

ORDINANCE NO. 290

AN ORDINANCE AUTHORIZING THE ISSUANCE OF VARIOUS PURPOSE BONDS, SERIES 2010, OF THE CITY OF CROFTON, NEBRASKA, IN THE PRINCIPAL AMOUNT OF TWO HUNDRED FORTY THOUSAND DOLLARS (\$240,000) ISSUED FOR THE PURPOSE OF PAYING THE COST OF PAVING INTERSECTIONS AND AREAS FORMED BY THE CROSSING OF STREETS AND ALLEYS WITHIN THE CITY IN STREET IMPROVEMENT DISTRICT NO. 2009-1 AND PAYING THE COST OF PAVING STREETS AND ALLEYS WITHIN SAID DISTRICT EXCLUSIVE OF SAID INTERSECTIONS; PRESCRIBING THE FORM OF SAID BONDS; PROVIDING FOR A SINKING FUND AND FOR THE LEVY AND COLLECTION OF TAXES TO PAY SAID BONDS; PROVIDING FOR THE SALE OF THE BONDS; AUTHORIZING THE DELIVERY OF THE BONDS TO THE PURCHASER; PROVIDING FOR THE DISPOSITION OF THE BOND PROCEEDS AND ORDERING THE ORDINANCE PUBLISHED IN PAMPHLET FORM

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

Section 1. The Mayor and Council find and determine:

(a) that pursuant to an ordinance duly enacted and proceedings duly had, Street Improvement District No. 2009-1 was created in the City and paving and other improvements were constructed therein, which improvements have been completed and have been, and hereby are accepted by the City; that the costs of said paving and other improvements in the District, including all costs as certified by the engineer and the costs of the issuance of the bonds are found to be not less than \$293,174.69; that of the above costs not less than \$80,000.00 is hereby determined to be intersection portion and not less than \$213,174.69 opposite abutting property portion; that after taking into consideration application of monies on hand, there remains due and unpaid to pay the cost of paving exclusive of intersections and areas formed by the crossing of streets and alleys in said District the sum of \$175,200 and the City has taken all preliminary steps required for the issuance of \$64,800 Intersection Improvement Bonds of Street Improvement District No. 2009-1 under Section 17-520, R.R.S. Neb. 2007 and \$175,200 District Improvements Bonds of said District under Section 17-516, R.R.S. Neb. 2007;

(b) that pursuant to authority granted by Sections 18-1801 and 18-1802, Reissue Revised Statutes of Nebraska, 2007, the City may combine proposed bond issues into a single bond issue to be designated "Various Purpose Bonds", and that all conditions, acts and things required by law to exist or to be done precedent to the issuance of Various Purpose Bonds, Series 2010, of the City of Crofton, Nebraska, in the principal amount of \$240,000 have been done in due form and time as required by law.

Section 2. For purposes as set out in Section 1 hereof, there shall be and there are hereby ordered issued Various Purpose Bonds, Series 2010, in the principal amount of \$240,000, to bear date of original issue of August 10, 2010, and to be in fully registered form. Said bonds shall bear

interest at the rates per annum and mature on July 15 of each year in the principal amounts as follows:

<u>Principal Amount</u>	<u>Maturing on July 15 of Year</u>	<u>Interest Rate Per Annum</u>
\$20,000	2011	0.85%
20,000	2012	1.20
25,000	2013	1.60
25,000	2014	1.95
25,000	2015	2.30
25,000	2016	2.70
25,000	2017	3.00
25,000	2018	3.20
25,000	2019	3.40
25,000	2020	3.55

The bonds shall be issued in the denomination of \$5,000 or any integral multiple thereof and shall be numbered from 1 upwards in the order of their issuance. No bond shall be issued originally or upon transfer or partial redemption having more than one principal maturity. The initial bond numbering and principal amounts for each of the bonds issued shall be as directed by the initial purchasers thereof. Interest on the bonds shall be payable semiannually on January 15 and July 15 of each year, starting January 15, 2011. The interest due on each interest payment date shall be payable to the registered owners of record as of the close of business on the last day of the calendar month immediately preceding the calendar month in which the interest payment date occurs (the "Record Date"), subject to the provisions of Section 3 hereof. Payment of interest due on the bonds prior to maturity or redemption shall be made by the Paying Agent and Registrar, as designated pursuant to Section 3 hereof, by mailing a check in the amount due for such interest on each interest payment date to the registered owner of each bond, as of the applicable Record Date, to such owner's registered address as shown on the books of registration, as required to be maintained in Section 3 hereof. Payment of principal due at maturity or at any date fixed for redemption, together with any accrued interest then due, shall be made by said Paying Agent and Registrar to the registered owners upon presentation and surrender of the bonds to said Paying Agent and Registrar. In the event that bonds of this issue are held in the nominee name of a national clearinghouse or depository, payment of principal or interest shall be made by wire transfer of funds in accordance with any applicable regulations governing "Depository Eligible Securities". The City and said Paying Agent and Registrar may treat the registered owner of any bond as the absolute owner of such bond for the purpose of making payments thereon and for all other purposes and neither the City nor said Paying Agent and Registrar shall be affected by any notice or knowledge to the contrary whether such bond or any installment of interest due thereon shall be overdue or not. All payments on account of interest or principal made to the registered owner of any bond shall be valid and effectual and shall be a discharge of the City and said Paying Agent and Registrar, in respect of the liability upon the bonds or claims for interest to the extent of the sum or sums so paid. If any bond is not paid upon presentation of the bond at maturity or any interest installment is not paid when due, the delinquent

bond or delinquent interest installment shall bear interest thereafter until paid at a rate equal to the rate assessed against delinquent taxes under Section 45-104.01 R.R.S. Nebraska, 2004, as now existing or as the same may be amended from time to time by the Nebraska Legislature.

