

ORDINANCE NO. 135

AN ORDINANCE PROVIDING FOR THE ISSUANCE BY THE TOWN OF SUGAR CITY, COLORADO, OF ITS NEGOTIABLE COUPON BONDS IN THE AGGREGATE AMOUNT OF THIRTY THOUSAND DOLLARS (\$30,000.) TO BE DENOMINATED "REFUNDING BONDS", FOR THE PURPOSE OF REFUNDING A LIKE AMOUNT OF OUTSTANDING BONDED INDEBTEDNESS OF SAID TOWN, PRESCRIBING THE FORM OF SAID REFUNDING BONDS AND PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX TO PAY THE SAME, PRINCIPAL AND INTEREST; REPEALING ALL ORDINANCES, RESOLUTIONS OR PARTS THEREOF IN CONFLICT HERewith AND DECLARING AN EMERGENCY.

WHEREAS, the Town of Sugar City, Colorado, has heretofore issued and there are now outstanding and unpaid, its negotiable coupon bonds issued for Funding, Water Extension and Water Refunding purposes in the amount of Thirty Thousand Dollars (\$30,000.), being described as follows:

\$ 6,000 5 $\frac{1}{2}$ % Funding Bonds dated October 1, 1919, due serially \$1,000 of bonds on October 1, 1934 to 1939, both inclusive, being bonds numbered 11 to 16, inclusive, in the denomination of \$1,000 each;

14,000 4 $\frac{1}{2}$ % Water Extension Bonds dated June 1, 1928, redeemable June 1, 1940, due June 1, 1943, being bonds numbered 1 to 14, inclusive, in the denomination of \$1,000 each;

10,000 4 $\frac{1}{2}$ % Water Refunding Bonds dated April 1, 1932, due serially \$1,000 of bonds on April 1, 1938 to 1947, both inclusive, being bonds numbered 2 to 11, inclusive, in the denomination of \$1,000 each;

said indebtedness being due and payable on the dates above set forth; and

WHEREAS, there are and will be no funds in the treasury of said Town available for the redemption of said outstanding bonded indebtedness in the amount of Thirty Thousand Dollars (\$30,000.), or any part thereof; and

WHEREAS, by a resolution duly adopted on the 6th day of February, A. D. 1939, the Board of Trustees of the Town of Sugar City, Colorado determined to issue in accordance with the laws of the State of Colorado, particularly Subdivision 2, Article 12, Chapter 163, Colorado Statutes Annotated, 1935, new bonds to be denominated "Refunding Bonds", the same to be exchanged dollar for dollar for the bonds to be refunded, the

amount of bonds so determined upon to be issued as aforesaid, being the sum of Thirty Thousand Dollars (\$30,000.), and the Certificate of such Determination having been heretofore duly made and entered in and upon the records of said Town as required by law; and

WHEREAS, the Board of Trustees has heretofore determined that said Refunding Bonds so to be issued in the aggregate amount of Thirty Thousand Dollars (\$30,000.), shall be exchanged, with the consent of the holders thereof, dollar for dollar, for the bonds to be refunded, and said Board of Trustees believe it to be their duty to issue said Refunding Bonds and cause the same to be exchanged, dollar for dollar, for the bonds to be refunded as aforesaid, as and in the manner provided by law;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF SUGAR CITY, CROWLEY COUNTY, COLORADO;

Section 1. That by virtue and in pursuance of an Act of the General Assembly of the State of Colorado entitled: "An Act to enable cities and towns to refund their bonded indebtedness", approved March 16, 1921, and being Subdivision 2, Article 12, Chapter 163, Colorado Statutes Annotated, 1935, there shall be issued negotiable coupon bonds of said Town of Sugar City, to be denominated "Refunding Bonds" in the amount of Thirty Thousand Dollars (\$30,000), for the purpose of refunding a like amount of the outstanding indebtedness of said Town, dated October 1, 1919, December 1, 1928 and April 1, 1932, which said bonds the Board of Trustees of said Town has determined to call in for exchange, as provided herein.

Section 2. That the Mayor and Town Clerk of said Town of Sugar City be and they are hereby authorized and directed to have prepared negotiable coupon Refunding Bonds of said Town in the said aggregate amount of Thirty Thousand Dollars (\$30,000.).

