>Amount*</u> | <u>Year</u> | <u>Principal<br/>Amount*</u> |
|-------------|------------------------------|-------------|------------------------------|
| 2024        | \$465,000                    | 2034        | \$420,000                    |
| 2025        | 445,000                      | 2035        | 435,000                      |
| 2026        | 460,000                      | 2036        | 450,000                      |
| 2027        | 475,000                      | 2037        | 465,000                      |
| 2028        | 490,000                      | 2038        | 480,000                      |
| 2029        | 500,000                      | 2039        | 495,000                      |
| 2030        | 515,000                      | 2040        | 515,000                      |
| 2031        | 535,000                      | 2041        | 535,000                      |
| 2032        | 550,000                      | 2042        | 555,000                      |
| 2033        | 565,000                      | 2043        | 575,000                      |

The Bonds will bear interest from the Dated Date at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on March 1, 2024 (the “Interest Payment Dates”).

**\*Adjustment of Issue Size.** The Issuer reserves the right to increase or decrease the total principal amount of the Bonds or the schedule of principal payments described above, depending on the purchase price and interest rates bid and the offering prices specified by the Successful Bidder, but in no event will the total principal amount of the Bonds exceed \$9,925,000. The Successful Bidder may not withdraw its bid or change the interest rates bid as a result of any changes made to the principal amount of the Bonds or the schedule of principal payments as described herein. If there is an increase or decrease in the final aggregate principal amount of the Bonds or the schedule of principal payments as described above, the Issuer will notify the Successful Bidder by means of telephone, electronic or facsimile transmission, subsequently confirmed in writing, no later than 2:00 p.m. applicable Central Time, on the Sale Date. The actual purchase price for the Bonds shall be calculated by applying the percentage of par value bid by the Successful Bidder against the final aggregate principal amount of the Bonds, as adjusted, plus accrued interest from the Dated Date to the Closing Date (as hereinafter defined).

**Place of Payment.** The principal of and interest on the Bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"). The principal of each Bond will be payable at maturity or earlier redemption to the owner thereof whose name is on the registration books (the "Bond Register") of the Bond Registrar (the "Registered Owner") upon presentation and surrender at the principal office of the Paying Agent. Interest on each Bond will be payable to the Registered Owner of such Bond as of the fifteenth day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the "Record Date") (a) mailed by the Paying Agent to the address of such Registered Owner as 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 Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Bonds, by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address to which such Registered Owner wishes to have such wire directed.

**Bond Registration.** The Bonds will be registered pursuant to a plan of registration approved by the Issuer and the Attorney General of the State of Kansas (the "State"). The Issuer will pay for the fees of the Bond Registrar for registration and transfer of the Bonds and will also pay for 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, will be the responsibility of the Owners.

**Book-Entry-Only System.** The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Bonds. The Bonds will initially be issued exclusively in "book entry" form and shall be initially registered in the name of Cede & Co., as the nominee of DTC and no beneficial owner will receive certificates representing their interests in the Bonds. During the term of the Bonds, so long as the book-entry-only system is continued, the Issuer will make payments of principal of, premium, if any, and interest on the Bonds to DTC or its nominee as the Registered Owner of the Bonds. DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, premium, if any, and interest on the Bonds to its participants who shall be responsible for transmitting payments to beneficial owners of the Bonds in accordance with agreements between such participants and the beneficial owners. The Issuer will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the Issuer determines that continuation of the book-entry-only form of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the Issuer will discontinue the book-entry-only form of registration with DTC. If the Issuer fails to identify another qualified securities depository to replace DTC, the Issuer will cause to be authenticated and delivered to the beneficial owners replacement Bonds in the form of fully registered certificates. Reference is made to the Official Statement for further information regarding the book-entry-only system of registration of the Bonds and DTC.

## **Redemption of Bonds Prior to Maturity.**

**General.** Whenever the Issuer is to select Bonds for the purpose of redemption, it will, in the case of Bonds in denominations greater than the minimum Authorized Denomination, if less than all of the Bonds then outstanding are to be called for redemption, treat each minimum Authorized Denomination of face value of each such fully registered Bond as though it were a separate Bond in the minimum Authorized Denomination.

**Optional Redemption.** At the option of the Issuer, Bonds maturing on September 1 in the years 2033, and thereafter, will be subject to redemption and payment prior to maturity on September 1, 2032, and thereafter, as a whole or in part (selection of maturities and the amount of 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 to the date of redemption.

**Mandatory Redemption.** A bidder may elect to have all or a portion of the Bonds scheduled to mature in consecutive years issued as term bonds (the “Term Bonds”) scheduled to mature in the latest of said consecutive years and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, subject to the following conditions: (a) not less than all Bonds of the same serial maturity shall be converted to Term Bonds with mandatory redemption requirements; and (b) a bidder shall make such an election by completing the applicable paragraph on the Official Bid Form or completing the applicable information on PARITY®.

**Notice and Effect of Call for Redemption.** Unless waived by any owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar, any provider of municipal bond insurance and the Successful Bidder. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the registered owners of said Bonds. Each of said written notices shall be deposited in United States first class mail not less than 30 days prior to the Redemption Date. All notices of redemption shall state the Redemption Date, the redemption price, the Bonds to be redeemed, the place of surrender of Bonds so called for redemption and a statement of the effect of the redemption. The Issuer shall also give such additional notice as may be required by State law or regulation of the Securities and Exchange Commission in effect as of the date of such notice. If any Bond be called for redemption and payment as aforesaid, all interest on such Bond shall cease from and after the Redemption Date, provided funds are available for its payment at the price hereinbefore specified.

**Authority, Purpose and Security.** The Bonds are being issued pursuant to K.S.A. 13-1024a, as amended by Charter Ordinance 41, and K.S.A. 65-162a *et seq.*, all as amended, and an ordinance and a resolution adopted by the Governing Body (collectively the “Bond Resolution”) for the purpose of paying a portion of the cost of certain internal improvements (the “Improvements”). The Bonds shall be general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are irrevocably pledged for the prompt payment of the principal and interest on the Bonds as the same become due.

**Submission of Bids.** Email bids must be made on forms which may be procured from the Municipal Advisor and shall be addressed to the undersigned, and marked “Proposal for General Obligation Bonds, Series 2023.” Email bids should be sent only once to the Municipal Advisor at [greg.vahrenberg@raymondjames.com](mailto:greg.vahrenberg@raymondjames.com). Confirmation of receipt of email bids may be made by contacting the Municipal Advisor at the number listed below. Electronic bids via PARITY® must be submitted in accordance with its Rules of Participation, as well as the provisions of this Notice of Bond Sale. ***Any bid***

*submitted shall include the initial offering prices to the public for each maturity of the Bonds.* If provisions of this Notice of Bond Sale conflict with those of PARITY®, this Notice of Bond Sale shall control. Bids must be received prior to the Submittal Hour on the Sale Date accompanied by the Deposit (as hereinafter defined), which may be submitted separately. The Issuer and Municipal Advisor shall not be responsible for failure of the transmission or the receipt of any bid.

**PARITY®.** Information about the electronic bidding services of PARITY® may be obtained from i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Phone No. (212) 849-5023.

**Conditions of Bids.** Proposals will be received on the Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: (a) the same rate shall apply to all Bonds of the same maturity year; (b) no interest rate may exceed a rate equal to the daily yield for the 10-year Treasury Bond published by **THE BOND BUYER**, in New York, New York, on the Monday next preceding the day on which the Bonds are sold, plus 3%; (c) no supplemental interest payments will be considered; and (d) each interest rate specified shall be a multiple of 1/8 or 1/20 of 1%. No bid for less than **100%** of the principal amount of the Bonds and accrued interest thereon to the date of delivery will be considered. Each bid shall specify the total interest cost (expressed in dollars) during the term of the Bonds on the basis of such bid, the premium, if any, offered by the bidder, the net interest cost (expressed in dollars) on the basis of such bid, and an estimate of the TIC (as hereinafter defined) on the basis of such bid. Each bidder shall certify to the Issuer the correctness of the information contained on the Official Bid Form; the Issuer will be entitled to rely on such certification. Each bidder agrees that, if it is awarded the Bonds, it will provide the certification described under the caption “Establishment of Issue Price” in this Notice.

**Good Faith Deposit.** A good faith deposit (the “Deposit”) in the amount of \$198,500 payable to the order of the Issuer is required in order to secure the Issuer from any loss resulting from the failure of the bidder to comply with the terms of its bid. The Deposit may be submitted at the address hereinafter set forth in either of the following forms:

(a) *Certified or Cashier’s Check.* Certified or cashier’s check drawn on a bank located in the United States of America received by the Municipal Advisor **prior to the Submittal Hour**; or

(b) *Wire Transfer.* Wire transfer submitted by the Successful Bidder in Federal Reserve funds, immediately available for use by the Issuer **not later than 2:00 p.m. applicable Central Time on the Sale Date** (wire transfer information may be obtained from the Municipal Advisor at the addresses set forth below).

Contemporaneously with the submission of a wire transfer Deposit, such bidder shall send an email to the Municipal Advisor at the email address set forth below, including the following information: (a) notification that a wire transfer has been made; (b) the amount of the wire transfer; and (c) return wire transfer instructions in the event such bid is unsuccessful. Checks submitted for Deposits by unsuccessful bidders will be returned; wire transfer Deposits submitted by unsuccessful bidders will not be accepted or shall be returned in the same manner received on the next business day following the Sale Date. The Issuer reserves the right to withhold reasonable charges for any fees or expenses incurred in returning a wire transfer Deposit. No interest on the Deposit will be paid by the Issuer. If a bid is accepted, the Deposit, or the proceeds thereof, will be held by the Issuer until the Successful Bidder has complied with all of the terms and conditions of this Notice at which time the amount of said Deposit shall be returned to the Successful Bidder or deducted from the purchase price at the option of the Issuer. If a bid is accepted but the Issuer fails to deliver the Bonds to the Successful Bidder in accordance with the terms and conditions of this Notice, said Deposit, or the proceeds thereof, will be returned to the Successful Bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this Notice, the proceeds of such Deposit will be retained by the Issuer as and for liquidated damages.

**Basis of Award.** Subject to the timely receipt of the Deposit set forth above, the award of the Bonds will be made on the basis of the lowest true interest cost (“TIC”), which will be determined as follows: the TIC is the discount rate (expressed as a per annum percentage rate) which, when used in computing the present value of all payments of principal and interest to be paid on the Bonds, from the payment dates to the Dated Date, produces an amount equal to the price bid, including any adjustments for premium or discount, if any. Present value will be computed on the basis of semiannual compounding and a 360-day year of twelve 30-day months. Bidders are requested to provide a calculation of the TIC for the Bonds on the Official Bid Form, computed as specified herein on the basis of their respective bids, which shall be considered as informative only and not binding on either the Issuer or the bidder. The Issuer or its Municipal Advisor will verify the TIC based on such bids. If there is any discrepancy between the TIC specified and the bid price and interest rates specified, the specified bid price and interest rates shall govern and the TIC specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest TIC are received, the Governing Body will determine which bid, if any, will be accepted, and its determination is final.

The Issuer reserves the right to reject any and/or all bids and to waive any irregularities in a submitted bid. Any bid received after the Submittal Hour on the Sale Date will not be considered. Any disputes arising hereunder shall be governed by the laws of the State, and any party submitting a bid agrees to be subject to jurisdiction and venue of the federal and state courts within the State with regard to such dispute.

The Issuer’s acceptance of the Successful Bidder’s proposal for the purchase of the Bonds in accordance with this Notice of Bond Sale shall constitute a bond purchase agreement between the Issuer and the Successful Bidder for purposes of the laws of the State and a contract between the Issuer and the Successful Bidder for the purposes of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”) and Rule G-32 of the Municipal Securities Rulemaking Board (“Rule G-32”). The method of acceptance shall be determined solely by the Governing Body.

**Bond Ratings.** The outstanding general obligation bonds of the Issuer are rated “AA-” by S&P Global Ratings, a division of Standard & Poor’s Financial Services LLC. The Issuer has applied to S&P Global Ratings, a division of Standard & Poor’s Financial Services LLC for a rating on the Bonds herein offered for sale.

**Optional Bond Insurance.** The Issuer has **not** applied for any policy of municipal bond insurance with respect to the Bonds. If the Bonds qualify for municipal bond insurance, and any bidder desires to purchase such policy, such indication and the name of the desired insurer must be set forth on the bidder’s Official Bid Form. The Issuer specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the Issuer.

If the Successful Bidder elects to purchase the Bonds with municipal bond insurance, certain rating agencies will assign their ratings to the Bonds with the understanding that upon delivery of the Bonds, a policy insuring the payment when due of the principal of and interest on the Bonds will be issued by such bond insurer. All costs associated with the purchase and issuance of such municipal bond insurance policy and associated ratings and expenses (other than any independent rating requested by the Issuer) shall be paid by the Successful Bidder. Failure of the municipal bond insurer to issue the policy after the award of the Bonds shall not constitute cause for failure or refusal by the Successful Bidder to accept delivery of the Bonds.

**CUSIP Numbers.** CUSIP identification numbers will be assigned and printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance

with the terms of this Notice. The Municipal Advisor will apply for CUSIP numbers pursuant to Rule G-34 implemented by the Municipal Securities Rulemaking Board. All expenses in relation to the assignment and printing of CUSIP numbers on the Bonds will be paid by the Issuer.

**Delivery and Payment.** The Issuer will pay for the preparation of the Bonds and will deliver the Bonds properly prepared, executed and registered without cost on or about **NOVEMBER 29, 2023** (the “Closing Date”), to DTC for the account of the Successful Bidder. The Successful Bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Bonds affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Bonds shall be made in federal reserve funds, immediately available for use by the Issuer. The Issuer will deliver one Bond of each maturity registered in the nominee name of DTC.

#### **Establishment of Issue Price.**

(a) In order to provide the Issuer with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder (collectively, the “Code”), the Successful Bidder will be required to assist the Issuer in establishing the “issue price” of the Bonds and complete, execute and deliver to the Issuer prior to the Closing Date, a written certification in a form acceptable to the Successful Bidder, the Issuer and Bond Counsel (the “Issue Price Certificate”) containing the following for each maturity of the Bonds: (1) the interest rate; (2) the reasonably expected initial offering price to the “public” (as said term is used in Treasury Regulation Section 1.148-1(f) (the “Regulation”)) or the sale price; and (3) pricing wires or equivalent communications supporting such offering or sale price. However, such Issue Price Certificate may indicate that the Successful Bidder has purchased the Bonds for its own account in a capacity other than as an underwriter or wholesaler, and currently has no intent to reoffer the Bonds for sale to the public. Any action to be taken or documentation to be received by the Issuer pursuant hereto may be taken or received by the Municipal Advisor or Bond Counsel on behalf of the Issuer.

(b) The Issuer intends that the sale of the Bonds pursuant to this Notice shall constitute a “competitive sale” as defined in the Regulation. In support thereof: (1) the Issuer shall cause this Notice to be disseminated to potential bidders in a manner reasonably designed to reach potential bidders; (2) all bidders shall have an equal opportunity to submit a bid; (3) the Issuer reasonably expects that it will receive bids from at least three bidders that have established industry reputations for underwriting municipal bonds such as the Bonds; and (4) the Issuer anticipates awarding the sale of the Bonds to the bidder that provides a bid with the lowest TIC in accordance with the section hereof entitled “Basis of Award.”

(c) Any bid submitted pursuant to this Notice shall be considered a firm offer for the purchase of the Bonds as specified therein. The Successful Bidder shall constitute an “underwriter” as said term is defined in the Regulation. By submitting its bid, the Successful Bidder confirms that it shall require any agreement among underwriters, a selling group agreement or other agreement to which it is a party relating to the initial sale of the Bonds, to include provisions requiring compliance with provisions of the Code and the Regulation regarding the initial sale of the Bonds.

(d) If all of the requirements of a “competitive sale” are not satisfied, the Issuer shall advise the Successful Bidder of such fact at the time of award of the sale of the Bonds to the Successful Bidder and the following provisions shall apply to the Bonds. ***In such event, any bid submitted will not be subject to cancellation or withdrawal.*** Within 20 minutes of a request by the Issuer, the Successful Bidder shall advise the Issuer if a “substantial amount” (as defined in the Regulation (10%)) of any maturity of the Bonds has been sold to the public and the price at which such substantial amount was sold. The Issuer will treat such sale price as the “issue price” for such maturity, applied on a maturity-by-maturity basis. The



remaining maturities shall be subject to that portion of the Regulation commonly described as the “hold-the-offering-price” requirement. Accordingly, the Issuer will apply the initial offering price to the public provided in the bid as the Issue Price for such maturities. ***Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to this “hold-the-offering-price” requirement in order to establish the issue price as of the Sale Date. Any change in the issue price of any of the Bonds after the Submittal Hour will not affect the purchase price for the Bonds submitted in the bid of the Successful Bidder.***

(e) This agreement by the Successful Bidder to provide such information will continue to apply after the Closing Time if: (a) the Issuer requests the information in connection with an audit or inquiry by the Internal Revenue Service (the “IRS”) or the Securities and Exchange Commission (the “SEC”) or (b) the information is required to be retained by the Issuer pursuant to future regulation or similar guidance from the IRS, the SEC or other federal or state regulatory authority.

**Preliminary Official Statement and Official Statement.** The Issuer has prepared a Preliminary Official Statement dated November 2, 2023, “deemed final” by the Issuer except for the omission of certain information as provided in the Rule, copies of which may be obtained from the Municipal Advisor. Upon the sale of the Bonds, the Issuer will adopt the final Official Statement and will furnish the Successful Bidder, without cost, within seven business days of the acceptance of the Successful Bidder’s proposal, with a sufficient number of copies thereof, which may be in electronic format, in order for the Successful Bidder to comply with the requirements of the Rule and Rule G-32. Additional copies may be ordered by the Successful Bidder at its expense.

**Continuing Disclosure.** In the Bond Resolution, the Issuer has covenanted to annually provide certain financial information and operating data and other information necessary to comply with the Rule, and to transmit the same to the Municipal Securities Rulemaking Board. This covenant is for the benefit of and is enforceable by any Registered Owner of the Bonds. For further information, reference is made to the caption “CONTINUING DISCLOSURE” in the Preliminary Official Statement.

**Assessed Valuation and Indebtedness.** The total assessed valuation of the taxable tangible property within the Issuer for the year 2023 is as follows:

|                                                   |                   |
|---------------------------------------------------|-------------------|
| Equalized Assessed Valuation of                   |                   |
| Taxable Tangible Property .....                   | \$225,680,943     |
| Tangible Valuation of Motor Vehicles (2022) ..... | <u>21,836,515</u> |
| Equalized Assessed Tangible Valuation             |                   |
| for Computation of Bonded Debt Limitations .....  | \$247,517,458     |

The total general obligation indebtedness of the Issuer as of the Dated Date, including the Bonds being sold, is \$27,590,000.

**Legal Opinion.** The Bonds will be sold subject to the approving legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel to the Issuer, which opinion will be furnished and paid for by the Issuer, will be printed on the Bonds, if the Bonds are printed, and will be delivered to the Successful Bidder when the Bonds are delivered. Said opinion will also include the opinion of Bond Counsel relating to the interest on the Bonds being excludable from gross income for federal income tax purposes and exempt from income taxation by the State. Reference is made to the Preliminary Official Statement for further discussion of federal and State income tax matters relating to the interest on the Bonds.

**Electronic Transactions.** The transactions described herein may be conducted and related documents may be sent, received and stored by electronic means or transmissions. All bid documents,

closing documents, certificates, ordinances, resolutions and related instruments may be executed by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Additional Information.** Additional information regarding the Bonds may be obtained from the undersigned or from the Municipal Advisor at the addresses set forth below:

**DATED: October 4, 2023.**

**CITY OF EMPORIA, KANSAS**

By: Janet Harrouff  
Director of Finance

***Issuer:***

111 East 6th Avenue, Emporia, Kansas 66801  
Attn: Janet Harrouff, Director of Finance  
Phone No.: (620) 343-4950  
Email: [jharrouff@emporiaks.gov](mailto:jharrouff@emporiaks.gov)

***Municipal Advisor –Email Bid and Good Faith Deposit Delivery Address:***

Raymond James & Associates, Inc.  
11551 Ash Street, Suite 250, Leawood, Kansas 66211  
Attn: Greg Vahrenberg  
Phone No.: (816) 509-5451  
Email: [greg.vahrenberg@raymondjames.com](mailto:greg.vahrenberg@raymondjames.com)

## SUMMARY NOTICE OF BOND SALE

**\$9,925,000\***

### **CITY OF EMPORIA, KANSAS GENERAL OBLIGATION BONDS, SERIES 2023**

(GENERAL OBLIGATION BONDS PAYABLE FROM UNLIMITED AD VALOREM TAXES)

**Bids.** SUBJECT to the Notice of Bond Sale dated October 4, 2023 (the “Notice”), email and electronic bids will be received on behalf of the Director of Finance of the City of Emporia, Kansas (the “Issuer”) in the case of email bids, at the address set forth below, and in the case of electronic bids, through **PARITY®** until 10:00 A.M. applicable Central Time, on **NOVEMBER 14, 2023** for the purchase of the above-referenced bonds (the “Bonds”). No bid of less than **100%** of the principal amount of the Bonds and accrued interest thereon to the date of delivery will be considered.

**Bond Details.** The Bonds will consist of fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The Bonds will be dated November 29, 2023, and will become due on September 1 in the years as follows:

| <u>Year</u> | <u>Principal<br/>Amount*</u> | <u>Year</u> | <u>Principal<br/>Amount*</u> |
|-------------|------------------------------|-------------|------------------------------|
| 2024        | \$465,000                    | 2034        | \$420,000                    |
| 2025        | 445,000                      | 2035        | 435,000                      |
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| 2031        | 535,000                      | 2041        | 535,000                      |
| 2032        | 550,000                      | 2042        | 555,000                      |
| 2033        | 565,000                      | 2043        | 575,000                      |

\* Subject to change, see the Notice

The Bonds will bear interest from the date thereof at rates to be determined when the Bonds are sold as hereinafter provided, which interest will be payable semiannually on March 1 and September 1 in each year, beginning on March 1, 2024.

**Book-Entry-Only System.** The Bonds shall be registered under a book-entry-only system administered through DTC.

**Paying Agent and Bond Registrar.** Treasurer of the State of Kansas, Topeka, Kansas.

**Good Faith Deposit.** Each bid shall be accompanied (in the manner set forth in the Notice) by a good faith deposit in the form of a cashier’s or certified check drawn on a bank located in the United States of America or a wire transfer in Federal Reserve funds immediately available for use by the Issuer in the amount of \$198,500.

**Delivery.** The Issuer will pay for preparation of the Bonds and will deliver the same properly prepared, executed and registered without cost to the successful bidder on or about **November 29, 2023**, to DTC for the account of the successful bidder.

**Assessed Valuation and Indebtedness.** The Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations for the year 2023 is \$247,517,458. The total general obligation indebtedness of the Issuer as of the Dated Date, including the Bonds being sold, is \$27,590,000.

**Approval of Bonds.** The Bonds will be sold subject to the legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel to the Issuer, whose approving legal opinion as to the validity

of the Bonds will be furnished and paid for by the Issuer, printed on the Bonds and delivered to the successful bidder as and when the Bonds are delivered.

**Additional Information.** Additional information regarding the Bonds may be obtained from the undersigned, or from the Municipal Advisor at the addresses set forth below:

**DATED: October 4, 2023.**

***Issuer:***

111 East 6th Avenue, Emporia, Kansas 66801  
Attn: Janet Harrouff, Director of Finance  
Phone No.: (620) 343-4950  
Email: [jharrouff@emporiaks.gov](mailto:jharrouff@emporiaks.gov)

***Municipal Advisor – Email Bid and Good Faith Deposit Delivery Address:***

Raymond James & Associates, Inc.  
11551 Ash Street, Suite 250, Leawood, Kansas 66211  
Attn: Greg Vahrenberg  
Phone No.: (816) 509-5451  
Email: [greg.vahrenberg@raymondjames.com](mailto:greg.vahrenberg@raymondjames.com)

**KANSAS REGISTER**

DOCUMENT NO. \_\_\_\_\_

(Above space for Register Office Use)

Submission Form  
Municipal Bond Sale Notice  
(K.S.A. 10-106 as amended)

TITLE OF DOCUMENT                      SUMMARY NOTICE OF BOND SALE  
Re:      City of Emporia, Kansas, General Obligation Bonds, Series 2023, Dated  
November 29, 2023.

NUMBER OF PAGES: 2                      DESIRED PUBLICATION DATE: November 2, 2023

BILL TO:                      Janet Harrouff, Director of Finance  
111 East 6th Avenue, Emporia, Kansas 66801

Please forward 2 Affidavits of Publication of same to Johnna  
Middleton, Gilmore & Bell, P.C., 100 North Main, Suite 800,  
Wichita, KS 67202 at your earliest opportunity.

Any questions regarding this document should be directed to:

NAME:                      JOHNNA MIDDLETON                      PHONE:                      (316) 267-2091

Certification

I hereby certify that I have reviewed the attached and herein described document, and that it  
conforms to all applicable **Kansas Register** publication guidelines. I further certify that submission of this  
item for publication in the **Kansas Register** is authorized by the municipality which has issued the notice.

\_\_\_\_\_  
Authorized Signature

Johnna K. Middleton  
Typed Name of Signer

Legal Practice Assistant  
Position

TRANSMIT TO:                      Kansas Register; Secretary of State; State Capitol, Topeka, KS 66612  
PHONE: (785) 296-3489; FAX: (785) 291-3051; EMAIL: [kansasregister@sos.ks.gov](mailto:kansasregister@sos.ks.gov)

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THIS SPACE FOR REGISTER OFFICE USE ONLY

**OFFICIAL BID FORM**  
**PROPOSAL FOR THE PURCHASE OF CITY OF EMPORIA, KANSAS**  
**GENERAL OBLIGATION BONDS, SERIES 2023**

TO: Janet Harrouff, Director of Finance  
City of Emporia, Kansas

November 14, 2023

For \$9,925,000\* principal amount of General Obligation Bonds, Series 2023, of the City of Emporia, Kansas (the "Issuer"), to be dated November 29, 2023, as described in the Notice of Bond Sale dated October 4, 2023 (the "Notice"), said Bonds to bear interest as follows:

| <u>Stated</u><br><u>Maturity</u><br><u>September 1</u> | <u>Principal</u><br><u>Amount*</u> | <u>Annual</u><br><u>Rate of</u><br><u>Interest</u> | <u>Initial</u><br><u>Offering</u><br><u>Price</u> | <u>Stated</u><br><u>Maturity</u><br><u>September 1</u> | <u>Principal</u><br><u>Amount*</u> | <u>Annual</u><br><u>Rate of</u><br><u>Interest</u> | <u>Initial</u><br><u>Offering</u><br><u>Price</u> |
|--------------------------------------------------------|------------------------------------|----------------------------------------------------|---------------------------------------------------|--------------------------------------------------------|------------------------------------|----------------------------------------------------|---------------------------------------------------|
| 2024                                                   | \$465,000                          | _____ %                                            | _____ %                                           | 2034                                                   | \$420,000                          | _____ %                                            | _____ %                                           |
| 2025                                                   | 445,000                            | _____ %                                            | _____ %                                           | 2035                                                   | 435,000                            | _____ %                                            | _____ %                                           |
| 2026                                                   | 460,000                            | _____ %                                            | _____ %                                           | 2036                                                   | 450,000                            | _____ %                                            | _____ %                                           |
| 2027                                                   | 475,000                            | _____ %                                            | _____ %                                           | 2037                                                   | 465,000                            | _____ %                                            | _____ %                                           |
| 2028                                                   | 490,000                            | _____ %                                            | _____ %                                           | 2038                                                   | 480,000                            | _____ %                                            | _____ %                                           |
| 2029                                                   | 500,000                            | _____ %                                            | _____ %                                           | 2039                                                   | 495,000                            | _____ %                                            | _____ %                                           |
| 2030                                                   | 515,000                            | _____ %                                            | _____ %                                           | 2040                                                   | 515,000                            | _____ %                                            | _____ %                                           |
| 2031                                                   | 535,000                            | _____ %                                            | _____ %                                           | 2041                                                   | 535,000                            | _____ %                                            | _____ %                                           |
| 2032                                                   | 550,000                            | _____ %                                            | _____ %                                           | 2042                                                   | 555,000                            | _____ %                                            | _____ %                                           |
| 2033                                                   | 565,000                            | _____ %                                            | _____ %                                           | 2043                                                   | 575,000                            | _____ %                                            | _____ %                                           |

\* Subject to change, see the Notice

the undersigned will pay the purchase price for the Bonds set forth below, plus accrued interest to the date of delivery.

Principal Amount .....\$9,925,000\*.00  
Plus Premium (if any) .....  
Total Purchase Price .....\$ .....  
  
Total interest cost to maturity at the rates specified .....\$ .....  
Net interest cost (adjusted for Discount and/or Premium).....\$ .....  
True Interest Cost ..... %

☐ The Bidder elects to have the following Term Bonds:

| <b>Maturity Date</b> | <b>Years</b>   | <b>Amount*</b> |
|----------------------|----------------|----------------|
| September 1, _____   | _____ to _____ | \$ _____       |
| September 1, _____   | _____ to _____ | \$ _____       |

\*subject to mandatory redemption requirements in the amounts and at the times shown above.

This proposal is subject to all terms and conditions contained in the Notice, and if the undersigned is the Successful Bidder, the undersigned will comply with all of the provisions contained in the Notice. A cashier's or certified check or a wire transfer in the amount of \$198,500 payable to the order of the Issuer, submitted in the manner set forth in the Notice accompanies this proposal as an evidence of good faith. The acceptance of this proposal by the Issuer by execution below shall constitute a contract between the Issuer and the Successful Bidder for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission and a bond purchase agreement for purposes of the laws of the State of Kansas.

Submitted by: \_\_\_\_\_

(LIST ACCOUNT MEMBERS ON REVERSE)

By: \_\_\_\_\_  
Telephone No. (\_\_\_\_) \_\_\_\_\_

**ACCEPTANCE**

The above proposal is hereby accepted on behalf of the Issuer on November 14, 2023.

Attest:

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Mayor

**NOTE:** No additions or alterations in the above proposal form shall be made, and any erasures may cause rejection of any bid. Email bids may be sent to Raymond James & Associates, Inc. at [greg.vahrenberg@raymondjames.com](mailto:greg.vahrenberg@raymondjames.com) and electronic bids may be submitted via **PARITY**®, at or prior to 10:00 A.M. applicable Central Time, on November 14, 2023. Any bid received after such time will not be accepted or shall be returned to the bidder.

**PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER 2, 2023**

**NEW ISSUE – BOOK-ENTRY ONLY  
BANK QUALIFIED**

**RATING: S&P: “\_\_\_”  
See “Bond Rating” herein**

*In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Issuer, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”): (1) the interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; (2) the interest on the Bonds is exempt from income taxation by the State of Kansas; and (3) the Bonds are “qualified tax-exempt obligations” within the meaning of Code §265(b)(3). See “TAX MATTERS – Opinion of Bond Counsel” in this Official Statement.*

**\$9,925,000\*  
CITY OF EMPORIA, KANSAS  
GENERAL OBLIGATION BONDS  
SERIES 2023**

**Dated: Date of Delivery**

**Due: September 1, As shown on the inside cover**

The General Obligation Bonds, Series 2023 (the “Bonds”) will be issued by the City of Emporia, Kansas (the “Issuer” or the “City”), as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denominations of \$5,000 or any integral multiple thereof (the “Authorized Denomination”). Purchasers will not receive certificates representing their interests in Bonds purchased. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, references herein to the Bond owners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as herein defined) of the Bonds. Principal will be payable annually on September 1, beginning in 2024, and semiannual interest will be payable on March 1 and September 1, beginning on March 1, 2024 (the “Interest Payment Dates”). Principal will be payable upon presentation and surrender of the Bonds by the registered owners thereof at the office of the Treasurer of the State of Kansas, Topeka, Kansas, as paying agent and bond registrar (the “Paying Agent” and “Bond Registrar”). Interest payable on each Bond shall be paid to the persons who are the registered owners of the Bonds as of the close of business on the fifteenth day (whether or not a business day) of the calendar month preceding each interest payment date by check or draft of the Paying Agent mailed to such registered owner, or in the case of an interest payment to a registered owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer. So long as DTC or its nominee, Cede & Co., is the Owner of the Bonds, such payments will be made directly to DTC. DTC is expected, in turn, to remit such principal and interest to the DTC Participants (herein defined) for subsequent disbursement to the Beneficial Owners.

The Bonds and the interest thereon will constitute general obligations of the Issuer, payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due. See “THE BONDS – Security for the Bonds” herein.

The Bonds maturing on September 1, 2033 and thereafter will be subject to redemption prior to maturity at the option of the Issuer on September 1, 2032 and any date thereafter, in whole or in part, at the redemption price of par, plus accrued interest to the date of redemption as more fully described herein. See “THE BONDS – Redemption Provisions” herein.

The Bonds are offered when, as and if issued by the Issuer, subject to the approval of legality by Gilmore & Bell, P.C., Wichita, Kansas, Bond Counsel to the Issuer. It is expected that the Bonds will be available for delivery through the facilities of DTC on or about November 29, 2023.