Section 3. The City Treasurer is hereby designated as Paying Agent and Registrar for the bonds. Said Paying Agent and Registrar shall keep and maintain for the City books for the registration and transfer of the bonds at the office of the Paying Agent and Registrar in Crofton, Nebraska. The names and registered addresses of the registered owner or owners of the bonds shall at all times be recorded in such books. Any bond may be transferred pursuant to its provisions at the office of the Paying Agent and Registrar upon surrender of such bond for cancellation, accompanied by a written instrument of transfer, in form satisfactory to such Paying Agent and Registrar, duly executed by the registered owner in person or by such owner's duly authorized agent, and thereupon the Paying Agent and Registrar will register such transfer upon said registration books and deliver to the transferee registered owner or owners (or send by registered mail to the transferee owner or owners at such owner's or owners' risk and expense), registered in the name of such transferee owner or owners, a new bond or bonds of the same interest rate, aggregate principal amount and maturity. To the extent of the denominations authorized for the bonds by this ordinance, one bond may be transferred for several such bonds of the same interest rate and maturity and for a like aggregate principal amount, and several such bonds may be transferred for one or several such bonds, respectively, of the same interest rate and maturity and for a like aggregate principal amount. In every case of transfer of a bond, the surrendered bond or bonds shall be cancelled and destroyed. All bonds issued upon transfer of the bonds so surrendered shall be valid obligations of the City evidencing the same obligations as the bonds surrendered and shall be entitled to all benefits and protection of this ordinance to the same extent as the bonds upon transfer of which they were delivered. The City and the Paying Agent and Registrar shall not be required to transfer bonds during any period from any Record Date until its immediately following interest payment date or to transfer any bonds called for redemption for a period of 30 days next preceding the date fixed for redemption prior to maturity. In the event that payments of interest due on the bonds on an interest payment date are not timely made, such interest shall cease to be payable to the registered owners as of the Record Date for such interest payment date and shall be payable to the registered owners of the bonds as of a special date of record for payment of such defaulted interest as shall be designated by the Paying Agent and Registrar whenever monies for the purpose of paying such defaulted interest become available.

Section 4. Bonds maturing on or after July 15, 2016 shall be subject to redemption, in whole or in part, prior to maturity at any time on or after August 10, 2015, at par plus accrued interest on the principal amount redeemed to the date fixed for redemption. The City may select the bonds to be redeemed from such optional redemption in its sole discretion but bonds shall be redeemed only in the amount of \$5,000 or integral multiples thereof. Any bond redeemed in part only shall be surrendered to the Paying Agent and Registrar in exchange for a new bond evidencing the unredeemed principal thereof. Notice of redemption of any bond called for redemption shall be given at the direction of the Mayor and Council by the Paying Agent and Registrar by mail not less than thirty days prior to the date fixed for redemption, first class postage prepaid, sent to the registered owner of such bond at said owner's registered address. Such notice shall designate the

bond or bonds to be redeemed by number and maturity, the date of original issue, the date fixed for redemption and state that such bond or bonds are to be presented for payment at the office of the Paying Agent and Registrar. In case of any bond partially redeemed, such notice shall specify the portion of the principal amount of such bond to be redeemed. No defect in the mailing of notice for any bond shall affect the sufficiency of the proceedings of the Mayor and Council designating the bonds called for redemption or the effectiveness of such call for bonds for which notice by mail has been properly given and the Mayor and Council shall have the right to further direct notice of redemption for any such bond for which defective notice has been given.

Section 5. If the date for payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

Section 6. The bonds shall be executed on behalf of the City by being signed by the Mayor and the City Clerk, both of which signatures may be facsimile signatures, and shall have the City seal impressed on each bond. The City Clerk shall make and certify a transcript of proceedings had and done precedent to the issuance of said bonds which shall be delivered to the purchaser of said bonds. After being executed by the Mayor and City Clerk, said bonds shall be delivered to the Treasurer of the City who shall be responsible therefor under his/her official bond. Such Treasurer shall maintain a record of information with respect to said bonds in accordance with the requirements of Section 10-140, R.R.S. Neb. 2007, as amended, and shall cause the same to be filed with the office of the Auditor of Public Accounts of the State of Nebraska. The Paying Agent and Registrar shall register each bond in the name of its initial registered owner as designated by the initial purchaser. Each bond shall be authenticated on behalf of the City by the Paying Agent and Registrar. The bonds shall be issued initially as "book-entry only" bonds using the services of The Depository Trust Company (the "Depository"), with one typewritten bond per maturity being issued to the Depository. In such connection said officers of the City are authorized to execute and deliver a letter of representations and inducement (the "Letter of Representations") in the form required by the Depository (which may include any "blanket" letter previously executed and delivered), for and on behalf of the City, which shall thereafter govern matters with respect to registration, transfer, payment and redemption of the bonds. Upon issuance of the bonds as "book-entry-only" bonds, the following provisions shall apply:

