

RESOLUTION NO. 1240

A RESOLUTION REQUESTING THE SECRETARY OF REVENUE TO TERMINATE A ONE-HALF PERCENT (.5%) COUNTYWIDE RETAILERS' SALES TAX APPROVED BY THE ELECTORS OF THE COUNTY AT AN ELECTION HELD ON APRIL 7, 1998.

WHEREAS, pursuant to the provisions of K.S.A. 12-187 *et seq.*, specifically K.S.A. 12-187(b)(2), as modified by the provisions of HB 2707 of the 1998 Kansas Legislature (the "Sales Tax Act"), the electors of Atchison County, Kansas (the "County") at an election held on April 7, 1998 authorized: (a) the implementation of a special one-half percent (0.5%) Countywide retailers' sales tax (the "1998 Sales Tax") for the purpose of financing the construction and equipping of a new County jail and law enforcement center (including the housing of the joint law enforcement communications center), to remodel and make necessary improvements to the existing jail and sheriff's department and all necessary appurtenances thereto (the "Project"); (b) the issuance of sales tax/general obligation bonds to be repaid by and secured by the proceeds of the 1998 Sales Tax; and (c) the pledge to the repayment of such sales tax/general obligation bonds that portion of a one percent (1%) Countywide retailers' sales tax approved by the electors of the County on August 3, 1993 (the "1993 Sales Tax") that would otherwise be used for joint law enforcement communications costs; and

WHEREAS, pursuant to the Sales Tax Act, as amended, the proceeds of the 1998 Sales Tax are to be retained by the County and applied only for payment of the costs of the Project and/or to retire the sales tax/general obligation bonds approved at such election; and

WHEREAS, pursuant to Resolution No. 1172 of the County (the "Bond Resolution") the County issued its General Obligation Sales Tax Bonds, Series 1998-A in the original principal amount of \$4,100,000 (the "Series 1998 Bonds"), the proceeds of which were utilized to pay the costs of the Project and associated costs of issuance; and

WHEREAS, the Bond Resolution provides that when sufficient funds are on deposit in funds and accounts established by such Bond Resolution to provide for payment of the Series 1998 Bonds (including the application of Article XI of the Bond Resolution), the County will provide for early redemption of the Series 1998 Bonds and terminate the 1998 Sales Tax; and

WHEREAS, the County has determined it to be in the best interest of its citizens to provide for the payment and redemption of the Series 1998 Bonds and the termination of the 1998 Sales Tax at the earliest possible date;

WHEREAS, pursuant to the provisions of K.S.A. 10-1201 *et seq.*, the County and the City of Atchison, Kansas (the "City") entered into an Interlocal Cooperation Agreement relating to the application of the 1998 Sales Tax and the 1993 Sales Tax (the "Cooperation Agreement"); and

WHEREAS, pursuant to the Cooperation Agreement, the County and Exchange National Bank & Trust Co. (the "Escrow Agent") entered into a certain Escrow Trust Agreement dated as of May 1, 1998

(the "Escrow Agreement"), which established an escrow account for payment of the Series 1998 Bonds in accordance with the Bond Resolution; and

WHEREAS, pursuant to the Escrow Agreement, the Escrow Agent has certified to the County that sufficient funds are available to provide for payment of the Series 1998 Bonds on each scheduled payment date to and including the earliest optional redemption date thereof (the "Redemption Date"), and that the Escrow Agent will provide to the Paying Agent for the Series 1998 Bonds, a Notice of Call for Redemption thereof, as of the Redemption Date, in forms attached as exhibits to the Escrow Agreement; and

WHEREAS, also pursuant to the Escrow Agreement, the Escrow Agent has provided to the County a report of a certified public accounting firm with respect to the sufficiency of funds in the Escrow Account to provide for payment of the Series 1998 Bonds on each scheduled payment date to and including the Redemption Date; and

WHEREAS, the County desires to terminate the 1998 Sales Tax at the earliest possible date in accordance with the provisions of the Sales Tax Act; and

WHEREAS, the County recognizes there will be certain fees and expenses in connection with the redemption of the Series 1998 Bonds and desires to provide for the payment thereof.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ATCHISON COUNTY, KANSAS:

SECTION 1. The County has received the certifications required by the Escrow Agreement that sufficient funds are on deposit in the Escrow Account for payment of the Series 1998 Bonds on each scheduled payment date to and including the Redemption Date.

SECTION 2. The Secretary of Revenue of the State of Kansas is hereby requested to cause the termination of the 1998 Sales Tax at the earliest possible date permitted by the provisions of the Sales Tax Act.

SECTION 3. The County Clerk is hereby directed to forward a copy of this Resolution to the Secretary of Revenue of the State of Kansas and to the Clerk of the City.

SECTION 4. The County Clerk is hereby authorized to provide for payment of reasonable fees and expenses of the County, consultants and legal counsel to the County, the Escrow Agent, the Verification Agent, the Kansas Department of Revenue, and other entities incurred in order to accomplish the intent of this Resolution.

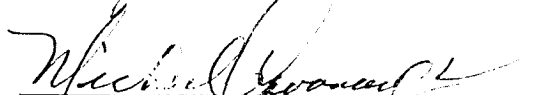
SECTION 5. The County Clerk, County Counselor and other representatives and consultants of the County are hereby authorized to take such action as may be necessary to accomplish the intent of this Resolution.


SECTION 6. This Resolution shall be in force and take effect from and after its adoption by the Board of County Commissioners.

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ADOPTED by the Board of County Commissioners of Atchison County, Kansas on May 5, 2004.


Floyd Oswald, Chairman


Mike Cavanaugh, Commissioner


George Ross, Jr., Commissioner



ATTEST:


Pauline M. Lee, Clerk