

PRELIMINARY OFFICIAL STATEMENT DATED MAY 17, 2021

**NEW ISSUE – BOOK-ENTRY ONLY
BANK QUALIFIED**

**RATING: S&P "___"
See "Bond Ratings" herein**

In the opinion of Gilmore & Bell, P.C., bond counsel to the City and the Issuer, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), (1) the interest on the Series 2021A Bonds [(including any original issue discount properly allocable to an owner thereof)] is excludable from gross income for federal income tax purposes and not an item of tax preference for purposes of the federal alternative minimum tax, (2) the interest on the Series 2021A Bonds is exempt from income taxation by the State of Kansas, and (3) the Series 2021A Bonds are "qualified tax exempt obligations" within the meaning of Code § 265(b)(3). See "TAX MATTERS – Opinion of Bond Counsel" herein.

\$3,460,000*
CITY OF MAIZE, KANSAS PUBLIC BUILDING COMMISSION
REFUNDING REVENUE BONDS
SERIES 2021A

DATED: As of the Delivery Date shown below

DUE: May 1, As shown on the inside cover

The Refunding Revenue Bonds, Series 2021A (the "Series 2021A Bonds") will be issued by the City of Maize, Kansas Public Building Commission (the "Issuer") as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Series 2021A Bonds will be made in book-entry form, in the denominations of \$5,000 or any integral multiple thereof (the "Authorized Denomination"). Purchasers will not receive certificates representing their interests in Series 2021A Bonds purchased. So long as Cede & Co. is the registered owner of the Series 2021A Bonds, as nominee of DTC, references herein to the Bond owners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as herein defined) of the Series 2021A Bonds. Principal of the Series 2021A Bonds will be payable on each May 1, beginning in 2022, and semiannual interest will be payable on May 1 and November 1, beginning on November 1, 2021 (the "Interest Payment Dates"). Principal will be payable upon presentation and surrender of the Bonds by the registered owners thereof at the office of Security Bank of Kansas City, Wichita, Kansas (the "Trustee," "Paying Agent," and "Bond Registrar"). Interest payable on each Series 2021A Bond shall be paid to the persons who are the registered owners of the Series 2021A Bonds as of the close of business on the fifteenth day (whether or not a business day) of the calendar month preceding each interest payment date by check or draft of the Paying Agent mailed to such registered owner, or in the case of an interest payment to a registered owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer. So long as DTC or its nominee, Cede & Co., is the Owner of the Series 2021A Bonds, such payments will be made directly to DTC. DTC is expected, in turn, to remit such principal and interest to the DTC Participants (herein defined) for subsequent disbursement to the Beneficial Owners.

Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto herein or in "APPENDIX C – SUMMARY OF FINANCING DOCUMENTS."

The Series 2021A Bonds shall be special limited obligations of the Issuer payable solely from, and secured as to the payment of Debt Service Requirements on the Series 2021A Bonds by a pledge of, the Trust Estate, which consists primarily of rental payments to be received by the Issuer from the City of Maize, Kansas (the "City") pursuant to the Lease. **THE SERIES 2021A BONDS SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OF THE ISSUER, NOR SHALL THEY CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION, LIMITATION OR RESTRICTION. THE ISSUER HAS NO TAXING POWER.** See "THE BONDS – Security for the Bonds" herein. Additional Bonds may be issued by the Issuer on a parity with the Series 2021A Bonds.

MATURITY SCHEDULE ON INSIDE COVER PAGE*

The Series 2021A Bonds are subject to redemption and payment prior to maturity at the option of the Issuer on or after May 1, 2027. See "THE BONDS - Redemption Provisions" herein.

The Series 2021A Bonds are offered when, as, and if, issued and delivered by the Issuer, subject to the receipt of the approval of Gilmore & Bell, P.C., Wichita, Kansas, Bond Counsel to the Issuer and the City. Certain other legal matters will be passed upon by Thomas R. Powell, Esq., counsel for the Issuer and the City. It is expected that the Series 2021A Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York, on or about July 8, 2021

SEALED BIDS WILL BE ACCEPTED ON BEHALF OF

**THE CITY OF MAIZE, KANSAS
PUBLIC BUILDING COMMISSION BY:
RANSON FINANCIAL GROUP, LLC
ON JUNE 21, 2021 UNTIL 11:00 A.M. C.T.
AT 200 W. DOUGLAS, SUITE 600
WICHITA, KANSAS 67202**

PHONE:(316) 264-3400 ~ FAX: (316) 265-5403 ~ EMAIL: bids@ransonfinancial.com

THE COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. THE COVER PAGE IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE PRELIMINARY OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION. "APPENDIX C - SUMMARY OF FINANCING DOCUMENTS" CONTAINS DEFINITIONS USED IN THIS PRELIMINARY OFFICIAL STATEMENT.

*Subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment without notice. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

\$3,460,000*
CITY OF MAIZE, KANSAS PUBLIC BUILDING COMMISSION
REFUNDING REVENUE BONDS
SERIES 2021A

MATURITY SCHEDULE*

SERIAL BONDS

Stated Maturity <u>May 1</u>	Principal Amount*	Annual Rate of Interest	Price or Yield	CUSIP⁽¹⁾ Base: 56068P
2022	\$270,000	____%	____%	
2023	280,000	____%	____%	
2024	295,000	____%	____%	
2025	315,000	____%	____%	
2026	335,000	____%	____%	
2027	350,000	____%	____%	
2028	370,000	____%	____%	
2029	395,000	____%	____%	
2030	415,000	____%	____%	
2031	435,000	____%	____%	

[TERM BONDS

Stated Maturity <u>May 1</u>	Principal Amount*	Annual Rate of Interest	Price or Yield	CUSIP⁽¹⁾ Base: 56068P
2031	\$	____%	____%]

(all plus accrued interest, if any)

⁽¹⁾ CUSIP data is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Capital IQ, a subsidiary of The McGraw-Hill Companies, Inc, and is included solely for the convenience of the Owners of the Bonds. Neither the Issuer nor the Underwriter shall be responsible for the selection or correctness of the CUSIP numbers set forth above.

* Subject to Change

REGARDING THIS PRELIMINARY OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the Issuer or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Preliminary Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Preliminary Official Statement does not constitute an offer to sell or solicitation of an offer to buy the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein concerning the Issuer has been furnished by the Issuer and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness. The Underwriter has reviewed the information in this Preliminary Official Statement in accordance with, and as a part of, its responsibilities to investors under the Federal Securities Laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Preliminary Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof. This Preliminary Official Statement does not constitute a contract between the Issuer or the Underwriter and any one or more of the purchasers, Owners or Beneficial Owners of the Bonds.