(a) The City and the Paying Agent and Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds bonds as securities depository (each, a "Bond Participant") or to any person who is an actual purchaser of a bond from a Bond Participant while the bonds are in book-entry form (each a "Beneficial Owner") with respect to the following:

(i) the accuracy of the records of the Depository, any

nominees of the Depository or any Bond Participant with respect to any ownership interest in the bonds;

(ii) the delivery to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any notice with respect to the bonds, including any notice of redemption, or

(iii) the payment to any Bond Participant, any Beneficial Owner or any other person, other than the Depository, of any amount with respect to the bonds. The Paying Agent and Registrar shall make payments with respect to the bonds only to or upon the order of the Depository or its nominee, and all such payments shall be valid and effective fully to satisfy and discharge the obligations with respect to such bonds to the extent of the sum or sums so paid. No person other than the Depository shall receive an authenticated Bond, except as provided in (e) below.

(b) Upon receipt by the Paying Agent and Registrar of written notice from the Depository to the effect that the Depository is unable to or unwilling to discharge its responsibilities, the Paying Agent and Registrar shall issue, transfer and exchange bonds requested by the Depository in appropriate amounts. Whenever the Depository requests the Paying Agent and Registrar to do so, the Paying Agent and Registrar will cooperate with the Depository in taking appropriate action after reasonable notice (i) to arrange, with the prior written consent of the City, for a substitute depository willing and able upon reasonable and customary terms to maintain custody of the bonds or (ii) to make available bonds registered in whatever name or names the Beneficial Owners transferring or exchanging such bonds shall designate.

(c) If the City determines that it is desirable that certificates representing the bonds be delivered to the ultimate Beneficial Owners of the bonds and so notifies the Paying Agent and Registrar in writing, the Paying Agent and Registrar shall so notify the Depository, whereupon the depository will notify the Bond Participants of the availability through the Depository of bond certificates representing the bonds. In such event, the Paying Agent and Registrar shall issue, transfer and exchange bond certificates representing the bonds as requested by the Depository in appropriate amounts and in authorized denominations.

(d) Notwithstanding any other provision of this Ordinance to the contrary, so long as any bond is registered in the name of the Depository or any nominee thereof, all payments with respect to such bond and all notices with respect to such bond shall be made and given, respectively, to the Depository as provided in the Letter of Representations.

(e) Registered ownership of the bonds may be transferred on the books of

registration maintained by the Paying Agent and Registrar, and the bonds may be delivered in physical form to the following:

(i) any successor securities depository or its nominee; or

(ii) any person, upon (A) the resignation of the Depository from its functions as depository or (B) termination of the use of the Depository pursuant to this Section and the terms of the Paying Agent and Registrar's Agreement (if any).

(f) In the event of any partial redemption of a bond unless and until such partially redeemed bond has been replaced in accordance with the provisions of this Ordinance, the books and records of the Paying Agent and Registrar shall govern and establish the principal amount of such bond as is then outstanding and all of the bonds issued to the Depository or its nominee shall contain a legend to such effect.

If for any reason the Depository resigns and is not replaced or upon termination by the City of book-entry-only form, the City shall immediately provide a supply of bond certificates for issuance upon subsequent transfers or in the event of partial redemption. In the event that such supply of certificates shall be insufficient to meet the requirements of the Paying Agent and Registrar for issuance of replacement bond certificates upon transfer or partial redemption, the City agrees to order printed an additional supply of bond certificates and to direct their execution by manual or facsimile signature of its then duly qualified and acting officers. In case any officer whose signature or facsimile thereof shall appear on any bond shall cease to be such officer before the delivery of such bond (including any bond certificates delivered to the Paying Agent and Registrar for issuance upon transfer or partial redemption) such signature or such facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if such officer or officers had remained in office until the delivery of such bond. The bonds shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar. The bonds shall be delivered to the Paying Agent and Registrar for registration and authentication.

Section 7. Said bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF NEBRASKA
COUNTY OF KNOX
CITY OF CROFTON

VARIOUS PURPOSE BOND, SERIES 2010

Bond No. _____ \$ _____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP No.</u>
_____%	July 15, ____	August 10, 2010	

Registered Owner: _____

Principal Amount: _____

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Crofton, in the County of Knox, in the State of Nebraska, hereby acknowledges itself to owe and for value received promises to pay to the registered owner specified above the principal amount specified above in lawful money of the United States of America on the maturity date specified above, with interest thereon from date of original issue specified above or most recent interest payment date, whichever is later, to maturity (or earlier redemption) at the rate per annum specified above. Said interest shall be payable semiannually on the fifteenth day of January and July in each year, starting January 15, 2011. If this bond is not paid upon presentation at maturity or any interest installment hereon is not paid when due, the bond or interest installment shall bear interest thereafter until paid at a rate equal to the rate assessed against delinquent taxes under Section 45-104.01 R.R.S. Nebraska 2004, as now existing or as the same may be amended from time to time by the Nebraska Legislature. The interest hereon due prior to maturity or earlier redemption shall be paid on each interest payment date by the City Treasurer, as Paying Agent and Registrar for the City by wire transfer (but only in accordance with the limited terms of the authorizing ordinance), check or draft mailed to the registered owner hereof, as shown on the records of the Paying Agent and Registrar as of the close of business on the last day of the month immediately preceding the month in which the interest payment date occurs, at such owner's registered address as it appears on the books of registration of the City. The principal of this bond and the interest due at maturity or upon call for redemption prior to maturity are payable on presentation and surrender to said Paying Agent and Registrar at the office of the Paying Agent and Registrar in Crofton, Nebraska. Any interest not so timely paid shall cease to be payable to the person entitled thereto as of the record date such interest was payable, and shall be payable to the person who is the registered owner of this bond (or of one or more predecessor bonds hereto) on such special record date for payment of such defaulted interest as shall be fixed by the Paying Agent and Registrar whenever monies for such purpose become available. For the prompt payment of this bond, principal and interest as the same become due, the full faith, credit and resources of said City are hereby irrevocably pledged.