Section 3. That said bonds hereby authorized shall be negotiable in form, payable to bearer, shall bear date the first day of January, A. D. 1939, shall bear interest at the rate of four per centum (4%) per annum, payable semi-annually on the first day of January and the first day of July in

each year; shall consist of sixty (60) bonds in the denomination of \$500 each, numbered from one (1) to sixty (60), both inclusive, and shall be due, \$1,500 of bonds on January 1st of each of the years 1940 to 1947, both inclusive, and \$2,000 of bonds on January 1st of each of the years 1948 to 1956, both inclusive, all of said bonds being redeemable at any time after date in inverse numerical order.

The principal of said bonds and the interest accruing thereon shall be payable in lawful money of the United States of America, at the office of the Town Treasurer, Sugar City, Colorado, and said bonds shall be signed by the Mayor, countersigned by the Town Treasurer, with the seal of said Town affixed thereto, and attested by the Town Clerk of said Town. The interest accruing on said bonds shall be evidenced by interest coupons thereto attached, bearing the facsimile signature of the Town Treasurer of said Town, and when so executed such coupons shall be the binding obligations of the Town according to their import.

Section 4. Said bonds and coupons to be attached thereto shall be in substantially the following form:

UNITED STATES OF AMERICA

STATE OF COLORADO

COUNTY OF CROWLEY

TOWN OF SUGAR CITY

REFUNDING BOND
SERIES OF 1939

NO. _____

\$500.00

The Town of Sugar City, Crowley County, Colorado, for value received acknowledges itself indebted and promises to pay to bearer the sum of

FIVE HUNDRED DOLLARS

in lawful money of the United States of America, on the first day of January, A. D. 19 __, with interest thereon from the date hereof at the rate of four per centum (4%) per annum, payable semi-annually, on the first days of January and July in each year, as evidenced by interest coupons hereto attached, both principal and interest payable at the office of the Town Treasurer, Sugar City, Colorado, upon presentation of this bond or said coupons, respectively.

The Town of Sugar City reserves the right to redeem the issue of bonds of which this bond is one any time after the date hereof in inverse numerical order.

This bond is issued by the Town of Sugar City, Colorado, for the purpose of paying, redeeming and refunding unpaid, payable, lawful and valid bonds of said Town, and the lawful and valid indebtedness evidenced thereby, under, by virtue of and in full conformity with the provisions of an Act of the General Assembly of the State of Colorado, entitled: "An Act to enable cities and towns to refund their bonded indebtedness", approved March 16, 1921, being Subdivision 2, Article 12, Chapter 163, Colorado Statutes Annotated, 1935, and pursuant to an ordinance duly adopted by the Board of Trustees of said Town at a lawful meeting thereof, held prior to the issuance of this bond.

It is hereby certified and recited that all acts and things required to be done and conditions and things required to exist precedent to

and in the issuance of this bond to render the same lawful and valid, have happened, been properly done and performed, and did exist in regular and due time, form and manner as required by law, and that the total debt of said Town of Sugar City, including that of this bond, exceeds neither the statutory nor the constitutional limitations of the State of Colorado; that said total debt is not increased by the issuance hereof, and that provision has been made for the levy and collection of a direct annual tax on all the taxable property in said Town sufficient to pay the principal and interest of this bond as the same respectively come due.

The full faith and credit of the Town of Sugar City are hereby pledged for the punctual payment of the principal of and the interest on this bond.

IN WITNESS WHEREOF, the Town of Sugar City, Colorado, has caused this bond to be signed by its Mayor, countersigned by its Town Treasurer, and sealed with its corporate seal, and attested by its Town Clerk, and has caused the annexed interest coupons to be executed with the facsimile signature of its said Town Treasurer, this first day of January, A. D. 1939.

(Do not sign)

MAYOR

COUNTERSIGNED;

(Do not sign)

TOWN TREASURER

(SEAL)

ATTEST:

TOWN CLERK

(FORM OF COUPON)

No. _____

\$10.00

On the first day of ^{January,} July, A. D. 19 ____, (unless the bond to which this coupon is attached has been called for prior redemption), the Town of Sugar City, in the State of Colorado, promises to pay to the bearer

TEN AND NO/100 DOLLARS

in lawful money of the United States of America, at the office of the Town Treasurer, Sugar City, Colorado, being six months' interest on its Refunding Bond, Series of 1939, dated January 1, 1939, bearing

No. _____

(Facsimile signature)

