

ORDINANCE NO. 296

AN ORDINANCE PROVIDING FOR THE ISSUANCE BY THE CITY OF MONTROSE, COLORADO, OF ITS NEGOTIABLE COUPON BONDS IN THE PRINCIPAL AMOUNT OF \$250,000, TO BE DENOMINATED "REFUNDING BONDS," FOR THE PURPOSE OF REFUNDING A LIKE AMOUNT OF THE OUTSTANDING BONDED INDEBTEDNESS OF SAID CITY; PRESCRIBING THE FORM OF SAID REFUNDING BONDS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX TO PAY THE SAME, BOTH PRINCIPAL AND INTEREST; REPEALING ALL ORDINANCES OR PARTS THEREOF IN CONFLICT HEREWITH, AND DECLARING AN EMERGENCY.

WHEREAS, the City of Montrose, Colorado, will have outstanding and unpaid, its negotiable 2½% water Bond in the principal amount of \$250,000, dated April 1, 1952, redeemable any time after its date; and

WHEREAS, There will not be funds in the treasury of said City available for the payment or redemption of such bonds; and

WHEREAS, by a resolution duly adopted on the 19th day of March, 1952, the City Council of the City of Montrose, Colorado, determined to issue, in accordance with the City Charter and the laws of the State of Colorado, new bonds, each to be denominated "Refunding Bond," for the purpose of paying and redeeming the bond to be refunded as aforesaid, as and in the manner provided by law;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONTROSE, MONTROSE COUNTY, COLORADO:

Section 1. That by virtue and in pursuance of said Laws, there shall be issued negotiable coupon bonds of said City, each to be denominated "Refunding Bond," in the principal amount of \$250,000, for the purpose of refunding a like amount of indebtedness of said City, hereinbefore described, which indebtedness the City Council of said City has determined to call in for exchange, as provided, herein.

Section 2. That the Mayor and City Clerk of said City of Montrose, be and they are hereby authorized and directed to cause to be prepared negotiable coupon refunding bonds of said City in the aggregate amount of \$250,000.

Section 3. That said bonds, hereby authorized, shall be negotiable in form, payable to bearer; shall be dated April 1, 1952; shall consist of 250 bonds in the denomination of \$1,000 each, numbered 1 to 250, inclusive; shall bear interest payable November 1, 1952 and semi-annually thereafter on the 1st day of May and the 1st day of November each year, and shall mature on May 1st as follows;

<u>Amount</u>	<u>Maturity</u>	<u>Interest</u>
\$5,000	1953 to 1955, inclusive	2 1/2 %
7,000	1956 to 1959, inclusive	2 1/2 %
9,000	1960 to 1962, inclusive	2 1/2 %
9,000	1963 and 1964	2 1/4 %
11,000	1965 to 1970, inclusive	2 1/4 %
13,000	1971 and 1972	2 1/4 %
14,000	1973 and 1974	2.30 %
14,000	1975 to 1977, inclusive	2.35 %

Bonds maturing in the years 1973 and thereafter are to be redeemable at the option of the City on the City on the 1st day of May, 1957, and on any interest payment date thereafter in inverse numerical order. The bonds maturing in the years 1963 to 1972, inclusive, to be redeemable at the option of the City on the 1st day of May, 1962, and on any interest payment date thereafter

in inverse numerical order. Public notice of redemption on shall be given 30 days before the date of payment, in a newspaper of general circulation in the City, and by mailing a copy of such notice to the original holders of said bonds.

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

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

UNITED STATES OF AMERICA

STATE OF COLORADO

COUNTY OF MONTROSE

CITY OF MONTROSE
REFUNDING BOND

No. _____

\$1,000

The City of Montrose, Montrose County, Colorado, for value received, hereby acknowledges itself indebted and promises to pay the bearer hereof, the sum of

ONE THOUSAND DOLLARS

in lawful money of the United States of America, on the 1st day of May, A. D. 19___, with interest thereon from the date hereof at the rate of _____ Per centum (_____) & per annum, payable November 1, 1952, and semi-annually thereafter in like medium on the 1st day of May and the 1st day of November each year, as evidenced by interest coupons hereto attached, both principal and interest being payable at the office of the City Treasurer, in Montrose, Colorado, upon presentation of said coupons and this bond, respectively.

(The following clause to be inserted in bonds maturing in the year 1973, and thereafter.