The City, however, reserves the right and option of paying bonds of this issue maturing on or

after July 15, 2016, in whole or in part, on August 10, 2015, or at any time thereafter, at the principal amount thereof plus accrued interest to the date fixed for redemption. Notice of any such redemption shall be given by mail, sent to the registered owner of any bond to be redeemed at said registered owner's address in the manner provided in the ordinance authorizing said bonds. Individual bonds may be redeemed in part but only in the amount of \$5,000 or integral multiples thereof. Any bond redeemed in part only shall be surrendered to the Paying Agent and Registrar in exchange for a new bond or bonds evidencing the unredeemed principal thereof.

This bond is one of an issue of fully registered bonds of the total principal amount of \$240,000, of like tenor herewith except as to denomination, date of maturity and rate of interest issued by said City for the purpose of paying the cost of improving intersections and areas formed by the crossing of streets and alleys within Street Improvement District No. 2009-1 of the City of Crofton and paying the cost of paving streets and alleys within said district exclusive of said intersections, for which the City has taken all preliminary steps required to issue bonds in the principal amount of \$175,200 under Section 17-516, Reissue Revised Statutes of Nebraska, 2007, and bonds in the principal amount of \$64,800 under Section 17-520, R.R.S. Neb. 2007. The issuance of said bonds has been authorized by an ordinance duly passed by the Mayor and Council of said City in strict compliance with Sections 18-1801 and 18-1802, R.R.S. Neb. 2007, as amended.

This bond is transferable by the registered owner or such owner's attorney duly authorized in writing at the office of the Paying Agent and Registrar upon surrender and cancellation of this bond, and thereupon a new bond or bonds of the same aggregate principal amount, interest rate and maturity will be issued to the transferee as provided in the ordinance authorizing said issue of bonds, subject to the limitations therein prescribed. The City, its Paying Agent and Registrar and any other person may treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment hereof and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

AS PROVIDED IN THE ORDINANCE REFERRED TO HEREIN, UNTIL THE TERMINATION OF THE SYSTEM OF BOOK-ENTRY-ONLY TRANSFERS THROUGH THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (TOGETHER WITH ANY SUCCESSOR SECURITIES DEPOSITORY APPOINTED PURSUANT TO THE ORDINANCE, "DTC"), AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THE ORDINANCE TO THE CONTRARY, A PORTION OF THE PRINCIPAL AMOUNT OF THIS BOND MAY BE PAID OR REDEEMED WITHOUT SURRENDER HEREOF TO THE PAYING AGENT AND REGISTRAR. DTC OR A NOMINEE, TRANSFEREE OR ASSIGNEE OF DTC OF THIS BOND MAY NOT RELY UPON THE PRINCIPAL AMOUNT INDICATED HEREON AS THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID. THE PRINCIPAL AMOUNT HEREOF OUTSTANDING AND UNPAID SHALL FOR ALL PURPOSES BE THE AMOUNT DETERMINED IN THE MANNER PROVIDED IN THE ORDINANCE.

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED OFFICER OF DTC (A) TO THE PAYING AGENT AND REGISTRAR FOR REGISTRATION OF TRANSFER OR EXCHANGE OR (B) TO THE PAYING AGENT AND REGISTRAR FOR PAYMENT OF

PRINCIPAL, AND ANY BOND ISSUED IN REPLACEMENT HEREOF OR SUBSTITUTION HEREFOR IS REGISTERED IN THE NAME OF DTC AND ANY PAYMENT IS MADE TO DTC OR ITS NOMINEE, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL BECAUSE ONLY THE REGISTERED OWNER HEREOF, DTC OR ITS NOMINEE, HAS AN INTEREST HEREIN.

This bond shall not be valid and binding on the City until authenticated by the Paying Agent and Registrar.

IT IS HEREBY CERTIFIED AND WARRANTED that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond did exist, did happen and were done and performed in regular and due form and time as required by law, and that the indebtedness of said City, including this bond, does not exceed any limitations imposed by law. The City covenants and agrees that it will cause to be levied and collected annually a tax by valuation on all the taxable property in said City, in addition to all other taxes, sufficient in rate and amount to pay the interest on this bond when and as the same becomes due and to create a sinking fund to pay the principal of this bond when the same becomes due.

IN WITNESS WHEREOF, the Mayor and Council of the City of Crofton, Nebraska, have caused this bond to be executed on behalf of the City by being signed by the Mayor and Clerk of the City, both of which signatures may be facsimile signatures, and by causing the official seal of the City to be affixed hereto, all as of the date of original issue shown above.

CITY OF CROFTON, NEBRASKA

By _____ (Do not sign)
Mayor

ATTEST:

(Do not sign)
City Clerk

(S E A L)

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds authorized by an ordinance passed and approved by the Mayor and Council of the City of Crofton as described in said bonds.

