ORDINANCE NO. 138

An ordinance providing for the issuance of Refunding Bonds for the purpose of refunding bonds to the amount of $23,500.00 issued in the year 1892.

Whereas, the Town of Kent did in the year 1892 issue bonds to the amount of $23,500.00, which bonds were issued for twenty years; and

Whereas, the provisions of the law of 1890, under which these bonds were issued required that a sinking fund be established at least seven years before their maturity, which provision involves a loss of interest, there being no authority for the use of the money accumulating in said Sinking Fund meantime; and

Whereas, under the Act entitled "An Act to authorize counties, cities and towns to issue bonds to fund their outstanding indebtedness, and to provide for the levy and collection of a specific tax to pay the principal and interest on such bonds, and declaring an emergency," approved March 22, 1895; and the amendment thereto approved March 6, 1901, a more convenient method of funding and refunding bonds is authorized; and

Whereas it is to the best interests of the town of Kent, to take advantage of the method therein provided, and to refund said bonds; and

Whereas the holders of the said bonds of 1892 are not willing to surrender their bonds for cash, but it is believed they may be induced to surrender the same for refunding bonds of said town,

Now Therefore, be it ordained by the Council of the Town of Kent:

Section 1. There are hereby authorized and directed to be issued refunding bonds of the Town of Kent in the aggregate sum of $23,500.00 to be issued in ten series of $2,350.00 each, one series payable on the 1st day of July 1912 and one series on the 1st day of July in each year thereafter until the year 1921, inclusive. The said bonds shall be in denominations of $500.00 and $350.00 each, each series consisting of four $500.00 bonds and one bond of $350.00.
Said bonds shall be dated ________________, bear interest at the rate of six percent per annum, payable on the 1st day of January and of July in each year at the American Exchange National Bank or at the office of Farson, Leach & Company, New York City, at the option of the holder. Said bonds shall be signed by the Mayor, countersigned by the Treasurer and attested by the Clerk of the said Town under its corporate seal, and the interest coupons thereto attached shall be signed by the said Mayor and Clerk and the signature to such coupons may be lithographed.

The form of said bonds shall be substantially as follows:

UNITED STATES OF AMERICA

NO. __________ STATE OF WASHINGTON $ __________

COUNTY OF KING

TOWN OF KENT

REFUNDING BOND.

KNOW ALL MEN BY THESE PRESENTS, That the Town of Kent in the County of King and State of Washington is justly indebted and for value received hereby promises to pay to the bearer on the first day of July A.D. (changes) the principal sum of ________________ with interest thereon at the rate of six per centum per annum, payable semi-annually on the 1st days of January and July in each year upon the presentation and surrender of the annexed interest coupons. Both principal and interest hereof are payable at the American Exchange National Bank, or at the office of Farson, Leach & Company in the city and state of New York at the option of the holder hereof.

This bond is issued to refund a like amount of the outstanding valid bonded indebtedness of said town of Kent by virtue of, and in full compliance with, an act of the General Assembly of the state of Washington, approved March 22, 1895, entitled "An Act to authorize counties, cities and towns to issue bonds to fund their outstanding indebtedness; and to provide for the levy and collection
of a specific tax to pay the principal and interest on such bonds, and declaring an emergency," as amended in the year 1901, and by virtue of an ordinance duly adopted by the Common Council of said Town on the 17th day of August, 1903.

It is hereby certified and recited that the total indebtedness of said Town of Kent, including this bond, does not exceed any constitutional or statutory limitation thereon, that the bond hereby refunded was and is a valid subsisting obligation of said Town and was issued within all constitutional and statutory limitations upon the indebtedness thereof, and that all acts, conditions and things required to be done precedent to and in the issuance of this bond have been legally done, happened and been performed in regular and due form and time as required by law. And for the prompt payment hereof, both principal and interest at maturity, the full faith, credit and resources of said town are hereby irrevocably pledged.

IN WITNESS WHEREOF the said Town of Kent has caused this bond to be signed by its mayor, countersigned by its Treasurer and attested by its Clerk and the corporate seal to be hereto attached this ______ day of ___________ 1903.

_________________________ Mayor.

Countersigned ________________ Treasurer.

Attest: ______________________ Clerk.

(COUPON)

NO.1.

ON JULY 1, 1903.

THE TOWN OF KENT, WASHINGTON,

Will pay to bearer at the American Exchange National Bank or at the office of Farson, Leach & Company, New York City, at the option of the holder hereof, $__________ DOL.LARS, being interest due that day on its Refunding bond dated ________ 1903, and numbered ________
Section 2. When the said bonds shall have been executed they shall be delivered to the holders of the said bonds of 1892 in direct manual exchange therefor at their par value, providing such holders consent to such exchange; and in case only a portion of the holders of such bonds of 1892 consent to surrender their bonds for the said refunding bonds only such an amount of the said refunding bonds shall be issued as equals the amount of the said bonds of 1892 so surrendered.

Section 3. The Common Council of the Town of Kent shall provide annually by ordinance or resolution for the levy and extension on the tax rolls of said town, and for the collection thereof, of a direct annual tax, in addition to all other town taxes to be levied according to law, which shall be sufficient to meet the interest on all of said bonds promptly as the same matures; provided that such ordinance or resolution shall not be repealed until the levy therein provided for shall be fully paid or cancelled.

Section 4. The Common Council of the Town of Kent shall provide annually, beginning with the levy for the expenses of the year 1912, by ordinance or resolution for the levy and extension on the tax rolls of said town for the collection thereof, of a direct annual tax, in addition to all other town taxes to be levied according to law, which shall be sufficient to fully pay said bonds as the same mature, to-wit: The sum of $2,350.00 in each of the years beginning with 1912 and succeeding years until all of said Refunding Bonds are paid; provided that such ordinance or resolution shall not be repealed until the levy therein provided for shall be fully paid or the bonds both principal and interest shall be paid or cancelled.