This bond is redeemable at the option of the City on May 1, 1957, and on any interest payment date thereafter, in its inverse numerical order in the issue of which it is one.

(The following clause to be inserted in bonds maturing in the years 1963 to 1972, inclusive.

This bond is redeemable at the option of the City on May 1, 1962, and on any interest payment date thereafter, in its inverse numerical order in the issue of which it is one.

This bond is issued by the City of Montrose, Colorado, for the purpose of paying, redeeming and refunding unpaid, payable, lawful and valid bonded indebtedness of said City, under, by virtue of and in full conformity with the provisions of the charter of said City and 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 City Council of said City 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 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

City of Montrose, including that of this bond, does not exceed the provisions of the Charter of said City, or the statutory or the constitutional limitations of the State of Colorado; that the total indebtedness of said City is not increased by the issuance hereof; and that provision has been made for the levy and collection of a direct annual ad valorem tax on all the taxable property in said City sufficient to pay the interest on and the principal of this bond as the same respectively become due.

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

IN WITNESS WHEREOF, the City of Montrose, Montrose County Colorado, by its City Council, has caused this bond to be signed by its Mayor, countersigned by its City Treasurer, sealed with its corporate seal, and attested by its City Clerk, and has caused the annexed interest coupon to be executed with the facsimile signature of the City Treasurer, as of the 1st day of April, A. D. 1952.

Mayor

COUNTERSIGNED:

City Treasurer

(S E A L)
ATTEST:

City Clerk

(Form of Coupon)

No. _____ \$ _____
May

On the first day of November, A.D. 19____, *(unless the bond to which this coupon is attached has been called for prior redemption) the City of Montrose, Montrose County, Colorado, promises to pay to bearer

_____ DOLLARS

in lawful money of the United States of America, at the office of City Treasurer, in Montrose, Colorado, being six-seven month's interest on its Refunding Bond, dated April 1, 1952, bearing No. _____

(Facsimile Signature)
City Treasurer

*(This clause to appear in coupons due November 1, 1957, and thereafter on bonds maturing in the year 1973 and thereafter in coupons due November 1, 1962, and thereafter, on bonds maturing in the years 1963 to 1972, inclusive.)

Section 5. That the refunding bonds hereby authorized shall be exchanged by the City Treasurer, dollar for dollar for the bond to be refunded, and said Refunding Bonds shall not be issued until the said outstanding bond has been called in and cancelled and all accrued interest on said bond refunded shall be paid before such Refunding Bonds are issued in exchange therefor.

Section 6. For the purpose of paying the interest ac-

cruing on said bonds and for their serial payment promptly as they become due, there shall be levied on all taxable property in said City, in addition to all other taxes, direct annual taxes in each of the years 1952 to 1976, inclusive, sufficient to provide for the payment of such interest and principal, respectively.

Said taxes, when collected, shall be placed in a fund to be called the "Refunding Bond Fund," and said taxes shall be applied solely for the purpose of the payment of said interest and principal of said bonds, respectively and or no other purpose whatever, until the Bonds authorized by this ordinance, principal and interest, shall be fully paid, satisfied and discharged, but nothing herein contained shall be so construed as to prevent said City from applying any other funds or revenues that may be in the treasury of the City and available for that purpose to the payment of the interest or principal as the same respectively mature and upon such payment the levy or levies herein provided may thereupon to that extent be deminished.

Section 7. 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 City and the holder from time to time of each of said Bonds and the interest coupons thereto appertaining.

Section 8. That after said bonds are issued this ordinance shall not be altered or repealed until the bonds hereby authorized shall have been paid, both principal and interest.

Section 9. All ordinances or resolutions, or parts thereof, in conflict with the provisions hereof, be and the same are hereby repealed.

Section 10. That it is necessary for the refunding proceedings herein provided to be completed as soon as possible in order that the said City may obtain the benefit of the present offer to exchange said outstanding bond for refunding bonds; 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 affective five days after its final publication. This ordinance, immediately upon its passage, shall be recorded in the book of ordinances of said city kept for that purpose, authenticated by the signatures of the Mayor and City Clerk, and shall be published, as required by law.

Passed first reading this 10th day of March, 1952.

Lois Greenbank
City Clerk

Passed final reading this 20th day of March, 1952.

Lois Greenbank
City Clerk

ADOPTED AND APPROVED THIS 20th of March, 1952.

Don Johnson
MAYOR

SEAL

ATTEST:

Lois Greenbank
City Clerk