(Do not sign)

City Treasurer of Crofton, Nebraska,
as Paying Agent and Registrar

(FORM OF ASSIGNMENT)

For value received _____ hereby sells, assigns and transfers unto _____ the within bond and hereby irrevocably constitutes and appoints _____, Attorney, to transfer the same on the books of registration in the office of the within mentioned Paying Agent and Registrar with full power of substitution in the premises.

Date: _____

Registered Owner

SIGNATURE GUARANTEED

By _____

Authorized Officer

Note: The signature(s) of this assignment MUST CORRESPOND with the name as written on the face of the within bond in every particular without alteration, enlargement or any change whatsoever, and must be guaranteed by a commercial bank or a trust company or by a firm having membership on the New York, Midwest or other stock exchange.

Section 8. Said bonds are hereby sold to Ameritas Investment Corp. at 98.05% of the principal amount thereof, and the City Treasurer is authorized to deliver the bonds to said purchaser upon receipt of the said amount plus accrued interest to the date of payment. Said bonds are sold to the purchaser subject to the opinion of independent bond counsel that said bonds are lawfully issued; that said bonds constitute a valid obligation of the City; and that under existing laws and regulations the interest on said bonds is exempt from both Nebraska state and federal income taxes. The proceeds of the bonds herein authorized shall be used to pick up and pay off outstanding bond anticipation notes of the City which were issued to provide temporary financing for costs of the paving improvements described in Section 1. Such purchaser and its agents, representatives and counsel (including its bond counsel) are hereby authorized to take such actions on behalf of the City as are necessary to effectuate the closing of the issuance and sale of the Bonds, including, without limitation, authorizing the release of the Bonds by the Depository at closing.

Section 9. The Mayor and Council shall cause to be levied and collected annually a tax by valuation on all the taxable property in the City, in addition to all other taxes, sufficient in rate and amount to pay the interest on the bonds herein authorized as the same becomes due and to create a sinking fund to pay the principal of said bonds when and as such principal becomes due.

Section 10. The City of Crofton, Nebraska, hereby covenants to the purchasers and holders of the bonds hereby authorized that it will make no use of the proceeds of said bond issue, including monies held in any sinking fund for the payment of said bonds, which would cause said bonds to be arbitrage bonds within the meaning of Sections 103(b) and 148 of the Internal Revenue Code of 1986, as amended (the "Code") and further covenants to comply with said Sections 103 and 148 and all applicable regulations thereunder throughout the term of said bond issue. The City hereby covenants and agrees to take all actions necessary under the Code to maintain the tax-exempt status of interest payable on the bonds with respect to taxpayers generally but not including insurance companies or corporations subject to the additional minimum tax. The City hereby designates the bonds as its "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B)(i)(III) of the Code and covenants and warrants that it does not anticipate issuing tax-exempt obligations in calendar 2010 in an amount in excess of \$30,000,000.

Section 11. This ordinance shall be published in pamphlet form and take effect as provided by law.

PASSED AND APPROVED this 7th day of July, 2010.

Wendell St.
Mayor

ATTEST:

Nancy A. Foxhoven
City Clerk

(S E A L)

STATE OF NEBRASKA)
) SS.
COUNTY OF KNOX)

PROOF OF PUBLICATION

Nancy Foxhoven, being first duly sworn under oath says that she is the City Clerk of the City of Crofton, Nebraska, and that the attached and foregoing copy of Ordinance No. _____ is a true and correct copy of said ordinance as passed by the Mayor and Council at the meeting of July 7, 2010, and that said ordinance was published in pamphlet form and filed in my office this _____ day of July, 2010.

City Clerk

(SEAL)

RESOLUTION NO. 291

A RESOLUTION OF THE CITY OF CROFTON, KNOX COUNTY, NEBRASKA AUTHORIZING AND PERMITTING THE RETAIL SALE OR DISPENSING OF ALCOHOLIC LIQUOR FOR CONSUMPTION ON THE PREMISES EXCLUDING SALES FOR CONSUMPTION OFF THE PREMISES LATER THAN 1:00 A.M. AND PRIOR TO 2:00 A.M. ON ANY DAY AS AUTHORIZED BY LB 861 §77 OF THE NEBRASKA LEGISLATURE, LAWS 2010, EFFECTIVE DATE JULY 15, 2010.

WHEREAS, the Nebraska Legislature adopted LB 861 §77, Laws 2010, giving the cities and villages the option to extend the closing hour for sale of alcoholic beverages, including beer, from 1:00 A.M. to prior to 2:00 A.M. on any day of the week; and

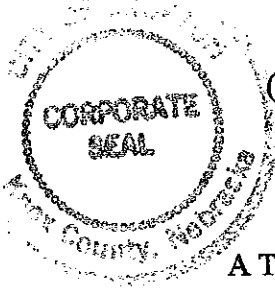
WHEREAS, said LB 801 has been amended to make it unlawful on property licensed to sell alcoholic liquor at retail to allow alcoholic liquor in open containers to remain or be in possession or control of any person for purposes of consumption between the hours of fifteen minutes after the closing hour applicable to the licensed premises and 6:00 A.M. on any day.

WHEREAS, the extension of the time for on premises sale of alcoholic beverages to prior to 2:00 A.M. must be adopted by a vote of at least two thirds of the members of the local governing body.