*THE COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. THE COVER PAGE IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION. “APPENDIX C – SUMMARY OF FINANCING DOCUMENTS” CONTAINS DEFINITIONS USED IN THIS OFFICIAL STATEMENT.*

The date of this Official Statement is November \_\_\_, 2023.

*\*Preliminary, subject to change.*

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. As of this date, this Preliminary Official Statement has been deemed “final” by the City for purposes of SEC Rule 15c2-12(b)(1) except for the omission of certain information permitted by SEC Rule 15c2-12(b)(1).

**\$9,925,000\***  
**CITY OF EMPORIA, KANSAS**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2023**

**MATURITY SCHEDULE**

**SERIAL BONDS**

| <b><u>Stated Maturity</u></b><br><b><u>September 1</u></b> | <b><u>Principal</u></b><br><b><u>Amount*</u></b> | <b><u>Interest</u></b><br><b><u>Rate</u></b> | <b><u>Yield</u></b> | <b><u>CUSIP<sup>(1)</sup></u></b> |
|------------------------------------------------------------|--------------------------------------------------|----------------------------------------------|---------------------|-----------------------------------|
| 2024                                                       | \$465,000                                        |                                              |                     |                                   |
| 2025                                                       | 445,000                                          |                                              |                     |                                   |
| 2026                                                       | 460,000                                          |                                              |                     |                                   |
| 2027                                                       | 475,000                                          |                                              |                     |                                   |
| 2028                                                       | 490,000                                          |                                              |                     |                                   |
| 2029                                                       | 500,000                                          |                                              |                     |                                   |
| 2030                                                       | 515,000                                          |                                              |                     |                                   |
| 2031                                                       | 535,000                                          |                                              |                     |                                   |
| 2032                                                       | 550,000                                          |                                              |                     |                                   |
| 2033                                                       | 565,000                                          |                                              |                     |                                   |
| 2034                                                       | 420,000                                          |                                              |                     |                                   |
| 2035                                                       | 435,000                                          |                                              |                     |                                   |
| 2036                                                       | 450,000                                          |                                              |                     |                                   |
| 2037                                                       | 465,000                                          |                                              |                     |                                   |
| 2038                                                       | 480,000                                          |                                              |                     |                                   |
| 2039                                                       | 495,000                                          |                                              |                     |                                   |
| 2040                                                       | 515,000                                          |                                              |                     |                                   |
| 2041                                                       | 535,000                                          |                                              |                     |                                   |
| 2042                                                       | 555,000                                          |                                              |                     |                                   |
| 2043                                                       | 575,000                                          |                                              |                     |                                   |

**[TERM BONDS]**

| <b><u>Stated Maturity</u></b><br><b><u>September 1</u></b> | <b><u>Principal</u></b><br><b><u>Amount*</u></b> | <b><u>Interest</u></b><br><b><u>Rate</u></b> | <b><u>Yield</u></b> | <b><u>CUSIP<sup>(1)</sup></u></b> |
|------------------------------------------------------------|--------------------------------------------------|----------------------------------------------|---------------------|-----------------------------------|
|                                                            |                                                  |                                              |                     | ]                                 |

(All plus accrued interest, if any)

<sup>(1)</sup> CUSIP data is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Capital IQ, a subsidiary of The McGraw-Hill Companies, Inc. and is included solely for the convenience of the Owners of the Bonds. Neither the Issuer nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth above.

\*Preliminary, subject to change.



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**IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

**THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.**

**THIS OFFICIAL STATEMENT CONTAINS STATEMENTS THAT ARE “FORWARD-LOOKING STATEMENTS” AS DEFINED IN THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. WHEN USED IN THIS OFFICIAL STATEMENT, THE WORDS “ESTIMATE,” “INTEND,” “EXPECT” AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. SUCH STATEMENTS ARE SUBJECT TO RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTEMPLATED IN SUCH FORWARD-LOOKING STATEMENTS. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE HEREOF.**

**THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED TO BE FINAL (EXCEPT FOR PERMITTED OMISSIONS) BY THE ISSUER FOR PURPOSES OF COMPLYING WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION.**

**IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.**

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**CITY OF EMPORIA, KANSAS  
522 MECHANIC  
EMPORIA, KANSAS 66801**

**CITY COMMISSION**

Susan Brinkman, Mayor  
Becky Smith, Vice Mayor  
Danny Giefer, City Commissioner  
Jamie Sauder, City Commissioner  
Erren Harter, City Commissioner

**CITY STAFF**

Trey Cocking, City Manager  
Mark Detter, Assistant City Manager  
Janet Harrouff, Director of Administrative Services / Treasurer  
Tayler Wash, Director of Special Projects  
Kerry Sull, City Clerk  
Christina Montgomery, City Attorney

**CERTIFIED PUBLIC ACCOUNTANT**

Hood and Associates, CPAs, PC  
Overland Park, Kansas

**BOND COUNSEL**

Gilmore & Bell, P.C.  
Wichita, Kansas

**MUNICIPAL ADVISOR**

Raymond James & Associates, Inc.  
Leawood, Kansas

**UNDERWRITER**

No dealer, broker, salesman or other person has been authorized by the Issuer, Municipal Advisor or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein concerning the Issuer has been furnished by the Issuer and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the Federal Securities Laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof. This Official Statement does not constitute a contract between the Issuer or the Underwriter and any one or more of the purchasers, Owners or Beneficial Owners of the Bonds.

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# OFFICIAL STATEMENT

**\$9,925,000\***  
**CITY OF EMPORIA, KANSAS**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2023**

## INTRODUCTION

### General Matters

The purpose of this Official Statement is to furnish information relating to the City of Emporia, Kansas (the “Issuer” or the “City”), and the General Obligation Bonds, Series 2023 (the “Bonds”), of the Issuer, dated as of November 29, 2023 (the “Dated Date”).

The Appendices to this Official Statement are integral parts of this document, to be read in their entirety.

The Issuer is a municipal corporation duly organized and existing under the laws of the State of Kansas (the “State”). Additional information regarding the Issuer is contained in **APPENDIX A** to this Official Statement.

The materials contained on the cover page, in the body and in the Appendices to this Official Statement are to be read in their entirety. All financial and other information presented herein has been compiled by Raymond James & Associates, Inc. (the “Municipal Advisor”). Except for the information expressly attributed to other sources deemed to be reliable, all information has been provided by the Issuer. The presentation of information herein, including tables of receipts from various taxes, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the Issuer. No representation is made that past experience, as might be shown by such financial or other information, will necessarily continue or be repeated in the future. Except to the extent described under the section captioned “LEGAL MATTERS,” Bond Counsel expresses no opinion as to the accuracy or sufficiency of any other information contained herein.

### Definitions

Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in “**APPENDIX C – SUMMARY OF FINANCING DOCUMENTS.**”

### Continuing Disclosure

The Securities and Exchange Commission (the “SEC”) has promulgated amendments to Rule 15c2-12 (the “Rule”), requiring continuous secondary market disclosure. In connection with the issuance of the Bonds, the City will enter into a continuing disclosure undertaking (the “Disclosure Undertaking”) wherein the City covenants to provide annually certain financial information and operating data (collectively, the “Annual Report”) and other information necessary to comply with the Rule, and to transmit the same to the Municipal Securities Rulemaking Board. Pursuant to the Disclosure Undertaking, the City has agreed to file its Annual Report with the national repository (“EMMA”) not later than September 15<sup>th</sup>, commencing with the year ending December 31, 2023. In the Resolution, the City covenants with the Underwriter and the Beneficial Owners to apply the provisions of the Disclosure Undertaking to the Bonds. This covenant is for the benefit of and is enforceable by the Beneficial Owners of the Bonds.

The City has entered into continuing disclosure undertakings required by Rule 15c2-12 in connection with bonds previously issued. During the past five years, the City has not fully complied with its obligations under such continuing disclosure undertakings. However, in 2018 the City failed to timely file the financial statements and operating data for the year ended December 31, 2017. The City has established new policies and procedures that they believe will ensure full and timely compliance with all continuing disclosure obligations in the future. In previous years, the City has failed to provide all required information and also failed to post any failure to file notices within the time period prescribed by the prior undertakings. The City’s filings under the Rule for the past five years are set forth in the table below:

*\* Preliminary, subject to change*

| <b><u>Fiscal Year</u></b><br><b><u>Ending December 31</u></b> | <b><u>Filing Time</u></b><br><b><u>Period</u></b> | <b><u>Financial Information</u></b><br><b><u>Filing Date</u></b> | <b><u>Operating Data</u></b><br><b><u>Filing Date</u></b> |
|---------------------------------------------------------------|---------------------------------------------------|------------------------------------------------------------------|-----------------------------------------------------------|
| 2018                                                          | September 15 <sup>th</sup>                        | 8/23/2019                                                        | 8/23/2019                                                 |
| 2019                                                          | September 15 <sup>th</sup>                        | 6/26/2020                                                        | 6/26/2020                                                 |
| 2020                                                          | September 15 <sup>th</sup>                        | 7/16/2021                                                        | 7/16/2021                                                 |
| 2021                                                          | September 15 <sup>th</sup>                        | 6/29/2022                                                        | 6/29/2022                                                 |
| 2022                                                          | September 15 <sup>th</sup>                        | 6/23/2023                                                        | 6/23/2023                                                 |

During the past five years, the City may not have separately made timely filings of event notices on EMMA relating to all bond calls, defeasances or rating changes. The City believes this information was disseminated or available through other sources.

For more information regarding the County's continuing disclosure undertaking, see “**APPENDIX D** – FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

### **Additional Information**

Additional information regarding the Issuer or the Bonds may be obtained from the Clerk of the Issuer at the address set forth in the preface to this Official Statement, or from the Municipal Advisor, Raymond James & Associates, Inc., 11551 Ash Street, Suite 250, Leawood, Kansas 66211 (816) 391-4120.

## **THE BONDS**

### **Authority for the Bonds**

The Bonds are being issued pursuant to and in full compliance with the Constitution and statutes of the State, including K.S.A. 10-101 to 10-125, inclusive, and Charter Ordinance No. 25 of the Issuer, all as amended and supplemented from time to time (collectively, the “Act”), an ordinance passed by the governing body of the Issuer and a resolution adopted by the governing body of the Issuer (collectively the “Bond Resolution”).

### **Security for the Bonds**

The Bonds shall be general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

### **Levy and Collection of Annual Tax, Transfer to Debt Service Account**

The governing body of the Issuer shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by, to the extent necessary, levying and collecting the necessary taxes and/or assessments upon all of the taxable tangible property within the Issuer in the manner provided by law. Such taxes and/or assessments shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer, shall thereafter be transferred to the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

### **Description of the Bonds**

The Bonds shall consist of fully registered book-entry-only bonds in an Authorized Denomination and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated as of the Dated Date, become due in the amounts on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities, and shall bear interest at the rates per annum set forth on the inside cover page of this Official Statement (computed on the basis 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 hereinafter set forth.

### **Designation of Paying Agent and Bond Registrar**

The Issuer will at all times maintain a paying agent and bond registrar meeting the qualifications set forth in the Bond Resolution. The Issuer reserves the right to appoint a successor paying agent or bond registrar. 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 by the Issuer shall at all times meet the requirements of Kansas law.

The Treasurer of the State of Kansas, Topeka, Kansas (the “Bond Registrar” and “Paying Agent”) has been designated by the Issuer as paying agent for the payment of principal of and interest on the Bonds and bond registrar with respect to the registration, transfer and exchange of Bonds.

### **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 or at the Redemption Date to the Person in whose name such Bond is registered on the Bond Register at the Maturity or at the Redemption Date 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 Cede & Co. or 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, 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. 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 an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest. 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 notify the Issuer of such Special Record Date and 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 not less than 10 days prior to such Special Record Date.

**SO LONG AS CEDE & CO., REMAINS THE REGISTERED OWNER OF THE BONDS, THE PAYING AGENT SHALL TRANSMIT PAYMENTS TO THE SECURITIES DEPOSITORY, WHICH SHALL REMIT SUCH PAYMENTS IN ACCORDANCE WITH ITS NORMAL PROCEDURES.** See “THE BONDS – Book-Entry Bonds; Securities Depository.”

### **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.

## **Book-Entry Bonds; Securities Depository**

The 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. 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 paragraphs.

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

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any 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 interest 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, 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 the Bonds to the successor Securities Depository in appropriate denominations and form as provided in the Bond Resolution.

## **Registration, Transfer and Exchange of Bonds**

As long as any of the Bonds remain Outstanding, 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 hereinafter provided. 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 the Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds. 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.

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 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.

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

### **Nonpresentment of Bonds**

If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay 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.

### **Redemption Provisions**

***Optional Redemption.*** At the option of the Issuer, the Bonds maturing September 1, 2033 and thereafter may be called for redemption and payment prior to their Stated Maturity on September 1, 2032, and thereafter as a whole or in part (selection of maturities and the amount of 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.

***[Mandatory Redemption.]*** (a) \_\_\_\_\_ *Term Bonds.* The \_\_\_\_\_ Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements hereinafter set forth at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The payments which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on September 1 in each year, the following principal amounts of such \_\_\_\_\_ Term Bonds:



| <u>Principal Amount</u> | <u>Year</u> |
|-------------------------|-------------|
| \$                      | *           |

\*Final Maturity]

***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 minimum Authorized Denomination 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 each minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of a minimum Authorized Denomination. If it is determined that one or more, but not all, of the minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem such minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of such 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 the minimum Authorized Denomination value called for redemption (and to that extent only).

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

All official notices of redemption shall be dated and shall contain the following information: (a) the Redemption Date; (b) the Redemption Price; (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed; (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and (e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent. The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Bond Registrar shall provide the notices specified 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.

In addition to the foregoing notice, the Issuer shall provide such notices of redemption as are required by the Disclosure Undertaking. The Paying Agent is also directed to comply with any mandatory or voluntary 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.

## THE DEPOSITORY TRUST COMPANY

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each scheduled maturity of the Bonds, and will be deposited with DTC.

2. DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a S&P Global Ratings’ rating of “AA+”. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

6. Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Paying Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Paying Agent. The requirement for physical delivery of the Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Paying Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

11. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

## THE PROJECT

The Bonds are being issued to pay for water and sewer projects in the City and to provide for the payment of the costs of issuance of the Bonds.

## SOURCES AND USES OF FUNDS

The following table summarizes the sources and uses of funds associated with the issuance of the Bonds:

### Sources of Funds:

|                               |                 |
|-------------------------------|-----------------|
| Principal Amount of the Bonds | \$9,925,000.00* |
| Original Issue Premium        |                 |
| Water and Sewer Funds         |                 |
| <b>Total</b>                  |                 |

### Uses of Funds:

|                         |
|-------------------------|
| Deposit to Project Fund |
| Costs of Issuance       |
| Underwriter's Discount  |
| <b>Total</b>            |

\* Preliminary, subject to Change.

## RISK FACTORS AND INVESTMENT CONSIDERATIONS

***A PROSPECTIVE PURCHASER OF THE BONDS DESCRIBED HEREIN SHOULD BE AWARE THAT THERE ARE CERTAIN RISKS ASSOCIATED WITH THE BONDS WHICH MUST BE RECOGNIZED. THE FOLLOWING STATEMENTS REGARDING CERTAIN RISKS ASSOCIATED WITH THE OFFERING SHOULD NOT BE CONSIDERED AS A COMPLETE DESCRIPTION OF ALL RISKS TO BE CONSIDERED IN THE DECISION TO PURCHASE THE BONDS. PROSPECTIVE PURCHASERS OF THE BONDS SHOULD ANALYZE CAREFULLY THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT AND ADDITIONAL INFORMATION IN THE FORM OF THE COMPLETE DOCUMENTS SUMMARIZED HEREIN, COPIES OF WHICH ARE AVAILABLE AND MAY BE OBTAINED FROM THE ISSUER OR THE UNDERWRITER.***

### **Taxation of Interest on the Bonds**

An opinion of Bond Counsel will be obtained to the effect that interest earned on the Bonds is excludable from gross income for federal income tax purposes under current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable rulings and regulations under the Code; however, an application for a ruling has not been made and an opinion of counsel is not binding upon the Internal Revenue Service. There can be no assurance that the present provisions of the Code, or the rules and regulations thereunder, will not be adversely amended or modified, thereby rendering the interest earned on the Bonds includable in gross income for federal income tax purposes.

The Issuer has covenanted in the Bond Resolution and in other documents and certificates to be delivered in connection with the issuance of the Bonds to comply with the provisions of the Code, including those which require the Issuer to take or omit to take certain actions after the issuance of the Bonds. Because the existence and continuation of the excludability of the interest on the Bonds depends upon events occurring after the date of issuance of the Bonds, the opinion of Bond Counsel described under "TAX MATTERS" assumes the compliance by the Issuer with the provisions of the Code described above and the regulations relating thereto. No opinion is expressed by Bond Counsel with respect to the excludability of the interest on the Bonds in the event of noncompliance with such provisions. The failure of the Issuer to comply with the provisions described above may cause the interest on the Bonds to become includable in gross income as of the date of issuance.

### **Market for the Bonds**

***Bond Rating.*** The Bonds have been assigned the financial rating set forth in the section hereof entitled "RATING." There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse affect on the market price of the Bonds.

***Secondary Market.*** There is no assurance that a secondary market will develop for the purchase and sale of the Bonds. It is the present practice of the Underwriter, however, to make a secondary market as dealers in issues of municipal Bonds which the Underwriter distributes. The Underwriter intends to continue this practice with respect to the Bonds, but is not obligated to do so. Prices of bonds traded in the secondary market, though, are subject to adjustment upward and downward in response to changes in the credit markets. From time to time it may be necessary for the Underwriter to suspend indefinitely secondary market trading in the Bonds as a result of the financial condition or market position of the Underwriter, prevailing market conditions, lack of adequate current financial information about the Issuer, or a material adverse change in the financial condition of the Issuer, whether or not the Bonds are in default as to principal and interest payments, and other factors which in the opinion of the Underwriter may give rise to uncertainty concerning prudent secondary market practices.

### **Premium on Bonds**

[The initial offering price of the Bonds that are subject to optional redemption are in excess of the principal amount thereof]. Any person who purchases a Bond in excess of its principal amount, whether during the initial offering or in a secondary market transaction, should consider that the Bonds are subject to redemption at par under the various circumstances described under "THE BONDS – Redemption Provisions."

### **Legal Matters**

Various state and federal laws, regulations and constitutional provisions apply to the obligations created by the Bonds. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the Issuer or the taxing authority of the Issuer.

## **Limitations on Remedies Available to Owners of Bonds**

The enforceability of the rights and remedies of the owners of Bonds, and the obligations incurred by the Issuer in issuing the Bonds, are subject to the following: the federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under state law of certain remedies; the exercise by the United States of America of the powers delegated to it by the United States Constitution; and the reasonable and necessary exercise, in certain unusual situations, of the police power inherent in the State of Kansas and its governmental subdivisions in the interest of serving a legitimate and significant public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy and otherwise, and consequently may involve risks of delay, limitation or modification of their rights.

## **No Additional Interest or Mandatory Redemption upon Event of Taxability**

The Bond Resolution does not provide for the payment of additional interest or penalty on the Bonds or the mandatory redemption thereof if the interest thereon becomes includable in gross income for federal income tax purposes. Likewise, the Bond Resolution does not provide for the payment of any additional interest or penalty on the Bonds if the interest thereon becomes subject to income taxation by the State.

## **Suitability of Investment**

The tax exempt feature of the Bonds is more valuable to high tax bracket investors than to investors who are in low tax brackets, and so the value of the interest compensation to any particular investor will vary with individual tax rates. Each prospective investor should carefully examine this Official Statement, including the Appendices hereto, and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment.

## **Debt Service Source**

The Bonds are general obligations of the Issuer payable as to both principal and interest, if necessary, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The Legislature may from time to time adopt changes in the property tax system or method of imposing and collecting property taxes within the State. Taxpayers may also challenge the fair market value of property assigned by the county appraiser. The effects of such legislative changes and successful challenges to the appraiser's determination of fair market value could affect the Issuer's property tax collections. If a taxpayer valuation challenge is successful, the liability of the Issuer to refund property taxes previously paid under protest may have a material impact on the Issuer's financial situation. See "**APPENDIX A – FINANCIAL INFORMATION – Property Valuations and Property Tax Levies and Collections.**"

## **Kansas Public Employees Retirement System**

As described in "**APPENDIX A – FINANCIAL INFORMATION – Pension and Employee Retirement Plans,**" the Issuer participates in the Kansas Public Employees Retirement System ("KPERS"), as an instrumentality of the State to provide retirement and related benefits to public employees in Kansas. KPERS administers three statewide defined benefit retirement plans for public employees which are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Issuer participates in the Police and Firemen's Retirement System ("KP&F") and the Public Employees Retirement System – Local Group (the "Plan"). Under existing law, employees make contributions and the Issuer makes all employer contributions to the Plan; neither the employees nor the Issuer are directly responsible for any unfunded accrued actuarial liability ("UAAL"). However, the Plan contribution rates may be adjusted by legislative action over time to address any UAAL. According to KPERS' Valuation Report, the Local Group had an UAAL of approximately \$1.783 billion in calendar year 2021 and KP&F had an UAAL of approximately \$1.140 million.

## **Cybersecurity Risks**

Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches could create disruptions or shutdowns of the Issuer and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. If a security breach occurs, the Issuer may incur significant costs to remediate possible injury to the affected persons, and the Issuer may be subject to sanctions and civil penalties. Any failure to maintain proper functionality and security of information systems could interrupt the City's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations.

## **Natural Disasters, Terrorist or Cyber Attacks**

The occurrence of a terrorist attack or cyber security breach in the City, or natural disasters, such as fires, tornadoes, winter storms, extreme cold, earthquakes, floods or droughts, could damage the City and its systems and infrastructure, and interrupt services or otherwise impair operations of the City.

## **Potential Impacts Resulting from Epidemics or Pandemics**

The City's and County's finances may be materially adversely affected by unforeseen impacts of future epidemics and pandemics, such as the Coronavirus (COVID-19) pandemic. The City cannot predict future impacts of epidemics or pandemics, any similar outbreaks, or their impact on travel, on assemblies or gatherings, on the local, State, national or global economy, or on securities markets, or whether any such disruptions may have a material adverse impact on the financial condition or operations of the City or County, including but not limited to the payment and debt service on the Bonds.

## **BOND RATING**

The Issuer has applied to S&P Global Ratings, a division of S&P Global Inc., for a rating on the Bonds. S&P Global Ratings, a division of the S&P Global Inc. has assigned an independent rating of "\_\_\_" to the Bonds. Such rating reflects only the view of such rating agency, and an explanation of the significance of such rating may be obtained therefrom. No such rating constitutes a recommendation to buy, sell, or hold any bonds, including the Bonds, or as to the market price or suitability thereof for a particular investor. The Issuer furnished such rating agency with certain information and materials relating to the Bonds that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse effect on the market price of the Bonds.

## **ABSENCE OF LITIGATION**

The Issuer, in the ordinary course of business, is a party to various legal proceedings. In the opinion of management of the Issuer, any judgment rendered against the Issuer in such proceedings would not materially adversely affect the financial position of the Issuer.

The Issuer certifies that there is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the Issuer or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act or the constitutionality or validity of the indebtedness represented by the Bonds or the validity of said Bonds, or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof.

## LEGAL MATTERS

### Approval of Bonds

All matters incident to the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Wichita, Kansas (“Bond Counsel”), bond counsel to the Issuer. The factual and financial information appearing herein has been supplied or reviewed by certain officials of the Issuer and its certified public accountants, as referred to herein. Bond Counsel has participated in the preparation of the Official Statement but expresses no opinion as to the accuracy or sufficiency thereof, except for the matters appearing in the sections of this Official Statement captioned “THE BONDS,” “LEGAL MATTERS,” “TAX MATTERS” and “**APPENDIX C – SUMMARY OF FINANCING DOCUMENTS.**” Payment of the legal fee of Bond Counsel is contingent upon the delivery of the Bonds.

## TAX MATTERS

The following is a summary of the material federal and State of Kansas income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of holders subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Kansas, does not discuss the consequences to an owner under state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market at a premium or a discount. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

### Opinion of Bond Counsel

In the opinion of Bond Counsel, under the law existing as of the issue date of the Bonds:

**Federal Tax Exemption.** The interest on the Bonds is excludable from gross income for federal income tax purposes.

**Alternative Minimum Tax.** Interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

**Bank Qualification.** The Bonds are “qualified tax-exempt obligations” within the meaning of Code §265(b)(3).

**Kansas Tax Exemption.** The interest on the Bonds is exempt from income taxation by the State of Kansas.

Bond Counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds.

### Other Tax Consequences

[ **Original Issue Premium.** For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (*i.e.*, interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Code § 171, premium on tax-exempt obligations amortizes over the term of the Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the

owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of premium]

***Sale, Exchange or Retirement of Bonds.*** Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent the Bonds are held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

***Reporting Requirements.*** In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on Bonds, and to the proceeds paid on the sale of Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

***Collateral Federal Income Tax Consequences.*** Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws

## MUNICIPAL ADVISOR

Raymond James & Associates, Inc., Leawood, Kansas has acted as a Municipal Advisor to the Issuer in connection with the sale of the Bonds. The Municipal Advisor is a "municipal advisor" as defined in the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The Municipal Advisor has assisted the Issuer in the preparation of this Official Statement and in other matters relating to the issuance of the Bonds. The fees of the Municipal Advisor are contingent upon the issuance of the Bonds. The Municipal Advisor will not be a manager or a member of any underwriting group submitting a proposal for the purchase of the Bonds pursuant to Municipal Securities Rulemaking Board Rule G-23.

## UNDERWRITING

The Bonds have been sold by the Issuer to \_\_\_\_\_ (the "Underwriter"). The City conducted a competitive sale on November 15, 2023 and received \_\_\_ bids. The Underwriter has agreed, subject to certain conditions, to purchase the Bonds at a price equal to the principal amount of the Bonds, plus accrued interest from the Dated Date to the Issue Date, plus a premium of \$ \_\_\_\_\_, less an underwriting discount of \$ \_\_\_\_\_.

The Bonds will be offered to the public initially at the prices determined to produce the yields set forth on the inside cover page of this Official Statement. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) at prices other than the price stated on the inside cover page hereof and may change the initial offering price from time to time subsequent to the date hereof. In connection with the offering, the Underwriter may over allot or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.



## **AUTHORIZATION OF OFFICIAL STATEMENT**

The preparation of this Official Statement and its distribution has been authorized by the governing body of the Issuer and “deemed final” in accordance with the Securities and Exchange Commission Rule 15c2-12 as of the date shown on the cover page hereof.

**CITY OF EMPORIA, KANSAS**

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

***APPENDIX A***

**INFORMATION CONCERNING THE ISSUER**

## ***APPENDIX A***

### **INFORMATION CONCERNING THE ISSUER**

#### **GENERAL**

##### **Size and Location**

The City of Emporia, Kansas (the “City”) is the county seat of Lyon County, Kansas (the “County”). The City is located approximately 110 miles southwest of Kansas City, Missouri, 50 miles south of Topeka, Kansas and 85 miles northeast of Wichita, Kansas. The City encompasses approximately 11.61 square miles and has a current estimated population of 24,343 persons. The City is located on the eastern edge of the Flint Hills region at the intersection of the Kansas Turnpike and Interstate Highway 35.

##### **Government and Organization of the Issuer**

The City was established in 1857 and is a city of the first class. The City operates under the Commission-Manager form of government. The five Commission members are elected at large and serve two or four year terms. The Mayor presides over Commission meetings and appoints certain City officials, subject to Commission approval. The City Manager is appointed by the Commission and is charged with the efficient and effective administration of the City.

##### **Municipal Services and Utilities**

Retail electric power is provided in the City by Evergy and natural gas service is provided by Kansas Gas Service. Treated water is distributed from the City-owned facilities. The City’s water treatment plant currently produces 11.19 million gallons of water daily with a capacity of 20 million gallons daily. Sewage treatment is provided by City-owned facilities. The wastewater treatment plant currently treats 4.6 million gallons per day with a capacity of 8 million gallons daily. Refuse services are provided by the City.

##### **Transportation and Communication Facilities**

The City is intersected by Interstate Highway #35, U.S. Highway #50 and Kansas Highways #57 and #99, in addition to the Kansas Turnpike. Emporia’s motor freight service is provided by several freight companies with direct and connecting schedules to all major cities in the United States.

The Burlington Northern Santa Fe Railroad provides rail service with daily package-care service in and out of Emporia, with lines radiating in three directions. The existing terminals have adequate capacity to handle present and future needs. The City’s location is also beneficial to bus service with transportation available at regular intervals in all directions.

Emporia Municipal Airport is located within seven miles of the City and provides service for small and private aircraft and has a 5,000-foot paved and lighted runway. Dwight D. Eisenhower National Airport in Wichita, Kansas and Kansas City International Airport in Kansas City, Missouri provide commercial air service through the major airline companies.

##### **Educational Institutions and Facilities**

The City is home to a complete educational system from primary level to higher education institutions. Unified School District No. 253 provides public education through its six elementary schools, two intermediate schools, one middle school and one senior high school. Total enrollment for the Unified School District No. 253 is approximately 4,593. The City also has three private elementary schools.

Emporia State University, a state-supported university, offers 72 undergraduate and 37 graduate fields of study and awards 17 different degrees. The University was founded in 1863 as the state’s first school for training teachers and is governed by the Board of Regents of Kansas Universities. The campus has 18 buildings and encompasses nearly 200 acres. In September, 2022, Emporia State University announced plans to reduce its workforce by seven percent, including tenured faculty members.

The Flint Hills Technical College located in the City provides technical skilled training needed by local industry. The Technical College has received top ratings as one of the finest in the country by educational agencies.

## Medical and Health Facilities

Newman Regional Health, which is owned by Lyon County, is a 25-bed critical access hospital serving both the City and the surrounding area. Newman Regional Health has more than 70 specialty and primary care physicians and advanced practice providers that work in the hospital and outpatient clinic. Approximately 600 clinical, professional and support services employees and 225 volunteers support the medical staff at Newman Regional Health. In addition, there are two medical clinics that operate in the City and approximately 34 doctors and 20 dentists practice in the City. There are also six nursing homes or assisted living facilities located within the City.

## Recreational and Cultural Facilities

The City has 20 parks comprising approximately 357 acres, an 18-hole municipal golf course, swimming pools, community center, municipal library, municipal gymnasium and fitness center and tennis courts. Emporia State University provides additional cultural and recreational opportunities for the students and community members. The Emporia Arts Council provides quality cultural opportunities through performances in music and theater as well as fine art exhibitions. The Lyon County Historical Museum has preserved the history of the County. The Emporia Zoo's natural appearing exhibits contain nearly 400 specimens of birds, mammals, and reptiles.

## ECONOMIC INFORMATION

The City's location at the junction of Interstate Highway 35 and the Kansas Turnpike has attracted numerous national and regional companies to open manufacturing or distribution centers in the City. The City is home to over 15 manufacturing and processing companies producing a wide variety of goods including bakery products, graphic arts equipment, automobile parts, pet food, processed beef, and steel products. These companies include Tyson Fresh Meats Inc., Bunge Corporation, Hostess Brands, Norfolk Iron & Metal, Simmons Pet Food, Hills Pet Nutrition, Michelin and Hopkins Manufacturing, among others. In order to attract additional industrial growth the City has approximately 218 acres of available industrial sites located in two industrial parks.

Over the last decade, the City has developed numerous programs to promote economic development activity. Incentives for potential economic development projects include industrial revenue bonds, loans from an Economic Development Trust Fund, property tax exemption, retailers' sales tax exemptions, state provided Community Development Block Grants, and grants from the City's Job Creation Incentive Program.