TOWN TREASURER

Section 5. That when issued, the Refunding Bonds hereby authorized shall be exchanged, dollar for dollar, for the bonds to be refunded, and the Refunding Bonds shall not be issued until the said outstanding Funding, Water Extension and Water Refunding Bonds, bearing interest at the rate of $5\frac{1}{2}\%$ per annum, dated October 1, 1919, numbered 11 to 16, inclusive, each in the denomination of \$1,000, and Water Extension Bonds bearing interest at the rate of $4\frac{1}{2}\%$ per annum, dated June 1, 1928, numbered 1 to 14, inclusive, each in the denomination of \$1,000, and Water Refunding Bonds bearing interest at the rate of $4\frac{1}{2}\%$ per annum, dated April 1, 1932, numbered 1 to 10, inclusive, in the denomination of \$1,000 each, have been called in and cancelled in an amount equal to or in excess of the bonds so issued, and all accrued interest on the bonds to be refunded shall be paid before such Refunding Bonds are issued in exchange therefor.

Section 6. That the interest falling due on said bonds on the first day of July, A. D. 1939, and the first day of January, A. D. 1940, and the principal due January 1, 1940, shall be paid out of the general funds of said Town, and for the purpose of reimbursing said general funds and to pay the interest accruing on said bonds, and for the serial redemption of said bonds promptly as they become due, there shall be levied on all taxable property in said Town, in addition to all other taxes, direct annual taxes in the following amounts and at the following times, to-wit:

<u>YEAR</u>	<u>FOR PRINCIPAL</u>	<u>FOR INTEREST</u>	<u>TOTAL</u>
1939	\$3,000.	\$2,340.	\$5,340.
1940	1,500.	1,080.	2,580.
1941	1,500.	1,020.	2,520.
1942	1,500.	960.	2,460.
1943	1,500.	900.	2,400.
1944	1,500.	840.	2,340.
1945	1,500.	780.	2,280.
1946	2,000.	720.	2,720.
1947	2,000.	640.	2,640.
1948	2,000.	560.	2,560.
1949	2,000.	480.	2,480.
1950	2,000.	400.	2,400.
1951	2,000.	320.	2,320.
1952	2,000.	240.	2,240.
1953	2,000.	160.	2,160.
1954	2,000.	80.	2,080.

and said taxes, when collected, shall be placed in a fund to be called the

"Redemption Fund to pay Refunding Bonds dated January 1, 1939," and said taxes shall be applied solely for the purpose of the payment of said interest and principal of said bonds respectively, and for no other purpose whatever until the bonds authorized under this ordinance, principal and interest, shall have been fully paid, satisfied and discharged, but nothing herein contained shall be so construed as to prevent said Town from applying any other funds that may be in the Treasury of the Town and available for that purpose to the payment of the said interest or principal as the same respectively mature and the levy or levies provided for may thereupon to that extent be diminished.

Section 7. All revenues derived from the operation of the municipal water system of the Town of Sugar City, Colorado, after the payment of the cost of the operation and maintenance of said system, shall be irrevocably pledged to the payment of the principal and interest on said Refunding Bonds and upon the application of such revenues to such purpose, the tax levies hereinbefore specified may be reduced as provided in Section 6 of this ordinance.

Section 8. That the provisions of this ordinance and each of the bonds and the interest coupons issued pursuant thereto shall constitute, and the same are hereby declared to be a binding and irrevocable contract between the said Town and the holder from time to time of each of said bonds and the interest coupons thereto appertaining.

Section 9. That after said bonds are issued this ordinance shall not be amended or repealed until the bonds hereby authorized shall have been fully paid, both principal and interest.

Section 10. All ordinances or resolutions, or parts thereof, in conflict with the provisions hereof, be, and the same are hereby repealed.

Section 11. That it is necessary for the refunding proceedings herein provided to be completed as soon as possible in order that the said Town may obtain the benefit of the present offer to exchange outstanding bonds for Refunding Bonds at a lower rate of interest, therefore it is hereby declared that an emergency exists and that this ordinance is necessary for the

immediate preservation of the public peace, health and safety and shall become effective five days after its publication. This ordinance, immediately upon its passage, shall be recorded in the book of ordinances of said Town kept for that purpose, authenticated by the signature of the Mayor and Town Clerk, and shall be published, as required by law.

ADOPTED AND APPROVED this 6th day of February A. D.
1939.

J. H. Beiser
MAYOR

(SEAL)

ATTEST:

E. B. Barnes
TOWN CLERK