\$3,460,000*
CITY OF MAIZE, KANSAS
PUBLIC BUILDING COMMISSION
REFUNDING REVENUE BONDS
SERIES 2021A

PUBLIC BUILDING COMMISSION

Governing Body

Donna Clasen, Chairperson
Karen Fitzmier, Commission Member
Jennifer Herington, Commission Member
Alex McCreath, Commission Member
Kevin Reid, Commission Member
Patrick Stivers, Commission Member

City of Maize, Kansas

Governing Body

Donna Clasen, Mayor
Patrick Stivers, Council President
Karen Fitzmier, Council Member
Jennifer Herington, Council Member
Alex McCreath, Council Member
Kevin Reid, Council Member

CITY STAFF

Richard LaMunyon, City Administrator
Jolene Graham, Deputy City Administrator
Jocelyn Reid, City Clerk
Sue Villarreal, City Treasurer

ISSUER'S COUNSEL

Thomas R. Powell, Esq.
Wichita, Kansas

BOND COUNSEL

Gilmore & Bell, P.C.
Wichita, Kansas

TRUSTEE/PAYING AGENT/BOND REGISTRAR

Security Bank of Kansas City
Wichita, Kansas

FINANCIAL ADVISOR

Ranson Financial Group LLC
Wichita, Kansas

UNDERWRITER

* Subject to change.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SERIES 2021A BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2021A BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE SERIES 2021A BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE SERIES 2021A BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE SERIES 2021A BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS PRELIMINARY OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS PRELIMINARY OFFICIAL STATEMENT CONTAINS STATEMENTS THAT ARE “FORWARD-LOOKING STATEMENTS” AS DEFINED IN THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. WHEN USED IN THIS PRELIMINARY OFFICIAL STATEMENT, THE WORDS “ESTIMATE,” “INTEND,” “EXPECT” AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. SUCH STATEMENTS ARE SUBJECT TO RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTEMPLATED IN SUCH FORWARD-LOOKING STATEMENTS. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE HEREOF.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED TO BE FINAL (EXCEPT FOR PERMITTED OMISSIONS) BY THE ISSUER FOR PURPOSES OF COMPLYING WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION.

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\$3,460,000*
CITY OF MAIZE, KANSAS PUBLIC BUILDING COMMISSION
REFUNDING REVENUE BONDS
SERIES 2021A

INTRODUCTION

General Matters

The purpose of this Preliminary Official Statement is to furnish information relating to City of Maize, Kansas Public Building Commission (the “Issuer”), the City of Maize, Kansas (the “City”) and the Refunding Revenue Bonds, Series 2021A (the “Series 2021A Bonds”) of the Issuer, dated as of the Date of Delivery (the “Dated Date”), to be issued in the principal amount of \$3,460,000*. Pursuant to the Indenture (as defined herein), the Issuer may issue Additional Bonds on a parity with the herein defined Series 2012A Bonds and Series 2021A Bonds. The Series 2012A Bonds, Series 2021A Bonds and any Additional Bonds are collectively referred as the “Bonds.”

The Appendices to this Official Statement are integral parts of this document, to be read in their entirety.

The Issuer is a municipal corporation duly organized and existing under the laws of the State of Kansas. The City is a city of the third class duly organized and existing under the laws of the State of Kansas. Additional information regarding the City is contained in APPENDIX A to this Official Statement.

The materials contained on the cover page, in the body and in the Appendices to this Preliminary Official Statement are to be read in their entirety. All financial and other information presented herein has been compiled by the Issuer. Except for the information expressly attributed to other sources deemed to be reliable, all information has been provided by the Issuer and the City. The presentation of information herein, including tables of receipts from various taxes, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the Issuer or the City. No representation is made that past experience, as might be shown by such financial or other information, will necessarily continue or be repeated in the future.

The Issuer

The Issuer is a municipal corporation organized in April 2004 by the City, pursuant to the City’s Charter Ordinance No. 27-15, Ordinance No. 630, and K.S.A. 12-1757 *et seq.*, as amended. The Issuer's principal function and responsibility is acquiring land, and constructing, reconstructing, equipping, and furnishing a building or buildings thereon for lease to governmental entities. The Issuer has authority to issue the Bonds under the Act (as herein defined).

The Issuer’s governing body consists of seven members, which are set forth in Appendix A hereto

The City

The City is a municipal corporation organized under the laws of the State. The current members of the governing body and certain other officials of the City are set forth on the inside cover of this Preliminary Official Statement. General information and selected operating information with respect to the City is contained in APPENDIX A hereto. Attached hereto as APPENDIX B is the audited Financial Statement of the City for the fiscal year ended December 31, 2020. Busby, Ford & Reimer, LLC., Wichita, Kansas, certified public accountants, has performed the audit for such financial statement, but has not participated in the preparation of this Preliminary Official Statement, other than the information contained in APPENDIX B. Additional information regarding the City is contained in APPENDIX A to this Preliminary Official Statement.

Definitions

Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in “APPENDIX C – SUMMARY OF FINANCING DOCUMENTS.”

*Subject to change.

Continuing Disclosure

The Securities and Exchange Commission (the “SEC”) has promulgated amendments to Rule 15c2-12 (the “Rule”), requiring continuous secondary market disclosure. In connection with the issuance of the Series 2021A Bonds, the City will enter into a continuing disclosure undertaking (the “Disclosure Undertaking”) wherein the City covenants to annually provide certain financial information and operating data (collectively the “Annual Report”) and other information necessary to comply with the Rule, and to transmit the same to the MSRB. In the Lease, hereinafter defined, the City covenants with the Issuer to apply the provisions of the Disclosure Undertaking to the Series 2021A Bonds. This covenant is for the benefit of and is enforceable by the Beneficial Owners of the Series 2021A Bonds. The City is the only “obligated person” with responsibility for continuing disclosure regarding the Series 2021A Bonds.

The dates on which the City filed its Annual Report for the previous five years are set forth on the table below.

<u>Fiscal Year</u> <u>Ending December 31</u>	<u>Required</u> <u>Filing Date</u>	<u>Financial Information</u> <u>Filing Date</u>	<u>Operating Data</u> <u>Filing Date</u>
2015	06/28/2016	06/23/2016	06/23/2016
2016	06/29/2017	06/25/2017	06/25/2017
2017	06/29/2018	05/26/2018	06/29/2018
2018	06/29/2019	04/22/2019	06/25/2019
2019	06/28/2020	04/24/2020	07/23/2020 ⁽¹⁾
2020	06/29/2020	05/27/2021	06/01/2021

⁽¹⁾ A notice of failure to file on time was submitted June 28, 2020.

During the past five years, the City has made filings of event notices on EMMA with respect to bond calls and defeasances, however, during said time period, the City may not have made timely filings of event notices on EMMA relating to all bond calls, defeasances or ratings changes. The City believes this information was disseminated or available through other publicly available sources.