## Major Employers

Listed below are the major employers located in the City and the number employed by each:

| <u>Major Employers</u>            | <u>Product/Service</u>                       | <u>Number of Full-<br/>&amp; Part-time Employees</u> |
|-----------------------------------|----------------------------------------------|------------------------------------------------------|
| Simmons Pet Food                  | Pet Food                                     | 1,000                                                |
| Unified School District No. 253   | Education                                    | 991                                                  |
| Tyson Fresh Meats, Inc.           | Meat Packing                                 | 934                                                  |
| Emporia State University          | Higher Education                             | 724                                                  |
| Hostess Brands, LLC               | Cake Products                                | 570                                                  |
| Newman Regional Health Hospital   | Healthcare                                   | 440                                                  |
| Lyon County                       | County Government                            | 271                                                  |
| City of Emporia                   | City Government                              | 243                                                  |
| Hopkins Manufacturing Corporation | Automotive Products                          | 232                                                  |
| Wal-Mart Super Center             | Retail                                       | 213                                                  |
| Michelin                          | Rubber Products                              | 201                                                  |
| Evco Wholesale Food Corporation   | Wholesale Food Distributor                   | 149                                                  |
| Norfolk Iron & Metal Company      | Steel Distribution Center                    | 130                                                  |
| Hill's Pet Nutrition              | Pet Food                                     | 120                                                  |
| Flint Hills Technical College     | Technical College                            | 113                                                  |
| Vektek, Inc.                      | Manufacturer of Hydraulic Clamping Equipment | 91                                                   |
| Holman Distribution               | Warehousing, Shipping, Transportation        | 77                                                   |
| Better Life Technologies          | Manufacturer of Plastic Home Products        | 75                                                   |

**Source:** Emporia Chamber of Commerce

*\* In September, 2022, Emporia State University announced plans to reduce its workforce by seven percent, including tenured faculty members.*

## Labor Force and Employment

The following table sets forth the labor force and employment figures for Lyon County and the State of Kansas:

### LYON COUNTY

| <u>Year</u> | <u>Total<br/>Labor Force</u> | <u>Employed</u> | <u>Unemployed</u> | <u>Unemployed<br/>Rate</u> |
|-------------|------------------------------|-----------------|-------------------|----------------------------|
| 2013        | 16,466                       | 15,283          | 1,183             | 7.2%                       |
| 2014        | 16,539                       | 15,698          | 841               | 5.1%                       |
| 2015        | 16,682                       | 15,966          | 716               | 4.3%                       |
| 2016        | 16,897                       | 16,206          | 691               | 4.1%                       |
| 2017        | 16,864                       | 16,228          | 636               | 3.8%                       |
| 2018        | 16,722                       | 16,131          | 591               | 3.5%                       |
| 2019        | 16,878                       | 16,286          | 592               | 3.5%                       |
| 2020        | 16,709                       | 15,934          | 775               | 4.6%                       |
| 2021        | 16,958                       | 16,462          | 496               | 2.9%                       |
| 2022        | 17,028                       | 16,598          | 430               | 2.5%                       |

### STATE OF KANSAS

| <u>Year</u> | <u>Total<br/>Labor Force</u> | <u>Employed</u> | <u>Unemployed</u> | <u>Unemployed<br/>Rate</u> |
|-------------|------------------------------|-----------------|-------------------|----------------------------|
| 2013        | 1,489,395                    | 1,410,470       | 78,925            | 5.3%                       |
| 2014        | 1,494,203                    | 1,426,892       | 67,311            | 4.5%                       |
| 2015        | 1,493,782                    | 1,431,533       | 62,249            | 4.2%                       |
| 2016        | 1,491,961                    | 1,431,920       | 60,041            | 4.0%                       |
| 2017        | 1,488,346                    | 1,434,516       | 53,830            | 3.6%                       |
| 2018        | 1,493,360                    | 1,443,204       | 50,156            | 3.4%                       |
| 2019        | 1,504,552                    | 1,455,263       | 49,289            | 3.3%                       |
| 2020        | 1,503,002                    | 1,415,445       | 87,557            | 5.8%                       |
| 2021        | 1,500,677                    | 1,451,204       | 49,473            | 3.3%                       |
| 2022        | 1,504,932                    | 1,464,834       | 40,098            | 2.7%                       |

**Source:** Labor Market Information Services, Kansas Dept. of Labor in cooperation with BLS, U.S. Dept. of Labor

## Sales Tax Collections

In 1984, voters in the City approved a continual one-half cent citywide local option sales tax. In 1994, voters in the City approved an additional one-half cent citywide local option sales tax for a period of ten years, which was most recently renewed and extended to 2039 by voters at an election held in 2020. The total sales tax for goods and services in the City is now 8.5%, which consists of 6.5% imposed by the State of Kansas, 1.0% imposed by Lyon County and a 1% citywide local option sales tax.

Sales tax collections are the responsibility of the Kansas Department of Revenue. The Department of Revenue distributes the local option countywide and citywide sales taxes on a monthly basis. Countywide sales taxes are distributed between the levying county and the cities within the county based on population and relative tax levies. Citywide local option sales taxes are distributed solely to the City.

The City uses sales tax receipts from the 1984 one-half cent local option citywide sales tax to fund infrastructure improvements. Receipts from the additional one-half cent local option citywide sales are used to provide property tax relief and for economic development. During 2000, the City conducted an election during which the voters approved the use of a portion of the sales tax for purposes of constructing an aquatic center.

The voters in Lyon County approved a 1% countywide sales tax at an election held in August, 2008. This sales tax is shared with cities in Lyon County. The County began collecting the sales tax during 2009. The City expects to receive approximately 48% of the countywide general sales tax collections.

The following table lists the total local option sales tax receipts of the City of Emporia in the years indicated:

#### CITY SALES TAX COLLECTIONS

| <b><u>Year</u></b> | <b><u>½ Cent City<br/>Sales Tax Receipts</u></b> | <b><u>Additional<br/>½ Cent City<br/>Sales Tax Receipts</u></b> | <b><u>Total<br/>City<br/>Sales Tax</u></b> |
|--------------------|--------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------|
| 2013               | \$2,118,638                                      | \$2,118,638                                                     | \$4,237,276                                |
| 2014               | 2,222,751                                        | 2,222,751                                                       | 4,445,502                                  |
| 2015               | 2,313,452                                        | 2,313,452                                                       | 4,626,904                                  |
| 2016               | 2,305,720                                        | 2,305,720                                                       | 4,611,441                                  |
| 2017               | 2,324,761                                        | 2,324,761                                                       | 4,649,522                                  |
| 2018               | 2,421,680                                        | 2,421,680                                                       | 4,843,361                                  |
| 2019               | 2,480,468                                        | 2,480,468                                                       | 4,960,937                                  |
| 2020               | 2,495,797                                        | 2,495,797                                                       | 4,991,594                                  |
| 2021               | 2,719,833                                        | 2,719,833                                                       | 5,439,666                                  |
| 2022               | 3,042,597                                        | 3,042,597                                                       | 6,085,194                                  |

**Source:** City Clerk

#### CITY PORTION OF COUNTYWIDE SALES TAX

| <b><u>Year</u></b> | <b><u>City Portion of<br/>Countywide<br/>Sales Tax Receipts</u></b> |
|--------------------|---------------------------------------------------------------------|
| 2013               | \$2,428,145                                                         |
| 2014               | 2,211,474                                                           |
| 2015               | 2,309,182                                                           |
| 2016               | 2,278,050                                                           |
| 2017               | 2,271,487                                                           |
| 2018               | 2,385,756                                                           |
| 2019               | 2,463,818                                                           |
| 2020               | 2,535,236                                                           |
| 2021               | 2,822,749                                                           |
| 2022               | 3,112,240                                                           |

**Source:** City Clerk

The following table lists the sales tax collections for the State of Kansas portion of the total sales tax in Lyon County during the years as indicated:

#### LYON COUNTY - STATE SALES TAX COLLECTIONS

| <b><u>Year</u></b> | <b><u>Sales Tax Collections</u></b> | <b><u>Per Capita Sales Tax</u></b> |
|--------------------|-------------------------------------|------------------------------------|
| 2012               | \$24,623,901                        | \$741.86                           |
| 2013               | 24,951,018                          | 731.68                             |
| 2014               | 26,863,499                          | 755.25                             |
| 2015               | 27,635,474                          | 802.48                             |
| 2016               | 28,334,894                          | 851.01                             |
| 2017               | 27,987,774                          | 836.04                             |
| 2018               | 32,847,299                          | 853.97                             |
| 2019               | 34,276,798                          | 998.26                             |
| 2020               | 34,214,512                          | 1,043.77                           |
| 2021               | 38,276,799                          | 1,140.85                           |

**Source:** Kansas Statistical Abstract

## Financial and Banking Institutions

There are currently 9 banks with 13 banking locations in Lyon County. For the years listed, deposits of the banks located in Lyon County are as follows:

| <u>Year</u> | <u>Total Bank Deposits</u> |
|-------------|----------------------------|
| 2013        | \$523,785,000              |
| 2014        | 515,071,000                |
| 2015        | 512,603,000                |
| 2016        | 520,018,000                |
| 2017        | 538,880,000                |
| 2018        | 564,434,000                |
| 2019        | 569,603,000                |
| 2020        | 639,188,000                |
| 2021        | 725,471,000                |
| 2022        | 763,257,000                |

**Source:** FDIC

## Building Permits

The following table indicates the total valuation of building permits issued within the City in the years indicated. These numbers reflect permits issued either for new construction or for major renovation.

| <u>Year</u> | <u>New Single Family Dwellings</u> | <u>Total Value New Single Family Dwellings</u> | <u>Total Permits</u> | <u>Total Construction Value</u> |
|-------------|------------------------------------|------------------------------------------------|----------------------|---------------------------------|
| 2013        | 9                                  | \$1,355,622                                    | 413                  | \$11,538,204                    |
| 2014        | 12                                 | 1,850,898                                      | 405                  | 20,258,914                      |
| 2015        | 14                                 | 1,792,992                                      | 431                  | 18,769,295                      |
| 2016        | 20                                 | 3,264,781                                      | 431                  | 19,080,680                      |
| 2017        | 32                                 | 7,561,767                                      | 429                  | 39,861,843                      |
| 2018        | 23                                 | 4,341,300                                      | 705                  | 37,007,253                      |
| 2019        | 12                                 | 1,447,993                                      | 731                  | 23,364,363                      |
| 2020        | 17                                 | 3,192,895                                      | 531                  | 21,094,280                      |
| 2021        | 16                                 | 3,481,781                                      | 755                  | 62,810,742                      |
| 2022        | 10                                 | 2,250,530                                      | 1434                 | 70,132,430                      |
| 2023*       | 6                                  | 1,404,968                                      | 452                  | 32,434,310                      |

\*As of July 31, 2023.

**Source:** City Clerk

## Population

The following table shows the approximate population of the City and Lyon County in the years indicated:

| <u>Year</u> | <u>City of Emporia Population</u> | <u>Lyon County Population</u> |
|-------------|-----------------------------------|-------------------------------|
| 1960        | 18,190                            | 26,928                        |
| 1970        | 23,116                            | 32,071                        |
| 1980        | 25,287                            | 35,108                        |
| 1990        | 25,512                            | 34,732                        |
| 2000        | 26,760                            | 33,920                        |
| 2010        | 24,916                            | 33,371                        |
| 2020        | 24,598                            | 33,195                        |
| 2022        | 24,343                            | 32,880                        |

The median age of persons in Lyon County and the State of Kansas is 32.5 and 36.0, respectively, per the 2010 Census.

**Source:** U.S. Bureau of the Census; Kansas Statistical Abstract

## Personal Income

The Lyon County personal and per capita personal income and State of Kansas per capita personal income are listed for the years indicated in the following table:

| <u>Year</u> | <u>Lyon County<br/>Total Personal<br/>Income</u> | <u>Lyon County<br/>Per Capita<br/>Personal Income</u> | <u>State of Kansas<br/>Per Capita<br/>Personal Income</u> |
|-------------|--------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------------|
| 2010        | \$947,340,000                                    | \$28,149                                              | \$38,545                                                  |
| 2011        | 995,811,000                                      | 29,493                                                | 40,883                                                    |
| 2012        | 985,650,000                                      | 29,397                                                | 43,725                                                    |
| 2013        | 1,042,013,000                                    | 31,139                                                | 44,311                                                    |
| 2014        | 1,102,558,000                                    | 33,276                                                | 44,891                                                    |
| 2015        | 1,136,285,000                                    | 34,309                                                | 47,161                                                    |
| 2016        | 1,184,109,000                                    | 35,452                                                | 47,228                                                    |
| 2017        | 1,214,277,000                                    | 36,364                                                | 48,559                                                    |
| 2018        | 1,279,340,000                                    | 38,297                                                | 51,471                                                    |
| 2019        | 1,290,411,000                                    | 38,840                                                | 52,820                                                    |
| 2020        | 1,422,089,000                                    | 43,035                                                | 55,677                                                    |

*Source:* Kansas Statistical Abstract

## ***FINANCIAL INFORMATION OF THE ISSUER***

### **Accounting, Budgeting and Auditing Procedures**

The City has established a uniform system of accounting maintained in accordance with the laws of the State of Kansas and generally accepted accounting principles. The accounts are maintained on the modified accrual basis for all budgetary funds and on the accrual basis for all other funds.

An annual budget of estimated receipts and disbursements for the coming calendar year is required by statute to be prepared for all funds (unless specifically exempted). The budget is prepared utilizing the modified accrual basis which is further modified by the encumbrance method of accounting. For example, commitments such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures. The budget lists estimated receipts by funds and sources and estimated disbursements by funds and purposes. The proposed budget is presented to the governing body of the City prior to August 1, with a public hearing required to be held prior to August 15, with the final budget to be adopted by a majority vote of the governing body of the City prior to August 25 of each year (or September 20 if the City must conduct a public hearing to levy taxes in excess of its revenue neutral rate described below). Budgets may be amended upon action of the governing body after notice and public hearing, provided that no additional tax revenues may be raised after the original budget is adopted.

The City may levy taxes in accordance with the requirements of its adopted budget. Property tax levies are based on the adopted budget of the City and the assessed valuations provided by the County appraiser. In 2021, the Kansas Legislature passed legislation (the "Revenue Neutral Tax Act") that repeals the "tax lid" (formerly K.S.A. 79-2925c) and provides that, beginning January 1, 2021, a taxing subdivision (which includes any political subdivision of the State that levies an ad valorem property tax, including the City) is not authorized to levy a property tax rate in excess of its revenue neutral rate without first providing notice, holding a public hearing, and authorizing such property tax rate by majority vote of its governing body. The revenue neutral rate means the tax rate for the current tax year that would generate the same property tax revenue as levied the previous tax year using the current tax year's total assessed valuation.

The Revenue Neutral Tax Act provides that by June 15 of every year, each county clerk shall calculate the revenue neutral rate for each taxing subdivision in their respective county. If a taxing subdivision desires to levy a tax rate in excess of its revenue neutral rate, it must first publish notice of a public hearing and notify, by July 20, the county clerk of the taxing subdivision's intent to exceed the revenue neutral rate. The county clerk is required to provide notice of the public hearing to each taxpayer with property in the taxing subdivision, along with following information concerning the taxing subdivision: (1) the revenue neutral rate, (2) the proposed property tax revenue needed to fund the proposed budget, (3) the proposed tax rate based on the proposed budget, (4) the tax rate and property tax of each taxing subdivision on the taxpayer's property from the previous year's tax statement, (5) the appraised value and assessed value of the taxpayer's property, (6) estimates of the tax for the current tax year on the taxpayer's property based on the revenue neutral rate of each taxing subdivision and any proposed tax rates that exceed the revenue neutral rates, (7) the difference between the estimates of tax based on the proposed tax rate and the revenue neutral rate. The public hearing regarding exceeding the revenue neutral rate is to be held between August 20 and September 20, and can be held in conjunction with the taxing



subdivision's budget hearing. If multiple taxing subdivisions within the county are required to hold a public hearing, the county clerk's notices to the taxpayer can be combined into a single notice. After the public hearing, the taxing subdivision can approve exceeding the revenue neutral rate by governing body approval of a resolution or ordinance, and thereafter the taxing subdivisions will hold the public hearing and adopt the budget by majority vote of its governing body. The amount of tax to be levied and the adopted budget must be certified to the county clerk by October 1. The taxing subdivision's adopted budget shall not result in a tax rate in excess of its proposed rate stated in the notice provided to the taxpayers. If a taxing subdivision fails to comply with the requirements of the Revenue Neutral Tax Act, it shall refund to the taxpayers any property taxes over-collected based on the amount of the levy that was in excess of the revenue neutral rate.

The City cannot predict the impact of the Revenue Neutral Tax Act on the ratings on the Bonds, or the general rating of the City. A change in the rating on the Bonds or a change in the general rating of the City may adversely impact the market price of the Bonds in the secondary market.

Kansas law prohibits governmental units from creating indebtedness unless there are funds on hand in the proper accounts and unencumbered by previous action with which to pay such indebtedness. An exception to this cash-basis operation is made where provision has been made for payment of obligations by bonds or other specific debt obligations authorized by law.

The financial records of the City are audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards. In recent years, the annual audit has been performed by Hood and Associates, CPAs, PC, Certified Public Accountants, Overland Park, Kansas. Copies of the audit reports for the past five (5) years are on file in the Clerk's office and are available for review. The audit for the Fiscal Year ended December 31, 2022 is attached hereto as *Appendix B*. The financial information contained in the Appendices to this Official Statement are an integral part of this document and are intended to be read in conjunction herewith.

## **Property Valuations**

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the state of Kansas is the responsibility of the various counties under the direction of state statutes. The County Appraiser's office determines the assessed valuation that is to be used as a basis for the mill levy on property located in the City.

Property subject to ad valorem taxation is divided into two classes, real property and personal property. Real property is divided into seven subclasses; there are six subclasses of personal property. The real property (Class 1) subclasses are: (i) real property used for residential purposes including multi-family mobile or manufactured homes and the real property on which such homes are located, assessed at 11.5%, (ii) agricultural land, valued on the basis of agricultural income or productivity, assessed at 30%, (iii) vacant lots, assessed at 12%, (iv) real property, owned and operated by a not-for-profit organization not subject to federal income taxation, pursuant to Section 501 of the Internal Revenue Code, assessed at 12%, (v) public utility real property, except railroad real property, assessed at the average rate that all other commercial and industrial property is assessed, assessed at 33%, (vi) real property used for commercial and industrial purposes and buildings and other improvements located on land devoted to agricultural use, assessed at 25%, and (vii) all other urban and real property not otherwise specifically classified, assessed at 30%. Tangible personal property (Class 2) subclasses are: (i) mobile homes used for residential purposes, assessed at 11.5%, (ii) mineral leasehold interests, except oil leasehold interests, the average daily production from which is 5 barrels or less, and natural gas leasehold interests, the average daily production from which is 100 mcf or less, which shall be assessed at 25%, assessed at 30%, (iii) public utility tangible personal property, including inventories thereof, except railroad personal property, including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed, assessed at 33%, (iv) all categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985, assessed at 20%, (v) commercial and industrial machinery and equipment which if its economic life is 7 years or more, shall be valued at its retail cost, when new, less seven-year straight-line depreciation, or which, if its economic life is less than 7 years, shall be valued at its retail cost when new, less straight-line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property, assessed at 25%, and (vi) all other tangible personal property not otherwise specifically classified, assessed at 30%. All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchants' and manufacturers' inventories, other than public utility inventories included in subclass (3) of class 2, livestock, and all household goods and personal effects not used for the production of income, shall be exempted from property taxation.

The 2006 Legislature exempted from all property or ad valorem property taxes levied under the laws of the State all commercial, industrial, telecommunications and railroad machinery and equipment acquired by qualified purchase or lease after June 30, 2006 or transported into the State after June 30, 2006 for the purpose of expanding an existing business or creation of a new business.

The Legislature may from time to time adopt changes in the property tax system or method of imposing and collecting property taxes within the State. Taxpayers may also challenge the fair market value of property assigned by the county appraiser. The effects of such legislative changes and successful challenges to the appraiser's determination of fair market value could affect the Issuer's property tax collections. If a taxpayer valuation challenge is successful, the liability of the Issuer to refund property taxes previously paid under protest may have a material impact on the Issuer's financial situation.

### Assessed Valuation

The following table shows the assessed value of the taxable tangible property of the City by category in the years as indicated:

| <u>Year</u> | <u>Real<br/>Property</u> | <u>Personal<br/>Property</u> | <u>Utilities</u> | <u>Motor<br/>Vehicles</u> | <u>Total<br/>Assessed Valuation</u> |
|-------------|--------------------------|------------------------------|------------------|---------------------------|-------------------------------------|
| 2013        | \$128,277,268            | \$9,067,071                  | \$8,830,349      | \$18,187,200              | \$164,361,888                       |
| 2014        | 130,087,582              | 7,214,943                    | 8,740,758        | 18,540,985                | 164,584,268                         |
| 2015        | 131,695,586              | 6,241,703                    | 9,431,119        | 19,562,617                | 166,931,025                         |
| 2016        | 131,455,041              | 5,769,153                    | 9,831,192        | 20,379,614                | 167,435,000                         |
| 2017        | 138,600,594              | 5,535,440                    | 10,316,325       | 20,630,111                | 175,082,470                         |
| 2018        | 144,232,409              | 5,267,883                    | 11,351,626       | 20,972,334                | 181,824,252                         |
| 2019        | 153,856,995              | 4,843,288                    | 12,160,955       | 21,636,964                | 192,498,202                         |
| 2020        | 158,688,533              | 3,940,329                    | 12,912,607       | 21,939,568                | 197,481,037                         |
| 2021        | 168,566,680              | 3,770,470                    | 14,014,075       | 22,838,681                | 209,189,906                         |
| 2022        | 183,076,993              | 3,697,834                    | 13,822,054       | 21,836,515                | 222,433,396                         |
| 2023*       | 207,591,184              | 3,696,233                    | 14,393,526       | 21,836,515                | 247,517,458                         |

\* Preliminary 2023 assessed valuation figures used for budgeting purposes. 2023 motor vehicle valuation not yet available; 2022 data used for estimation purposes only.

**Source:** County Clerk

### Estimated Actual Valuation

Based on an average assessment percentage of 19%, the following table provides estimated actual valuation figures for the taxable tangible property, including motor vehicles, for the City in the years indicated.

| <u>Year</u> | <u>Estimated<br/>Actual Valuation</u> |
|-------------|---------------------------------------|
| 2013        | \$865,062,568                         |
| 2014        | 866,232,989                           |
| 2015        | 878,584,342                           |
| 2016        | 881,236,842                           |
| 2017        | 921,486,684                           |
| 2018        | 956,969,747                           |
| 2019        | 1,013,148,432                         |
| 2020        | 1,039,373,879                         |
| 2021        | 1,100,999,505                         |
| 2022        | 1,170,702,084                         |
| 2023*       | 1,302,723,463                         |

\* Preliminary

## Property Tax Levies and Collections

### Tax Collections

Tax statements are mailed November 1 each year and may be paid in full or one-half on or before December 20 with the remaining one-half due on or before May 10 of the following year. Taxes that are unpaid on the due dates are considered delinquent and accrue interest at the rate of 12% per annum until paid or until the property is sold for taxes. Real estate bearing unpaid taxes is advertised for sale on or before August 1 of each year and is sold by the County for taxes and all legal charges on the first Tuesday in September. Properties that are sold and not redeemed within two years after the tax sale are subject to foreclosure sale, except homestead properties which are subject to foreclosure sale after three years.

Personal taxes are due and may be paid in the same manner as real estate taxes, with the same interest applying to delinquencies. If personal taxes are not paid when due, and after written notice, warrants are issued and placed in the hands of the Sheriff for collection. If not paid on or before October 1, legal judgment is entered and the delinquent tax becomes a lien on the property. Unless renewed, a non-enforced lien expires five years after it is entered.

Motor vehicle taxes are collected periodically throughout the year concurrently with the renewal of motor vehicle tags based upon the value of such vehicles. Such tax receipts are distributed to all taxing subdivisions, including the State of Kansas, in proportion to the number of mills levied within each taxpayer's tax levy unit.

### Special Assessments and Collections

The City has pursued a policy of utilizing special benefit districts to assign the cost of certain internal improvement projects to the property which was directly benefited from the construction thereof. Kansas statutes allow for the creation of special benefit districts to pay for the cost of a variety of improvements including street construction, storm water drains, sanitary sewer system improvements, street lighting, water system improvements, recreational facilities, flood control projects, bridges and parking facilities.

The City has typically utilized special benefit districts to pay for the costs associated with constructing streets, sidewalks, water lines, sewers, curbs, gutters and lighting in new residential developments within the City.

The creation of special benefit districts, the determination of property benefited and the method of allocating the cost of the improvements is at the discretion of the City. Property owners have the ability to suggest improvement to be made through a petition process and to comment on the final amount of their assessment. The City may or may not be included as part of the special benefit district. All property owners have the option to pay their portion of the improvement cost with a one time payment during an assessment prepayment period or pay in annual installments with interest over a certain number of years.

Upon completion of the special benefit district improvement projects and a prepayment period, the City issues general obligation bonds to provide for permanent project financing. The payment of the principal of and interest on such bonds is paid from the special assessments levied annually on the benefited property owners. Special assessments are paid at the same time and in the same manner as ad valorem property taxes. If at any time the special assessments received from the property owners are insufficient to provide for the payment of the principal of and interest on the bonds, the City is obligated to provide for the balance of such payments through its ability to levy unlimited ad valorem property taxes.

### Tax Levies

Property tax levies are determined by the County Clerk based upon the assessed valuations provided by the County Appraiser. The following table provides the mill levy per \$1,000 of assessed valuation of the City for the years indicated:

| <b>Levy<br/>Year</b> | <b>General</b> | <b>Special<br/>Revenue</b> | <b>Bond and<br/>Interest</b> | <b>Total</b> |
|----------------------|----------------|----------------------------|------------------------------|--------------|
| 2013/14              | 22.342         | 4.373                      | 14.867                       | 41.582       |
| 2014/15              | 19.412         | 4.570                      | 17.624                       | 41.606       |
| 2015/16              | 21.078         | 4.997                      | 15.456                       | 41.531       |
| 2016/17              | 25.060         | 5.047                      | 12.840                       | 42.947       |
| 2017/18              | 27.167         | 5.003                      | 10.405                       | 42.575       |
| 2018/19              | 27.508         | 5.034                      | 10.312                       | 42.854       |
| 2019/20              | 27.608         | 5.064                      | 10.427                       | 43.099       |
| 2020/21              | 27.858         | 5.002                      | 10.002                       | 42.862       |
| 2021/22              | 27.817         | 4.895                      | 9.988                        | 42.800       |
| 2022/23              | 29.210         | 5.073                      | 10.143                       | 44.426       |

*Source:* County Clerk

## Aggregate Tax Levies

The following table sets forth the aggregate tax levies of jurisdictions with boundaries overlapping the City:

| <u>Levy<br/>Year</u> | <u>Budget<br/>Year</u> | <u>State/County</u> | <u>City</u> | <u>School</u> | <u>Total</u> |
|----------------------|------------------------|---------------------|-------------|---------------|--------------|
| 2013                 | 2014                   | 56.013              | 41.582      | 61.386        | 159.005      |
| 2014                 | 2015                   | 54.513              | 41.606      | 61.386        | 157.505      |
| 2015                 | 2016                   | 58.676              | 41.531      | 61.415        | 161.622      |
| 2016                 | 2017                   | 60.896              | 42.947      | 63.059        | 166.902      |
| 2017                 | 2018                   | 60.826              | 42.575      | 63.349        | 166.450      |
| 2018                 | 2019                   | 60.088              | 42.854      | 63.184        | 166.126      |
| 2019                 | 2020                   | 59.303              | 43.099      | 63.333        | 165.535      |
| 2020                 | 2021                   | 56.923              | 42.862      | 63.187        | 162.972      |
| 2021                 | 2022                   | 54.781              | 42.800      | 62.931        | 160.512      |
| 2022                 | 2023                   | 54.476              | 44.426      | 64.400        | 163.301      |

*Source:* County Clerk

## Tax Collection Record

The following table sets forth the property tax collection information for the City for the years indicated:

| <u>Year</u> | <u>Total<br/>Tax Levy</u> | <u>Current Tax<br/>Collections</u> | <u>% Current<br/>Tax Collected</u> | <u>Prior Years Tax<br/>Collected</u> | <u>Total Tax<br/>Collections</u> | <u>Ratio of Collections<br/>versus Levy</u> |
|-------------|---------------------------|------------------------------------|------------------------------------|--------------------------------------|----------------------------------|---------------------------------------------|
| 2013/14     | \$6,331,109               | \$6,129,627                        | 96.82%                             | \$46,749                             | \$6,176,376                      | 97.56%                                      |
| 2014/15     | 6,392,535                 | 6,149,466                          | 96.19%                             | 93,034                               | 6,242,500                        | 97.65%                                      |
| 2015/16     | 6,384,574                 | 6,174,797                          | 96.71%                             | 13,920                               | 6,188,767                        | 96.93%                                      |
| 2016/17     | 6,547,585                 | 6,339,949                          | 96.83%                             | 12,231                               | 6,352,162                        | 97.01%                                      |
| 2017/18     | 6,782,067                 | 6,608,840                          | 97.45%                             | 92,888                               | 6,701,728                        | 98.82%                                      |
| 2018/19     | 7,089,369                 | 6,936,700                          | 97.85%                             | 27,598                               | 6,964,298                        | 98.24%                                      |
| 2019/20     | 7,502,534                 | 7,248,617                          | 97.38%                             | 34,055                               | 7,282,672                        | 97.81%                                      |
| 2020/21     | 7,653,671                 | 7,366,096                          | 98.77%                             | 96,153                               | 7,462,249                        | 97.50%                                      |
| 2021/22     | 8,085,317                 | 8,018,802                          | 99.18%                             | 146,094                              | 8,164,896                        | 100.98%                                     |
| 2022/23     | 9,452,048                 | 8,935,610                          | 94.54%                             | 8,652                                | 8,944,262                        | 94.63%                                      |

*Source:* County Clerk

## Major Taxpayers

The following table sets forth the largest taxpayers in the City for 2022:

| <u>Business</u>                     | <u>Assessed<br/>Valuation</u> | <u>Total<br/>Tax Paid</u> |
|-------------------------------------|-------------------------------|---------------------------|
| Evergy Kansas Central, Inc.         | \$9,093,254                   | \$1,484,937.48            |
| Hill's Pet Nutrition, Inc.          | 6,347,942                     | 1,036,625.28              |
| Simmons Pet Food KS, Inc.           | 5,064,697                     | 859,213.24                |
| Kansas Gas Service                  | 2,413,075                     | 394,057.56                |
| Iowa Beef Processors, Inc.          | 1,746,868                     | 285,265.30                |
| Wal-Mart Real Estate Business Trust | 1,746,469                     | 285,200.14                |
| BNSF Railroad                       | 1,415,819                     | 231,204.66                |
| Emporia Land Development LLC        | 1,293,111                     | 211,166.38                |
| Camoplast Rockland, LTD.            | 1,144,213                     | 186,851.14                |
| JAE Properties Kansas, LLC          | 1,071,486                     | 174,974.74                |

*Source:* County Clerk

## Pension and Employee Retirement Plans

The Issuer participates in the Kansas Public Employees Retirement System (“KPERS”) established in 1962, as an instrumentality of the State, pursuant to K.S.A. 74-4901 *et seq.*, to provide retirement and related benefits to public employees in Kansas. KPERS is governed by a board of trustees consisting of nine members each of whom serve four-year terms. The board of trustees appoints an executive director to serve as the managing officer of KPERS and manage a staff to carry out daily operations of the system.

As of December 31, 2022, KPERS serves approximately 340,000 members and approximately 1,500 participating employers, including the State, school districts, counties, cities, public libraries, hospitals and other governmental units. KPERS administers the following three statewide, defined benefit retirement plans for public employees:

- (a) Kansas Public Employees Retirement System;
- (b) Kansas Police and Firemen’s Retirement System; and
- (c) Kansas Retirement System for Judges.

These three plans are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Kansas Public Employees Retirement System is the largest of the three plans, accounting for approximately 95% of the members. The Kansas Public Employees Retirement System is further divided into two separate groups, as follows:

(a) *State/School Group* - includes members employed by the State, school districts, community colleges, vocational-technical schools and educational cooperatives. The State of Kansas makes all employer contributions for this group, the majority of which comes from the State General Fund.

(b) *Local Group* - all participating cities, counties, library boards, water districts and political subdivisions are included in this group. Local employers contribute at a different rate than the State/School Group rate.

KPERS is currently a qualified, governmental, § 401(a) defined benefit pension plan, and has received IRS determination letters attesting to the plan’s qualified status dated October 14, 1999 and March 5, 2001. KPERS is also a “contributory” defined benefit plan, meaning that employees make contributions to the plan. This contrasts it from noncontributory pension plans, which are funded solely by employer contributions. The Issuer’s employees currently annually contribute 6% of their gross salary to the plan if such employees are KPERS Tier 1 members (covered employment prior to July 1, 2009), KPERS Tier 2 members (covered employment on or after July 1, 2009), or KPERS Tier 3 members (covered employment on or after January 1, 2015).

In 2021, the Legislature authorized the issuance of revenue bonds to provide net proceeds of up to \$500 million (the “Revenue Bonds”) the proceeds of which must be applied to the unfunded actuarial pension liability as directed by KPERS. The Revenue Bonds in the principal amount of \$504,535,000 were issued August 26, 2021. The repayment of the Revenue Bonds shall be subject to legislative annual appropriation, shall not be an obligation of the KPERS system, and the full faith and credit or taxing power of the State shall not be pledged to the repayment of the Revenue Bonds. Due to the authorization of the Revenue Bonds, the Legislature changed the State/School employer contribution rate from 14.09% to 13.33% for fiscal year 2022 and from 13.86% to 13.11% for fiscal year 2023. In 2022, the Legislature authorized additional contributions totaling \$1.125 billion in four payments to be deposited into the KPERS trust fund for the School Group. Typically when such additional contributions are made by the State, the statutory employer contribution rates for the following two fiscal years are recertified by the Legislation; however the recertification has not yet occurred. For more information about the Legislature’s actions related to KPERS, please see the 2021 Valuation Report referenced below.

The Issuer’s contribution varies from year to year based upon the annual actuarial valuation and appraisal made by KPERS, subject to legislative caps on percentage increases. The Issuer’s contribution is 8.43% of the employee’s gross salary for calendar year 2023, and is projected to change to 9.26% of the employee’s gross salary for calendar year 2024. In addition, the Issuer contributes 1% of the employee’s gross salary for Death and Disability Insurance for covered employees.

