

12-1665. Same; temporary notes; refunding notes; sale or exchange. Temporary notes shall be authorized by ordinance if by a city or by resolution if by other public agency, but if all are not issued at the same time, each issue consuming a part of the total amount authorized by the ordinance or resolution shall be authorized by subsidiary resolution. The ordinance or original resolution shall state the total amount that may be issued, which shall not exceed the amount of the federal aid to be received according to the percentage or as fixed or estimated by the commitment of the federal agency. Subsidiary resolutions shall state the date, the amount of each note, and the interest rate. All notes shall state that they shall mature when the federal aid is received and the rate of interest which shall not exceed the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto. Such temporary notes shall be in the form usual for bonds except that any coupons evidencing the interest need not be attached, shall be executed and registered as bonds are registered both with the clerk or secretary of the public agency and the state treasurer, shall be payable at the office of the treasurer of the public agency or at such place as the federal aid is paid, and shall be redeemed and canceled as soon as the federal aid is available, except that the interest shall be payable when due out of appropriate current funds or the general fund or bond or usual temporary note proceeds of the public agency, and the interest shall be included as a part of the public agency's share of the cost of the local program. The temporary notes may be issued from time to time as funds are needed during the progress of the local program. Such notes shall be negotiable and shall constitute a general obligation of the public agency, and if for any reason the federal aid or any part thereof is not received so that the notes or some of them cannot be paid, such notes may be refunded by new notes and a tax levied to pay such refunding notes. Such refunding notes shall be payable by not more than four annual tax levies, except that if the funds used by the public agency are of a revenue producing facility or the bonds issued for the public agency's share are revenue bonds of a revenue producing facility, such temporary notes shall not be general obligations of the public agency and if for any reason the federal aid or any part thereof is not received and the notes or part of them cannot be paid from the aid, they shall be payable from revenue of the revenue producing facility and refunding notes may be issued to pay the notes and such refunding notes shall mature in not more than five years. Such refunding notes, either tax payable or revenue payable, shall be issued and registered as the original notes. Such temporary or refunding notes may be sold in the manner determined by the public agency issuing the same. Refunding notes may be exchanged for the temporary notes or the proceeds of the sale shall be used to redeem the temporary notes.

History: L. 1967, ch. 422, § 4; L. 1970, ch. 64, § 13; L. 1978, ch. 64, § 3; L. 1980, ch. 67, § 3; L. 1983, ch. 49, § 48; May 12.