NOW THEREFORE BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF CROFTON THAT:

1. As authorized by LB 861, of the 2010 Nebraska State Legislature, the City of Crofton, by the affirmative vote of at least two-thirds of its membership, does hereby authorize and approve the extension of the hours during which alcoholic beverages, including beer, for consumption on premises prior to 2:00 A.M. on any day of the week; and
2. Said authorization shall NOT extend the hour for sale of alcoholic liquor, including beer, for consumption off premises; and
3. It shall be unlawful on property licensed to sell alcoholic liquor at retail to allow alcoholic liquor in open containers to remain or be in possession or control of any person for purposes of consumption between the hours of fifteen minutes after the closing hour applicable to the licensed premises and 6:00 A.M. on any day.
4. This Resolution shall become effective on July 16, 2010 and remain in effect for one (1) year until July 15, 2011 at which time it shall automatically expire and revert to closing times in effect pursuant to §53-179 of the Nebraska Revised Statutes, R.S. 1943, existing immediately prior to the adoption of LB 861, 2010 Session Laws of the Nebraska Legislature, unless the foregoing Resolution is extended or adopted in Ordinance form by the City of Crofton prior to the termination date last set forth herein.

PASSED AND APPROVED by at least two-thirds of the membership of the City Council of the City of Crofton, Knox County, Nebraska on the 7th day of July, 2010.



(SEAL)

CITY OF CROFTON, NEBRASKA

BY: Wendell Strom - Mayor
Wendell Strom, Mayor

ATTEST:

Nancy A. Foxhoven
Nancy A. Foxhoven, City Clerk

Approved as to form:

Dale P. Riesberg
Dale P. Riesberg, City Attorney

ORDINANCE NO. 292

AN ORDINANCE OF THE CITY OF CROFTON, KNOX COUNTY, NEBRASKA, TO CHANGE THE ZONING CLASSIFICATION OF THE DESCRIBED PROPERTY; TO CHANGE THE ZONING PORTRAYED ON THE CITY'S OFFICIAL ZONING MAP IN ACCORDANCE THEREWITH; TO PROVIDE FOR REPEAL OF CONFLICTING ORDINANCES OR SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF CROFTON, KNOX COUNTY, NEBRASKA, as follows:

Section 1: That upon application of Jesse Jansen for a change of zoning to the following described real estate, to-wit:

Part of the North Half of the Southwest Quarter of the Northeast Quarter (N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$) of Section Twenty-four (24), Township Thirty-two (32) North, Range Two (2) West of the 6th P.M., Knox County, Nebraska, being more particularly described as follows: Beginning at the Northwest corner of the Northeast Quarter (NE $\frac{1}{4}$) of said Section Twenty-four (24), thence South 01°14'06" East along the West line of said Northeast Quarter (NE $\frac{1}{4}$) a distance of 1320.53 feet to the west one sixteenth (1/16th) corner of said Northeast Quarter (NE $\frac{1}{4}$) and a point of beginning, thence continuing South 01°14'06" East along the West line of said Northeast Quarter (NE $\frac{1}{4}$) a distance of 279.28 feet, thence North 86°26'23" East a distance of 242.53 feet, thence South 01°06'15" East a distance of 146.50 feet, thence North 85°57'27" East a distance of 319.75 feet to a point on the West line of the Yankton, Norfolk and Southern Railroad Right-of-Way, thence North 10°57'41" East along said West Railroad Right-of-Way a distance of 422.35 feet to a point on the North line of the Southwest Quarter of the Northeast Quarter (SW $\frac{1}{4}$ NE $\frac{1}{4}$), thence South 87°39'38" West along said North line of the Southwest Quarter of the Northeast Quarter (SW $\frac{1}{4}$ NE $\frac{1}{4}$) a distance of 650.71 feet to the point of beginning.

Section 2: That the zoning classification shall be changed from agricultural to residential. R-10

Section 3: That any other Ordinance or Section passed and approved prior to the passage, approval, and publication or posting of this Ordinance and in conflict with its provisions is hereby repealed.

Section 4: This Ordinance shall take effect and be in full force from and after its passage, approval, publication and entry upon the official zoning map of the City of Crofton.

ADOPTED AND PASSED by the Mayor and City Council of the City of Crofton, Knox County, Nebraska, this _____ day of _____, 2010.

(S E A L)

Nancy A. Foxhoven, City Clerk

Wendell Strom, Mayor

ORDINANCE NO. 293

AN ORDINANCE OF THE CITY OF CROFTON, KNOX COUNTY, NEBRASKA, TO CHANGE THE ZONING CLASSIFICATION OF THE DESCRIBED PROPERTY; TO CHANGE THE ZONING PORTRAYED ON THE CITY'S OFFICIAL ZONING MAP IN ACCORDANCE THEREWITH; TO PROVIDE FOR REPEAL OF CONFLICTING ORDINANCES OR SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF CROFTON, KNOX COUNTY, NEBRASKA, as follows:

Section 1: That upon application of Joseph Wiebelhaus for a change of zoning to the following described real estate, to-wit:

Lots Two (2), Eleven (11), Twelve (12), Thirteen (13) and Fourteen (14) in Block One (1), Highlawn Addition to the City of Crofton, Knox County, Nebraska, **except** the North Seven Feet (N 7') thereof and **except** that part thereof taken by State of Nebraska under condemnation proceedings as shown by certified copy of Return of Appraisers recorded in Book 20, Page 268 of the Miscellaneous Records of Knox County, Nebraska.