According to the Valuation Report as of December 31, 2022 (the “2022 Valuation Report”) the KPERS Local Group, of which the Issuer is a member, carried an unfunded accrued actuarial liability (“UAAL”) of approximately \$1.952 billion at the end of 2022. The amount of the UAAL in 2022 changed from the previous year’s amount due to the factors discussed in the 2022 Valuation Report; such report also includes additional information relating to the funded status of the KPERS Local Group, including recent trends in the funded status of the KPERS Local Group. A copy of the 2022 Valuation Report is available on the KPERS website at [kpers.org/about/reports](https://kpers.org/about/reports). The Issuer has no means to independently verify any of the information set forth on the KPERS website or in the 2022 Valuation Report, which is the most recent financial and actuarial information available on the KPERS website relating to the funded status of the KPERS Local Group. The 2022 Valuation Report sets the employer contribution rate for the period beginning

January 1, 2025, for the KPERS Local Group, and KPERS' actuaries identified that an employer contribution rate of 9.60% of covered payroll would be necessary, in addition to statutory contributions by covered employees, to eliminate the UAAL by the end of the actuarial period set forth in the 2022 Valuation Report. The statutory contribution rate of employers currently equals the 2022 Valuation Report's actuarial rate. As a result, members of the Local Group are adequately funding their projected actuarial liabilities and the UAAL can be expected to diminish over time. The required employer contribution rate may increase up to the maximum statutorily allowed rate, which is 1.2% in fiscal year 2017 and thereafter.

## DEBT STRUCTURE

The following table summarizes certain key statistics with respect to the City's general obligation debt:

|                                                                         | <b>Gross Debt</b> | <b>Net of Self-Supporting Debt</b> |
|-------------------------------------------------------------------------|-------------------|------------------------------------|
| Assessed Valuation .....                                                | \$247,517,458     | \$247,517,458                      |
| Appraised Valuation <sup>(1)</sup> .....                                | \$1,302,723,463   | \$1,302,723,463                    |
| Outstanding General Obligation Debt .....                               | \$27,590,000      | \$6,430,000                        |
| Net Overlapping Debt .....                                              | \$50,111,040      | \$50,111,040                       |
| Population .....                                                        | 24,343            | 24,343                             |
| Direct Debt Per Capita .....                                            | \$1,133.39        | \$264.14                           |
| Direct and Overlapping Debt Per Capita .....                            | \$3,191.93        | \$2,322.68                         |
| Direct Debt as a Percentage of Assessed Valuation .....                 | 11.15%            | 2.60%                              |
| Direct and Overlapping Debt as a Percentage of Assessed Valuation.....  | 31.39%            | 22.84%                             |
| Direct Debt as a Percentage of Appraised Valuation.....                 | 2.12%             | 0.49%                              |
| Direct and Overlapping Debt as a Percentage of Appraised Valuation..... | 5.96%             | 4.34%                              |

<sup>(1)</sup> Outstanding General Obligation Bonds as of November 29, 2023. Gross Debt includes any self-supporting bonds which are payable from revenues of the Water System and, if not so paid, from ad valorem taxes or bonds which are payable from revenues of the Sewer System and, if not so paid, from ad valorem taxes. Net of Self-Supporting Debt excludes any self-supporting bonds which are primarily payable from revenues of the Water System or Sewer System and, if not so paid, from ad valorem taxes.

<sup>(2)</sup> Based on preliminary 2023 assessed valuation figures used for budgeting purposes. 2023 motor vehicle valuation not yet available; 2022 data used for estimation purposes only.

## Current Indebtedness of the City

The following tables set forth as of the date of issuance of the Bonds all of the outstanding obligations of the City, including the Bonds:

### Tax and Assessment Supported Bonds

| <u>Series</u>                                                       | <u>Original Amount</u> | <u>Final Maturity</u> | <u>Currently Outstanding</u> |
|---------------------------------------------------------------------|------------------------|-----------------------|------------------------------|
| 2015                                                                | 4,330,000              | 9/1/2025              | \$455,000                    |
| 2016                                                                | 2,620,000              | 9/1/2029              | 135,000                      |
| 2018                                                                | 1,000,000              | 9/1/2028              | 260,000                      |
| 2020                                                                | 4,055,000              | 9/1/2035              | 2,410,000                    |
| 2022                                                                | 3,540,000              | 9/1/2037              | 3,170,000                    |
| Subtotal of Tax and Assessment Supported General Obligation Bonds = |                        |                       | <u>\$6,430,000</u>           |

In addition to the above-referenced bonds, the City also has issued general obligation bonds to refund certain utility system revenue bonds and provide funding for certain utility system improvements. The City intends to provide for the payment of such general obligation bonds with the net revenues derived from the operation of its water system and sewer system. If, however, such net revenues are not sufficient to make the required payments, the City is obligated to provide for the payment through its ability to levy unlimited ad valorem taxes. The following is a list of the revenue-supported general obligation bonds of the City:

### Utility System General Obligation Bonds

| <u>Series</u>                                            | <u>Original<br/>Amount</u> | <u>Final<br/>Maturity</u> | <u>Currently<br/>Outstanding</u> |
|----------------------------------------------------------|----------------------------|---------------------------|----------------------------------|
| 2015 (Water)                                             | \$3,775,000                | 9/1/2030                  | \$2,005,000                      |
| 2016 (Water)                                             | 2,220,000                  | 9/1/2026                  | 750,000                          |
| 2018 (Water, Sewer, Solid Waste)                         | 6,190,000                  | 9/1/2033                  | 4,210,000                        |
| 2020 (Water & Sewer)                                     | 2,885,000                  | 9/1/2035                  | 1,175,000                        |
| 2022 (Water & Sewer)                                     | 3,365,000                  | 9/1/2037                  | 3,095,000                        |
| 2023 (Water & Sewer) <sup>(1)</sup>                      | 9,925,000                  | 9/1/2043                  | <u>9,925,000</u>                 |
| Subtotal of Revenue Supported General Obligation Bonds = |                            |                           | <u>\$21,160,000</u>              |
| Total Outstanding General Obligation Bonds =             |                            |                           | <u>\$27,590,000</u>              |

<sup>(1)</sup> This Issue. Preliminary, subject to change.

### History of Indebtedness

The following table sets forth general obligation debt information pertaining to the Issuer as of the years set forth below:

| <u>Year</u> | <u>Population</u> | <u>Assessed<br/>Valuation</u> | <u>General Obligation<br/>Bonds <sup>(1)</sup></u> | <u>Debt<br/>to Assessed</u> | <u>Debt<br/>Per Capita</u> |
|-------------|-------------------|-------------------------------|----------------------------------------------------|-----------------------------|----------------------------|
| 2013        | 24,958            | \$164,361,888                 | \$16,075,000                                       | 9.78%                       | \$644.08                   |
| 2014        | 24,799            | 164,584,268                   | 12,875,000                                         | 7.82%                       | 519.17                     |
| 2015        | 24,560            | 166,618,009                   | 11,685,000                                         | 7.01%                       | 475.77                     |
| 2016        | 24,649            | 167,435,000                   | 9,190,000                                          | 5.49%                       | 372.83                     |
| 2017        | 24,649            | 175,082,470                   | 6,720,000                                          | 3.84%                       | 272.62                     |
| 2018        | 24,816            | 181,824,252                   | 6,105,000                                          | 3.35%                       | 246.01                     |
| 2019        | 24,598            | 192,498,202                   | 4,475,000                                          | 2.32%                       | 181.92                     |
| 2020        | 24,343            | 197,481,037                   | 7,650,000                                          | 3.80%                       | 314.26                     |
| 2021        | 24,343            | 209,189,906                   | 6,240,000                                          | 2.90%                       | 256.34                     |
| 2022        | 23,343            | 222,433,396                   | 8,325,000                                          | 3.74%                       | 356.63                     |

<sup>(1)</sup> Excludes the general obligation debt that is payable primarily from the net revenues of the City's Sewer System and Water System.

### Debt Payment Record

The City has never in its history defaulted on the payment of any of its debt obligations.

### Overlapping Indebtedness

The following table sets forth the overlapping general obligation indebtedness as of September 1, 2023 and the percent attributable (on the basis of assessed valuation) to the City:

| <u>Taxing<br/>Jurisdiction</u> | <u>Gross Outstanding<br/>General Obligation<br/>Indebtedness</u> | <u>Percent<br/>Applicable<br/>To Issuer</u> | <u>Gross Amount<br/>Applicable<br/>To Issuer</u> | <u>Net Amount<br/>Applicable<br/>To Issuer <sup>(1)(2)</sup></u> |
|--------------------------------|------------------------------------------------------------------|---------------------------------------------|--------------------------------------------------|------------------------------------------------------------------|
| Lyon County                    | \$-0-                                                            | 54%                                         | \$-0-                                            | \$-0-                                                            |
| U.S.D. No. 253                 | \$74,570,000                                                     | 84%                                         | <u>62,638,800</u>                                | <u>50,111,040</u>                                                |
|                                |                                                                  | Total =                                     | <u>\$62,638,800</u>                              | <u>\$50,111,040</u>                                              |

<sup>(1)</sup> Excludes the Lyon County, Kansas Public Building Commission bonds for a hospital project which are payable from payments made by the Newman Regional Health System.

<sup>(2)</sup> For bonds approved by voters prior to July 1, 2015, the State of Kansas will pay 69% of the debt service on bonds issued by Unified School District No. 253. For bonds approved by voters after July 1, 2015, but before July 1, 2022, the State of Kansas will pay 20% of debt service for Unified School District No. 253. For bonds approved by voters after July 1, 2022, the State of Kansas will pay 23% of debt service for Unified School District No. 253.

### Future Indebtedness

The City anticipates that it may issue temporary notes or general obligation bonds to finance certain improvements, including certain housing projects. However, the City does not have any plans to issue additional indebtedness in the immediate future.

***APPENDIX B***

**FINANCIAL STATEMENTS AND REPORT OF  
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS  
(FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022)**



***APPENDIX C***

**SUMMARY OF FINANCING DOCUMENTS**



## DRAFT FINANCING ANALYSIS

Raymond James Public Finance

Discussion Materials  
August 4, 2023

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**RAYMOND JAMES**

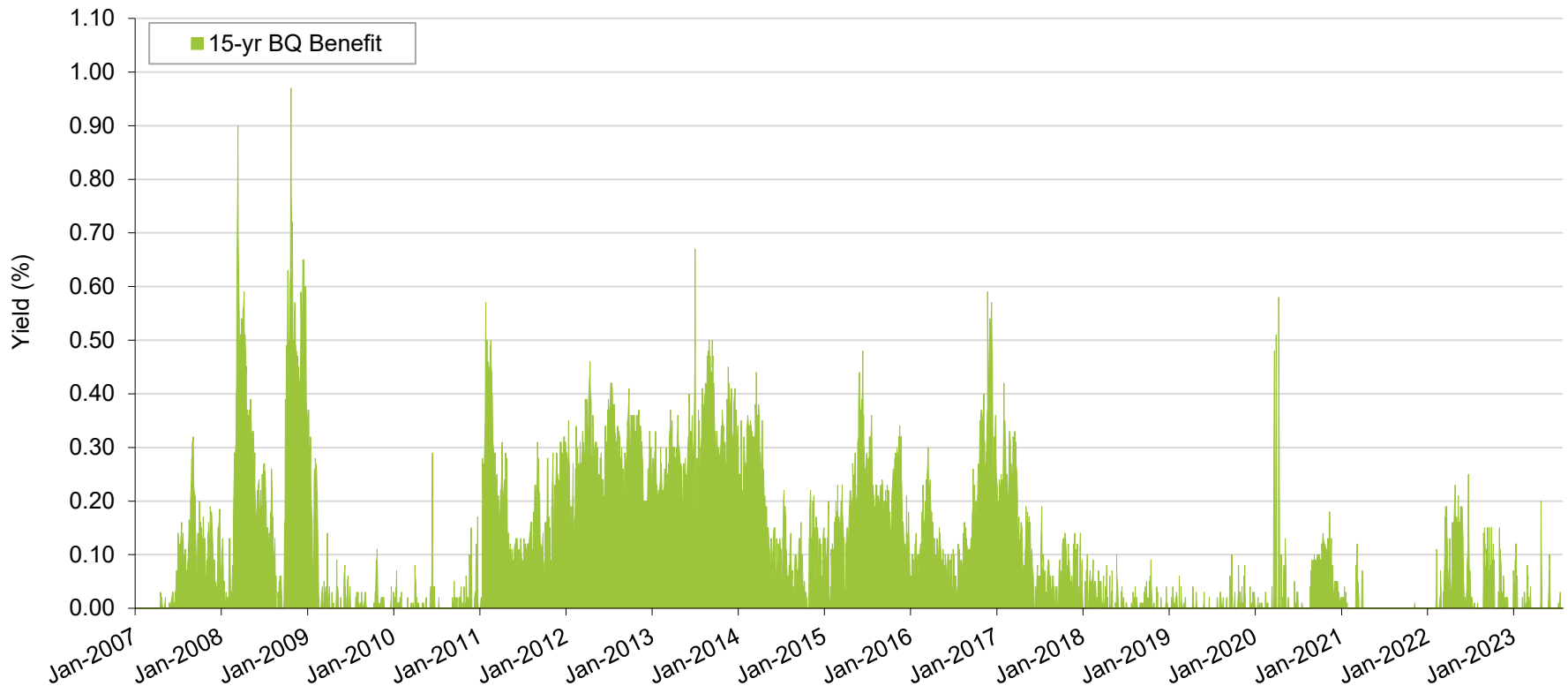
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## Value of Bank Qualified Designation

Bank qualified deals provided substantial yield benefits in the years leading up to the ARRA, when the bank qualified limit was raised to \$30 million. Due to increased supply, little advantage was seen in the 15-year rates until this limit returned to \$10 million in 2011.

As a result of the Tax Cuts and Jobs Act in 2017, the BQ benefit has fallen substantially because of the higher rates needed to offset the much lower tax burden banks now face.

**15-Year BQ Benefit over MMD  
2007 to Current**



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## Draft Financing Analysis: 10-Year Repayment

## SOURCES AND USES OF FUNDS

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size=\$10 Million, 10 Year Term)

Dated Date 11/01/2023  
Delivery Date 11/01/2023

### Sources:

#### Bond Proceeds:

|            |                      |
|------------|----------------------|
| Par Amount | 9,115,000.00         |
| Premium    | 979,044.65           |
|            | <u>10,094,044.65</u> |

#### Other Sources of Funds:

|             |                   |
|-------------|-------------------|
| Water Funds | 40,000.00         |
| Sewer Funds | 80,000.00         |
|             | <u>120,000.00</u> |

10,214,044.65

### Uses:

#### Project Fund Deposits:

|              |               |
|--------------|---------------|
| Project Fund | 10,060,000.00 |
|--------------|---------------|

#### Cost of Issuance:

|                        |           |
|------------------------|-----------|
| Other Cost of Issuance | 60,000.00 |
|------------------------|-----------|

#### Delivery Date Expenses:

|                        |           |
|------------------------|-----------|
| Underwriter's Discount | 91,150.00 |
|------------------------|-----------|

#### Other Uses of Funds:

|                     |          |
|---------------------|----------|
| Additional Proceeds | 2,894.65 |
|---------------------|----------|

10,214,044.65

## BOND DEBT SERVICE

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size=\$10 Million, 10 Year Term)

Dated Date 11/01/2023  
Delivery Date 11/01/2023

| Period Ending | Principal | Coupon | Interest     | Debt Service  | Annual Debt Service | Bond Balance | Total Bond Value |
|---------------|-----------|--------|--------------|---------------|---------------------|--------------|------------------|
| 11/01/2023    |           |        |              |               |                     | 9,115,000    | 9,115,000        |
| 03/01/2024    |           |        | 151,916.67   | 151,916.67    |                     | 9,115,000    | 9,115,000        |
| 09/01/2024    | 790,000   | 5.000% | 227,875.00   | 1,017,875.00  | 1,169,791.67        | 8,325,000    | 8,325,000        |
| 03/01/2025    |           |        | 208,125.00   | 208,125.00    |                     | 8,325,000    | 8,325,000        |
| 09/01/2025    | 755,000   | 5.000% | 208,125.00   | 963,125.00    | 1,171,250.00        | 7,570,000    | 7,570,000        |
| 03/01/2026    |           |        | 189,250.00   | 189,250.00    |                     | 7,570,000    | 7,570,000        |
| 09/01/2026    | 795,000   | 5.000% | 189,250.00   | 984,250.00    | 1,173,500.00        | 6,775,000    | 6,775,000        |
| 03/01/2027    |           |        | 169,375.00   | 169,375.00    |                     | 6,775,000    | 6,775,000        |
| 09/01/2027    | 830,000   | 5.000% | 169,375.00   | 999,375.00    | 1,168,750.00        | 5,945,000    | 5,945,000        |
| 03/01/2028    |           |        | 148,625.00   | 148,625.00    |                     | 5,945,000    | 5,945,000        |
| 09/01/2028    | 875,000   | 5.000% | 148,625.00   | 1,023,625.00  | 1,172,250.00        | 5,070,000    | 5,070,000        |
| 03/01/2029    |           |        | 126,750.00   | 126,750.00    |                     | 5,070,000    | 5,070,000        |
| 09/01/2029    | 920,000   | 5.000% | 126,750.00   | 1,046,750.00  | 1,173,500.00        | 4,150,000    | 4,150,000        |
| 03/01/2030    |           |        | 103,750.00   | 103,750.00    |                     | 4,150,000    | 4,150,000        |
| 09/01/2030    | 965,000   | 5.000% | 103,750.00   | 1,068,750.00  | 1,172,500.00        | 3,185,000    | 3,185,000        |
| 03/01/2031    |           |        | 79,625.00    | 79,625.00     |                     | 3,185,000    | 3,185,000        |
| 09/01/2031    | 1,010,000 | 5.000% | 79,625.00    | 1,089,625.00  | 1,169,250.00        | 2,175,000    | 2,175,000        |
| 03/01/2032    |           |        | 54,375.00    | 54,375.00     |                     | 2,175,000    | 2,175,000        |
| 09/01/2032    | 1,060,000 | 5.000% | 54,375.00    | 1,114,375.00  | 1,168,750.00        | 1,115,000    | 1,115,000        |
| 03/01/2033    |           |        | 27,875.00    | 27,875.00     |                     | 1,115,000    | 1,115,000        |
| 09/01/2033    | 1,115,000 | 5.000% | 27,875.00    | 1,142,875.00  | 1,170,750.00        |              |                  |
|               | 9,115,000 |        | 2,595,291.67 | 11,710,291.67 | 11,710,291.67       |              |                  |

## BOND PRICING

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size=\$10 Million, 10 Year Term)

| Bond Component | Maturity Date | Amount    | Rate   | Yield  | Price     | Yield to Maturity | Call Date  | Call Price | Premium (-Discount) |
|----------------|---------------|-----------|--------|--------|-----------|-------------------|------------|------------|---------------------|
| Serial Bonds:  |               |           |        |        |           |                   |            |            |                     |
|                | 09/01/2024    | 790,000   | 5.000% | 3.280% | 101.398   |                   |            |            | 11,044.20           |
|                | 09/01/2025    | 755,000   | 5.000% | 3.140% | 103.284   |                   |            |            | 24,794.20           |
|                | 09/01/2026    | 795,000   | 5.000% | 3.000% | 105.389   |                   |            |            | 42,842.55           |
|                | 09/01/2027    | 830,000   | 5.000% | 2.890% | 107.600   |                   |            |            | 63,080.00           |
|                | 09/01/2028    | 875,000   | 5.000% | 2.850% | 109.639   |                   |            |            | 84,341.25           |
|                | 09/01/2029    | 920,000   | 5.000% | 2.830% | 111.589   |                   |            |            | 106,618.80          |
|                | 09/01/2030    | 965,000   | 5.000% | 2.810% | 113.526   |                   |            |            | 130,525.90          |
|                | 09/01/2031    | 1,010,000 | 5.000% | 2.780% | 115.526   |                   |            |            | 156,812.60          |
|                | 09/01/2032    | 1,060,000 | 5.000% | 2.840% | 116.766   |                   |            |            | 177,719.60          |
|                | 09/01/2033    | 1,115,000 | 5.000% | 2.900% | 116.257 C | 3.071%            | 09/01/2032 | 100.000    | 181,265.55          |
|                |               | 9,115,000 |        |        |           |                   |            |            | 979,044.65          |

|                        |               |             |
|------------------------|---------------|-------------|
| Dated Date             | 11/01/2023    |             |
| Delivery Date          | 11/01/2023    |             |
| First Coupon           | 03/01/2024    |             |
| Par Amount             | 9,115,000.00  |             |
| Premium                | 979,044.65    |             |
| Production             | 10,094,044.65 | 110.741027% |
| Underwriter's Discount | -91,150.00    | -1.000000%  |
| Purchase Price         | 10,002,894.65 | 109.741027% |
| Accrued Interest       |               |             |
| Net Proceeds           | 10,002,894.65 |             |

## BOND SUMMARY STATISTICS

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size=\$10 Million, 10 Year Term)

|                                 |               |
|---------------------------------|---------------|
| Dated Date                      | 11/01/2023    |
| Delivery Date                   | 11/01/2023    |
| Last Maturity                   | 09/01/2033    |
| Arbitrage Yield                 | 2.864143%     |
| True Interest Cost (TIC)        | 3.083319%     |
| Net Interest Cost (NIC)         | 3.289413%     |
| All-In TIC                      | 3.205115%     |
| Average Coupon                  | 5.000000%     |
| Average Life (years)            | 5.695         |
| Duration of Issue (years)       | 5.022         |
| Par Amount                      | 9,115,000.00  |
| Bond Proceeds                   | 10,094,044.65 |
| Total Interest                  | 2,595,291.67  |
| Net Interest                    | 1,707,397.02  |
| Total Debt Service              | 11,710,291.67 |
| Maximum Annual Debt Service     | 1,173,500.00  |
| Average Annual Debt Service     | 1,190,877.12  |
| Underwriter's Fees (per \$1000) |               |
| Average Takedown                |               |
| Other Fee                       | 10.000000     |
| Total Underwriter's Discount    | 10.000000     |
| Bid Price                       | 109.741027    |

| Bond Component | Par Value    | Price   | Average Coupon | Average Life |
|----------------|--------------|---------|----------------|--------------|
| Serial Bonds   | 9,115,000.00 | 110.741 | 5.000%         | 5.695        |
|                | 9,115,000.00 |         |                | 5.695        |

|                            | TIC           | All-In TIC   | Arbitrage Yield |
|----------------------------|---------------|--------------|-----------------|
| Par Value                  | 9,115,000.00  | 9,115,000.00 | 9,115,000.00    |
| + Accrued Interest         |               |              |                 |
| + Premium (Discount)       | 979,044.65    | 979,044.65   | 979,044.65      |
| - Underwriter's Discount   | -91,150.00    | -91,150.00   |                 |
| - Cost of Issuance Expense |               | -60,000.00   |                 |
| - Other Amounts            |               |              |                 |
| Target Value               | 10,002,894.65 | 9,942,894.65 | 10,094,044.65   |
| Target Date                | 11/01/2023    | 11/01/2023   | 11/01/2023      |
| Yield                      | 3.083319%     | 3.205115%    | 2.864143%       |

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## Draft Financing Analysis: 15-Year Repayment



## SOURCES AND USES OF FUNDS

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size =\$10 Million, 15 Year Term)

Dated Date 11/01/2023  
Delivery Date 11/01/2023

|                         |               |
|-------------------------|---------------|
| Sources:                |               |
| Bond Proceeds:          |               |
| Par Amount              | 9,040,000.00  |
| Premium                 | 1,050,586.20  |
|                         | 10,090,586.20 |
| Other Sources of Funds: |               |
| Water Funds             | 40,000.00     |
| Sewer Funds             | 80,000.00     |
|                         | 120,000.00    |
|                         | 10,210,586.20 |
| Uses:                   |               |
| Project Fund Deposits:  |               |
| Project Fund            | 10,060,000.00 |
| Cost of Issuance:       |               |
| Other Cost of Issuance  | 60,000.00     |
| Delivery Date Expenses: |               |
| Underwriter's Discount  | 90,400.00     |
| Other Uses of Funds:    |               |
| Additional Proceeds     | 186.20        |
|                         | 10,210,586.20 |

## BOND DEBT SERVICE

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size =\$10 Million, 15 Year Term)

Dated Date 11/01/2023  
Delivery Date 11/01/2023

| Period Ending | Principal | Coupon | Interest     | Debt Service  | Annual Debt Service | Bond Balance | Total Bond Value |
|---------------|-----------|--------|--------------|---------------|---------------------|--------------|------------------|
| 11/01/2023    |           |        |              |               |                     | 9,040,000    | 9,040,000        |
| 03/01/2024    |           |        | 150,666.67   | 150,666.67    |                     | 9,040,000    | 9,040,000        |
| 09/01/2024    | 485,000   | 5.000% | 226,000.00   | 711,000.00    | 861,666.67          | 8,555,000    | 8,555,000        |
| 03/01/2025    |           |        | 213,875.00   | 213,875.00    |                     | 8,555,000    | 8,555,000        |
| 09/01/2025    | 435,000   | 5.000% | 213,875.00   | 648,875.00    | 862,750.00          | 8,120,000    | 8,120,000        |
| 03/01/2026    |           |        | 203,000.00   | 203,000.00    |                     | 8,120,000    | 8,120,000        |
| 09/01/2026    | 460,000   | 5.000% | 203,000.00   | 663,000.00    | 866,000.00          | 7,660,000    | 7,660,000        |
| 03/01/2027    |           |        | 191,500.00   | 191,500.00    |                     | 7,660,000    | 7,660,000        |
| 09/01/2027    | 480,000   | 5.000% | 191,500.00   | 671,500.00    | 863,000.00          | 7,180,000    | 7,180,000        |
| 03/01/2028    |           |        | 179,500.00   | 179,500.00    |                     | 7,180,000    | 7,180,000        |
| 09/01/2028    | 505,000   | 5.000% | 179,500.00   | 684,500.00    | 864,000.00          | 6,675,000    | 6,675,000        |
| 03/01/2029    |           |        | 166,875.00   | 166,875.00    |                     | 6,675,000    | 6,675,000        |
| 09/01/2029    | 530,000   | 5.000% | 166,875.00   | 696,875.00    | 863,750.00          | 6,145,000    | 6,145,000        |
| 03/01/2030    |           |        | 153,625.00   | 153,625.00    |                     | 6,145,000    | 6,145,000        |
| 09/01/2030    | 560,000   | 5.000% | 153,625.00   | 713,625.00    | 867,250.00          | 5,585,000    | 5,585,000        |
| 03/01/2031    |           |        | 139,625.00   | 139,625.00    |                     | 5,585,000    | 5,585,000        |
| 09/01/2031    | 585,000   | 5.000% | 139,625.00   | 724,625.00    | 864,250.00          | 5,000,000    | 5,000,000        |
| 03/01/2032    |           |        | 125,000.00   | 125,000.00    |                     | 5,000,000    | 5,000,000        |
| 09/01/2032    | 615,000   | 5.000% | 125,000.00   | 740,000.00    | 865,000.00          | 4,385,000    | 4,385,000        |
| 03/01/2033    |           |        | 109,625.00   | 109,625.00    |                     | 4,385,000    | 4,385,000        |
| 09/01/2033    | 645,000   | 5.000% | 109,625.00   | 754,625.00    | 864,250.00          | 3,740,000    | 3,740,000        |
| 03/01/2034    |           |        | 93,500.00    | 93,500.00     |                     | 3,740,000    | 3,740,000        |
| 09/01/2034    | 675,000   | 5.000% | 93,500.00    | 768,500.00    | 862,000.00          | 3,065,000    | 3,065,000        |
| 03/01/2035    |           |        | 76,625.00    | 76,625.00     |                     | 3,065,000    | 3,065,000        |
| 09/01/2035    | 710,000   | 5.000% | 76,625.00    | 786,625.00    | 863,250.00          | 2,355,000    | 2,355,000        |
| 03/01/2036    |           |        | 58,875.00    | 58,875.00     |                     | 2,355,000    | 2,355,000        |
| 09/01/2036    | 745,000   | 5.000% | 58,875.00    | 803,875.00    | 862,750.00          | 1,610,000    | 1,610,000        |
| 03/01/2037    |           |        | 40,250.00    | 40,250.00     |                     | 1,610,000    | 1,610,000        |
| 09/01/2037    | 785,000   | 5.000% | 40,250.00    | 825,250.00    | 865,500.00          | 825,000      | 825,000          |
| 03/01/2038    |           |        | 20,625.00    | 20,625.00     |                     | 825,000      | 825,000          |
| 09/01/2038    | 825,000   | 5.000% | 20,625.00    | 845,625.00    | 866,250.00          |              |                  |
|               | 9,040,000 |        | 3,921,666.67 | 12,961,666.67 | 12,961,666.67       |              |                  |

## BOND PRICING

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size =\$10 Million, 15 Year Term)

| Bond Component | Maturity Date | Amount    | Rate   | Yield  | Price   | Yield to Maturity | Call Date | Call Price | Premium (-Discount) |              |
|----------------|---------------|-----------|--------|--------|---------|-------------------|-----------|------------|---------------------|--------------|
| Serial Bonds:  |               |           |        |        |         |                   |           |            |                     |              |
|                | 09/01/2024    | 485,000   | 5.000% | 3.280% | 101.398 |                   |           |            | 6,780.30            |              |
|                | 09/01/2025    | 435,000   | 5.000% | 3.140% | 103.284 |                   |           |            | 14,285.40           |              |
|                | 09/01/2026    | 460,000   | 5.000% | 3.000% | 105.389 |                   |           |            | 24,789.40           |              |
|                | 09/01/2027    | 480,000   | 5.000% | 2.890% | 107.600 |                   |           |            | 36,480.00           |              |
|                | 09/01/2028    | 505,000   | 5.000% | 2.850% | 109.639 |                   |           |            | 48,676.95           |              |
|                | 09/01/2029    | 530,000   | 5.000% | 2.830% | 111.589 |                   |           |            | 61,421.70           |              |
|                | 09/01/2030    | 560,000   | 5.000% | 2.810% | 113.526 |                   |           |            | 75,745.60           |              |
|                | 09/01/2031    | 585,000   | 5.000% | 2.780% | 115.526 |                   |           |            | 90,827.10           |              |
|                | 09/01/2032    | 615,000   | 5.000% | 2.840% | 116.766 |                   |           |            | 103,110.90          |              |
|                | 09/01/2033    | 645,000   | 5.000% | 2.900% | 116.257 | C                 | 3.071%    | 09/01/2032 | 100.000             | 104,857.65   |
|                | 09/01/2034    | 675,000   | 5.000% | 3.040% | 115.079 | C                 | 3.330%    | 09/01/2032 | 100.000             | 101,783.25   |
|                | 09/01/2035    | 710,000   | 5.000% | 3.130% | 114.330 | C                 | 3.509%    | 09/01/2032 | 100.000             | 101,743.00   |
|                | 09/01/2036    | 745,000   | 5.000% | 3.280% | 113.093 | C                 | 3.708%    | 09/01/2032 | 100.000             | 97,542.85    |
|                | 09/01/2037    | 785,000   | 5.000% | 3.440% | 111.791 | C                 | 3.889%    | 09/01/2032 | 100.000             | 92,559.35    |
|                | 09/01/2038    | 825,000   | 5.000% | 3.550% | 110.907 | C                 | 4.016%    | 09/01/2032 | 100.000             | 89,982.75    |
|                |               | 9,040,000 |        |        |         |                   |           |            |                     | 1,050,586.20 |

|                        |               |             |
|------------------------|---------------|-------------|
| Dated Date             | 11/01/2023    |             |
| Delivery Date          | 11/01/2023    |             |
| First Coupon           | 03/01/2024    |             |
| Par Amount             | 9,040,000.00  |             |
| Premium                | 1,050,586.20  |             |
| Production             | 10,090,586.20 | 111.621529% |
| Underwriter's Discount | -90,400.00    | -1.000000%  |
| Purchase Price         | 10,000,186.20 | 110.621529% |
| Accrued Interest       |               |             |
| Net Proceeds           | 10,000,186.20 |             |

## BOND SUMMARY STATISTICS

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size =\$10 Million, 15 Year Term)

|                                 |               |
|---------------------------------|---------------|
| Dated Date                      | 11/01/2023    |
| Delivery Date                   | 11/01/2023    |
| Last Maturity                   | 09/01/2038    |
| Arbitrage Yield                 | 3.092134%     |
| True Interest Cost (TIC)        | 3.521352%     |
| Net Interest Cost (NIC)         | 3.775793%     |
| All-In TIC                      | 3.607691%     |
| Average Coupon                  | 5.000000%     |
| Average Life (years)            | 8.676         |
| Duration of Issue (years)       | 7.102         |
| Par Amount                      | 9,040,000.00  |
| Bond Proceeds                   | 10,090,586.20 |
| Total Interest                  | 3,921,666.67  |
| Net Interest                    | 2,961,480.47  |
| Total Debt Service              | 12,961,666.67 |
| Maximum Annual Debt Service     | 867,250.00    |
| Average Annual Debt Service     | 873,820.22    |
| Underwriter's Fees (per \$1000) |               |
| Average Takedown                |               |
| Other Fee                       | 10.000000     |
| Total Underwriter's Discount    | 10.000000     |
| Bid Price                       | 110.621529    |

| Bond Component             | Par Value     | Price        | Average Coupon  | Average Life |
|----------------------------|---------------|--------------|-----------------|--------------|
| Serial Bonds               | 9,040,000.00  | 111.622      | 5.000%          | 8.676        |
|                            | 9,040,000.00  |              |                 | 8.676        |
|                            | TIC           | All-In TIC   | Arbitrage Yield |              |
| Par Value                  | 9,040,000.00  | 9,040,000.00 | 9,040,000.00    |              |
| + Accrued Interest         |               |              |                 |              |
| + Premium (Discount)       | 1,050,586.20  | 1,050,586.20 | 1,050,586.20    |              |
| - Underwriter's Discount   | -90,400.00    | -90,400.00   | -90,400.00      |              |
| - Cost of Issuance Expense |               | -60,000.00   | -60,000.00      |              |
| - Other Amounts            |               |              |                 |              |
| Target Value               | 10,000,186.20 | 9,940,186.20 | 10,090,586.20   |              |
| Target Date                | 11/01/2023    | 11/01/2023   | 11/01/2023      |              |
| Yield                      | 3.521352%     | 3.607691%    | 3.092134%       |              |