For more information regarding the Disclosure Undertaking, see “APPENDIX D — FORM OF DISCLOSURE UNDERTAKING.”

Additional Information

All of the summaries of statutes, opinions, financial and statistical data, and other related reports and documents described in this Preliminary Official Statement are subject to the actual provisions of such documents. The summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are either publicly available or available for inspection during normal business hours at the City Hall, 10100 Grady Ave., P.O. Box 245, Maize, Kansas 67101. Additional information regarding the Issuer, the City or the Series 2021A Bonds may be obtained from the City’s Financial Advisor, Ranson Financial Group, LLC, 200 W. Douglas, Suite 600, Wichita, Kansas 67202, Attention: Larry Kleeman, by phone ((316) 264-3400) or e-mail (larry@citycode.com).

THE BONDS

Authority

The Series 2021A Bonds are being issued pursuant to and in full compliance with the Constitution and statutes of the State of Kansas (the “State”), including K.S.A. 12-1757 *et seq.*, and K.S.A. 10-116a, as amended (collectively, the “Act”). The Series 2021A Bonds are further issued pursuant to a resolution of the Issuer adopted June 21, 2021 and a Supplemental Trust Indenture No. 4 dated as of July 8, 2021, further amending the Trust Indenture dated as of May 15, 2006 (as supplemented and amended from time to time in accordance with the provisions thereof, the “Indenture”), by and between the Issuer and Security Bank of Kansas City, Wichita, Kansas, as successor trustee to Southwest National Bank, Wichita, Kansas (the “Trustee”). (See APPENDIX C – SUMMARY OF FINANCING DOCUMENTS.)

The Issuer has heretofore issued its Improvement Revenue Bonds, Series A, 2006 (City Government Complex) in the aggregate principal amount of \$4,200,000, which were subsequently refunded by its Refunding Revenue Bonds, Series A, 2011 (City Government Complex) (the “Series 2011 Bonds”) and its Refunding Revenue Bonds, Series 2016A (City Government Complex) (the “Series 2016 Bonds”) for the purpose of acquiring certain real property (the “Land”) and

constructing and equipping thereon the Maize Government Center. The Land and the Maize Government Center are being leased by the Issuer to the City for use as city administrative offices, municipal court facilities and police facilities. The City is also subleasing a portion of the Maize Government Center to the Maize Recreation Commission (the “Recreation Facility”) for its use in providing recreation and leisure program activities to the citizens of the City and its environs. The Issuer subsequently issued its Improvement Revenue Bonds, Series 2012A (Recreation Facility Additions) (the “Series 2012A Bonds”) for the purpose of paying the costs to construct and equip an addition to the Recreation Facility, which is also subleased to the Maize Recreation Commission. As of the date of issuance of the Series 2021A Bonds, the Series 2012A Bonds and Series 2021A Bonds will be the only Bonds outstanding under the Indenture.

The improvements described above are discussed more fully in the section of this Official Statement entitled “The Project Financed by the Bonds.” Sources and uses of funds in connection with the Project (as defined herein) are discussed more fully in the section of this Official Statement entitled “Sources and Uses of Funds.”

Security for the Bonds

Simultaneously with the issuance of the Series 2021A Bonds, the Issuer will enter into a Supplemental Lease Agreement No. 4 dated as of July 8, 2021, further supplementing the Lease Agreement dated as of May 15, 2006 (as supplemented and amended from time to time in accordance with the provisions thereof, the “Lease”), by which the Issuer will continue leasing the Land and the Maize Government Center to the City. The terms of the Lease will provide for rentals payable by the City in amounts sufficient to pay the debt service requirements on the Bonds, including the Series 2021A Bonds. (See Appendix C, “Summaries of Principal Financing Documents – The Lease.”) The City will continue to sublease a portion of the Maize Government Center to the Maize Recreation Commission pursuant to a Sublease dated as of May 15, 2006 (as amended from time to time in accordance with the provisions thereof, the “Sublease”). The Issuer will lease the Maize EMS Post located on the Land to Sedgwick County, Kansas pursuant to the Lease Agreement for Emergency Medical Service Facility (the “EMS Lease”) among the Issuer, the City and Sedgwick County, Kansas.

The Land and the improvements thereon are NOT pledged as security for payment of the Bonds. The Bonds, including the Series 2021A Bonds, are secured solely by certain payments to be made by the City under the Lease and by the Trust Estate. Rental payments received from the Sublease and the EMS Lease are NOT included in the Trust Estate. (See Appendix C, “Summaries of Principal Financing Documents - The Indenture and The Lease.”)

The Bonds, including the Series 2021A Bonds, are limited obligations of the Issuer, payable solely and only from the rents, revenues and receipts under the Lease, and the Bonds, including the Series 2021A Bonds are equally and ratably secured by a pledge and assignment of the Trust Estate (as defined in the Indenture) to the Trustee in favor of the Owners of the Bonds, as provided by the Indenture. The Bonds, including the Series 2021A Bonds shall not be nor constitute a debt or a general obligation of the Issuer, the City, Sedgwick County, Kansas, the Maize Recreation Commission or the State of Kansas; and the Bonds, including the Series 2021A Bonds shall not be nor constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Issuer has no power to levy taxes, no budget and no staff of its own.

The Lease is an unconditional and absolute obligation of the City, and the City is obligated to make payment under the Lease to the Trustee in amounts sufficient to pay principal and interest on the Bonds, including the Series 2021A Bonds, and to levy ad valorem taxes without limit if necessary to make such payments. The payments made by the City to the Issuer are exempt under the Act from limitations imposed by the Kansas Cash Basis and Budget Laws. The obligation of the City to make payments under the Lease is not subject to annual appropriation or termination during the Lease term. Pursuant to the Lease, the City may also elect to purchase the Issuer’s interest in the Land and the Maize Government Center (sometimes referred to herein as the “Project”) by payment of the purchase option price set forth in the Lease, which includes payment of the Bonds, including the Series 2021A Bonds. See also “RISK FACTORS AND INVESTMENT CONSIDERATIONS – Tax Lid Legislation.”

THE SERIES 2021A BONDS DO NOT IN ANY RESPECT REPRESENT OR CONSTITUTE A DEBT OR PLEDGE OF THE FULL FAITH AND CREDIT OF THE ISSUER OR THE CITY (EXCEPT TO THE EXTENT THAT RENTALS PAYABLE BY THE CITY UNDER THE LEASE CONSTITUTES AN UNCONDITIONAL OBLIGATION OF THE CITY THAT MAY BE MADE FROM TAX LEVIES).