ALSO

Lot Three (3), Block One (1), Highlawn Addition to the City of Crofton, Knox County, Nebraska, described as follows: Beginning at the Southeast corner of said Lot Three (3), thence Westerly on the South line of said Lot Three (3), a distance of 130.0 feet to the Southwest corner of said Lot Three (3); thence in a Northerly direction on the West line of said Lot Three (3), a distance of 25.0 feet to the Northwest corner of said Lot Three (3); thence in an Easterly direction on the North line of said Lot Three (3), a distance of 115.2 feet; thence Southeasterly a distance of 29.0 feet to the point of beginning.

ALSO

Lots Four (4), Twenty-three (23), Twenty-four (24), Twenty-five (25), Twenty-six (26), Twenty-seven (27), Twenty-eight (28), Twenty-nine (29), Thirty (30), Thirty-one (31) and Thirty-two (32), Block One (1), Highlawn Addition to the City of Crofton, Knox County, Nebraska

Section 2: That the zoning classification shall be changed from residential to commercial.

Section 3: That any other Ordinance or Section passed and approved prior to the passage, approval, and publication or posting of this Ordinance and in conflict with its provisions is hereby repealed.

Section 4: This Ordinance shall take effect and be in full force from and after its passage, approval, publication and entry upon the official zoning map of the City of Crofton.

ADOPTED AND PASSED by the Mayor and City Council of the City of Crofton, Knox County, Nebraska, this _____ day of _____, 2010.

(S E A L)

Nancy A. Foxhoven, City Clerk

Wendell Strom, Mayor

RESOLUTION NO. 294

**A RESOLUTION SETTING THE PROPERTY TAX REQUEST AND TAX LEVIES
FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010**

WHEREAS, Nebraska Revised Statute 77-1601.02 provides that the property tax request for the prior year shall be the property tax request for the current year for purposes of the levy set by the County Board of Equalization unless the governing body of the City passes by a majority vote a resolution or ordinance setting the tax request at a different amount; and

WHEREAS, a special public hearing was held as required by law to hear and consider comments concerning the property tax request; and

WHEREAS, it is in the best interest of the City that the property tax request for the current year be a different amount than the property tax request for the prior year.

NOW, THEREFORE, the Governing Body of the City of Crofton, Nebraska, by a majority vote, resolves that:

1. The property tax request and levies for the fiscal year beginning October 1, 2010 for the General All Purpose Fund be set at \$111,297.96 or \$0.459335 per hundred of assessed value.
2. The budget of expenditures for the fiscal year beginning October 1, 2010 for the General All Purpose Fund be set at \$895,219.00.
3. The City Clerk shall certify and forward a copy of this Resolution to the County Clerk prior to October 13, 2010.

PASSED AND APPROVED this 8th day of September, 2010.

CITY OF CROFTON, NEBRASKA

ATTEST:



Nancy A Foxhoven
CITY CLERK

Wendell O. Strom
MAYOR

RESOLUTION NO. 295

A RESOLUTION OF THE CITY OF CROFTON, KNOX COUNTY, NEBRASKA AUTHORIZING REZONING CLASSIFICATION OF REAL PROPERTY AND SALE OF SAID PROPERTY BY PUBLIC AUCTION OR SEALED BID; PROVIDING THE TERMS AND CONDITIONS OF SALE; RESERVING THE RIGHT TO REJECT ANY AND ALL BIDS; AND AMENDING ANY ORDINANCES IN CONFLICT.

WHEREAS, the City of Crofton, Knox County, Nebraska, is the owner of real estate which is located in a mixed residential/commercial use area and which is legally described as follows:

Lots One (1), Two (2) and Three (3), Landmark Estates Subdivison to the City of Crofton, Knox County, Nebraska; and

WHEREAS, the City of Crofton is interested in promoting development of the above described real estate and encourage new business ventures within the City limits of the City of Crofton; and

WHEREAS, the above described real property is presently zoned Residential (R-6) and should be rezoned to Commercial/Industrial to allow commercial development; and

NOW THEREFORE BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF CROFTON THAT:

1. The City amend its Zoning Ordinances to reclassify the following described real estate, to-wit:

Lots One (1), Two (2) and Three (3), Landmark Estates Subdivision to the City of Crofton, Knox County, Nebraska

from Residential (R-6) to Commercial/Industrial after due notice as required by Section 1.84(B) of the Zoning Regulations of the City of Crofton and appropriate hearing and approval by the Joint Planning Commission as set forth in Section 1.8-4(C) of the Zoning Code.

2. The City thereafter shall offer said real estate for sale to the highest acceptable bidder pursuant to Section 17-503 of the Nebraska Revised Statutes (R.R.S., 1943) by public auction or sealed bid on the following terms and conditions:

- A. Direct the sale of the above described real estate following passage of this Resolution as follows:
- i. publish notice of the proposed sale pursuant to Nebraska Statute;
 - ii. observe the thirty (30) day right of remonstrance period;
 - iii. confirm the sale, if any, by passage of an Ordinance stating the name(s) of the purchaser and the terms of sale;

iv. authorize the Mayor to negotiate with any interested party regarding "pre" or "post" sale construction activities including, but not limited to, pre-winter construction improvements at purchaser's cost and risk.

B. sell the real estate to the highest bidder in excess of *Seven Thousand Five Hundred Dollars (\$7,500.00)*, subject to the City's right to reject any and all bids.