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## Draft Financing Analysis: 20-Year Repayment

## SOURCES AND USES OF FUNDS

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size =\$10 Million, 20 Year Term)

Dated Date 11/01/2023  
Delivery Date 11/01/2023

### Sources:

#### Bond Proceeds:

|            |                      |
|------------|----------------------|
| Par Amount | 9,100,000.00         |
| Premium    | 992,927.55           |
|            | <u>10,092,927.55</u> |

#### Other Sources of Funds:

|             |                      |
|-------------|----------------------|
| Water Funds | 40,000.00            |
| Sewer Funds | 80,000.00            |
|             | <u>120,000.00</u>    |
|             | <u>10,212,927.55</u> |

### Uses:

#### Project Fund Deposits:

|              |               |
|--------------|---------------|
| Project Fund | 10,060,000.00 |
|--------------|---------------|

#### Cost of Issuance:

|                        |           |
|------------------------|-----------|
| Other Cost of Issuance | 60,000.00 |
|------------------------|-----------|

#### Delivery Date Expenses:

|                        |           |
|------------------------|-----------|
| Underwriter's Discount | 91,000.00 |
|------------------------|-----------|

#### Other Uses of Funds:

|                     |                      |
|---------------------|----------------------|
| Additional Proceeds | 1,927.55             |
|                     | <u>10,212,927.55</u> |

## BOND DEBT SERVICE

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size =\$10 Million, 20 Year Term)

Dated Date 11/01/2023  
Delivery Date 11/01/2023

| Period Ending | Principal | Coupon | Interest     | Debt Service  | Annual Debt Service | Bond Balance | Total Bond Value |
|---------------|-----------|--------|--------------|---------------|---------------------|--------------|------------------|
| 11/01/2023    |           |        |              |               |                     | 9,100,000    | 9,100,000        |
| 03/01/2024    |           |        | 151,666.67   | 151,666.67    |                     | 9,100,000    | 9,100,000        |
| 09/01/2024    | 435,000   | 5.000% | 227,500.00   | 662,500.00    | 814,166.67          | 8,665,000    | 8,665,000        |
| 03/01/2025    |           |        | 216,625.00   | 216,625.00    |                     | 8,665,000    | 8,665,000        |
| 09/01/2025    | 415,000   | 5.000% | 216,625.00   | 631,625.00    | 848,250.00          | 8,250,000    | 8,250,000        |
| 03/01/2026    |           |        | 206,250.00   | 206,250.00    |                     | 8,250,000    | 8,250,000        |
| 09/01/2026    | 435,000   | 5.000% | 206,250.00   | 641,250.00    | 847,500.00          | 7,815,000    | 7,815,000        |
| 03/01/2027    |           |        | 195,375.00   | 195,375.00    |                     | 7,815,000    | 7,815,000        |
| 09/01/2027    | 455,000   | 5.000% | 195,375.00   | 650,375.00    | 845,750.00          | 7,360,000    | 7,360,000        |
| 03/01/2028    |           |        | 184,000.00   | 184,000.00    |                     | 7,360,000    | 7,360,000        |
| 09/01/2028    | 480,000   | 5.000% | 184,000.00   | 664,000.00    | 848,000.00          | 6,880,000    | 6,880,000        |
| 03/01/2029    |           |        | 172,000.00   | 172,000.00    |                     | 6,880,000    | 6,880,000        |
| 09/01/2029    | 505,000   | 5.000% | 172,000.00   | 677,000.00    | 849,000.00          | 6,375,000    | 6,375,000        |
| 03/01/2030    |           |        | 159,375.00   | 159,375.00    |                     | 6,375,000    | 6,375,000        |
| 09/01/2030    | 530,000   | 5.000% | 159,375.00   | 689,375.00    | 848,750.00          | 5,845,000    | 5,845,000        |
| 03/01/2031    |           |        | 146,125.00   | 146,125.00    |                     | 5,845,000    | 5,845,000        |
| 09/01/2031    | 555,000   | 5.000% | 146,125.00   | 701,125.00    | 847,250.00          | 5,290,000    | 5,290,000        |
| 03/01/2032    |           |        | 132,250.00   | 132,250.00    |                     | 5,290,000    | 5,290,000        |
| 09/01/2032    | 580,000   | 5.000% | 132,250.00   | 712,250.00    | 844,500.00          | 4,710,000    | 4,710,000        |
| 03/01/2033    |           |        | 117,750.00   | 117,750.00    |                     | 4,710,000    | 4,710,000        |
| 09/01/2033    | 610,000   | 5.000% | 117,750.00   | 727,750.00    | 845,500.00          | 4,100,000    | 4,100,000        |
| 03/01/2034    |           |        | 102,500.00   | 102,500.00    |                     | 4,100,000    | 4,100,000        |
| 09/01/2034    | 325,000   | 5.000% | 102,500.00   | 427,500.00    | 530,000.00          | 3,775,000    | 3,775,000        |
| 03/01/2035    |           |        | 94,375.00    | 94,375.00     |                     | 3,775,000    | 3,775,000        |
| 09/01/2035    | 345,000   | 5.000% | 94,375.00    | 439,375.00    | 533,750.00          | 3,430,000    | 3,430,000        |
| 03/01/2036    |           |        | 85,750.00    | 85,750.00     |                     | 3,430,000    | 3,430,000        |
| 09/01/2036    | 360,000   | 5.000% | 85,750.00    | 445,750.00    | 531,500.00          | 3,070,000    | 3,070,000        |
| 03/01/2037    |           |        | 76,750.00    | 76,750.00     |                     | 3,070,000    | 3,070,000        |
| 09/01/2037    | 380,000   | 5.000% | 76,750.00    | 456,750.00    | 533,500.00          | 2,690,000    | 2,690,000        |
| 03/01/2038    |           |        | 67,250.00    | 67,250.00     |                     | 2,690,000    | 2,690,000        |
| 09/01/2038    | 395,000   | 5.000% | 67,250.00    | 462,250.00    | 529,500.00          | 2,295,000    | 2,295,000        |
| 03/01/2039    |           |        | 57,375.00    | 57,375.00     |                     | 2,295,000    | 2,295,000        |
| 09/01/2039    | 415,000   | 5.000% | 57,375.00    | 472,375.00    | 529,750.00          | 1,880,000    | 1,880,000        |
| 03/01/2040    |           |        | 47,000.00    | 47,000.00     |                     | 1,880,000    | 1,880,000        |
| 09/01/2040    | 435,000   | 5.000% | 47,000.00    | 482,000.00    | 529,000.00          | 1,445,000    | 1,445,000        |
| 03/01/2041    |           |        | 36,125.00    | 36,125.00     |                     | 1,445,000    | 1,445,000        |
| 09/01/2041    | 460,000   | 5.000% | 36,125.00    | 496,125.00    | 532,250.00          | 985,000      | 985,000          |
| 03/01/2042    |           |        | 24,625.00    | 24,625.00     |                     | 985,000      | 985,000          |
| 09/01/2042    | 480,000   | 5.000% | 24,625.00    | 504,625.00    | 529,250.00          | 505,000      | 505,000          |
| 03/01/2043    |           |        | 12,625.00    | 12,625.00     |                     | 505,000      | 505,000          |
| 09/01/2043    | 505,000   | 5.000% | 12,625.00    | 517,625.00    | 530,250.00          |              |                  |
|               | 9,100,000 |        | 4,647,416.67 | 13,747,416.67 | 13,747,416.67       |              |                  |

## BOND PRICING

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size =\$10 Million, 20 Year Term)

| Bond Component | Maturity Date | Amount    | Rate   | Yield  | Price   | Yield to Maturity | Call Date | Call Price | Premium (-Discount) |
|----------------|---------------|-----------|--------|--------|---------|-------------------|-----------|------------|---------------------|
| Serial Bonds:  |               |           |        |        |         |                   |           |            |                     |
|                | 09/01/2024    | 435,000   | 5.000% | 3.280% | 101.398 |                   |           |            | 6,081.30            |
|                | 09/01/2025    | 415,000   | 5.000% | 3.140% | 103.284 |                   |           |            | 13,628.60           |
|                | 09/01/2026    | 435,000   | 5.000% | 3.000% | 105.389 |                   |           |            | 23,442.15           |
|                | 09/01/2027    | 455,000   | 5.000% | 2.890% | 107.600 |                   |           |            | 34,580.00           |
|                | 09/01/2028    | 480,000   | 5.000% | 2.850% | 109.639 |                   |           |            | 46,267.20           |
|                | 09/01/2029    | 505,000   | 5.000% | 2.830% | 111.589 |                   |           |            | 58,524.45           |
|                | 09/01/2030    | 530,000   | 5.000% | 2.810% | 113.526 |                   |           |            | 71,687.80           |
|                | 09/01/2031    | 555,000   | 5.000% | 2.780% | 115.526 |                   |           |            | 86,169.30           |
|                | 09/01/2032    | 580,000   | 5.000% | 2.840% | 116.766 |                   |           |            | 97,242.80           |
|                | 09/01/2033    | 610,000   | 5.000% | 2.900% | 116.257 | C                 | 3.071%    | 09/01/2032 | 100.000             |
|                | 09/01/2034    | 325,000   | 5.000% | 3.040% | 115.079 | C                 | 3.330%    | 09/01/2032 | 100.000             |
|                | 09/01/2035    | 345,000   | 5.000% | 3.130% | 114.330 | C                 | 3.509%    | 09/01/2032 | 100.000             |
|                | 09/01/2036    | 360,000   | 5.000% | 3.280% | 113.093 | C                 | 3.708%    | 09/01/2032 | 100.000             |
|                | 09/01/2037    | 380,000   | 5.000% | 3.440% | 111.791 | C                 | 3.889%    | 09/01/2032 | 100.000             |
|                | 09/01/2038    | 395,000   | 5.000% | 3.550% | 110.907 | C                 | 4.016%    | 09/01/2032 | 100.000             |
|                | 09/01/2039    | 415,000   | 5.000% | 3.590% | 110.587 | C                 | 4.085%    | 09/01/2032 | 100.000             |
|                | 09/01/2040    | 435,000   | 5.000% | 3.630% | 110.269 | C                 | 4.146%    | 09/01/2032 | 100.000             |
|                | 09/01/2041    | 460,000   | 5.000% | 3.680% | 109.872 | C                 | 4.207%    | 09/01/2032 | 100.000             |
|                | 09/01/2042    | 480,000   | 5.000% | 3.760% | 109.241 | C                 | 4.280%    | 09/01/2032 | 100.000             |
|                | 09/01/2043    | 505,000   | 5.000% | 3.820% | 108.771 | C                 | 4.336%    | 09/01/2032 | 100.000             |
|                |               | 9,100,000 |        |        |         |                   |           |            | 992,927.55          |

|                        |               |
|------------------------|---------------|
| Dated Date             | 11/01/2023    |
| Delivery Date          | 11/01/2023    |
| First Coupon           | 03/01/2024    |
| Par Amount             | 9,100,000.00  |
| Premium                | 992,927.55    |
| Production             | 10,092,927.55 |
| Underwriter's Discount | -91,000.00    |
| Purchase Price         | 10,001,927.55 |
| Accrued Interest       |               |
| Net Proceeds           | 10,001,927.55 |

## BOND SUMMARY STATISTICS

City of Emporia, Kansas  
General Obligation Bonds, Series 2023  
Market Rates as of August 4, 2023, Assumes 'AA-' Rating  
(Project Size =\$10 Million, 20 Year Term)

|                                 |               |
|---------------------------------|---------------|
| Dated Date                      | 11/01/2023    |
| Delivery Date                   | 11/01/2023    |
| Last Maturity                   | 09/01/2043    |
| Arbitrage Yield                 | 3.230607%     |
| True Interest Cost (TIC)        | 3.761419%     |
| Net Interest Cost (NIC)         | 4.029646%     |
| All-In TIC                      | 3.838476%     |
| Average Coupon                  | 5.000000%     |
| Average Life (years)            | 10.214        |
| Duration of Issue (years)       | 7.968         |
| Par Amount                      | 9,100,000.00  |
| Bond Proceeds                   | 10,092,927.55 |
| Total Interest                  | 4,647,416.67  |
| Net Interest                    | 3,745,489.12  |
| Total Debt Service              | 13,747,416.67 |
| Maximum Annual Debt Service     | 849,000.00    |
| Average Annual Debt Service     | 693,147.06    |
| Underwriter's Fees (per \$1000) |               |
| Average Takedown                |               |
| Other Fee                       | 10.000000     |
| Total Underwriter's Discount    | 10.000000     |
| Bid Price                       | 109.911292    |

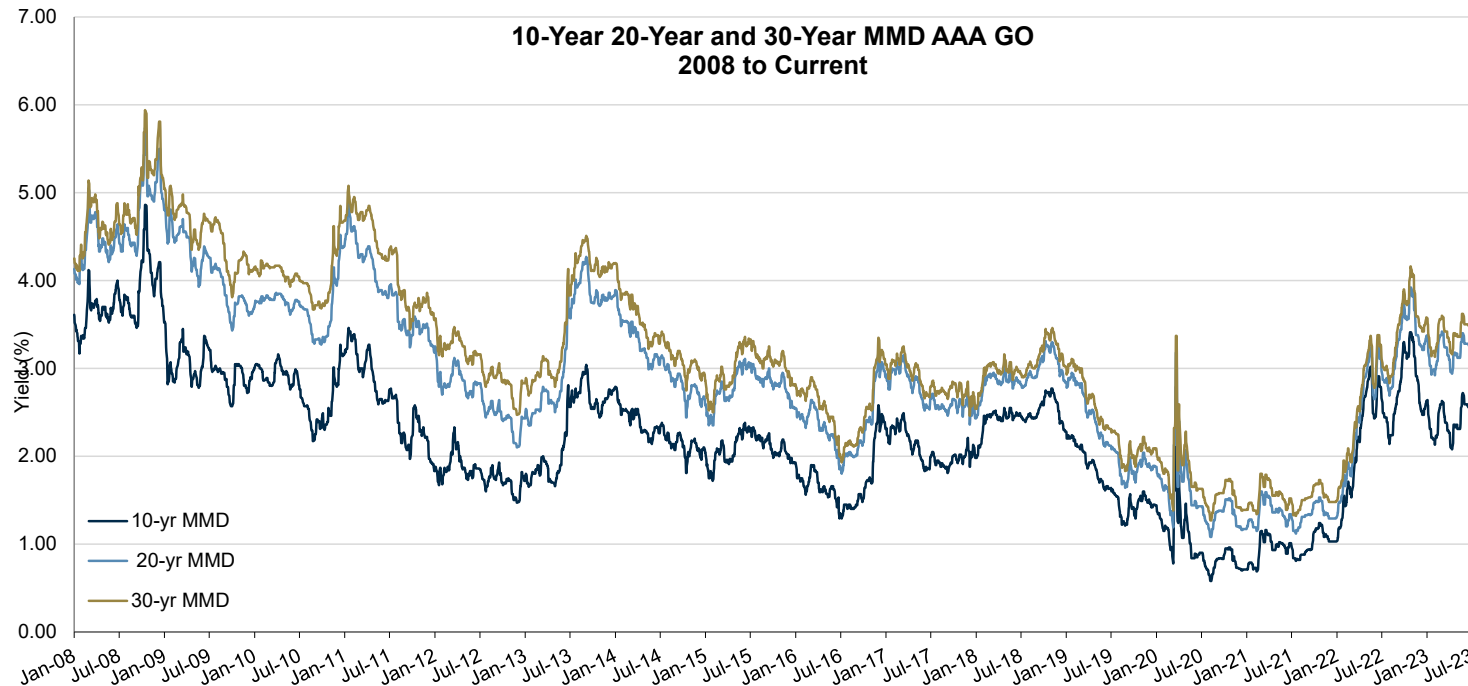
| Bond Component | Par Value    | Price   | Average Coupon | Average Life |
|----------------|--------------|---------|----------------|--------------|
| Serial Bonds   | 9,100,000.00 | 110.911 | 5.000%         | 10.214       |
|                | 9,100,000.00 |         |                | 10.214       |

|                            | TIC           | All-In TIC   | Arbitrage Yield |
|----------------------------|---------------|--------------|-----------------|
| Par Value                  | 9,100,000.00  | 9,100,000.00 | 9,100,000.00    |
| + Accrued Interest         |               |              |                 |
| + Premium (Discount)       | 992,927.55    | 992,927.55   | 992,927.55      |
| - Underwriter's Discount   | -91,000.00    | -91,000.00   |                 |
| - Cost of Issuance Expense |               | -60,000.00   |                 |
| - Other Amounts            |               |              |                 |
| Target Value               | 10,001,927.55 | 9,941,927.55 | 10,092,927.55   |
| Target Date                | 11/01/2023    | 11/01/2023   | 11/01/2023      |
| Yield                      | 3.761419%     | 3.838476%    | 3.230607%       |

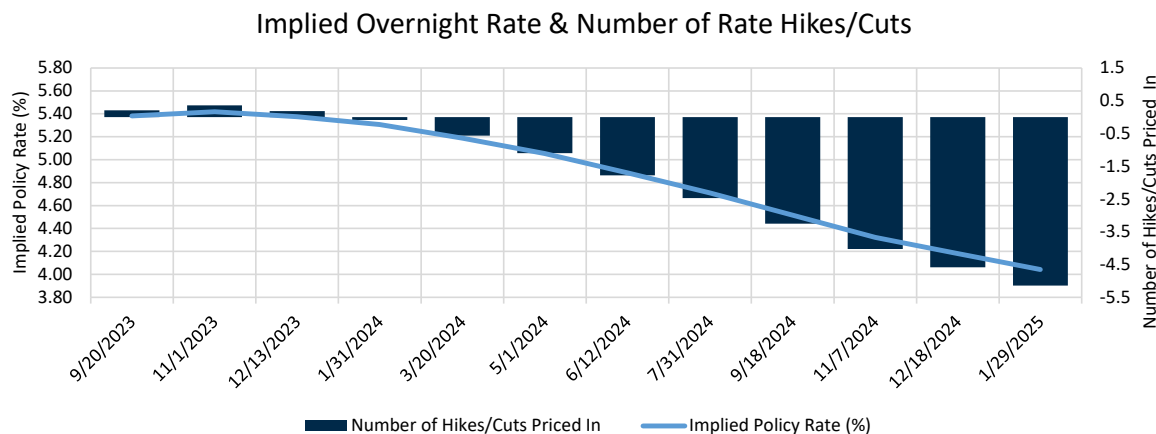
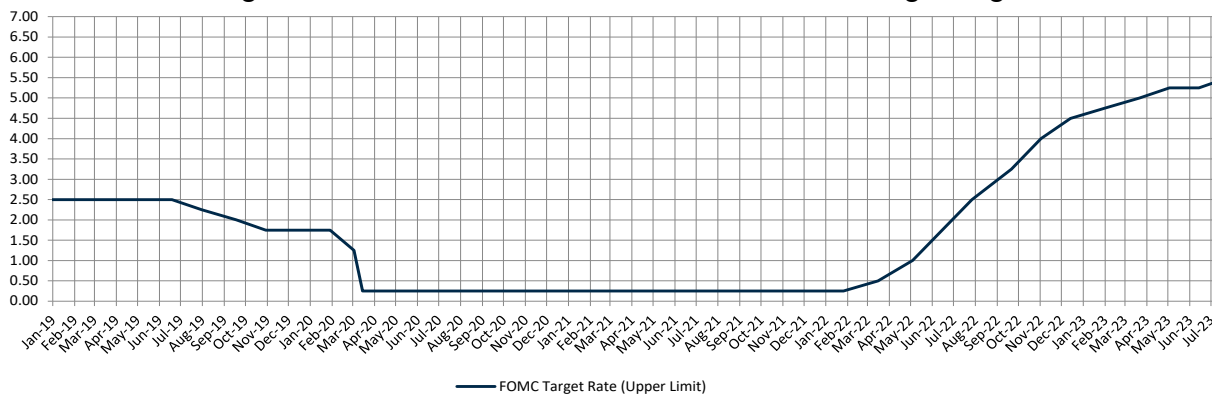
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## Bond Market Information

- MMD rates set new record lows after Brexit in July 2016 but rose in the wake of the 2016 Presidential election.
- In December 2016, the Federal Reserve increased the target fed funds rate for the first time in over a year. They continued to practice their strategy of gradual rate increases in 2017 by implementing three additional rate hikes.
- In July 2019, the Federal Reserve reversed course and cut the target fed funds rate for the first time in 10 years on the back of trade war fears with China and increasing global economic weakness.
- In August 2020, the municipal market hit all-time record lows throughout the entire curve.
- 2022 saw MMD steadily increase due to a series of Fed Rate hikes starting in March that finally began to reverse course due to the softening of inflation levels in late 2022 and early 2023.
- In the first half of 2023, MMD rapidly increased due to the banking and debt ceiling crisis.



- In 2022, the Fed announced a 50 bp rate hike in their May 4, 2022 meeting followed by 75 bp hikes on June 15, 2022, July 27<sup>th</sup>, September 21<sup>st</sup>, and November 2<sup>nd</sup>. On December 14<sup>th</sup>, the Fed increased the fed funds rate by 50 bps.
- On February 1<sup>st</sup>, 2023, March 22<sup>nd</sup>, 2023, and May 3<sup>rd</sup> the Fed increased the fed funds rate by 25 bps. This was not followed on June 14<sup>th</sup> as the Fed paused the consecutive rate hikes, but picked back up on July 26<sup>th</sup> with a 25 bp hike. Last year's four separate 75 bp increases in the Fed Funds rate by the FOMC have been the largest increases since 1994.
- The June FOMC meeting halted 10 consecutive rate hikes since the beginning of 2022.



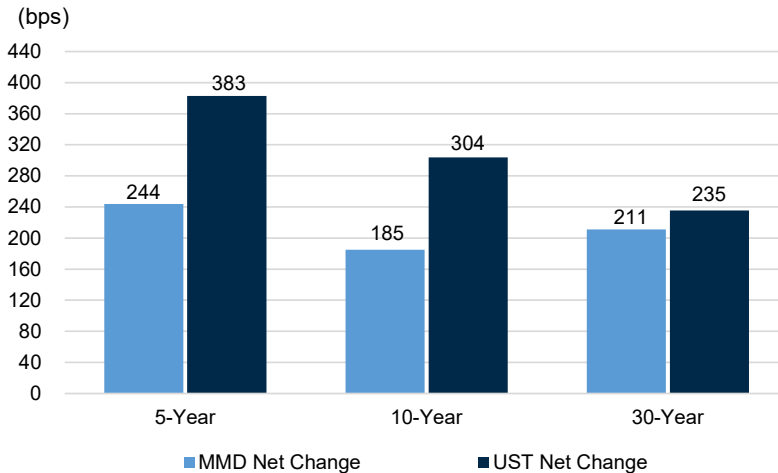
Source: Bloomberg as of July 31<sup>st</sup>, 2023.



- Tax-exempt yields:
  - *The 30 Year MMD has been lower than the current rate of 3.51%, 33.98% of the time since 1993.*

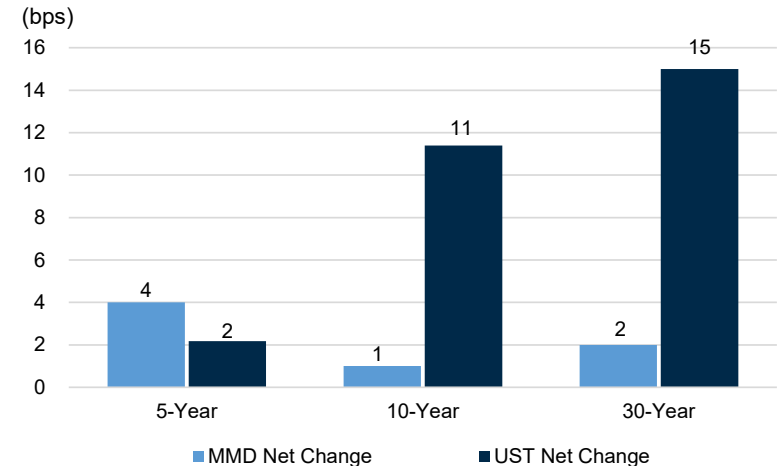
## MMD and UST Movement 2021-2023 YTD

January 4, 2021 – July 28, 2023



## MMD and UST Movement Over the Past Month

June 30, 2023 – July 28, 2023

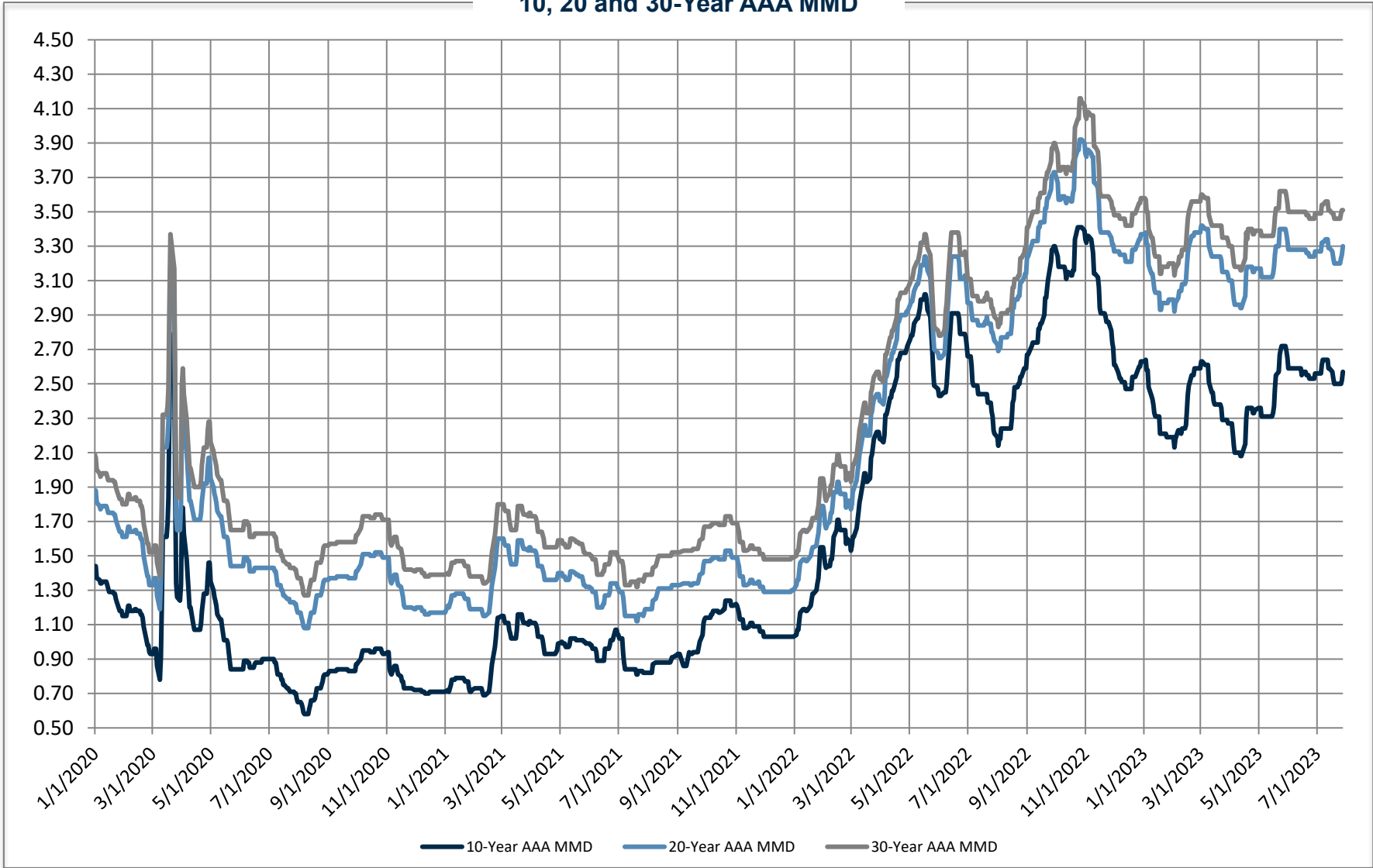


| MMD                 | 5Y    | 10Y   | 30Y   | UST                 | 5Y    | 10Y   | 30Y   | MMD/UST Ratios      | 5Y     | 10Y     | 30Y     |
|---------------------|-------|-------|-------|---------------------|-------|-------|-------|---------------------|--------|---------|---------|
| Current             | 2.66% | 2.57% | 3.51% | Current             | 4.18% | 3.95% | 4.01% | Current             | 63.68% | 65.05%  | 87.52%  |
| 2021-2023 YTD Low:  | 0.2%  | 0.69% | 1.32% | 2021-2023 YTD Low:  | 0.35% | 0.91% | 1.66% | 2021-2023 YTD Low:  | 38.35% | 54.03%  | 63.70%  |
| 2021-2023 YTD High: | 3.24% | 3.41% | 4.16% | 2021-2023 YTD High: | 4.44% | 4.24% | 4.38% | 2021-2023 YTD High: | 91.28% | 105.39% | 110.18% |
| 10Y Low:            | 0.16% | 0.58% | 1.27% | 10Y Low:            | 0.19% | 0.51% | 1.00% | 10Y Low:            | 38.35% | 54.03%  | 63.70%  |

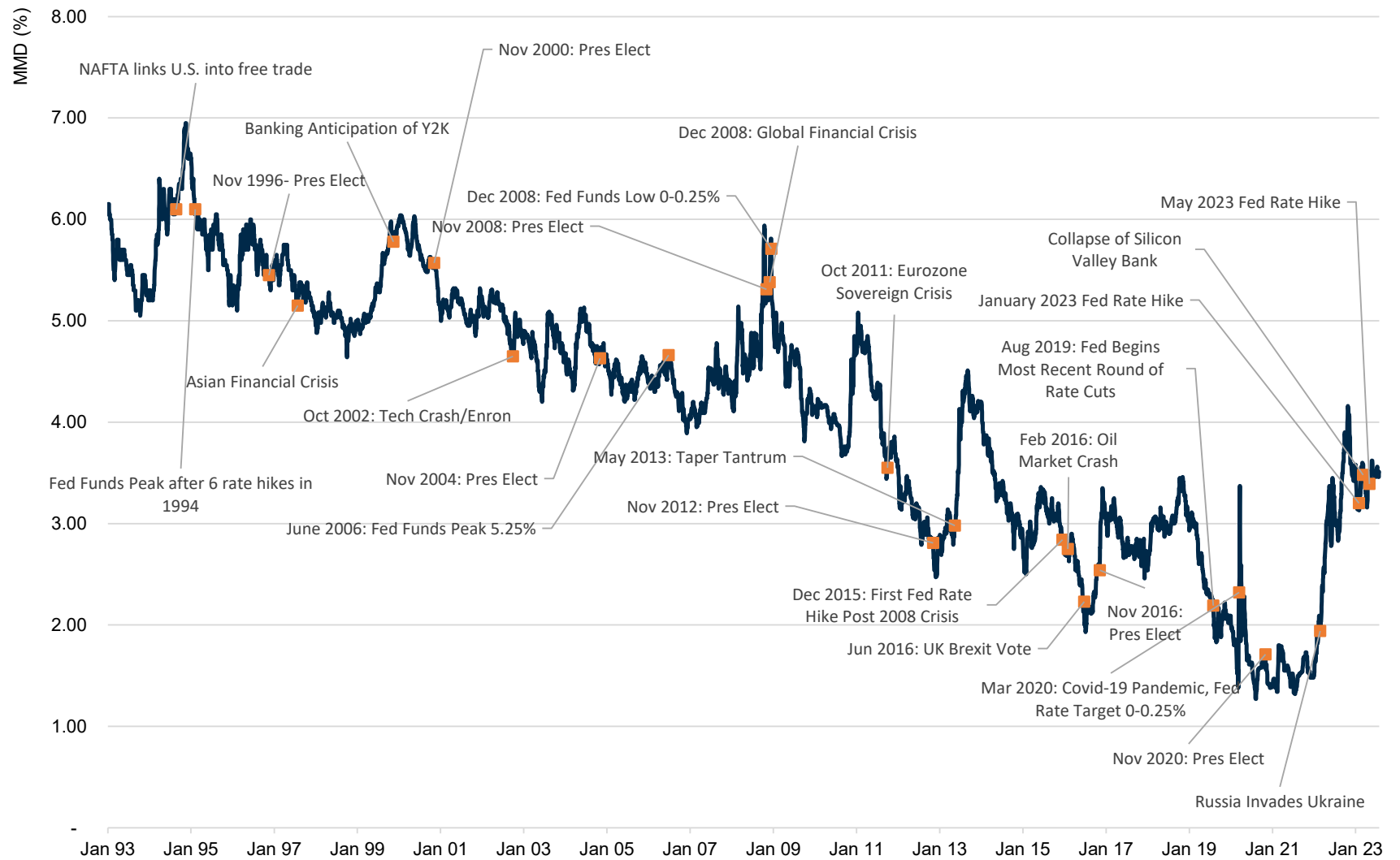
Source: Bloomberg

| MMD Change Since January 2020 |             |             |             |
|-------------------------------|-------------|-------------|-------------|
|                               | 10-Year MMD | 20-Year MMD | 30-Year MMD |
| 1/1/2020                      | 1.44        | 1.88        | 2.09        |
| 1/1/2021                      | 0.71        | 1.17        | 1.39        |
| 8/7/2020 (Low)                | 0.58        | 1.08        | 1.27        |
| 7/28/2023                     | 2.57        | 3.30        | 3.51        |
| Low vs. Current               | +199 bps    | +222 bps    | +224 bps    |

10, 20 and 30-Year AAA MMD



30-Year MMD Since 1993



The information contained herein is solely intended to facilitate discussion of potentially applicable financing applications and is not intended to be a specific buy/sell recommendation, nor is it an official confirmation of terms. Any terms discussed herein are preliminary until confirmed in a definitive written agreement. While we believe that the outlined financial structure or marketing strategy is the best approach under the current market conditions, the market conditions at the time any proposed transaction is structured or sold may be different, which may require a different approach.