Description of the Bonds

The Series 2021A Bonds are issued in the total principal amount set forth on the cover page hereof, are dated as of the Dated Date, and shall mature on the dates and in the respective amounts as shown on the inside cover of this Preliminary Official Statement. The interest on the Series 2021A Bonds shall accrue from the Dated Date, and shall be payable semiannually on May 1 and November 1 of each year (the “Interest Payment Dates”), commencing November 1, 2021, until the Series 2021A Bonds are paid in full. The Series 2021A Bonds are issued as fully registered bonds in denominations of \$5,000, or integral multiples thereof (the “Authorized Denominations”) not exceeding the principal amount of Series 2021A Bonds maturing in each year.

Designation of Paying Agent and Bond Registrar

The Issuer will at all times maintain a paying agent and bond registrar meeting the qualifications set forth in the Indenture. The Issuer reserves the right to appoint a successor paying agent or bond registrar. No resignation or removal of the paying agent or bond registrar shall become effective until a successor has been appointed and has accepted the duties of paying agent or bond registrar. Every paying agent or bond registrar appointed by the Issuer shall at all times meet the requirements of Kansas law.

Security Bank of Kansas City, Wichita, Kansas, (the “Trustee”) has been designated by the Issuer as paying agent for the payment of principal of and interest on the Bonds and bond registrar with respect to the registration, transfer and exchange of Bonds. The Issuer will at all times maintain a trustee, paying agent and bond registrar meeting the qualifications set forth in the Indenture. The Issuer reserves the right to appoint a successor trustee, paying agent or bond registrar. No resignation or removal of the trustee, paying agent or bond registrar shall become effective until a successor has been appointed and has accepted the duties of paying agent or bond registrar.

Method and Place of Payment of the Bonds

The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of an interest payment to Cede & Co. or any Owner of \$500,000 or more in aggregate principal amount of Series 2021A Bonds, by electronic transfer to such Owner upon written notice given to the Bond Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall notify the Issuer of such Special Record Date and shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice not less than 10 days prior to such Special Record Date.

SO LONG AS CEDE & CO. REMAINS THE REGISTERED OWNER OF THE BONDS, THE PAYING AGENT SHALL TRANSMIT PAYMENTS TO THE SECURITIES DEPOSITORY, WHICH SHALL REMIT SUCH PAYMENTS IN ACCORDANCE WITH ITS NORMAL PROCEDURES. See “THE BONDS – Book-Entry Bonds; Securities Depository.”

Payments Due on Saturdays, Sundays and Holidays

In any case where a Payment Date is not a Business Day, then payment of principal, redemption price or interest need not be made on such Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Payment Date, and no interest shall accrue for the period after such Payment Date.

Book-Entry Bonds; Securities Depository

The Series 2021A Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no Beneficial Owner will receive certificates representing their respective interests in the Series 2021A Bonds, except in the event the Bond Registrar issues Replacement Bonds. It is anticipated that during the term of the Series 2021A Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Series 2021A Bonds to the Participants until and unless the Bond Registrar authenticates and delivers Replacement Bonds to the Beneficial Owners as described in the following paragraphs.

The Issuer may decide, subject to the requirements of the Operational Arrangements of DTC (or a successor Securities Depository), and the following provisions of this section to discontinue use of the system of book-entry transfers through DTC (or a successor Securities Depository):

(a) If the Issuer determines (1) that the Securities Depository is unable to properly discharge its responsibilities, or (2) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (3) that the continuation of a book-entry system to the exclusion of any Series 2021A Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Series 2021A Bonds; or

(b) if the Bond Registrar receives written notice from Participants having interest in not less than 50% of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Series 2021A Bonds being issued to any Owner other than Cede & Co. is no longer in the best interests of the Beneficial Owners of the Series 2021A Bonds, then the Bond Registrar shall notify the Owners of such determination or such notice and of the availability of certificates to owners requesting the same, and the Bond Registrar shall register in the name of and authenticate and deliver Replacement Bonds to the Beneficial Owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (a)(1) or (a)(2) of this paragraph, the Issuer, with the consent of the Bond Registrar, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers.

In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Bond Registrar, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Issuer, the Bond Registrar or Owners are unable to locate a qualified successor of the Securities Depository, then the Bond Registrar shall authenticate and cause delivery of Replacement Bonds to Owners, as provided herein. The Bond Registrar may rely on information from the Securities Depository and its Participants as to the names of the Beneficial Owners of the Series 2021A Bonds. The cost of printing, registration, authentication, and delivery of Replacement Bonds shall be paid for by the Issuer.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the Issuer may appoint a successor Securities Depository provided the Bond Registrar receives written evidence satisfactory to the Bond Registrar with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Bond Registrar upon its receipt of a Series 2021A Bond or Series 2021A Bonds for cancellation shall cause the delivery of the Series 2021A Bonds to the successor Securities Depository in appropriate denominations and form as provided in the Indenture.

Registration, Transfer and Exchange of Bonds

As long as any of the Bonds remain Outstanding, each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register. Bonds may be transferred and exchanged only on the Bond Register as hereinafter provided. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of the Indenture. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest.

Mutilated, Lost, Stolen or Destroyed Bonds

If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount. If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond. Upon the issuance of any new Bond, the Issuer may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Nonpresentment of Bonds

If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under the Indenture or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Redemption Provisions

Optional Redemption. At the option of the Issuer, upon instructions from the City, the Series 2021A Bonds maturing May 1, 2028 and thereafter will be subject to redemption and payment prior to maturity on May 1, 2027 and thereafter, as a whole or in part (selection of the amount of Series 2021A Bonds to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date.

[Mandatory Redemption. (a) [____] 2021A Term Bonds.]The [____] 2021A Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements hereinafter set forth at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The payments which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on May 1 in each year, the following principal amounts of such [____] 2021A Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$	*

*Final Maturity]

(b) [____] 2021A Term Bonds. The [____] 2021A Term Bonds shall be subject to mandatory redemption and payment prior to Stated Maturity pursuant to the mandatory redemption requirements hereinafter set forth at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date. The payments which are to be deposited into the Debt Service Account shall be sufficient to redeem, and the Issuer shall redeem on May 1 in each year, the following principal amounts of such [____] 2021A Term Bonds:

<u>Principal Amount</u>	<u>Year</u>
\$	*

*Final Maturity]

Selection of Bonds to be Redeemed. Bonds shall be redeemed only in an Authorized Denomination. When less than all of the Bonds are to be redeemed and paid prior to their Stated Maturity, such Bonds shall be redeemed in such manner as the Issuer shall determine, Bonds of less than a full Stated Maturity shall be selected by the Bond Registrar in minimum Authorized Denomination in such equitable manner as the Bond Registrar may determine. In the case of a partial redemption of Bonds by lot when Bonds of denominations greater than a minimum Authorized Denomination are then Outstanding, then for all purposes in connection with such redemption each minimum Authorized Denomination of face value shall be treated as though it were a separate Bond of a minimum Authorized Denomination. If it is determined that one or more, but not all, of a minimum Authorized Denomination of face value represented by any Bond is selected for redemption, then upon notice of intention to redeem a minimum Authorized Denomination, the Owner or the Owner's duly authorized agent shall forthwith present and surrender such Bond to the Bond Registrar: (1) for payment of the Redemption Price and interest to the Redemption Date of a minimum Authorized Denomination of face value called for redemption, and (2) for exchange, without charge to the Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Owner of any such Bond fails to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the redemption date to the extent of a minimum Authorized Denomination of face value called for redemption (and to that extent only).

