

(First published in the *Coffeyville Journal* on July 9, 2014, and subsequently on July 16, 2014)

**NOTICE OF SPECIAL QUESTION ELECTION
THE CITY OF COFFEYVILLE, KANSAS**

Notice is hereby given to the qualified electors of the City of Coffeyville, Kansas (the “City”) that a special question election has been called and will be held on August 5, 2014, for the purpose of submitting to the qualified electors of the City the following proposition:

Shall the following be adopted?

Shall the City of Coffeyville, Kansas be authorized to: (1) impose a one-half percent (1/2%) City-wide retailers' sales tax (the “2015 Transportation Sales Tax”), the proceeds of which shall be used to finance the costs of general transportation improvements throughout the City including, but not limited to streets, curbing, and sidewalks (the “Improvements”); the collection of such 2015 Transportation Sales Tax shall commence upon the expiration of the existing one-half percent (1/2%) City-wide retailers' sales tax imposed for street improvement purposes on April 1, 2015, or as soon thereafter as permitted by law, and shall terminate on the earlier of (a) ten (10) years after its commencement, or (b) when all costs associated with the financing of the Improvements, including the repayment of any sales tax revenue or general obligation bonds issued to pay such costs, shall have been paid; and (2) issue sales tax revenue and/or general obligation sales tax bonds to pay the costs of the Improvements and associated financing costs; all pursuant to K.S.A. 10-101 *et seq.* and K.S.A. 12-187 *et seq.*, as amended?

IT IS IMPORTANT FOR EACH QUALIFIED VOTER TO NOTE THAT YOUR BALLOT CANNOT BE COUNTED UNLESS YOU TAKE THE APPROPRIATE STEPS:

To vote in favor of any question submitted on this ballot, completely darken the oval to the left of the word “YES” on the paper ballot. To vote against it, completely darken the oval to the left of the word “NO” on the paper ballot.

YES

NO

The polls will open at 7:00 A.M. and will close at 7:00 P.M., on August 5, 2014, the election day. The voting places in the City and the area each voting place will serve will be as follows:

<u>Voters Residing In Precinct</u>	<u>Will Vote At</u>	<u>Location</u>
1st Precinct	Senior Citizens Bldg.	601 S. Walnut, Coffeyville
2nd Precinct	Senior Citizens Bldg.	601 S. Walnut, Coffeyville
3rd Precinct	Senior Citizens Bldg.	601 S. Walnut, Coffeyville
4th Precinct	Grace Fellowship Church	2455 Woodland, Coffeyville
5th Precinct	Grace Fellowship Church	2455 Woodland, Coffeyville
6th Precinct	Grace Fellowship Church	2455 Woodland, Coffeyville
7th Precinct	Senior Citizens Bldg.	601 S. Walnut, Coffeyville
8th Precinct	Senior Citizens Bldg.	601 S. Walnut, Coffeyville
9th Precinct	Senior Citizens Bldg.	601 S. Walnut, Coffeyville
10th Precinct	Senior Citizens Bldg.	601 S. Walnut, Coffeyville
11th Precinct	Grace Fellowship Church	2455 Woodland, Coffeyville
12th Precinct	Grace Fellowship Church	2455 Woodland, Coffeyville
13th Precinct	Grace Fellowship Church	2455 Woodland, Coffeyville

The election will be conducted by the officers and/or persons provided by law for holding elections, and the method of voting will be by ballot. Registered voters are eligible to vote by advance voting ballot upon application to the County Clerk of Montgomery County, Kansas, set forth below pursuant to K.S.A. 25-1117 *et seq.*

Additional Information

General. The following additional information is provided by the City with respect to the effect of this ballot proposition. Passage of this ballot proposition would authorize the City to: (1) impose a one-half percent (1/2%) City-wide retailers' sales tax (the "2015 Transportation Sales Tax"), the proceeds of which shall be used to finance the costs of general transportation

improvements throughout the City including, but not limited to streets, curbing, and sidewalks (the “Improvements”); the collection of such 2015 Transportation Sales Tax shall commence upon the expiration of the existing one-half percent (1/2%) City-wide retailers' sales tax imposed for street improvement purposes on April 1, 2015, or as soon thereafter as permitted by law, and shall terminate on the earlier of (a) ten (10) years after its commencement, or (b) when all costs associated with the financing of the Improvements, including the repayment of any sales tax revenue or general obligation bonds issued to pay such costs, shall have been paid; and (2) issue sales tax revenue and/or general obligation sales tax bonds to pay the costs of the Improvements and associated financing costs (the “Bonds”). If the proposition is approved, it is anticipated that the City may issue temporary financing to construct the Improvements prior to the commencement of the 2015 Transportation Sales Tax. The Bonds will thereafter be issued to retire the temporary financing after the 2015 Transportation Sales Tax has commenced.

The net effect of passage of the ballot proposition would be to continue the imposition of a one-half percent (1/2%) City-wide retailers' sales tax, the proceeds of which would be used to finance the costs of general transportation improvements throughout the City for an additional time period of not to exceed ten (10) years.

Financing. The following additional information is provided by the City with respect to compliance with the provisions of K.S.A. 10-120a and K.S.A. 12-6,122. This information has been obtained from sources deemed reliable by the City. Certain portions of this information are based upon projections. No assurances can be given that these projections will be accurate as of the date of issuance of the Bonds due to changing market conditions and other matters unknown or unavailable at this time. The assumed principal repayment schedule and the average interest rates are based on recent bond issues for similar types of financings all as shown below.

Projected Summary of Costs of the Improvements

<u>Sources of Funds</u>		<u>Uses of Funds</u>	
Bonds to be Issued	\$7,465,000	Improvement Costs (including design, land acquisition, construction, site improvements, project management and contingency)	\$7,320,618
		Issuance Expenses (including attorney fees, printing costs, rating agency fees, financial advisor fees, underwriting fees and other miscellaneous expenses)	144,382
Total	\$7,465,000	Total	\$7,465,000

Projected Summary of Bond Issue Repayments

Estimated annual 1/2% 2015 Transportation Sales Tax collections: \$874,350¹

Principal Repayment Term:	10 years	Average Interest Rate:	2.55%
Total Interest Cost to	\$1,055,504	Average Annual	\$852,050
Maturity:		Principal and Interest	
		Payments:	

Ad valorem taxation based on 100% of estimated 2015 Transportation Sales Tax collections ¹ :	\$-0-	0.000 mills ²
Ad valorem taxation based on 90% of estimated 2015 Transportation Sales Tax collections ¹ :	\$7,434	0.1693 mills ²
Ad valorem taxation based on 80% of estimated 2015 Transportation Sales Tax collections ¹ :	\$94,869	2.1604 mills ²

¹ Based on budgeted 2015 Transportation Sales Tax collections for the year 2015.

² Based on 2014 Assessed Valuation of \$43,912,862.

Election Information

The election officer conducting the election will be the County Clerk of Montgomery County, Kansas, whose address is: County Courthouse, 217 E. Myrtle, Independence, Kansas 67301.

DATED: June 10, 2014.

Charlotte Scott Schmidt, County Clerk
Montgomery County, Kansas