The analysis or information presented herein is based upon hypothetical projections and/or past performance that have certain limitations. No representation is made that it is accurate or complete or that any results indicated will be achieved. In no way is past performance indicative of future results. Changes to any prices, levels, or assumptions contained herein may have a material impact on results. Any estimates or assumptions contained herein represent our best judgment as of the date indicated and are subject to change without notice. Examples are merely representative and are not meant to be all-inclusive.

Raymond James shall have no liability, contingent or otherwise, to the recipient hereof or to any third party, or any responsibility whatsoever, for the accuracy, correctness, timeliness, reliability or completeness of the data or formulae provided herein or for the performance of or any other aspect of the materials, structures and strategies presented herein. This Presentation is provided to you for the purpose of your consideration of the engagement of Raymond James as an underwriter and not as your financial advisor or Municipal Advisor (as defined in Section 15B of the Exchange Act of 1934, as amended), and we expressly disclaim any intention to act as your fiduciary in connection with the subject matter of this Presentation. The information provided is not intended to be and should not be construed as a recommendation or “advice” within the meaning of Section 15B of the above-referenced Act. Any portion of this Presentation which provides information on municipal financial products or the issuance of municipal securities is only given to provide you with factual information or to demonstrate our experience with respect to municipal markets and products. Municipal Securities Rulemaking Board (“MSRB”) Rule G-17 requires that we make the following disclosure to you at the earliest stages of our relationship, as underwriter, with respect to an issue of municipal securities: the underwriter’s primary role is to purchase securities with a view to distribution in an arm’s-length commercial transaction with the issuer and it has financial and other interests that differ from those of the issuer.

Raymond James does not provide accounting, tax or legal advice; however, you should be aware that any proposed transaction could have accounting, tax, legal or other implications that should be discussed with your advisors and/or legal counsel.

Raymond James and affiliates, and officers, directors and employees thereof, including individuals who may be involved in the preparation or presentation of this material, may from time to time have positions in, and buy or sell, the securities, derivatives (including options) or other financial products of entities mentioned herein. In addition, Raymond James or affiliates thereof may have served as an underwriter or placement agent with respect to a public or private offering of securities by one or more of the entities referenced herein.

This Presentation is not a binding commitment, obligation, or undertaking of Raymond James. No obligation or liability with respect to any issuance or purchase of any Bonds or other securities described herein shall exist, nor shall any representations be deemed made, nor any reliance on any communications regarding the subject matter hereof be reasonable or justified unless and until (1) all necessary Raymond James, rating agency or other third party approvals, as applicable, shall have been obtained, including, without limitation, any required Raymond James senior management and credit committee approvals, (2) all of the terms and conditions of the documents pertaining to the subject transaction are agreed to by the parties thereto as evidenced by the execution and delivery of all such documents by all such parties, and (3) all conditions hereafter established by Raymond James for closing of the transaction have been satisfied in our sole discretion. Until execution and delivery of all such definitive agreements, all parties shall have the absolute right to amend this Presentation and/or terminate all negotiations for any reason without liability therefor. Thomson Reuters Municipal Market Data (“MMD”) is a proprietary yield curve which provides the offer-side of AAA rated state general obligation bonds as determined by the MMD analyst team. Raymond James & Associates, Inc., member New York Stock Exchange/SIPC

# City of Emporia, Kansas

## General Obligation Bonds Series 2023

Draft Calendar of Events Dated August 8, 2023

| DATE                        | EVENT                                                                                                                                 |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| <b>September 20, 2023</b>   | <b>City Commission Meeting (11:00 AM)</b><br>City adopts any remaining Project Resolutions                                            |
| <b>October 1, 2023</b>      | Submit request for Bond Rating to Standard & Poor's<br>Distribute Initial Draft Financing Analysis and Preliminary Official Statement |
| <b>October 4, 2023</b>      | <b>City Commission Meeting (11:00 AM)</b><br>City adopts Authorizing Resolution for Bonds                                             |
| <b>October 10, 2023</b>     | Distribute draft of Legal Documents for the Bonds                                                                                     |
| <b>October 16, 2023</b>     | Distribute updated draft of Preliminary Official Statement                                                                            |
| <b>October 19, 2023</b>     | Rating Call for Bond Rating with Standard & Poor's                                                                                    |
| <b>October 26, 2023</b>     | Send Notice of Sale to Kansas Register and Local Newspaper                                                                            |
| <b>November 1, 2023</b>     | Receive Bond Rating from Standard & Poor's                                                                                            |
| <b>November 1, 2023</b>     | <b>City Commission Meeting (11:00 AM)</b>                                                                                             |
| <b>November 2, 2023</b>     | Publish Notice of Sale in Kansas Register and Local Newspaper<br>Distribute Preliminary Official Statement to Bidders                 |
| <b>November 15, 2023</b>    | Bond Sale (9:00 AM)<br>Establish Final Interest Rates and Sizing of Bonds                                                             |
| <b>November 15, 2023</b>    | <b>City Commission Meeting (11:00 AM)</b><br>City adopts Bond Resolution and Ordinance                                                |
| <b>November 16-28, 2023</b> | Print Final Official Statement<br>Publish Ordinance<br>Distribute Closing Memorandum<br>Attorney General Review of Transcript         |
| <b>November 29, 2023</b>    | Closing of Bond Issue                                                                                                                 |



## **Commission Action Report**

Petition for Fairview Hotels, LLC. CID and Resolution 3707 Establishing Public Hearing for the Creation of Fairview Hotels, LLC. CID

**Title:** Petition for Fairview Hotels, LLC. CID and Resolution 3707  
Establishing Public Hearing for the Creation of Fairview Hotels, LLC. CID

**Agenda Date:** October 4, 2023

**Presented By:** Tayler Wash, Director of Special Projects

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### **Background:**

K.S.A. 12-6a26 through K.S.A. 12-6a36, inclusive, as amended (the "Act"), authorizes the governing body of any municipality to adopt an ordinance establishing a community improvement district ("CID") after receipt of a proper petition and holding a public hearing. Fairview Hotels LLC has requested a two (2) percent sales tax for the selected district.

The developer has also submitted a petition as required by Kansas statutes for the creation of a CID.

### **Discussion:**

The developer is requesting consideration of this 2% sales tax. If enacted, the entire site will be subject to an additional 2% sales tax. The hearing is the final step as provided for in Kansas statutes necessary to enact the 2% sales tax. After the hearing is closed, the Commission can act on an ordinance formalizing the 2% tax.

The petition which is attached to this item has been reviewed and approved by the City's bond attorney. This will be the fifth CID sales tax improvement district in the City if approved.

### **Financial Considerations:**

There are no impacts on city finances, and we do receive a 3% administrative fee to cover internal costs related to the administration and distribution of the tax.

### **Recommended Action:**

Accept Petition for Fairview Hotels, LLC. CID and Resolution 3707 Establishing Public Hearing on November 1, 2023, for the Creation of Fairview Hotels, LLC. CID.

### **Attachments:**

Resolution No. 3707  
CID Petition

## RESOLUTION NO. 3707

### A RESOLUTION TO PROVIDE NOTICE OF A PUBLIC HEARING ON THE ADVISABILITY OF CREATING THE FAIRVIEW HOTELS COMMUNITY IMPROVEMENT DISTRICT

WHEREAS, K.S.A. 12-6a26 through K.S.A. 12-6a36, inclusive as amended (the “Act”), authorize the governing body of any municipality to adopt an ordinance establishing a community improvement district (“CID”) after receipt of a proper petition and holding a public hearing thereon; and

WHEREAS, on September 19, 2023, the petition to establish the Fairview Hotels Community Improvement District was filed with the City Clerk (the “City Clerk”) of the City of Emporia, Kansas (the “City”); and

WHEREAS, the petitioners are owners of 100% of the property in the proposed CID and request the formation of a CID for the purpose of financing project costs eligible for reimbursement pursuant to the Act (the “Project”) within the District; and

WHEREAS, the general nature of the Project as described in the petition is the commercial development of approximately 4.3 acres of real property located at 3010 Eaglecrest Drive (EAGLECREST 4<sup>TH</sup> SUB DIV, LOT 7-9, BLOCK 2) and 2900 Eaglecrest Drive (EAGLECREST 4<sup>TH</sup> SUB DIV, LOT 11, BLOCK 2 and LOT 2-3, BLOCK 2), located within the City and is expected to include the construction of an approximately 60,000 sq. ft. hotel and convention center and associated public infrastructure and improvements; and

WHEREAS, the cost of the Project is estimated to be \$17,195,000.00, with \$16,395,000.00 financed through CID revenues over the life of the district; and

WHEREAS, the petitioners propose financing the eligible Project through pay-as-you-go financing; and

WHEREAS, the petitioners propose levying a two percent (2.0%) community improvement district sales tax on retail sales within the District; and

WHEREAS, a boundary map of the proposed District is attached hereto as Exhibit A; and

WHEREAS, the legal description of the proposed district is attached hereto as Exhibit B; and

WHEREAS, pursuant to the Act, on November 1, 2023, the Board of Commissioners will hold a public hearing on the advisability of creating or modifying the proposed Fairview Hotels Community Improvement District.

NOW, THEREFORE BE IT RESOLVED, by the Board of Commissioners of the City of Emporia, Kansas:

1. That the City Commission shall hold a public hearing on the advisability of creating the Fairview Hotels Community Improvement District in Emporia, Kansas and the



levy of the requested Community Improvement District sales tax on the 1<sup>st</sup> day of November 2023 at 11:00 a.m., in the Municipal Court Room/City Commission Room located at 518 Mechanic Street, Emporia, Kansas.

2. That the City Clerk shall cause notice of the public hearing to be published by publication of this resolution, at least once each week for two consecutive weeks, with the second publication occurring at least seven days prior to the hearing, in the City's official newspaper.
3. That the City Clerk shall cause notice of the public hearing to be sent by mailing a copy of this resolution by certified mail to all owners within the proposed district at least ten days prior to the hearing.
4. That this resolution shall be in full force and effect from and after its adoption.

Adopted by the Board of Commissioners and signed by the Mayor this 4<sup>th</sup> day of October 2023.

---

Susan Brinkman, Mayor

(SEAL)

ATTEST:

---

Kerry Sull, City Clerk

**PETITION FOR THE CREATION OF A  
COMMUNITY IMPROVEMENT DISTRICT**

**TO:** The Governing Body,  
City of Emporia, Kansas

The undersigned, being the owners of record of all land and all of the assessed value within the hereinafter described community improvement district, hereby petition the City of Emporia, Kansas (the “City”) to create a community improvement district and authorize the proposed project hereinafter set forth, all in the manner provided by K.S.A § 12-6a26, *et seq.* (the “Act”). In furtherance of such request, the petitioners state as follows:

**1. GENERAL NATURE**

The general nature of the project consists of the acquisition of certain real property, and the development and redevelopment thereof and the surrounding property to consist of a hotel and conference center facility (the “Project”). The Project includes the cost of parking facilities, site work, infrastructure improvements, landscaping, lighting, utilities, interest accrued on borrowed money during the period of construction of the project, the City’s administrative fee and associated costs incurred by the City, and other items eligible for reimbursement under the Act.

**2. PUBLIC PURPOSE**

The public purpose of the Project is to provide for the construction of improvements to contribute to the revitalization, growth and economic development of the City and property that is currently economically underutilized, and thereby furthering economic development purposes of the City.

**3. ESTIMATED COST**

The estimated cost of the Project is \$13,000,000, plus the State of Kansas administrative expenses (2%), the City’s administrative fee (3%) and associated costs incurred by the City,

**4. PROPOSED METHOD OF FINANCING**

The Project is proposed to be financed, in part, through the use of CID sales tax revenue to be expended on the Project on a pay-as-you-go basis.

**5. PROPOSED AMOUNT OF SALES TAX**

It is being proposed that the Project be financed, in part, through the levying and collection of a 2.00% add-on CID sales tax as authorized by the Act for a period of 22 years.

**6. PROPOSED METHOD AND AMOUNT OF ASSESSMENT**

It is not proposed that any special assessments be levied upon property within the proposed community improvement district pursuant to the Act.

**7. MAP AND LEGAL DESCRIPTION OF THE PROPOSED DISTRICT**

A map of the proposed community improvement district (the “**District**”) is attached hereto as **EXHIBIT A.**

A legal description of the District is attached hereto as **EXHIBIT B.**

**8. NOTICE TO PETITION SIGNERS**

Names may not be withdrawn from this Petition by the signers hereof after the City commences consideration of this Petition, or later than seven (7) days after the filing hereof with the City Clerk, whichever occurs first.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned petitioners have executed the above foregoing petition to create the District at the dates set forth opposite their signatures below:

Parcel B Owner:

FAIRVIEW HOTELS LLC  
a Kansas limited liability company

By: [Signature]  
Name: Sanjay Koshiya  
Title: M. Member  
Date: 9-19-2023

ACKNOWLEDGMENT

STATE OF Missouri )  
COUNTY OF Clay ) ss.

BE IT REMEMBERED, that on this 19 day of September 2023 before me, the undersigned, a Notary Public in and for said County and State, came Sanjay Koshiya who is known to me to be the same person who executed the within instrument, and such person duly acknowledged the execution of the same.

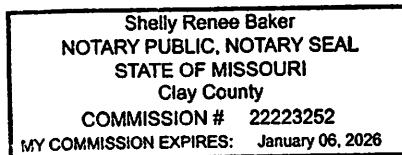
IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year last above written.

(Seal)

[Signature: Shelly Renee Baker]  
Notary Public in and for said  
County and State

My Commission Expires:

January 06, 2026



**Parcel A Owner:**

**EMPORIA HOTELS, LLC**

a Kansas limited liability company

By: *Shashiya*

Name: *Sanjay Koshiya*

Title: *M. Member*

Date: *9-19-23*

**ACKNOWLEDGMENT**

STATE OF *Missouri* )  
COUNTY OF *Clay* ) ss.

BE IT REMEMBERED, that on this *19* day of *September*, 2023, before me, the undersigned, a Notary Public in and for said County and State, came *Sanjay Koshiya*, who is known to me to be the same person who executed the within instrument, and such person duly acknowledged the execution of the same.

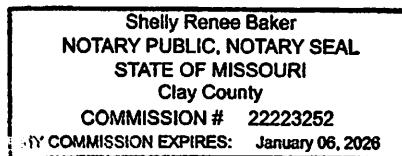
IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year last above written.

(Seal)

*Shelly Renee Baker*  
Notary Public in and for said  
County and State

My Commission Expires:

*January 06, 2026*



**EXHIBIT A**  
**Map of Proposed District Boundaries**



Property within the District:



## **EXHIBIT B**

### **Legal Description of Proposed District**

The following described property located in the City of Emporia, Lyon County, Kansas:

#### **Parcel A (commonly known as 2900 Eaglecrest Drive):**

Lot 11, Block 2 in Eaglecrest Fourth Subdivision to the City of Emporia, Lyon County, Kansas, EXCEPT the following tract:

Beginning at the Southeast Corner of said Lot 11; thence North 71 degrees 01 minutes 40 seconds West on the Southerly line of said Lot 11 for a distance of 249.88 feet to the Southwest Corner of said Lot 11; thence North 35 degrees 41 minutes 10 seconds East on the Westerly line of said Lot 11 for a distance of 83.75 feet; thence South 81 degrees 58 minutes 30 seconds East for a distance of 217.29 feet to the Easterly line of said Lot 11; thence along the Westerly line of 18<sup>th</sup> Avenue on a curve to the right with a chord that bears South 13 degrees 07 minutes 03 seconds West of an arc distance of 122.20 feet and to the point of beginning.

and

Lots 2 and 3, Block 2, Eaglecrest Fourth Subdivision to the City of Emporia, Lyon County, Kansas, EXCEPT the following tract:

Commencing at the West Corner of Lot 3; thence along the Northwest line of Lot 3 North 43 degrees 09 minutes 57 seconds East, 50 feet; thence Southeast to a point on the South line of said Lot 3, said point being North 62 degrees 30 minutes 00 seconds West, 32.94 feet from the Southerly Corner of said Lot 3; thence along the Southwest line of said Lot 3, being the Northeast line of Lot 4, Block 2, Eaglecrest Fourth Subdivision, North 62 degrees 30 minutes 00 seconds West, 184.18 feet to the point of beginning.

#### **Parcel B (commonly known as 3010 Eaglecrest Drive):**

Lots 7, 8 and 9, in Block 2, in Eaglecrest Fourth Subdivision to the City of Emporia, Lyon County, Kansas, according to the recorded plat thereof.

The Governing Body of the City of Emporia, Kansas, met in Regular Session, Wednesday, September 20, 2023, with Mayor Brinkman presiding and Commissioners Giefer, Harter, Sauder and Smith present. Also present were City Manager Cocking, Assistant City Manager Detter, City Clerk Sull and City Attorney Montgomery.

**CITY COMMISSION  
(Public Comment)**

This is the time for the public to make comments.

***The public is invited to make comments at this time. Please limit comments to two (2) minutes each. Please state your name and address prior to making comments.***

No comments were made at this time.

John Kretsinger and Members of the Soden's Bridge Preservation Committee, were in attendance to accept a proclamation declaring September 30, 2023 as "100 Year Anniversary of Soden's Bridge" in Emporia. They stated Sodens' Bridge has played a pivotal role in the growth and development of our city as the crossing over the Cottonwood River. This iconic landmark facilitated trade, commerce and social interactions for the community. They stated Soden's Bridge has withstood the test of time as countless journeys have been taken across the historic bridge and preserving our heritage and roots are vital.

Mayor Brinkman then presented the proclamation.

Debbie Williams, President of Emporia Kiwanis Club, was in attendance to accept a proclamation declaring "Kiwanis Club of Emporia's Centennial Anniversary" in Emporia. She stated the Kiwanis Club of Emporia was chartered in 1923 and has been serving the children of Emporia, Lyon County, and the world for 100 years. She stated the Kiwanis Club of Emporia has supported numerous community service projects for children throughout the years. The Kiwanis Club of Emporia has actively sponsored Kiwanis leadership programs for youth including Circle K at Emporia State University; Key Club at Emporia High School, Olpe High School, Northern Heights High School, Builders Club



at Emporia Middle School, Sacred Heart School and K-Kids. She stated the Kiwanis Club of Emporia's annual pancake feed has been a community event for 75 years. The Emporia's Kiwanis participates in international service projects to third world countries to eliminate Iodine Deficiency Disorder deficient in mineral and eliminate maternal and neonatal tetanus around the world. She stated the Kiwanis Club of Emporia looks forward to serving the children of Emporia, Lyon County and the world for another 100 years.

Mayor Brinkman then presented the proclamation.

**PLANNING AND DEVELOPMENT  
(MAPC Excerpts of Regular Meeting 7-18-23)  
(Adopt Updated Zoning Regulations)**

The Planning Commission met in a regular session on Tuesday, July 18, 2023, with Chair Thomas presiding. Members Duncan, Weaver, Barnes, Ogle, Rogers, and Bucklinger were present.

City staff: Justin Givens was present.

**Chair Thomas** called the meeting to order.

**Consider a Recommendation to the Governing Body Recommending Adoption of the Updated Zoning Regulations.**

**Chair Thomas** announced the agenda item.

**Givens** provided the staff report:

**Requested Action:** Consider a Recommendation To The Governing Body On Proposed Zoning Regulations.

**Purpose:** To Update the Zoning Regulations for the City of Emporia

**Analysis:** The City and County jointly started a process of updating zoning regulations shortly after the current comprehensive plan PLAN ELC was approved. The City and County severed interest in pursuing a common zoning code during the process.

The City of Emporia has since engaged outside legal opinions and support in constructing a new document to replace the existing zoning regulations.

The proposed document has elements of form based zoning as well as traditional Euclidian zoning. At a Special Public Hearing on May 23, 2023, the Planning Commission conducted the required public hearing for the adoption of the new regulations. At that time, the public provided input and staff has since presented the Planning Commission

with multiple changes to the document that reflected the public input and the Planning Commissions direction.

One remaining issue is outstanding and that is to include Section 4 Street Standards in the document or remove them and reserve Section 4 for future use.

A formal action is necessary by the Planning Commission to make a recommendation to the Governing Body for their consideration.

**Recommendation:** Staff recommends the Planning Commission recommend adoption of the new zoning regulations subject to further Planning Commission comment.

**Attachments:** None

The Commissioners discussed and determined to keep the Street Standards in the document and make no further revisions to the document.

Commissioner Barnes made a motion to recommend approval of the Zoning Regulations to the City Commission. Commissioner Duncan seconded the motion. Motion carried 7-0.

Justin Givens, Planning and Zoning Administrator, was recognized and addressed the Governing Body. He stated the City of Emporia and Lyon County had a joint effort to adopt updated zoning regulations based on recommendations from Plan ELC, the joint city/county comprehensive plan. The City eventually split with the County and Urban Collaborative after legal advice was given that a strictly form-based code was against state statute. The City hired a second contractor to revise the zoning regulations and create a document that would use both form-based code and traditional use-based zoning. He stated at their regular meeting held July 18, 2023, final revisions were made to the draft presented for consideration and the revised draft was voted unanimously to be presented to the City Commission. He stated staff recommends adopting Ordinance Number 23-28, updated the City Zoning Regulations.

**PLANNING AND DEVELOPMENT  
(Updating City Zoning Regulations)  
(Ordinance Number 23-28)**

AN ORDINANCE ADOPTING ZONING REGULATIONS GOVERNING THE USE OF LAND AND THE LOCATION OF BUILDINGS WITHIN EMPORIA, KANSAS, AS RECOMMENDED BY THE EMPORIA-LYON COUNTY METROPOLITAN AREA PLANNING COMMISSION PURSUANT TO K.S.A. 12-753 ET SEQ.; ESTABLISHING ZONING PARCEL TYPES AND THE CLASSIFICATIONS OF SUCH PARCEL TYPES;

ADOPTING BY REFERENCE THE OFFICIAL ZONING MAP AND THE ZONING REGULATIONS IN ACCORDANCE WITH K.S.A 12-3009:3012 AND K.S.A 12-3301:3302; AND REPEALING ALL EXISTING ZONING REGULATIONS, to which the City Clerk assigned Ordinance Number 23-28 was presented to the Governing Body for their consideration.

Commissioner Sauder made a motion to approve Ordinance Number 23-28, an ordinance updating the City Zoning Regulations. Commissioner Giefer seconded the motion. The vote follows: Commissioner Sauder, aye; Commissioner Giefer, aye; Commissioner Harter, aye; Commissioner Smith, aye; and Mayor Brinkman, aye;

**BONDS**  
**(Authorizing 2023 General Obligation Bonds)**  
**(Resolution Number 3706)**

Mark Detter, Assistant City Manager, was recognized and addressed the Governing Body. He stated the City of Emporia is working with Greg Vahrenberg, Municipal Financial Advisor of Raymond James and Dominic Eck, Bond Counsel of Gilmore & Bell on issuing \$9,925,000.00 Bank Qualified General Obligation Bonds. He stated staff would like to issue the 2023 General Obligation Bonds prior to year-end to use the entire allotment of Bank Qualified bonds allotted to the City for the purpose of banks and other financial institution bidding on the bonds for tax exemption purposes. The authorizing bond Resolution creates permission to issue tax exempt bonds. He stated the projects identified in the Resolution are as follows:

|                                                                              |                |
|------------------------------------------------------------------------------|----------------|
| Water Tower Rehabilitation                                                   | \$ 865,000.00  |
| Replacement of Lift Station #1                                               | \$2,800,000.00 |
| Replacement of Lift Station #15                                              | \$ 500,000.00  |
| Replacement of Sewer Main from Logan Ave. to the South of Zoo Education Bld. | \$1,000,000.00 |
| Subdivision Improvements                                                     | \$3,500,000.00 |

He stated the 2023 Bond issue will be factored into the 2024 Debt Service Schedule. Principal and interest and potentially some of the cost of issuance will be payable from Enterprise Funds. He stated staff is recommending approval of Resolution Number 3706 authorizing 2023 General Obligation Bonds for certain improvement projects relating to water, sewer system and subdivision improvements.

Commissioner Sauder made a motion to approve Resolution Number 3706 a resolution authorizing 2023 General Obligation Bonds for certain improvements within the City. Commissioner Giefer seconded the motion. The vote follows: Commissioner Sauder, aye; Commissioner Giefer, aye; Commissioner Harter, aye; Commissioner Smith, aye; and Mayor Brinkman, aye.

**CITY COMMISSION  
(Memorandum of Understanding)  
(Unified School District No. 253)**

City Attorney Montgomery and Dean Grant, Director of Public Works, were recognized and addressed the Governing Body. They stated the City and school district staff have negotiated a Memorandum of Understanding (MOU) regarding upgrades to the school crossing signal system to improve safety for pedestrians, access to controls, and solar power energy savings. They stated the proposed MOU addresses purchase, installation, software upgrades and hardware upgrades to nineteen (19) school crossing signal lights. The City will purchase, upgrade, operate and maintain all lights. They stated USD #253 will reimburse the City for 100% of the purchase of four (4) rectangular rapid flashing beacons, and 50% up to a maximum of \$80,000.00 for the purchase, installation, upgrades and software for fifteen (15) school zone lights over a period of ten (10) years. The lights will remain the property of the City. They stated the City will purchase all hardware and software licensing and USD #253 will reimburse portions as discussed. They stated staff recommends approval of the Memorandum of Understanding with Unified School District No. 253.

Following further discussion, Commissioner Harter made a motion to approve the Memorandum of Understanding with Unified School District No. 253. Commissioner Giefer seconded the motion. The vote follows: Commissioner Harter, aye; Commissioner Giefer, aye; Commissioner Sauder, aye; Commissioner Smith, aye; and Mayor Brinkman, aye.

**CITY COMMISSION  
(State of Kansas)  
(Kansas Water Office)  
(2023 Water Purchase Contract)**

Dean Grant, Director of Public Works, was recognized and addressed the Governing Body. He stated in 1983 the City entered a 40-year contract with the State of Kansas Water Office (KWO) for water storage in the Council Grove Reservoir to help supplement our natural stream flow water rights. This water is reserved for the City under that State Water Marketing Program and released during times of very low or no natural stream flows in the Neosho River. Under the current contract, the KWO has allotted 3358.90-acre feet (1,095,000,000 gallons) per year at fixed cost of approximately \$.10 per 1000 gallons. He stated with the current contract expiring on October 21, 2023, staff was directed to negotiate the terms of a new Water Marketing Contract. The proposed contract will reserve almost 62% of the water in Council Grove Reservoir for the City of Emporia. He stated staff negotiated a new variable rate contract for 7000-acre feet (2,282,000,000 gallons) per year through 2045. The City will be financially responsible for one-half of the annual allotment of water whether it is used or not. The City will pay a rate set in accordance with K.S.A. 82a-1306. The rate will be \$.473 per 1000 gallons in calendar year 2023 and \$.493 per 1000 gallons in calendar year 2024 with future annual rate adjustments. Fifty percent (50%) of the contract quantity must be paid whether or not water is withdrawn during any calendar year. The water cost is approximately \$562,513.00 in 2024. The cost of the water including the anticipated annual adjustments was factored into the water rate study that was presented to the Commission earlier this year. He stated the contract will need to be approved prior to the State of Kansas Water Authority's approval at their meeting in October, 2023. Staff is recommending approval of the Kansas Water Office Water Purchase Contract.

Following further discussion, Commissioner Smith made a motion to approve the Kansas Water Office Water Purchase Contract. Commissioner Sauder seconded the motion. The vote follows: Commissioner Smith, aye; Commissioner Sauder, aye; Commissioner Giefer, aye; Commissioner Harter, aye; and Mayor Brinkman, aye.

## CITY MANAGER'S REPORT (Financials & Building Permits)

This is the time for the City Manager to make comments and reports to the public.

**The following is general information for the month of August 2023 for community:**

1. Monthly Local Retail Sales Tax Receipts Update

|            |                       |                       |                                                   |
|------------|-----------------------|-----------------------|---------------------------------------------------|
|            | 2022                  | 2023                  | <b>Increase of \$56,566.35</b> for the month, and |
|            | \$ 514,737.39         | \$ 569,303.74         | Overall increase of 8.82% from year 2022.         |
| <b>YTD</b> | <b>\$3,962,655.98</b> | <b>\$4,312,253.54</b> |                                                   |

2. City Share from County Tax

|            |                       |                       |                                                   |
|------------|-----------------------|-----------------------|---------------------------------------------------|
|            | 2022                  | 2023                  | <b>Increase of \$54,458.15</b> for the month, and |
|            | \$ 263,349.85         | \$ 317,808.00         | Overall increase of 13.11% from year 2022.        |
| <b>YTD</b> | <b>\$2,016,686.99</b> | <b>\$2,281,081.83</b> |                                                   |

**Building Permits issued from 8/1/2023 to 8/31/2023 for new construction, remodeling/repairs and demolition.**

|                                                                |                 |
|----------------------------------------------------------------|-----------------|
| Total number of building permits issued through Code Services: | 83              |
| Total of valuations associated with those building permits:    | \$ 3,622,572.00 |
| Total number of dollars collected for Building Permit Fees:    | \$ 22,652.25    |

|                                     |   |
|-------------------------------------|---|
| Construct – Single-family dwellings | 0 |
| Demo – Single-family dwellings      | 0 |

|                                             |                     |
|---------------------------------------------|---------------------|
| <b>Flint Hills Mall CID for August 2023</b> | <b>\$ 21,131.66</b> |
| <b>YTD</b>                                  | <b>\$156,518.56</b> |

|                                      |                      |
|--------------------------------------|----------------------|
| <b>Pavilions CID for August 2023</b> | <b>\$ 16,542.02</b>  |
| <b>CID #2</b>                        | <b>\$ 16,538.59</b>  |
| <b>YTD</b>                           | <b>\$ 127,363.18</b> |

## Consent Agenda

It was moved by Commissioner Sauder, seconded by Commissioner Smith that the Consent Agenda listed below be ratified as a whole:

- a. Approve minutes of the Regular Meeting held on September 6, 2023.

The vote follows: Commissioner Sauder, aye; Commissioner Smith, aye; Commissioner Giefer, aye; Commissioner Harter, aye; and Mayor Brinkman, aye.

## **CITY COMMISSION (City Manager's Report)**

This is an opportunity for the City Manager to present information to the public that may not be reported in other news accounts or City activities or to highlight accomplishments of the organization.

At the time this Agenda was prepared, the following items were in the works:

### **TENTATIVE AGENDA FOR OCTOBER 4, 2023 MEETING.**

- Proclamation for Domestic Violence Awareness Month.
- Ordinance for the Annexation of Property 1100 S. Highway 99 into City Limits.
- Award 24<sup>th</sup> Avenue and Prairie Street Waterline Improvements.
- Industrial Park III Waterline Easement.
- Change Order No. 1 Mahtropolis Addition for water and sanitary sewer.

Study Session:

No items were tentatively scheduled at the time this was prepared.

## **CITY COMMISSION (Public Comment)**

This is the time for the Mayor and City Commissioners to make comments and reports to the public.

The Commission thanked all the employees that have been working with the water issues over the past several days.

## **EXECUTIVE SESSION**

Commissioner Sauder made a motion to recess into Executive Session to discuss confidential matters of a third party relating to economic development project resuming the open meeting in the City Commission Meeting Room, this same date, at 12:20 p.m. and inviting Chuck Scott, RDA President, Jim Witt, Special Project Coordinator, Tayler Wash, Special Projects Director, and Justin Givens, Planning and Zoning Administrator. Commissioner Harter seconded the motion. The vote follows: Commissioner Sauder, aye; Commissioner Harter, aye; Commissioner Giefer, aye; Commissioner Smith, aye; and Mayor Brinkman, aye.

Upon reconveying the meeting in Regular Session, at 12:20 p.m., this same date in the City Commission Meeting Room, Mayor Brinkman stated they had discussed confidential matters of a third party relating to economic development projects and no action was taken.

Commissioner Harter made a motion to recess the meeting until 12:30 p.m. to Conference Room 1AB. Commissioner Sauder seconded the motion. The vote follows: Commissioner Harter, aye; Commissioner Sauder, aye; Commissioner Giefer, aye; Commissioner Smith, aye; and Mayor Brinkman, aye.