Notice and Effect of Call for Redemption. Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar and the Underwriter. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information: (a) the Redemption Date; (b) the Redemption Price; (c) if less than all Outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption of any Bonds, the respective principal amounts) of the Bonds to be redeemed; (d) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and (e) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent. The failure of any Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds that are to be redeemed on such Redemption Date. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds or portion of Bonds shall cease to bear interest.

For so long as the Securities Depository is effecting book-entry transfers of the Series 2021A Bonds, the Bond Registrar shall provide the notices specified to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Bond Registrar, the Securities Depository, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

THE DEPOSITORY TRUST COMPANY

1. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Series 2021A Bonds. The Series 2021A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each scheduled maturity of the Series 2021A Bonds, and will be deposited with DTC.

2. DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of “AA+”. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Series 2021A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021A Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2021A Bonds, except in the event that use of the book-entry system for the Series 2021A Bonds is discontinued.

4. To facilitate subsequent transfers, all Series 2021A Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2021A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021A Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Series 2021A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.
6. Redemption notices shall be sent to DTC. If less than all of the Series 2021A Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2021A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2021A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Series 2021A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Series 2021A Bonds purchased or tendered, through its Participant, to the Paying Agent, and shall effect delivery of such Series 2021A Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2021A Bonds, on DTC's records, to the Paying Agent. The requirement for physical delivery of the Series 2021A Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2021A Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2021A Bonds to the Paying Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Series 2021A Bonds at any time by giving reasonable notice to the Issuer or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.
11. The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

THE REFUNDING PLAN

The proceeds of the Series 2021A Bonds will be applied to 1) currently refund and pay all outstanding maturities of the Series 2016A Bonds (the “Refunded Bonds”) as described below and 2) pay costs of issuance associated with the issuance of the Series 2021A Bonds.:

Public Building Commission Refunding Revenue Bonds, Series 2016A

<u>Principal Amount</u>	<u>Maturity Dates</u>	<u>Interest</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
\$240,000	05/01/2022	2.000%	07/09/2021	100.00%
255,000	05/01/2023	2.000%	07/09/2021	100.00%
275,000	05/01/2024	2.000%	07/09/2021	100.00%
300,000	05/01/2025	2.000%	07/09/2021	100.00%
320,000	05/01/2026	2.000%	07/09/2021	100.00%
340,000	05/01/2027	2.000%	07/09/2021	100.00%
365,000	05/01/2028	2.000%	07/09/2021	100.00%
390,000	05/01/2029	2.000%	07/09/2021	100.00%
415,000	05/01/2030	2.500%	07/09/2021	100.00%
440,000	05/01/2031	2.500%	07/09/2021	100.00%

THE PROJECT FINANCED BY THE BONDS

The Issuer has previously issued its Revenue Bonds, Series B, 2005, Revenue Bonds, Series A, 2006, Refunding Revenue Bonds, Series A, 2011 and Refunding Revenue Bonds, Series 2016A to finance and refinance the costs to (a) acquire a site (the “Land”); and (b) and construct thereon the Maize Government Center, an approximately 30,077 square foot building consisting of 21,797 square feet of main floor area and 8,280 square feet of basement area (the Land and the Maize Government Center are collectively referred to as the “Project”). The Issuer is leasing the Project to the City pursuant to the Lease. Under the terms of the Lease, the City is obligated to make rental payments in amounts sufficient to pay debt service on the Bonds. Approximately 20,186 square feet of the Maize Government Center building is being used by the City for administrative offices, municipal court facilities and police facilities. The remaining 9,891 square feet of space within the Maize Government Center building, together with an interest in the associated Land and commons areas, is being subleased by the City to the Maize Recreation Commission for use in providing recreation and leisure program activities. In 2012, the Issuer issued its Improvement Revenue Bonds, Series 2012A Bonds (Recreational Facility Addition) for the purpose of constructing an 1,800 square foot addition to the Project which is being leased to the City and further subleased to the Maize Recreation Commission. The Maize EMS Post has been constructed on the Land from funds provided by Sedgwick County, Kansas. The Issuer is leasing the Maize EMS Post to the Sedgwick County, Kansas for use as a facility providing emergency medical services to the citizens of the City and its environs.

APPLICATION OF BOND PROCEEDS

The following table itemizes the sources of funds available for the Project, including the proceeds from the sale of the Series 2021A Bonds, and how such funds are expected to be used:

Sources of Funds	
Proceeds of the Series 2021A Bonds*	\$3,460,000.00
Funds of the Issuer	
Total	\$
Uses of Funds	
Deposit to Redemption Fund	\$
Costs of issuance	
Underwriter’s Discount	
Total	\$

*Subject to Change.

RISK FACTORS AND INVESTMENT CONSIDERATIONS

A PROSPECTIVE PURCHASER OF THE BONDS DESCRIBED HEREIN SHOULD BE AWARE THAT THERE ARE CERTAIN RISKS ASSOCIATED WITH THE BONDS WHICH MUST BE RECOGNIZED. THE FOLLOWING STATEMENTS REGARDING CERTAIN RISKS ASSOCIATED WITH THE OFFERING SHOULD NOT BE CONSIDERED AS A COMPLETE DESCRIPTION OF ALL RISKS TO BE CONSIDERED IN THE DECISION TO PURCHASE THE BONDS. PROSPECTIVE PURCHASERS OF THE BONDS SHOULD ANALYZE CAREFULLY THE INFORMATION CONTAINED IN THIS PRELIMINARY OFFICIAL STATEMENT AND ADDITIONAL INFORMATION IN THE FORM OF THE COMPLETE DOCUMENTS SUMMARIZED HEREIN, COPIES OF WHICH ARE AVAILABLE AND MAY BE OBTAINED FROM THE ISSUER OR THE FINANCIAL ADVISOR.

Legal Matters

Various state and federal laws, regulations and constitutional provisions apply to the obligations created by the Bonds. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the City or the taxing authority of the City. Changes in laws effecting the taxing authority of the City could limit the ability of the City to collect revenue sufficient to make Rental Payments under the Lease.

Special Obligations

The Bonds, including the Series 2021A Bonds, are special limited obligations of the Issuer. Neither the Bonds nor the interest thereon constitute a general obligation or indebtedness of, nor is the payment thereof guaranteed by the Issuer or any governmental subdivision, agency or instrumentality.