PASSED AND APPROVED by the Mayor and the City Council of the City of Crofton, Knox County, Nebraska on the 1st day of November, 2010.

(SEAL)

CITY OF CROFTON, NEBRASKA

BY: Wendell Strom, Mayor
Wendell Strom, Mayor

ATTEST:

Nancy A. Foxhoven
Nancy A. Foxhoven, City Clerk

Approved as to form:

Dale P. Riesberg
Dale P. Riesberg, City Attorney

ORDINANCE NO. 296

AN ORDINANCE AUTHORIZING, EMPOWERING AND DIRECTING THE CITY OF CROFTON, KNOX COUNTY, NEBRASKA, TO CONVEY REAL ESTATE AND PROVIDING THE MANNER AND TERMS THEREOF.

BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF CROFTON, KNOX COUNTY, NEBRASKA, as follows:

Section 1: That the Mayor and City Clerk of the City of Crofton, Knox County, Nebraska, be, and are hereby authorized, empowered and directed to convey to Jeremy K. Buschkamp and Theresa M. Buschkamp, husband and wife, as joint tenants and not as tenants in common, under the Seal of the City of Crofton, the following described real estate, to-wit:

Lots One (1), Two (2) and Three (3), Landmark Estates Subdivision to the City of Crofton, Knox County, Nebraska

Section 2: That the manner and the terms thereof shall be for cash upon the execution and delivery of good and sufficient Corporation Warranty Deed to said Jeremy K. Buschkamp and Theresa M. Buschkamp, husband and wife, as joint tenants and not as tenants in common.

Section 3: That pursuant to Section 17-503 of the Nebraska Revised Statutes, Reissue 1997, notice of such sale and the terms thereof were published for a period of three (3) consecutive weeks in The Crofton Journal, a newspaper of general circulation in the City of Crofton, Knox County, Nebraska, the first date of publication being November 4, 2010; that the thirty (30) day right of remonstrance period has expired.

Section 4: This Ordinance shall be in full force and effect from and after its passage, approval and publication according to law.

ADOPTED AND PASSED by the Mayor and City Council of the City of Crofton, Knox County, Nebraska, this 06 day of Dec, 2010.

(S E A L)


Nancy A. Foxhoven, City Clerk


Wendell Strom, Mayor

ORDINANCE NO. 297

AN ORDINANCE OF THE CITY OF CROFTON, KNOX COUNTY, NEBRASKA, TO CHANGE THE ZONING CLASSIFICATION OF THE DESCRIBED PROPERTY; TO CHANGE THE ZONING PORTRAYED ON THE CITY'S OFFICIAL ZONING MAP IN ACCORDANCE THEREWITH; TO PROVIDE FOR REPEAL OF CONFLICTING ORDINANCES OR SECTIONS; AND TO PROVIDE AN EFFECTIVE DATE.

BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF CROFTON, KNOX COUNTY, NEBRASKA, as follows:

Section 1: That upon application of The City of Crofton, a Municipal Corporation organized and existing under the laws of the State of Nebraska, for a change of zoning to the following described real estate, to-wit:

Lots One (1), Two (2) and Three (3), Landmark Estates Subdivision to the City of Crofton, Knox County, Nebraska

Section 2: That the zoning classification shall be changed from residential (R6) to commercial/industrial (C-I).

Section 3: That any other Ordinance or Section passed and approved prior to the passage, approval, and publication or posting of this Ordinance and in conflict with its provisions is hereby repealed.

Section 4: This Ordinance shall take effect and be in full force from and after its passage, approval, publication and entry upon the official zoning map of the City of Crofton.

ADOPTED AND PASSED by the Mayor and City Council of the City of Crofton, Knox County, Nebraska, this 6th day of DECEMBER, 2010.

(S E A L)


Nancy A. Foxhoven, City Clerk


Wendell Strom, Mayor

EXHIBIT D

OBLIGOR RESOLUTION 299

RE: Government Obligation Contract dated as of December 9, 2010, between Kansas State Bank of Manhattan (Obligee) and City of Crofton, Nebraska (Obligor)

At a duly called meeting of the Governing Body of the Obligor (as defined in the Contract) held on January 3, 2011 the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Obligor as follows:

- 1. **Determination of Need.** The Governing Body of Obligor has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Government Obligation Contract dated as of December 9, 2010, between City of Crofton, Nebraska (Obligor) and Kansas State Bank of Manhattan (Obligee).
- 2. **Approval and Authorization.** The Governing Body of Obligor has determined that the Contract, substantially in the form presented to this meeting, is in the best interests of the Obligor for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Contract by the Obligor and hereby designates and authorizes the following person(s) to execute and deliver the Contract on Obligor's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Contract, necessary to the consummation of the transaction contemplated by the Contract.

Authorized individual(s): Wendell Strom, Mayor
(Printed or Typed Name and Title of individual(s) authorized to execute the Contract)

- 3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Obligor evidence the adoption by the Governing Body of this Resolution.

Signature: Wendell Strom, Mayor
(Signature of Secretary, Board Chairman or other member of the Governing Body)

Typed Name & Title Wendell Strom, Mayor
(Typed Name and Title of individual who signed directly above)

Attested By: Nancy A Foxhoven
(Signature of one additional person who can witness the passage of this Resolution)

Typed Name & Title: Nancy Foxhoven
(Typed name of individual who signed directly above)