**The following items were discussed at Study Session:**

1. Flint Hills Technical College Update.
2. TGT Board Discussion of Strategic Plan.
3. Recreation Commission.
4. Urbanside Park Development.
5. Water System Update.

Commissioner Smith then made a motion to adjourn. Commissioner Harter seconded the motion. The vote follows: Commissioner Smith, aye; Commissioner Harter, aye; Commissioner Giefer, aye; Commissioner Sauder, aye; and Mayor Brinkman, aye.

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Susan Brinkman, Mayor

ATTEST:

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Kerry Sull, City Clerk





## Commission Action Report

### Ordinance 23-30 Authorizing Oktoberfest Beer Garden

**Title:** Ordinance 23-30 Authorizing Oktoberfest Beer Garden

**Agenda Date:** October 4, 2023

**Presented By:** Christina Montgomery, City Attorney

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#### **Background:**

627 Event Space has requested permission to host a beer garden for the Oktoberfest special event on October 21, 2023, from 5:00 p.m. to 10:00 p.m. on 7th Avenue between Commercial Street and the alley to the west of Commercial Street. This location is depicted on the attached map

#### **Discussion:**

Ordinance 23-30 will temporarily exempt city streets and sidewalks in the approved location from the standard prohibition on the sale and consumption of alcoholic beverages. The ordinance requires the beer garden to be enclosed by city fencing in a location approved by the Chief of Police. 627 Event Center will be required to meet city and state requirements for alcohol sales. No one under the age of 21 may possess or consume alcohol within the beer garden, and no alcohol may be consumed in vehicles while on the street at the event.

#### **Financial considerations:**

The City will pay the cost of ordinance publication in the designated official local newspaper. Event sponsors will rent city fencing adequate to secure the beer garden location. City staff will deliver fencing and provide standard special event services.

#### **Recommended action:**

Approve Ordinance 23-30 Authorizing Oktoberfest Beer Garden

#### **Attachments:**

Ordinance 23-30 Authorizing Oktoberfest Beer Garden  
Map

## **ORDINANCE NO. 23-30**

AN ORDINANCE EXEMPTING W. 7TH AVENUE BETWEEN COMMERCIAL STREET AND THE ALLEY WEST OF COMMERCIAL STREET IN THE CITY OF EMPORIA FROM THE PROHIBITION ON THE SALE AND CONSUMPTION OF ALCOHOLIC BEVERAGES FOR THE OCTOBERFEST SPECIAL EVENT OCTOBER 21, 2023

WHEREAS, 627 Event Space has requested an exemption from the prohibition of sale and consumption of enhanced cereal malt beverages (CMB) and/or alcoholic liquor in connection with the Octoberfest special event.

**NOW, THEREFORE BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF EMPORIA, KANSAS:**

**SECTION 1.** Pursuant to K.S.A. 2011 SUPP. 41-719, as amended, the Governing Body temporarily exempts W. 7<sup>th</sup> Avenue between Commercial Street and the alley west of Commercial Street, with the exact location to be approved by the Chief of Police or designee, from the prohibition on the sale and consumption of enhanced cereal malt beverage (CMB) and alcoholic liquor when it is being sold or consumed in conjunction with the Octoberfest Special Event on October 21, 2023, between the hours of 5:00 p.m. to 10:00 p.m., as authorized by the city manager and subject to any other laws or ordinances regulating the possession, sale and/or consumption of enhanced CMB and alcoholic liquor.

**SECTION 2.** Sale and consumption shall be allowed within an area delineated in a manner approved by the Chief of Police or designee which clearly distinguishes the area where alcoholic beverages are permitted. No one under the age of 21 shall possess or consume alcoholic beverages and event sponsors shall be held strictly accountable for any violations. No alcoholic beverages shall be consumed in vehicles while on the street at any special event.

**SECTION 3.** No person shall remove any alcoholic liquor or CMB from inside the boundaries of the special event as delineated by signs, posted map, or other means which reasonably identify the boundaries of the special event.

**SECTION 4.** Licensees must meet all licensing requirements for sale of alcoholic beverages and CMB by the city and the state.

**SECTION 5.** This ordinance shall become effective upon publication in the official city newspaper.

PASSED AND APPROVED this 4<sup>th</sup> day of October 2023.

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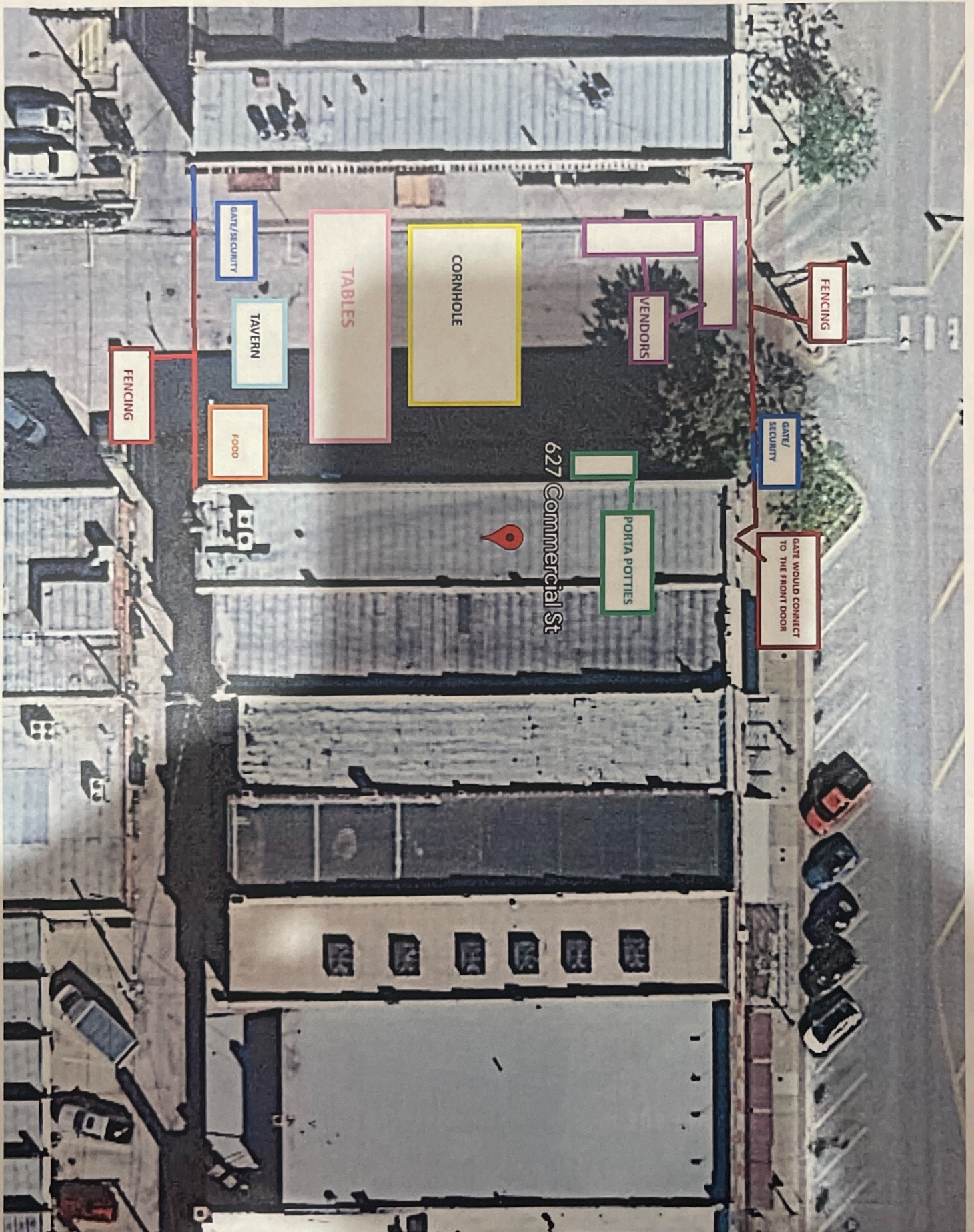
Susan Brinkman, Mayor

ATTEST:

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Kerry Sull, City Clerk









## Commission Action Report

### Industrial Park III Watermain Permanent Waterline Easement Acquisition

**Title:** Industrial Park III Watermain Easement Acquisitions, Project No. WM2202

**Agenda Date:** October 4<sup>th</sup>, 2023

**Presented By:** James Ubert, City Engineer

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#### Background:

The Industrial Park III Watermain Improvements Project will create a looped waterline system that feeds the REG site and Hill's Pet Foods. The said waterline improvements will extend down South Avenue to County Road M5, then along County Rd M5 from South Avenue to the City's existing waterline in Logan Avenue and extend from Penny Lane cul-de-sac along the south line of the REG lot to County Rd M5.

#### Discussion:

N/A

#### Financial considerations:

This waterline project will be funded by Economic Development Funds from the State of Kansas Department of Commerce.

#### Recommended action:

Accept the permanent waterline easements from Hill's Pet Nutrition and Emporia State Bank and Trust Company, Trustee of Emporia Enterprises, Inc., Revocable Trust.

#### Attachments:

Easements and exhibit.

## PERMANENT WATER LINE EASEMENT

This indenture made this 12 day of JUNE, 2023, by and between **Emporia State Bank and Trust Company, Trustee of Emporia Enterprises, Inc., Revocable Trust**, of Emporia, Lyon County, Kansas, hereinafter referred to as "Grantor", and the City of Emporia, Lyon County, Kansas, a municipal corporation hereinafter referred to as "Grantee". WITNESSETH:

That the Grantor, in consideration of the sum of one dollar (\$1.00) duly paid, the receipt of which is hereby acknowledged, does by these presents grant and convey unto the Grantee, its successors and assigns, all the Grantor's interest in the following described parcel, laying,

### PERMANENT WATERLINE EASEMENT

A PERMANENT WATERLINE EASEMENT LOCATED IN LOT 3 OF BLOCK B IN EAST PARK III SUBDIVISION TO THE CITY OF EMPORIA, LYON COUNTY, KANSAS; AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE NORTH 15 FEET OF THE SOUTH 45 OF SAID LOT 3.  
(See Exhibit "A")

The duration of the easement herein granted shall be perpetual, unless the Second Party agrees to terminate or abandon its use of the same for the stated purpose. The water line easement shall specifically include, the right and privilege of the Second Party, its agents, employees, contractors, and assigns, of ingress and egress over the lands of the First Party to access the water line and to traverse the easement with vehicles and equipment, and to make such improvements and excavations thereon and thereunder as may be reasonably necessary to construct, install, maintain, repair, replace, operate, or use the water line easement. Second party shall save and hold the First Party harmless from any and liability for personal injury and property damage resulting from said water line easement, or any related facilities or activities conducted or located within said easement, except liability for personal injuries or property damage caused solely by the negligence or wrongdoing of the First Party. Second Party, its contractors and assigns shall take all reasonable steps to restore and revegetate any ground areas disturbed by maintenance or construction or related activities in the permanent easement herein granted. The parties acknowledge and agree that the First Party, its heirs, successors or assigns, shall be entitled at all times to travel over the easements, and to conduct any and all activities which they may desire to conduct provided the same does not unreasonably interfere with Second Party's use of said easement for the construction, installation, maintenance, repair, operation or use of the water line located in the easement.

IN WITNESS WHEREOF the Grantor has executed this indenture as of the date first above written.

Emporia State Bank and Trust Company,  
Trustee of Emporia Enterprises, Inc., Revocable Trust

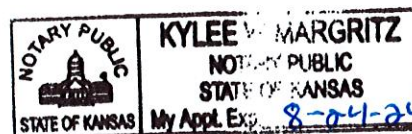
  
Steven B. Bell, Senior Vice President and Trust Officer

STATE OF KANSAS       )  
                                  ) ss:  
COUNTY OF LYON       )

BE IT REMEMBERED, on this 22 day of June, 2023,  
before me, the undersigned, a notary public in and for the County and State aforesaid,  
came **Steven B. Bell, Senior Vice President and Trust Officer of Emporia State  
Bank and Trust Company, Trustee of Emporia Enterprises, Inc., Revocable Trust**,  
such person(s) being personally known to me to be the same person(s) who executed  
the within instrument of writing and duly acknowledge the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial  
seal on the day and year last above written.

  
\_\_\_\_\_  
NOTARY PUBLIC



My Commission Expires:

8-24-24

EMPORIA ENTERPRISES, INC.  
2000 PENNY LANE

HILLS PET NUTRITION, INC.,  
400 S. WEAVER ST.

- (10') Temporary Construction Easement
- (15') Permanent Waterline Easement

PENNY LANE

ROAD M5

## PERMANENT WATER LINE EASEMENT

This indenture made this 17<sup>th</sup> day of August, 2023, by and between **Hills Pet Nutrition, Inc.**, of Emporia, Lyon County, Kansas, hereinafter referred to as "Grantor", and the City of Emporia, Lyon County, Kansas, a municipal corporation hereinafter referred to as "Grantee". WITNESSETH:

That the Grantor, in consideration of the sum of one dollar (\$1.00) duly paid, the receipt of which is hereby acknowledged, does by these presents grant and convey unto the Grantee, its successors and assigns, all the Grantor's interest in the following described parcel, laying,

### PERMANENT WATERLINE EASEMENT

A PERMANENT WATERLINE EASEMENT ADJOINING LOT 3 OF BLOCK B IN EAST PARK III SUBDIVISION TO THE CITY OF EMPORIA, LYON COUNTY, KANSAS; AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 3; THENCE N01°09'37"W ON THE EAST LINE OF SAID LOT 3 FOR 30.0 FEET TO THE POINT OF BEGINNING;

THENCE N89°15'49"E PARALLEL WITH THE SOUTH LINE OF SAID LOT 3 FOR 142.92 FEET TO THE WEST LINE OF COUNTY ROAD M5; THENCE N01°09'37"W ON SAID WEST LINE FOR 15.0 FEET; THENCE S89°15'49"W PARALLEL WITH SAID SOUTH LINE FOR 142.92 FEET TO SAID EAST LINE; THENCE S01°09'37"E ON SAID EAST LINE FOR 15.0 FEET TO THE POINT OF BEGINNING. (See Exhibit "A")

The duration of the easement herein granted shall be perpetual, unless the Second Party agrees to terminate or abandon its use of the same for the stated purpose. The water line easement shall specifically include, the right and privilege of the Second Party, its agents, employees, contractors, and assigns, of ingress and egress over the lands of the First Party to access the water line and to traverse the easement with vehicles and equipment, and to make such improvements and excavations thereon and thereunder as may be reasonably necessary to construct, install, maintain, repair, replace, operate, or use the water line easement. Second party shall save and hold the First Party harmless from any and liability for personal injury and property damage resulting from said water line easement, or any related facilities or activities conducted or located within said easement, except liability for personal injuries or property damage caused solely by the negligence or wrongdoing of the First Party. Second Party, its contractors and assigns shall take all reasonable steps to restore and revegetate any ground areas disturbed by maintenance or construction or related activities in the permanent easement herein granted. The parties acknowledge and agree that the First Party, its heirs, successors or assigns, shall be entitled at all times to travel over the



easements, and to conduct any and all activities which they may desire to conduct provided the same does not unreasonably interfere with Second Party's use of said easement for the construction, installation, maintenance, repair, operation or use of the water line located in the easement.

IN WITNESS WHEREOF the Grantor has executed this indenture as of the date first above written.

Hills Pet Nutrition, Inc

(signature)

JOHN HAZLIN PRESIDENT, HILLS PET NUTRITION  
(Print Name) (Title)

STATE OF KANSAS )  
) ss:  
COUNTY OF LYON )  
Shawnee

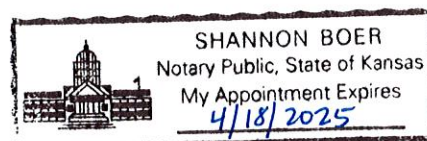
BE IT REMEMBERED, on this 17th day of August, 2023, before me, the undersigned, a notary public in and for the County and State aforesaid, came John Hazlin, President (Title) of Hills Pet Nutrition, Inc, such person(s) being personally known to me to be the same person(s) who executed the within instrument of writing and duly acknowledge the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the day and year last above written.

Shannon Boer  
NOTARY PUBLIC

My Commission Expires:

April 18, 2025



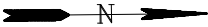
EMPORIA ENTERPRISES, INC.  
2000 PENNY LANE

(10') Temporary Construction Easement

(15') Permanent Waterline Easement

HILLS PET NUTRITION, INC..  
400 S. WEAVER ST.

ROAD M5





## Commission Action Report

### 2023 Street Preservation Project Change Order #1

**Title:** 2023 Street Preservation Project Change Order #1

**Agenda Date:** October 4, 2023

**Presented By:** Dean Grant, Director of Public Works

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#### **Background:**

The Street Division opened bids for the 2023 Street Preservation Project on March 28, 2023. Only one bid was received for this project. The bid was from APAC-Kansas, Inc. in the amount of \$93,600.00, for 11,000 pounds of crack seal.

#### **Discussion:**

6300 pounds of crack seal will need to be added to the project to complete the 9 remaining segments. Also, staff would like to add another 9300 pounds to seal the crack in the concrete on South Avenue from West St. to Weaver St.

#### **Financial Considerations:**

The 9300 pounds of added crack seal will cost an additional \$97,344.00, bringing the total project cost to \$190,944.00. \$200,000.00 was budgeted for this project.

#### **Recommended Action:**

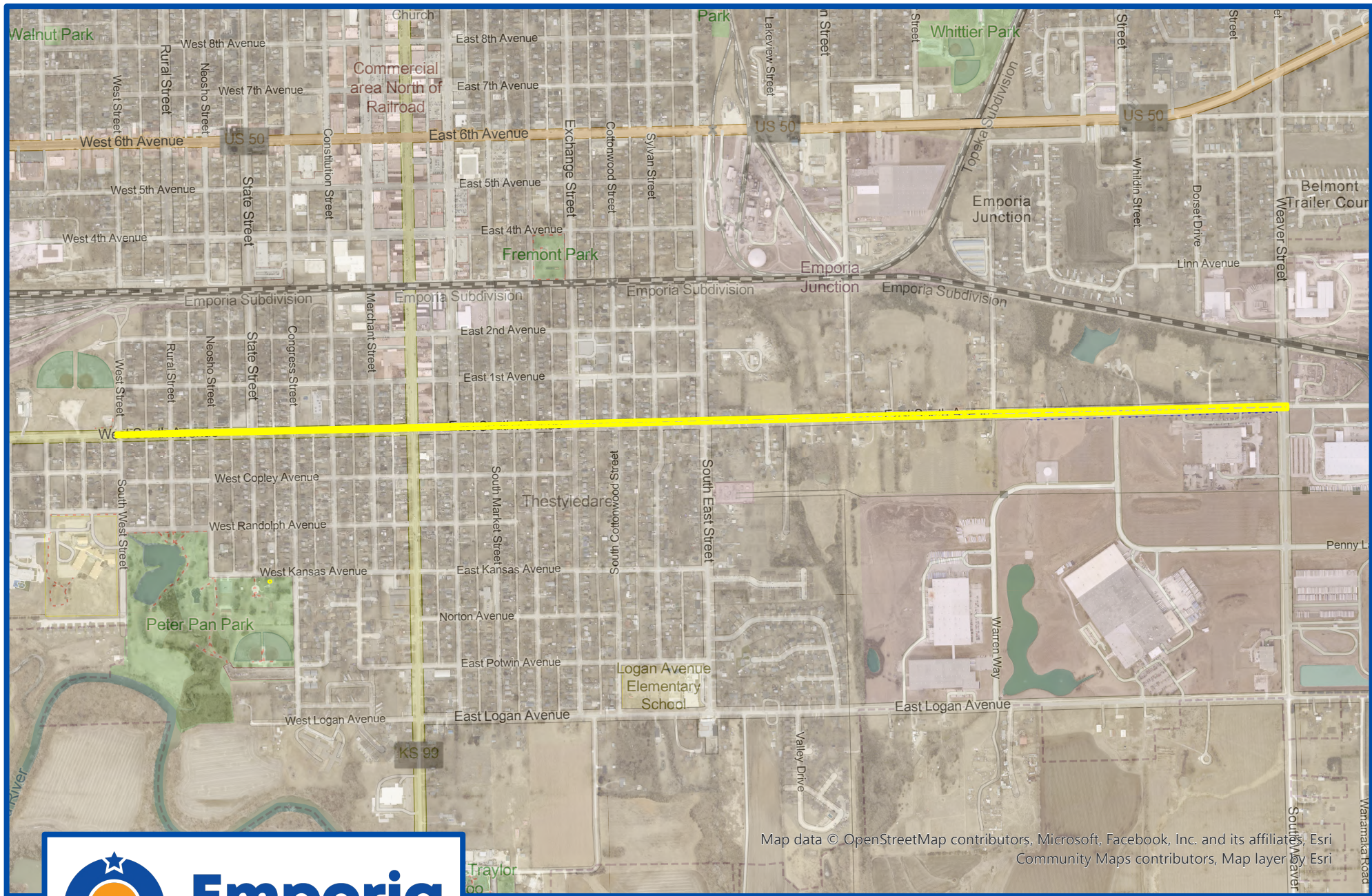
Approve change order #1 in the amount of \$97,344.00 for the 2023 Street Preservation Project.

#### **Attachments:**

List of Street Segments Remaining  
Map

| <b>2023 Street Preservation Remaining Segments</b> |                       |                         |
|----------------------------------------------------|-----------------------|-------------------------|
| <b>STREET</b>                                      | <b>From</b>           | <b>To</b>               |
| <b>1st Avenue</b>                                  | East Street           | Market Street           |
| <b>2nd Avenue</b>                                  | Sylvan Street         | Cottonwood Street       |
| <b>Copley Avenue</b>                               | South Exchange Street | South Mechanic Street   |
| <b>Kansas Avenue</b>                               | South East Street     | South Cottonwood Street |
| <b>Kansas Avenue</b>                               | South Mechanic Street | South Commercial Street |
| <b>Randolph Avenue</b>                             | South Mechanic Street | South Commercial Street |
| <b>Randolph Avenue</b>                             | Dead End              | South Market Street     |
| <b>South Cottonwood Street</b>                     | Logan Avenue          | Potwin Avenue           |
| <b>South Walnut Grove</b>                          | Cul de Sac            | South Avenue            |





Crack Sealing South Avenue - West St. to Weaver St.



## **Commission Action Report**

### Seventh Incentive Compliance Agreement with Simmons Foods, Inc.

**Title:** Seventh Incentive Compliance Agreement with Simmons Foods, Inc.

**Agenda Date:** October 4, 2023

**Presented By:** Christina Montgomery, City Attorney

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#### **Background:**

Simmons Foods, Inc. is in the process of expanding production at their Emporia facility located at 1400 E. Logan Avenue and has requested performance-based economic development incentives from the City of Emporia.

#### **Discussion:**

Simmons will invest \$47,000,000 in property improvements and \$46,000,000 in equipment as well as creating 10 new full-time jobs. In exchange, the City will request a 10-year ad valorem tax abatement on from the Kansas Board of Tax Appeals and will provide a water rate discount of 12% on water usage above 600,000,000 gallons annually and a solid waste rate discount of 20%.

#### **Financial considerations:**

The City will provide a 10-year ad valorem tax abatement and water and solid waste rate discounts.

#### **Recommended action:**

Approve Seventh Incentive Compliance Agreement with Simmons Foods, Inc.

#### **Attachments:**

Seventh Incentive Compliance Agreement with Simmons Foods, Inc.



## SEVENTH INCENTIVE COMPLIANCE AGREEMENT

This INCENTIVE COMPLIANCE AGREEMENT, dated effective this \_\_\_\_\_ day of \_\_\_\_\_, 2023 (the "Agreement"), is entered into by and between the CITY OF EMPORIA, KANSAS, a municipal corporation organized and existing under the laws of the State of Kansas (the "City") and SIMMONS FOODS INC., a Delaware Corporation (the "Company").

### RECITALS

WHEREAS, the Company intends to expand its existing manufacturing facility located at 1400 E Logan Avenue in Emporia, Kansas, by renovating the facility to increase production at the facility and to house a fourth high speed canning production line, and by acquiring the equipment necessary to operate the new production line (the "Project"); and

WHEREAS, The Company will create 10 new full-time jobs with an additional payroll of \$520,000; and

WHEREAS, the City is authorized by Article 11, § 13 of the Kansas Constitution and Kansas statute to apply for an exemption from ad valorem taxation for the Company's expansion project, if approved by the City and the Kansas Board of Tax Appeals; and

WHEREAS, the City is authorized and empowered under its powers of home rule as embodied in the Kansas Constitution, Article 12 § 5 to offer economic development incentives from available City funds to the Company to provide for the growth of employment and economic development of the City; and

WHEREAS, the City and the Company have previously entered into a 1997 Incentive Compliance Agreement, a 2002 Incentive Compliance Agreement, a 2003 Incentive Compliance Agreement, a 2004 Incentive Compliance agreement, a 2018 Phase I Incentive Compliance Agreement, and a 2018 Phase II Incentive Compliance Agreement, under which the City has granted economic incentives for the achievement of certain targeted capital improvements and employment; and

WHEREAS, pursuant to the foregoing, the City desires to enter into this Agreement with the Company in consideration of the Company's commitment to achieve certain added capital investment and added employment levels as more fully described this Agreement.

NOW, THEREFORE, in consideration of the mutual representations, covenants and agreements contained herein, the City and the Company agree as follows:

### ARTICLE I

#### DEFINITIONS

**Section 1.1. Definitions of Words and Terms.** In this agreement, unless otherwise indicated, all references to "dollar" or \$ are to United States dollars. In addition, the following words and terms as used herein shall have the following meanings:

**"Affiliate"** means any entity in which the Company, individually, or as trustee, directly or indirectly, and individually or in the aggregate owns at least 51%.

**"Agreement"** means this Incentive Compliance Agreement between the City and the Company, as from time to time amended and supplemented in accordance with the provisions hereof.

**"City Expenses"** means all reasonable expenses incurred or paid or obligated to be paid by the City in connection with the preparation and negotiation of this Agreement and obtaining the incentives for the Project described herein, including but not limited to application fees charged by the City, the Kansas Board of Tax Appeals and other similar agencies, if any, legal fees, reasonable expenses of the Regional Development Association incurred in connection with the Project, real estate and easement acquisition costs, reasonable administrative expenses, travel, and publication costs, if any.

**"Emporia Location"** means the Company's manufacturing and related facilities at 1400 E. Logan Avenue in the City.

**"Excusable Delays"** means any delay beyond the reasonable control of the Party affected, caused by damage or destruction by fire or other casualty, power failure, strike, shortage of materials, unavailability of labor, insurrection, riots, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or abnormal duration, tornadoes, floods, earthquakes, acts of God and any other events or conditions, which shall include but not be limited to any litigation interfering with or delaying the construction of all or any portion of the Project in accordance with this Agreement, which in fact prevents the Party so affected from discharging its respective obligations hereunder.

**"Exemption Act"** means Article 11, Section 13 of the Constitution of the State of Kansas and applicable related regulations and statutes.

**"Parties"** means the City and the Company (with each referred to individually as a "Party").

**"Project"** means the project defined in the recitals to this Agreement.

**"Targeted Job Creation"** means an additional 10 full time workers, as defined in Section 2.8(c), over and above 1,344 the number of reported full time workers.

**"Targeted Annual Payroll Amount"** means an additional \$520,000 over and above the reported payroll (as of the effective date of this Agreement) of \$61,501,440, for a total targeted payroll amount of \$62,021,440.

**"Targeted Real Property Cost"** means an investment of \$47,000,000 for improvements to the Company's real property at the Emporia Location as part of the Project.

**"Targeted Personal Property Cost"** means an investment of \$46,000,000 in equipment for the fourth production line portion of the Project.

**"Tax Exemption Year"** means the first calendar year in which the property or equipment is subject to taxation.

**"Tax Billing Year"** means the next year in which the taxes are billed for the previous year.

## ARTICLE II

### PROPERTY TAX EXEMPTION INCENTIVE

**Section 2.1. Tax Exemption; Payment in Lieu of Taxes.** In consideration of the Company's expansion of its manufacturing facility in the City and the investment of millions of dollars in equipment, and subject to the provisions of the Exemption Act, the City intends to apply for, subject to this Agreement, an exemption from ad valorem taxation of real property constituting the Project for the ten taxable years commencing with the first Tax Billing Year after the expansion is completed. As such, it is expected that



the Tax Exemption Years for the real property will be from 2025 to 2034. Company agrees to make payments in lieu of ad valorem real property taxes under this agreement in the amount specified and in the manner provided for in Section 2.8 and Section 2.9 of this Agreement, should it fail to achieve the Targeted Real Property Investment and maintain the Targeted Annual Payroll amount.

**Section 2.2. Location.** The project, which will expand the Company's existing production, consists of renovations to real property and includes equipment to add production line four at the Company's pet food manufacturing facility at 1400 E Logan Avenue in Emporia, Kansas.

**Section 2.3. Construction of Project; Statement of Intent.** The Company shall be responsible for entering into all contracts for the design and construction of the Project in a manner satisfactory and appropriate for the use of the Company. The Company shall be further responsible for obtaining all approvals, licenses, or other consents necessary for the construction and operation of the Project. Company will provide to the City an engineering or architectural design for the Project and will comply with all federal, state, and local statutes, ordinances or regulations, including without limitation applicable zoning and building codes and all environmental laws and regulations applicable to the Project.

In consideration of the incentives provided for herein, although recognizing that it cannot foresee future changes in ownership and other corporate decisions and economic and competitive factors which could impact Company's decision to maintain a facility at the Emporia Location beyond the period of the real property tax exemption periods provided for in this Agreement, Company nevertheless states to the City that it is the Company's current plan to maintain a significant presence in the City beyond the property tax exemption period specified herein.

**Section 2.4. Amount of Payments in Lieu of Taxes; Place of Payment.** In lieu of general ad valorem real property taxes on the Project, Company shall pay, but only if required under this Agreement, by separate check to the Treasurer of Lyon County, Kansas, or other appropriate officer as required by the laws of the State of Kansas, a payment in lieu of taxes in an amount which is determined under Section 2.8 and 2.9 of this Agreement. Such payments shall be distributed as and/or as a part of the general ad valorem tax collections for all taxing subdivisions in which the Project is located. If payment in lieu of taxes is required hereunder, such amount shall be billed by statement issued by December 10th of each year and shall be paid each year of the ten-year exemption as follows: one-half ( $\frac{1}{2}$ ) on or before December 20 in respect of the payment in lieu of taxes for the then current calendar year, and the remainder for such calendar year on or before May 10 of the following calendar year, or as otherwise required by law.

**Section 2.5. Distribution of Payment.** The amount of such payment in lieu of taxes will be determined by the Lyon County Clerk and/or City Clerk in the same manner and according to the same statutory procedure as general ad valorem taxes are determined, using the valuations determined by the Lyon County Appraiser's office under the same laws, rules and procedures for which real property taxes are determined for all taxpayers within the taxing jurisdiction(s), including the right to appeal and challenge the valuations as determined by the Lyon County Appraiser's Office, and in accordance with the requirements of this article. Such payments shall be distributed to all applicable taxing subdivisions in Lyon County as provided in K.S.A. 12-1742.

**Section 2.6. Reduction of Payment for Actual Taxes Paid.** The annual amount to be paid pursuant to paragraph 2.4 above shall be reduced, but not below zero, by any actual ad valorem tax payments paid in respect of the property constituting the Project by or on behalf of Company in respect of the Project for the current year and any applicable prior years.

**Section 2.7. Failure to Make Payment In Lieu of Taxes.** Should Company fail to make the payments described above, penalties and/or interest will be assessed against Company by the Lyon County Treasurer in accordance with the applicable laws of the state of Kansas relating to late tax payments. If Company fails to make a payment required by this Agreement and such failure shall continue for one year, the portion of this Agreement providing for the tax exemption may be terminated at the option of the City

effective on the date in the year such payment was originally due, and Company agrees that from and after such termination date, it shall pay in full the regular amount of ad valorem real estate property taxes on the property constituting the Project. Company must make all payments in lieu of taxes required by this Agreement; however, Company reserves the right to make such payment under protest pending its timely appeal of the valuation as determined by the Lyon County Appraiser's Office. Any such payment made under protest shall be paid to the County Treasurer with an accompanying letter that states the payment was made by Company under protest of the valuation, or in such other manner as may be required by law to properly perfect such an appeal. If after appeal, the valuation is adjusted downward, Company shall reduce its subsequent payment in lieu of taxes by the amount of any overpayment previously made by Company. If the subsequent payment is not sufficiently large to fully credit the overpayment, the credit may be carried forward to subsequent payment(s). Similarly, if after an appeal, the valuation is increased, Company shall pay any additional amount, calculated based on the revised valuation, with its subsequent payment in lieu of taxes.