Debt Service Source

The Bonds are payable solely from the Trust Estate, including receipts of the Issuer arising out of or in connection with its interest in the Project, including the Rental Payments payable by the City under the Lease. Under the Act, the City is authorized to enter into long term leases with the Issuer for use of facilities such as the Project. Under existing law, the obligation of the City to make Rental Payments under the Lease is not subject to annual appropriations and is exempt from the application of the Kansas cash-basis and budget laws.

Title to Land

Other than the right of the Issuer to enforce the Lease, neither the Project nor any other property owned by the Issuer or the City or used in conjunction with the operation of the Project is pledged or mortgaged to secure payment of the Bonds. If there is a default in the payment of the Bonds, the owners of the Bonds will have no right to foreclose upon or otherwise obtain use or possession of the Project, other than to enforce the Issuer's rights in the Lease.

Environmental Matters

Even though the City operations do not involve any unusual environmental hazards, and the City believes that it is currently in compliance with all federal, state and local regulations regarding potential contaminants, the potential for spills and other contamination of the air, soil or groundwater on the Project or in the vicinity may result in potential exposure to liability under federal and state environmental and regulatory laws which require remedial action. No environmental site assessment of the Project has been conducted. Under some circumstances, lenders and other third parties may be named as "potentially responsible parties" and be subjected to liability for payment of cleanup costs. The liability of third parties to such exposure is not well defined. It is not currently possible to assess accurately either the nature or the extent of such potential liability. Pursuant to the Lease, the City has agreed to indemnify the Issuer and the Owners of the Bonds for costs or damages incurred in connection with such environmental hazards during the term of the Lease.

Liquidation of Security in the Event of Default

The Project consists of the Issuer's interest in the Land and the improvements constructed thereon. In the event of a forced liquidation or other reletting or disposition of the Project, there is no assurance that such will produce funds sufficient to pay the principal of the Bonds and interest accrued thereon.

Abandonment of Project after Event of Default

The Issuer has certain remedies under the Lease if an Event of Default under the Lease occurs and continues, including the ability to take possession of the Project and relet it, with the proceeds being available to pay principal and interest on the respective Bonds. The Lease gives the Issuer the option, under such circumstances, not to re-enter or take possession of the Project, thereby abandoning a part of the security for the respective Bonds. In the event that the Project should become contaminated by the presence of Hazardous Substances, the Tenant is the subject of a remedial action under an Environmental Law as a result of such contamination, the Issuer would have the discretion to abandon the Project, and probably would abandon it if its market value were substantially impaired by the presence of the contamination or if re-entering or taking possession of the Project would probably expose the Issuer or the Owners to liability for costs of a remedial action under an Environmental Law.

Limitations on Remedies Available to Owners of Bonds

The enforceability of the rights and remedies of the owners of Bonds, and the obligations incurred by the City in issuing the Bonds, are subject to the following: the federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under state law of certain remedies; the exercise by the United States of America of the powers delegated to it by the United States Constitution; and the reasonable and necessary exercise, in certain unusual situations, of the police power inherent in the State of Kansas and its governmental subdivisions in the interest of serving a legitimate and significant public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy and otherwise, and consequently may involve risks of delay, limitation or modification of their rights.

Taxation of Interest on the Bonds

An opinion of Bond Counsel will be obtained to the effect that interest earned on the Series 2021A Bonds is excludable from gross income for federal income tax purposes under current provisions of the Code, and applicable rulings and regulations under the Code; however, an application for a ruling has not been made and an opinion of counsel is not binding upon the Internal Revenue Service. There can be no assurance that the present provisions of the Code, or the rules and regulations thereunder, will not be adversely amended or modified, thereby rendering the interest earned on the Series 2021A Bonds includable in gross income for federal income tax purposes.

The Issuer and City have covenanted in the Lease and in other documents and certificates to be delivered in connection with the issuance of the Series 2021A Bonds to comply with the provisions of the Code, including those which require the City to take or omit to take certain actions after the issuance of the Series 2021A Bonds. Because the existence and continuation of the excludability of the interest on the Series 2021A Bonds depends upon events occurring after the date of issuance of the Series 2021A Bonds, the opinion of Bond Counsel described under "TAX MATTERS" assumes the compliance by the City with the provisions of the Code described above and the regulations relating thereto. No opinion is expressed by Bond Counsel with respect to the excludability of the interest on the Series 2021A Bonds in the event of noncompliance with such provisions. The failure of the Issuer or City to comply with the provisions described above may cause the interest on the Series 2021A Bonds to become includable in gross income as of the date of issuance.

Secondary Market

There is no assurance that a secondary market will develop for the purchase and sale of the Series 2021A Bonds. Prices of municipal Bonds traded in the secondary market, though, are subject to adjustment upward and downward in response to changes in the credit market. From time to time it may be necessary to suspend indefinitely secondary market trading in selected issues of municipal bonds as a result of financial condition or market position of broker-dealers, prevailing market conditions, lack of adequate current financial information about the City, or a material adverse change in the financial condition of the City, whether or not the subject Bonds are in default as to principal and interest payments, and other factors which may give rise to uncertainty concerning prudent secondary market practices.

Premium on Bonds

[The initial offering price of the Series 2021A Bonds that are subject to optional redemption are in excess of the respective principal amounts thereof.] Any person who purchases a Bond in excess of its principal amount, whether during the initial offering or in a secondary market transaction, should consider that the Series 2021A Bonds are subject to redemption at par under the various circumstances described under “THE BONDS - Redemption of Bonds.”

No Additional Interest or Mandatory Redemption upon Event of Taxability

The Indenture does not provide for the payment of additional interest or penalty on the Series 2021A Bonds or the mandatory redemption thereof if the interest thereon becomes includable in gross income for federal income tax purposes. Likewise, the Indenture does not provide for the payment of any additional interest or penalty on the Series 2021A Bonds if the interest thereon becomes includable in gross income for Kansas income tax purposes.

Kansas Public Employees Retirement System

As described in “*APPENDIX A – FINANCIAL INFORMATION – Pension and Employee Retirement Plans*,” the Issuer participates in the Kansas Public Employees Retirement System (“KPERS”), as an instrumentality of the State to provide retirement and related benefits to public employees in Kansas. KPERS administers three statewide defined benefit retirement plans for public employees which are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Issuer participates in the Public Employees Retirement System – Local Group (the “Plan”). Under existing law, employees make contributions and the Issuer makes all employer contributions to the Plan; neither the employees nor the Issuer are directly responsible for any unfunded accrued actuarial liability (“UAAL”). However, the Plan contribution rates may be adjusted by legislative action over time to address any UAAL. According to KPERS’ Valuation Report, the Local Group had an UAAL of approximately \$1.502 billion in calendar year 2019.