**Section 2.8. Targets for Maintaining Tax Exemption.** Commencing on February 28, 2025 and for the duration of the 10-year exemption period specified herein, the standards for Targeted Job Creation and Targeted Annual Payroll Amount shall include the following special conditions:

a) At the commencement of this Agreement Company has attained a total employment payroll per annum of at least \$61,501,440, which total employment payroll will be increased to \$62,021,440 under the terms of this Agreement.

b) The City and Company agree and understand that the tax exemptions described herein are conditioned upon Company's achievement and maintenance of the Targeted Job Creation and the Targeted Annual Payroll Amount. If Company fails to maintain the applicable employment payroll standard for any tax exemption year beginning with the year 2024, a payment in lieu of taxes (PILOT) will be required for the subsequent calendar year which will be calculated as follows, provided, however, that in no event will the payment in lieu of tax ever exceed 100% of the taxes which would have been due in the absence of the exemption.

$$\frac{\text{Actual Employment Payroll}}{\text{Targeted Annual Payroll}} \times 100\% \text{ of taxes due in absence of exemption} = \text{PILOT}$$

or

$$\frac{\text{Actual Full Time Jobs Created}}{\text{Targeted Job Creation}} \times 100\% \text{ of taxes due in absence of exemption} = \text{PILOT}$$

c) To be included for purposes of this Agreement the salaries must be for employees whose normal place of work is at the Emporia Location and who are employed for a minimum of thirty (30) hours per week, inclusive of holidays, vacations and sick leave, receive fringe benefits routinely furnished to employees of the Company, and who, in the aggregate, earn an average annual salary of \$52,000.00. The calculation of total payroll shall be based on gross earnings taxable to an individual employee.

d) If an employee is terminated or leaves employment with the Company and is replaced by a new employee, the salary of the former employee and the new employee may be combined and counted as a single salary for purposes of determining the total payroll for the calendar quarter.

e) Company agrees to provide, at such time or times as the City reasonably requests, documentation of the total payroll paid by Company at the Emporia location and in particular Company agrees to certify to the City Manager or the Manager's designee, within 45 days of the close of each calendar year following the execution of this Agreement and for a period of ten years after commencement of commercial operation of the Project, documentation showing the total number of employees and payroll

paid by Company to employees whose normal place of work is the Emporia Location and who are employed for the preceding calendar year, and an annualized projection of total payroll for the forthcoming calendar year. The figures described in this paragraph shall be supported by the same data which Company files monthly with the Kansas Department of Human Resources for purposes of calculating unemployment taxes.

f) Targeted Annual Payroll Amount compliance shall be determined as of December 31 of each year commencing in calendar year 2024.

g) The average employment and employment payroll figures for a calendar year shall be the average of the data as outlined in paragraph e).

**Section 2.9. Approval of Exemption.** The provisions, covenants and agreements of Article II of this Agreement are conditioned on and depend on the issuance by the Kansas Board of Tax Appeals of an order exempting the Project from ad valorem taxation in accordance with Kansas law, including the Exemption Act. The City agrees to take all necessary administrative action to assist the Company in obtaining and maintaining the exemption referred to in this Article II, including any filing required with Lyon County, Kansas and the Kansas Board of Tax Appeals; provided, however, the City shall not be liable for any failure by the Kansas Board of Tax Appeals or Lyon County, Kansas to effect or approve the exemption allowed by the Exemption Act. The Company acknowledges that it is the responsible party to obtain and maintain the tax exemption provided for herein.

The Company acknowledges that the requirements of the Exemption Act have been fully explained to the Company and agrees to act in good faith, cooperate with the City, and use its best efforts in any action necessary to obtain and maintain the tax exemption under the Exemption Act, including providing, on a timely basis, such documentation as may be necessary to obtain and maintain the exemptions granted under the Exemption Act. The Company further acknowledges that the exemption is subject to mandatory annual review by the City and the Kansas Board of Tax Appeals for continued compliance with the Exemption Act, that changes in law and actions of the Company may affect the availability of the exemption initially and in any subsequent year regardless of this Agreement, and that the granting of the exemption by the Kansas Board of Tax Appeals for one portion of the Project does not guarantee the granting of an exemption for any other portion or of any renewal.

**Section 2.10. No Exemption on Special Assessments.** The City and the Company acknowledge and agree that the Exemption Act and this Agreement shall not apply to special assessments. The City is not aware of any current or anticipated special assessments on this property.

**Section 2.11. Existing Tax Exemption.** The parties acknowledge that the Company has, pursuant to and in compliance with the 1997 Incentive Compliance Agreement, as supplemented by the 2002 Incentive Compliance Agreement, the 2003 Incentive Compliance Agreement, and the 2004 Incentive Compliance Agreement, the 2018 Phase I Incentive Compliance Agreement, and the 2018 Phase II Incentive Compliance Agreement, a property tax exemption for the real and personal property acquired, constructed, and equipped as part of the initial opening of the Emporia facility and the subsequent expansions. The tax exemption described in this Agreement applies to the Project as defined herein and shall not overlap the existing exemptions nor extend the term of the existing exemptions, if any.

### ARTICLE III

#### COVENANTS OF THE COMPANY

**Section 3.1. Inspection.** The Company agrees that the City and its duly authorized agents shall have the right at reasonable times (during business hours), subject to at least 48 hours advance notice and to the Company's usual business proprietary, safety and security requirements, to enter upon

the Project Site to examine and inspect the Project and the records of the Company which demonstrate compliance with this Agreement. To the extent permitted under the laws of the state of Kansas governing public records, the City agrees that all information provided under this Section 3.1 shall be confidential and shall not be disclosed to third parties or used for any purpose other than in performing City's duties with respect to this Agreement, or enforcing the City's rights or remedies hereunder, or in accordance with law.

**Section 3.2. Economic Market Changes.** In the event of a failure by Company to meet the Targeted Job Creation and Targeted Annual Payroll Amount requirements specified in the preceding paragraphs, Company shall have the right to demonstrate to the City that such failure was the result of unforeseen economic or market changes and present a plan to the City for achieving the requirements. In such case, the City, may postpone or forgive any PILOT required hereunder. In the event Company vacates or abandons the Project at any time prior to December 31, 2033, Company and City hereby agree that any amounts forgiven under the provisions of this Section 3.2, shall become immediately due and payable.

**Section 3.2. Expenses.** The Company agrees to pay or reimburse the City for City Expenses as defined herein.

**Section 3.4. General.** Company represents that it is a corporation duly organized and existing under the laws of the state of Delaware with lawful power and authority to enter into and perform its obligations under this Agreement, acting by and through its authorized officers. The company will provide the City with an engineering or architectural design for the Project and will meet all applicable federal, state, and local statutes, ordinances or regulations, including without limitation the City's applicable zoning and building codes. The Company will comply with all applicable zoning regulations.

## **ARTICLE IV**

### **SALE AND ASSIGNMENT**

**Section 4.0.** The benefits granted by the City to the Company pursuant to this Agreement shall belong solely to the Company and such benefits shall not be transferred, assigned, pledged or in any other manner hypothecated without the express written consent of the City, except for (i) assignments, transfers and conveyances of all or substantially all of Company's rights and duties under this Agreement to a subsidiary or Affiliate which is owned or controlled by the Company or a majority of its principals, or (ii) collateral assignment of Company's rights under this Agreement to a financial institution as security for financing the Project as permitted by this Agreement.

## **ARTICLE V**

### **EVENTS OF DEFAULT; REMEDIES**

**Section 5.1. Event of Default.** Subject to extensions of time due to Excusable Delay, the failure of Company or the City to perform any material term or provision of this Agreement will be an "Event of Default" under this Agreement. The Party claiming default (the "Claimant") shall give written notice to the other Party specifying the nature of the claimed default.

**Section 5.2. Remedies on Default.** Upon an Event of Default as specified in Section 5.1, for which a remedy is not already provided by this agreement the Claimant shall be given 60 days (or such longer period as the Parties may agree) following written notice to a Party to cure such default. If such default is not subject to cure within 60 days the defaulting party shall initiate action, within the 60-day period, to cure such default and shall pursue such action diligently. When an Event of Default on the part of the City has occurred and be continuing (subject to applicable cure periods) the Company may pursue any remedy at law or in equity, except as provided below. Whenever an Event of Default by the Company shall have occurred and be continuing, subject to applicable cure periods, the City may (1) pursue any

remedy at law and in equity, including specific performance, except as otherwise provided herein, (2) withhold issuance of building, occupancy or other required development permits, and/or (3) terminate this Agreement, including, the provisions of Article II of this Agreement relating to tax exemption for the Project. If the tax exemption provisions are terminated, the applicable payment in lieu of taxes shall be 100% of the taxes owed in the absence of the exemption until the Project is returned to the tax rolls. In no event shall the Company or the City ever be liable for any punitive, special, incidental, or consequential damages in connection with this Agreement, or otherwise. For purposes of this Section, consequential damages shall include, but not be limited to, lost profits, lost tax revenue, or other similar losses which are not direct out-of-pocket costs incurred by the non-defaulting Party. The remedy of specific performance shall not be available to the City to require the Developer to construct the Project.

**Section 5.3. Time.** Time is of the essence of this Agreement. Subject to Section 6.6, if the Company fails or refuses to complete the Project expansion within 24 months, this City may terminate this agreement for nonperformance. Times of performance under this Agreement may be extended in writing by mutual agreement of the Parties.

## ARTICLE VI

### MISCELLANEOUS PROVISIONS

**Section 6.1. Severability.** If for any reasons any provision of this Agreement shall be determined to be invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected thereby.

**Section 6.2. Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Kansas.

**Section 6.3. Term.** The term of this Agreement shall begin upon the effective date first above written and shall terminate on December 31, 2033 or the date when Company has discharged all of its obligations hereunder with respect to any Payments in Lieu of Taxes required hereunder.

**Section 6.4. Notice.** Any notices required to be given under the terms of this Agreement shall be by first class mail or overnight delivery to the following addresses:

(1) With respect to the Company:

Simmons Pet Food, Inc.  
Attn: General Counsel  
601 North Hico Street (if by overnight delivery)  
P.O. Box 430  
Siloam Springs AR 72761

(2) With respect to the City:

City of Emporia, Kansas  
Attn: City Manager  
522 Mechanic  
Emporia, Kansas 66801

**Section 6.5. Full Agreement.** The preceding constitutes the entire agreement of the parties and no amendment thereof shall be effective unless in writing signed by the parties hereto.

No waiver of any covenant or agreement contained herein shall be effective unless in writing and no such waiver shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any other covenant or agreement.

**Section 6.6. Excusable Delay.** The City and the Company shall not be liable for failure of performance hereunder if occasioned by an Excusable Delay. Suspension of performance by reason of this Section shall be limited to the period during which such cause of failure exists.

**Section 6.7. Prior Agreement.** The provisions of this Agreement shall be deemed to be supplemental and additional to the terms of all previous Incentive Compliance Agreements.

**Section 6.8. Additional City Incentives, Future Cooperation.** In addition to the Property Tax Exemption Incentive described in Article II, the City will provide the following Additional City Incentives to the Company for the duration of this Agreement:

- The City will provide a water rate discount of twelve percent (12%) to the Company for each calendar year in which the Company uses a minimum of 600,000,000 gallons during a five (5) year period beginning January 1, 2023. Should the Company's usage fall below 600,000,000 gallons per year in any calendar year during the five-year water rate discount period, the Company shall remit payment to the City in an amount equal to the difference between the actual amount billed and the amount that would have been billed if the Company had used 600,000,000 gallons that calendar year.
- The Parties agree to work together to develop a mutually agreeable plan for reuse and recycling of water used in the Company's operations by December 31, 2026. Should the Company begin recycling water prior to the end of the five-year water rate discount period, the Company will provide written notice to City, and the twelve percent water rate discount and the 600,000,000 minimum usage requirement shall be eliminated.
- The City will provide a solid waste rate discount of 20% for a period of five (5) years.
- The City will complete and improve the water main loop at Industrial Park III by December 31, 2024, subject to KDHE permit approval, and final City Commission approval.

The Parties acknowledge that Emporia Enterprises, Inc., a not for profit corporation organized to aid and promote economic development and growth of the City, and the prior title owner of Lot 2 in Industrial Park III, did grant and transfer Lot 2, Industrial Park III to the Company for the Project.

**Section 6.9 Annual Appropriations.** Notwithstanding anything in this Agreement to the contrary, the cost and expense of the performance by the City of its obligations under this Agreement and the incurrence of any liabilities of the City under this Agreement, including without limitation, the payment of any amounts required to be paid by the City under this Agreement, shall be subject to and dependent upon annual appropriation being made by the City Commission of the City for such purposes. The City reasonably believes that legally available funds in an amount sufficient to meet all of City's obligations hereunder during the term of this Agreement can be obtained. City intends to do all things lawfully within its power to obtain and maintain funds from which the obligations of City under this Agreement may be met, including making provision for such payments to the extent necessary in each annual budget submitted and adopted in accordance with applicable provisions of State law. Notwithstanding any provision or covenant contained in this Agreement the City is not obligated to budget or appropriate moneys to provide for the costs and expense of the performance by the City under this Agreement beyond the end of the fiscal year for which the City has budgeted and appropriated such funds.

**Section 7.9 Legal Actions.** Any legal actions related to or arising out of this Agreement must be instituted in the District Court of Lyon County, Kansas or, if federal jurisdiction exists, in the Federal District Court in the District of Kansas sitting in the City of Wichita.

**Section 7.10. Income Tax Implications.** The City makes no covenants or warranty to the Company regarding the federal or state income tax implications of the incentives provided for herein. The Company assumes and acknowledges full responsibility for the determination of such or any other tax implications.

**Section 7.11 Non-liability of Officials, Employees and Agents of the City.** No recourse shall be had based upon any representation, obligation, covenant or agreement contained in this Agreement against any past, present or future official, officer, employee or agent of the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officials, officers, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

**CITY OF EMPORIA , KANSAS**

By \_\_\_\_\_  
Susan Brinkman, Mayor

(Seal)

ATTEST:

\_\_\_\_\_  
Kerry Sull, City Clerk

**Simmons Foods, Inc.**

By \_\_\_\_\_  
Kerry L. Hairston  
Senior Vice President of Finance & Treasurer  
Simmons Foods, Inc.



## Commission Action Report

### Informational Items

**Title:** Informational Items

**Agenda Date:** October 4, 2023

**Presented By:** Trey Cocking, City Manager

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#### **Background:**

This is an opportunity for the City Manager to present information to the public that may not be reported in other news accounts or City activities or to highlight the accomplishments of the organization.

#### **Discussion:**

At the time this Agenda was prepared, the following items were in the works for the tentative Agendas of the upcoming meetings on October 18, 2023.

#### **Commission Meeting :**

- Public Hearing for Establishment of the West 6th Avenue RHID.
- Ordinance to Change the Name of the CVAB to the Transient Guest Tax Advisory Board.
- Ordinance for the Annexation of Property 1100 S. Highway 99.
- Ordinance Establishing West 6th Avenue RHID.
- Award 24<sup>th</sup> Avenue & Prairie Street Project.

#### **Study Session :**

- Discuss Common Consumption Areas.
- Discussion Implementation of Rental registration and revisions of the current vacant property ordinance.
- Governing Body Handbook.
- Code of Conduct for Commissioners.



**Title:** Discuss Purchase of Fire Department Extrication Tools  
**Agenda Date:** October 4, 2023  
**Presented By:** Brandon Beck, Fire Chief

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**Background:**

The Fire Department is looking to upgrade from hydraulic extrication tools to battery-powered extrication tools. The department has chosen TNT Rescue Systems as the manufacturer for this tool purchase. The decision was based on the quality of the product and positive previous experiences with TNT Rescue Systems products. This project includes the purchase of three tools (spreader, cutter, and ram) and some accessory items.

**Discussion:**

Battery-powered tools operate independently from each other without compromising on power from a gas-powered generator. Crew members can work with multiple tools simultaneously to rescue patients faster. Battery-powered tools do not produce carbon emissions and are not as noisy as hydraulic-powered tools requiring a generator to operate. Battery-powered tools have the same capacity as hydraulic-powered tools but require less maintenance and storage space. In addition, battery-powered tools are safer for personnel to operate due to the elimination of the trip hazards of hoses between the tools and the generator.

Due to the dealer network utilized by TNT Rescue Systems for their products, Rescue Specialists is the authorized sales and service representative for TNT in Kansas thereby making them our sole source for these tools.

**Financial considerations:**

In the 2023 approved CIP budget, \$34,000.00 is allocated for this purchase. The cost of the three tools is \$33,480. We have also decided to upgrade to a higher-capacity battery and purchase additional accessories to use with the ram tool. The total cost of the project is \$36,345. The additional \$2,345.00 will be paid from the line item budget of the fire department.

**Attachments:**

Estimates from Rescue Specialists  
Product information, Surge-Black Cutter, and Surge Black Spreader  
TNT Sole source letter

Rescue Specialists

104 S Main St  
Salina, KS 67401  
620-255-9654  
jrogers@rescue-specialists.com  
www.rescue-specialists.com



Estimate

|                           |                           |          |         |            |            |
|---------------------------|---------------------------|----------|---------|------------|------------|
| ADDRESS                   | SHIP TO                   | SHIP VIA | Freight | ESTIMATE   | 285        |
| Chief Brandon Beck        | Chief Brandon Beck        |          |         | DATE       | 03/29/2023 |
| Emporia Fire Department   | Emporia Fire Department   |          |         | EXPIRATION | 11/30/2023 |
| 120 E 5th Ave             | 120 E 5th Ave             |          |         | DATE       |            |
| Emporia, Kansas 66801 USA | Emporia, Kansas 66801 USA |          |         |            |            |

| SKU             | ACTIVITY                                     | DESCRIPTION                                                                                       | QTY | RATE      | AMOUNT    |
|-----------------|----------------------------------------------|---------------------------------------------------------------------------------------------------|-----|-----------|-----------|
| SS-100-32-18V   | 18V Battery Powered 32in Heavy Duty Spreader | 18v 100 series 32in spreader with two 8.0Ah 18v batteries and one 110v rapid charger.             | 1   | 12,295.00 | 12,295.00 |
| SBFC-320-18V    | 18V Battery Powered Heavy Duty Cutter        | Milwaukee 18v Brute Force 8 1/2in Cutter with two 8.0Ah 18v batteries and one 110v rapid charger. | 1   | 12,230.00 | 12,230.00 |
| STLS-40-18V     | 18V Battery Powered Telescoping 40in Ram     | Milwaukee 18v Telescoping 40in Ram with two 8.0Ah 18v batteries and one 110v rapid charger.       | 1   | 8,955.00  | 8,955.00  |
| 529028          | Push Plate for TLS-40                        | 3 1/2in Push Plate for TLS-40                                                                     | 1   | 115.00    | 115.00    |
| STRMRAMBASE-EXT | Ram Base Extension Kit                       | Ram base extension kit with 6in, 12in, and 18in extensions.                                       | 1   | 1,650.00  | 1,650.00  |
| 48-11-1812      | M18 12.0 High Output Battery                 | Price Difference of Upgrade Charge to 12.0 AH Battery                                             | 6   | 100.00    | 600.00    |

|          |             |
|----------|-------------|
| SUBTOTAL | 35,845.00   |
| TAX      | 0.00        |
| SHIPPING | 500.00      |
| TOTAL    | \$36,345.00 |

Accepted By

Accepted Date



# STORM SURGE

## EBFC-320-18V

|                             |                        |           |
|-----------------------------|------------------------|-----------|
| LENGTH                      | 35.81 IN               | 909.69 MM |
| HEIGHT                      | 11.81 IN               | 299.91 MM |
| WIDTH                       | 10.50 IN               | 266.70 MM |
| WEIGHT                      |                        |           |
| EXCL. BATTERY               | 61.55 LBS              | 27.91 KG  |
| INCL. BATTERY               | 63.90 LBS              | 28.98 KG  |
| MAX. BLADE OPENING          | 8.6 IN                 | 218.44 MM |
| MAX. CUT REACH              | 5.55 IN                | 140.96 MM |
| POWER SOURCE OPTION         | MILWAUKEE M18          |           |
| CERTIFIED TO NFPA 1936-2020 | YES                    |           |
| NFPA CUT TEST               | A9, B9, C9, D9, E9, F6 |           |
| IP RATING                   | 54                     |           |



## EBFC-320-20V

|                             |                        |           |
|-----------------------------|------------------------|-----------|
| LENGTH                      | 35.81 IN               | 909.69 MM |
| HEIGHT                      | 11.81 IN               | 299.91 MM |
| WIDTH                       | 10.50 IN               | 266.70 MM |
| WEIGHT                      |                        |           |
| EXCL. BATTERY               | 61.55 LBS              | 27.91 KG  |
| INCL. BATTERY               | 64.75 LBS              | 29.37 KG  |
| MAX. BLADE OPENING          | 8.6 IN                 | 218.44 MM |
| MAX. CUT REACH              | 5.55 IN                | 140.96 MM |
| POWER SOURCE OPTION         | DEWALT 20V             |           |
| CERTIFIED TO NFPA 1936-2020 | YES                    |           |
| NFPA CUT TEST               | A9, B9, C9, D9, E9, F6 |           |
| IP RATING                   | 54                     |           |





# STORM SURGE

## ES100-32-18V

|                             |                      |              |
|-----------------------------|----------------------|--------------|
| LENGTH                      | 37.17 IN             | 944.16 MM    |
| HEIGHT                      | 11.15 IN             | 283.09 MM    |
| WIDTH                       | 13.58 IN             | 344.93 MM    |
| WEIGHT                      |                      |              |
| EXCL. BATTERY               | 49.45 LBS            | 22.43 KG     |
| INCL. BATTERY               | 51.80 LBS            | 23.49 KG     |
| MAX. SPREAD DISTANCE        | 31.50 IN             | 700.10 MM    |
| MAX. SPREAD FORCE RANGE     | 50,592 - 201,420 LBF | 225 - 895 KN |
| MAX. PULL DISTANCE          | 22.25 IN             | 565.15 MM    |
| MAX. PULL FORCE             | 9,339 LBF            | 41.54 KN     |
| POWER SOURCE OPTION         | MILWAUKEE M18        |              |
| CERTIFIED TO NFPA 1936-2020 | YES                  |              |
| IP RATING                   | 54                   |              |



## ES100-32-20V

|                             |                      |              |
|-----------------------------|----------------------|--------------|
| LENGTH                      | 37.17 IN             | 944.16 MM    |
| HEIGHT                      | 11.15 IN             | 283.09 MM    |
| WIDTH                       | 13.58 IN             | 344.93 MM    |
| WEIGHT                      |                      |              |
| EXCL. BATTERY               | 49.45 LBS            | 22.43 KG     |
| INCL. BATTERY               | 52.65 LBS            | 23.88 KG     |
| MAX. SPREAD DISTANCE        | 31.50 IN             | 700.10 MM    |
| MAX. SPREAD FORCE RANGE     | 50,592 - 201,420 LBF | 225 - 895 KN |
| MAX. PULL DISTANCE          | 22.25 IN             | 565.15 MM    |
| MAX. PULL FORCE             | 9,339 LBF            | 41.54 KN     |
| POWER SOURCE OPTION         | DEWALT 20V           |              |
| CERTIFIED TO NFPA 1936-2020 | YES                  |              |
| IP RATING                   | 54                   |              |







**TNT RESCUE SYSTEMS INC.**

2490 West Oak Street

Ashippun, WI USA

(P) 800.474.4189

(F) 920.474.4477

(W) [tntrescue.com](http://tntrescue.com)

September 29, 2021

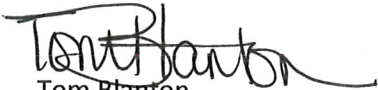
To Whom It May Concern:

Thank you for your interest in TNT Rescue Systems, Inc. TNT sells its products through a dealer network, where each representative is contracted for a specific sales region.

In the state of Kansas, Rescue Specialists is the authorized sales and service representative, thereby making Rescue Specialists your sole source for TNT product sales, service and warranty repairs.

Again, thank you for your interest in our products. We look forward to building a mutually beneficial relationship.

Sincerely,

  
Tom Blanton  
President



**Title:** Discuss Purchase of Fire Department Training Props  
**Agenda Date:** October 4, 2023  
**Presented By:** Brandon Beck, Fire Chief

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**Background:**

Realistic training for firefighters is essential to a firefighter's response efficiency. Having access to training props that are designed to provide the realistic challenges faced on the fire ground is beneficial to the operation of the fire department. The fire department would like to continue expanding the capabilities of our training division by purchasing additional training props.

**Discussion:**

With updates to building codes and fire codes, the number of structure fires have decreased over the years. With this decrease in frequency, more emphasis is required on the amount and quality of training firefighters receive. Our training division has found a door prop and a window prop that meets our current needs for training. Forcible Entry, Inc. is our choice for this purchase. This is a specialized piece of equipment only manufactured by Forcible Entry, Inc and is our sole source for this purchase.

**Financial considerations:**

In the 2023 approved CIP budget, \$11,106.00 is allocated for this purchase. The total cost of this project is \$11,316.17. The additional \$210.17 will be paid from the line item budget of the fire department.

**Attachments:**

Estimate-Forcible Entry Inc.  
Forced Entry Sole source letter  
Forcible Entry Catalyst Force Entry Door Info  
VES Window Info

**Forcible Entry, Inc.**

11374 Amalgam Way

Rancho Cordova, CA 95670 US

chuck@forcibleentry.com



## Estimate

**ADDRESS**

Trng Ofcr Matt Luder  
Emporia Fire Dept. - Emporia,  
KS  
Emporia, KS 66801  
United States

**SHIP TO**

Trng Ofcr Matt Luder  
Emporia Fire Dept. -  
Emporia, KS  
Emporia, KS 66801  
United States

**ESTIMATE #** 0023-0165**DATE** 02/27/2023

| SKU        | DESCRIPTION                                                                                                                                                                                                                                                                                                                                                                                                                            | QTY | RATE     | AMOUNT    |
|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----------|-----------|
| CFED-DM-36 | "Catalyst Force Entry Door with Direct Mount System to mount to Spec RO in wall or Conex. Crush Prop INCLUDED. Door is 36"" wide. Door Come With: 1- Complete Door, 2 -Flex Tech Jambs with HD Hinges, C6 Armor Academy Break System, 4 - AR400 Strike Plates, 1 -Sill Plate. Wall Attachment plates, flashing and hardware included. Standard Side Unless Otherwise Requested: Left side hinge Inward. Right side hinge outward.<br>" | 1   | 7,500.00 | 7,500.00T |
| VES-1      | 1st Floor window with burgular bar. 32"T x 34.5" W. Bolt pattern 36"Tx 39" W. Comes with: AR450 Window Sash - takes 1/2" - 5/8" wood dowels. 8 pieces of Polycarbonate Glass. Pryable and Cuttable Window Bar Prop attaches to window with standard 1"x2" lumber and has predrilled holes with T-bar tighteners for affixing rebar for cutting.                                                                                        | 1   | 2,995.00 | 2,995.00T |

THANK YOU for your business!

Be Safe.  
Breach Ours.  
Save Theirs.

The Forcible Entry Team

|              |                    |
|--------------|--------------------|
| SUBTOTAL     | 10,495.00          |
| TAX          | 0.00               |
| SHIPPING     | 821.17             |
| <b>TOTAL</b> | <b>\$11,316.17</b> |

Accepted By

Accepted Date





To Whom It May Concern,

This letter has been written to confirm that Forcible Entry Inc, DBA also as Forcible Entry Equipment serves as the sole designer, fabricator, supplier for products manufactured and sold by Forcible Entry Equipment.

Forcible Entry Inc.'s intellectual property consists of its own in-house proprietary designs, fabrication, and manufacturing to create the following products:

Catalyst Force Entry Door (all variations)  
Commercial Cutting Prop  
Hinge Pulling/Cutting Prop  
RUD (Roll Up Door) Prop  
VES Window Bar prop  
Force Box  
Conex Box Training Center  
Forcible Entry Mobile Trailer

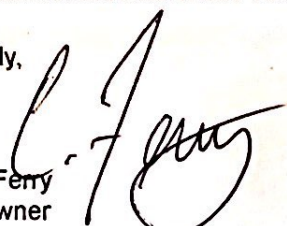
There are no agents, distributors, or dealers authorized to represent Forcible Entry, Inc. for the sale of the above listed products and/or services there within.

Specific only to the Catalyst Force Entry Door, the frame design and material utilized creates a "Flex Technology" (verified through CAD testing). Unique as well to the Catalyst Force Entry Door and VES Window Bar Prop, armor plate steel is integrated to create increased durability and versatility for more consistent feedback and training longevity. All product designs are unique in technical drawings and iterations, materials sourcing specific to tensile strength, and production / fabrication process to achieve Forcible Entry, Inc.'s quality control standards.

All props are designed, engineered, manufactured and distributed solely by Forcible Entry, Inc. All designs are proprietary and parts are manufactured to our specifications and no part, drawing or system is used, licensed, or sold to any outside supplier or vendor.

Forcible Entry, Inc. warrants that there is only one price for the above-named products because of our exclusive distribution and sales ownership.

Sincerely,

  
Chuck Ferry  
CEO/Owner

11/23/2021

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Our Distribution Division is LIVE!! - Check out FE Supply Company for your First Responder Products & Gear ×  
- New Brands Arriving Weekly

# Catalyst Force Entry Door

Train on the most realistic door, preferred by hundreds of fire and police stations and nearly every fire academy in California alone. Versatile and customizable to stage out the scenarios you experience in your area of operation. Durability and consistency are the key attributes for the Catalyst Force Entry Door that make it worthy for certification testing as much as daily honing of skills and gaining reps needed to maintain real world proficiency.



[Learn more](#)

## Stand Alone

Mobile. Versatile. Realistic without losing durability. Flex Tech door jambs and marine grade wood reinforced with AR450 strike plates bottom to top to create realistic feedback of both a commercial and residential door. Built in forklift header and detachable wheel system make transport easy from station to station. Additional props bolt on and detach



[Learn more](#)

## Direct Mount

Utilize and maximize the training infrastructure you already have. Upgrade your current training facility or convert an existing building and stay under budget. Direct Mount doors add to variability needed to customize scenarios and match your area of operation. The realism, and durability create the much needed applicability and consistent

seamlessly to save space and budget. Real commercial MAN doors also mount into the frame (with crush prop) to work camming a door. Lasts over 25,000 evolutions and counting.

training. Installs into any preexisting structure regardless of material used be it wood / stick built, CMU/cinder block/concrete, or Conex/flat plate (Draeger).

## Order Your Forcible Entry Training Platform Now

Contact Us

[Vimeo](#) [Instagram](#) [Facebook](#) [YouTube](#)

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# VES 3-in-1 Window Bar Prop



**The ONLY End-to-End Evolution Prop for VES Window Training**

## Product Description



Ventilate. Enter. Search. The Forcible Entry 3-in-1 VES Window Bar Prop is the only VES Window Bar that allows for a full VES Window Evolution to be performed from start to finish.

The VES Window is built to train real world evolutions and fully replicate what a first responder will experience when interfacing with a window.

Unlike any competitors' window prop it also includes the ability for security bar frame prying as well as entering and exiting via the window itself, which is load bearing.

Its size and dimensions meet all testing standards and resetting is not only quick and easy but consistent in feedback and difficulty for the trainee to execute and the trainer to certify.

VES Window Bar Prop

<https://www.forcibleentry.com/ves-3in1-window-bar>



## The VES 3-in-1 Window Bar Prop



### Overview:

- Full VES Window Bar evolution capable
- Made of AR-450
- Sandwich & bolt installation into any tower or our Conex Box Training Center
- Custom sizes available
- Modular setup to focus on specific scenarios and tool skills involving VES Window operations



VES Window Bar Prop

<https://www.forcibleentry.com/ves-3in1-window-bar>

## The VES 3-in-1 Window Bar Prop



**Window Bar Frame Pryable:**  
- Four 1x2 blocks set the frame into place for prying.



### Safety Chain

- For safety as well as quick single-person resetting, a safety hook and chain is provided.



### Blowout Window Panes:

- 8 flexible, shatterproof polycarbonate window panes file, snap, and lock into the sash and frame for raking the glass.

**Blowout Sash:**  
- Pinned with 4 dowels



VES Window Bar Prop

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## The “3-in-1” of the VES Window Bar



### **1. Window Pane & Sash Blowout**

- The window panes (8) are made of polycarbonate and can handle anything a Halligan or sledge can swing at them
- Shatter proof, the window panes flex to pop out and are reinstalled with minimal effort by manually popping them back in.
- Pin the sash using wooden dowels. Utilize 3/8" to 7/16" to change the tension levels along with different types of wood.

### **2. Window Bar Prop - Rebar Cutting**

- Mounting, rebar gauge choice, and environment of the Window Bar Prop all factor into the main goal: stressing good saw position to allow students to gain confidence in their ability to get window coverings off of any escape route.
- Replicates a window bar with ability to attack from multiple angles and methods
- Utilizes 1/2" - 5/8" rebar
- Quick reset for repetitive training and technique

### **3. Window Bar Prop - Frame Prying**

- Set it with 1x2's to pry window frame off of structure to open space further for ventilation and entrance.
- The sash (cross beam) is set with 3/8" - 7/16" dowels and can be cammed with a Halligan or hit equally with it, a sledge, or axe.

VES Window Bar Prop

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## Value Adds



### **End-to-End Evolutions from Start to Finish**

Not only modular to customize the scenario, the VES Window can be used from start to finish when training without the need of other props to fill in the gaps in the scenario. Load bearing and providing feedback like a real window, our prop is the most realistic window bar from beginning to end.

### **Full VES Window Evolution Capable**

- Blow out window panes
- Blow out sash
- Cut Security Rebar
- Pry Security Rebar Frame
- Enter
- Search
- Egress
- Reset for Repetition

VES Window Bar Prop

<https://www.forcibleentry.com/ves-3in1-window-bar>