Suitability of Investment

The tax exempt feature of the Series 2021A Bonds is more valuable to high tax bracket investors than to investors who are in low tax brackets, and so the value of the interest compensation to any particular investor will vary with individual tax rates. Each prospective investor should carefully examine this Preliminary Official Statement, including the Appendices hereto, and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Series 2021A Bonds are an appropriate investment.

Cybersecurity Risks

Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches could create disruptions or shutdowns of the City and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. If a security breach occurs, the City may incur significant costs to remediate possible injury to the affected persons, and the City may be subject to sanctions and civil penalties. Any failure to maintain proper functionality and security of information systems could interrupt the City’s operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations.

Natural Disasters or Terrorist Attacks

The occurrence of a terrorist attack or cyber security breach in the City, or natural disasters, such as fires, tornados, earthquakes, floods or droughts, could damage the City and its systems and infrastructure, and interrupt services or otherwise impair operations of the City.

Global Health Emergency

On March 11, 2020, the World Health Organization proclaimed the Coronavirus and the disease caused by it (COVID-19) to be a pandemic. In an effort to lessen the risk of transmission of COVID-19, the United States government, state and local governments and private industries have taken measures to limit social interactions in an effort to limit the spread of COVID-19, affecting business activities and impacting global, state and local commerce and financial markets. The Governor of the State has issued various Executive Orders in response to the COVID-19 pandemic, including Executive Orders temporarily

preventing foreclosures and evictions, deferring certain tax deadlines and payments, instituting a temporary State-wide stay-at-home (expired as of May 2020), and instituting a mask mandate which granted each county the right to opt out of such order. Under recently enacted legislation, the State's Legislative Coordinating Council may override certain of the State executive orders related to the COVID-10 pandemic, and parties aggrieved by any county executive orders are given enhanced rights to challenge such orders.

The COVID-19 pandemic could result in increased costs to the Issuer and/or negative impacts on the collection of property taxes (a primary source of revenue for the Issuer, including for repayment of the Bonds) within the Issuer due to increased payment delinquencies or disruption of the collection or distribution of property taxes. All such factors could have a material adverse effect on the Issuer's operations and financial condition. As of the date hereof, the Issuer has not experienced material adverse changes relative to its adopted budget with regard to expenditures or receipt of revenues.

State and local governmental authorities continue efforts to contain and limit the spread of COVID-19. Future revenue collections, including property tax collections that are essential to repayment of the Bonds, may deviate from historical or anticipated levels.

The emergence of COVID-19 and the spread thereof is an emerging and evolving issue. The Issuer is not able to predict and makes no representations as to the economic impact of the COVID-19 pandemic on the Issuer.

THE FOREGOING STATEMENTS REGARDING CERTAIN RISKS ASSOCIATED WITH THE OFFERING SHOULD NOT BE CONSIDERED AS A COMPLETE DESCRIPTION OF ALL RISKS TO BE CONSIDERED IN THE DECISION TO PURCHASE THE BONDS.

LEGAL MATTERS

Approval of the Bonds

All matters incident to the authorization and issuance of the Series 2021A Bonds are subject to the approval of Gilmore & Bell, P.C., Wichita, Kansas, Bond Counsel to the Issuer and the City. The factual and financial information appearing herein has been supplied or reviewed by certain officials of the Issuer and City and its certified public accountants, as referred to herein. Bond Counsel has participated in the preparation of the Official Statement but expresses no opinion as to the accuracy or sufficiency thereof, except for the matters appearing in the sections of this Preliminary Official Statement captioned "THE BONDS," "TAX MATTERS" and "**APPENDIX C – SUMMARY OF FINANCING DOCUMENTS.**" Payment of the legal fee of Bond Counsel is contingent upon the delivery of the Series 2021A Bonds.

TAX MATTERS

The following is a summary of the material federal and State income tax consequences of holding and disposing of the Series 2021A Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of holders subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2021A Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Kansas, does not discuss the consequences to an owner under state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2021A Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2021A Bonds.

Opinion of Bond Counsel

In the opinion of Bond Counsel, under the law existing as of the issue date of the Series 2021A Bonds:

Federal Tax Exemption. The interest on the Series 2021A Bonds [(including any original issue discount properly allocable to an owner thereof)] is excludable from gross income for federal income tax purposes

Alternative Minimum Tax. Interest on the Series 2021A Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax .

Bank Qualification. The Series 2021A Bonds are “qualified tax-exempt obligations” for purposes of Code § 265(b)(3).

Kansas Tax Exemption. The interest on the Series 2021A Bonds is exempt from income taxation by the State of Kansas.

No Other Opinions. Bond Counsel’s opinions are provided as of the date of the original issue of the Series 2021A Bonds, subject to the condition that the Issuer and City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2021A Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer and City have covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2021A Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2021A Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2021A Bonds but has reviewed the discussion under the heading “TAX MATTERS.”

Other Tax Consequences

[Original Issue Discount. For Federal income tax purposes, original issue discount (“OID”) is the excess of the stated redemption price at maturity of a Series 2021A Bond over its issue price. The issue price of a Series 2021A Bond is the first price at which a substantial amount of the Series 2021A Bonds of that maturity have been sold (ignoring sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). Under Code § 1288, OID on tax-exempt bonds accrues on a compound basis. The amount of OID that accrues to an owner of a Series 2021A Bond during any accrual period generally equals: (a) the issue price of that Series 2021A Bond, plus the amount of OID accrued in all prior accrual periods; multiplied by (b) the yield to maturity on that Series 2021A Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period); minus (c) any interest payable on that Series 2021A Bond during that accrual period. The amount of OID accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for Federal income tax purposes, and will increase the owner’s tax basis in that Series 2021A Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of OID.]

[Original Issue Premium. If a Series 2021A Bond is issued at a price that exceeds the stated redemption price at maturity of the Series 2021A Bond, the excess of the purchase price over the stated redemption price at maturity constitutes “premium” on that Series 2021A Bond. Under Code § 171, the purchaser of that Series 2021A Bond must amortize the premium over the term of the Series 2021A Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Series 2021A Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner. This will result in an increase in the gain (or decrease in the loss) to be recognized for Federal income tax purposes on sale or disposition of the Series 2021A Bond prior to its maturity. Even though the owner’s basis is reduced, no Federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of premium.]

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Series 2021A Bond, an owner of the Series 2021A Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Series 2021A Bond (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the Series 2021A Bond. To the extent the Series 2021A Bonds are held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2021A Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on Series 2021A Bonds, and to the proceeds paid on the sale of Series 2021A Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner’s federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2021A Bonds should be aware that ownership of the Series 2021A Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with “excess net passive income,” foreign corporations subject to the

branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2021A Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2021A Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2021A Bonds, including the possible application of state, local, foreign and other tax laws.

BOND RATING

An application has been made to S&P Global Ratings, a division of S&P Global Inc. for a rating on the Series 2021A Bonds. Such rating, if given, reflects only the view of such rating agency, and an explanation of the significance of such rating may be obtained therefrom. No such rating constitutes a recommendation to buy, sell, or hold any bonds, including the Series 2021A Bonds, or as to the market price or suitability thereof for a particular investor. The Issuer furnished such rating agency with certain information and materials relating to the Series 2021A Bonds that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, if in the judgment of the agency originally establishing such rating, circumstances so warrant. Any downward revision or withdrawal of any rating may have an adverse affect on the market price of the Series 2021A Bonds.

ABSENCE OF LITIGATION

There is no controversy, suit or other proceedings of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the issuing municipality or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act shown to have been done in the Transcript leading up to the issuance of the Series 2021A Bonds, or the constitutionality or validity of the indebtedness represented by the Series 2021A Bonds shown to be authorized in said Transcript, or the validity of the Series 2021A Bonds or any of the proceedings in relation to the issuance or sale thereof, or the levy and collection of a tax.

FINANCIAL ADVISOR

Ranson Financial Group LLC, Wichita, Kansas (the "Financial Advisor") has acted as financial advisor to the Issuer in connection with the sale of the Series 2021A Bonds. The Financial Advisor has assisted the Issuer in the preparation of this Preliminary Official Statement and in other matters relating to the issuance of the Series 2021A Bonds. Ranson Financial Group LLC is an independent advisory firm, registered as a municipal advisor, and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities. The fees of the Financial Advisor are contingent upon the issuance of the Series 2021A Bonds.

INITIAL PURCHASE

The Series 2021A Bonds have been sold at public sale by the Issuer to [_____] (the "Underwriter") on the basis of lowest net interest cost. [__] bids were received by the Issuer. The Underwriter has agreed, subject to certain conditions, to purchase the Series 2021A Bonds at a price equal to the principal amount of the Series 2021A Bonds, [, plus a premium of \$_____][, less an underwriting discount of \$_____].

The Series 2021A Bonds will be offered to the public initially at the prices determined to produce the yield set forth on the inside cover page of this Preliminary Official Statement. The Underwriter may offer and sell the Series 2021A Bonds to certain dealers (including dealers depositing the Series 2021A Bonds into investment trusts) at prices other than the price stated on the inside cover page hereof and may change the initial offering price from time to time subsequent to the date hereof. In connection with the offering, the Underwriter may over allot or effect transactions which stabilize or maintain the market price of the Series 2021A Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

ADDITIONAL INFORMATION

Additional information with respect to the City and the Series 2021A Bonds may be obtained upon request from the City of Maize, Kansas, 945 Second St., Maize, Kansas 67661.

Any statements in this Preliminary Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. This Preliminary Official Statement is not to be construed as a contract or agreement between the City and the Bondowners.

This Preliminary Official Statement is submitted only in connection with the sale and delivery of the Series 2021A Bonds and may not be reproduced or used in whole or in part for any other purpose.

AUTHORIZATION OF OFFICIAL STATEMENT

The preparation of this Preliminary Official Statement and its distribution has been authorized by the governing body of the Issuer as of the date on the cover page hereof. This Preliminary Official Statement is submitted in connection with the issuance of the Series 2021A Bonds and may not be reproduced or used as a whole or in part for any other purpose. This Preliminary Official Statement does not constitute a contract between the Issuer or the Underwriter and any one or more of the purchasers, Owners or Beneficial Owners of the Series 2021A Bonds

**CITY OF MAIZE, KANSAS
PUBLIC BUILDING COMMISSION**

By _____
Donna Clasen, President

ATTEST:

Jocelyn Reid, Secretary

CITY OF MAIZE, KANSAS

By _____
Donna Clasen, Mayor

ATTEST:

Jocelyn Reid, City Clerk

APPENDIX A

INFORMATION CONCERNING THE ISSUER AND THE CITY

GENERAL - - ISSUER

CITY OF MAIZE, KANSAS PUBLIC BUILDING COMMISSION

The City of Maize, Kansas Public Building Commission is a municipal corporation duly created in accordance with Ordinance No. 630 of the City adopted on April 29, 2004 (the "Ordinance") and existing under the laws of the State, including particularly the Act, as amended. The Issuer is organized and operated under the Act for the benefit of the City and its residents. The Issuer's principal responsibilities and functions are to purchase and construct land and buildings for lease to governmental entities and to issue Revenue Bonds to finance these functions. The Issuer is authorized under the Act and its By- laws to:

(1) exercise all powers and authority set forth in the Act including, but not limited to the authority to acquire real estate interests for purposes of constructing, reconstructing, equipping and furnishing, or purchase or otherwise acquire, a building or buildings or other facilities of a revenue producing character, including a building or buildings or facilities to be maintained and operated for (i) a county courthouse, (ii) housing and accommodation of county offices or other county business, including, without limitation, law enforcement and detention facilities, (iii) housing and accommodation of City offices or other City business, and administrative offices for school districts, (vi) recreational and community facilities, (vii) housing, accommodations and parking facilities for offices of state and federal agencies or (viii) such other purposes as are commonly carried on in connection with such county, City, school district, state or federal facilities;

(2) rent all or any part of the buildings or facilities owned by the Issuer to the City or other agencies and entities as authorized by the Act;

(3) To acquire fee simple title to real estate, including easements and reversionary interest in streets, alleys and other public places and personal property required for its purposes, by purchase, gift, devise or other lawful means, and to take title in the corporate name of the Issuer.

(4) To issue Revenue Bonds in the manner provided by the Act for the purpose of paying the cost or a portion of the cost of acquiring real estate and constructing, equipping and furnishing buildings thereon, to pledge the net revenues from the facilities to secure such Revenue Bonds, and to make covenants with respect to the maintenance, operations, repair and insuring of improvements thereon;

(5) To repair, maintain and operate such buildings and facilities owned by the Issuer;

(6) To adopt a seal;

(7) To pledge such buildings and facilities owned by the issuer to the payment of bonds; and

(8) To do all things necessary and incidental to the exercise of the powers granted to it under the Act and its By-laws.

The Issuer is governed by a six member body, with each member being a member of the City Council and the Mayor. The terms of office are co-terms with that of the City Council and Mayor terms. The names and titles of the Public Building Commission members are as follows:

<u>NAME</u>	<u>TITLE</u>
Donna Clasen	Chairperson
Karen Fitzmier	Commission Member
Jennifer Herington	Commission Member
Alex McCreath	Commission Member
Kevin Reid	Commission Member
Patrick Stivers	Commission Member

INFORMATION CONCERNING THE CITY

GENERAL

Size and Location

The City of Maize (the “City”) is located in south central Kansas in Sedgwick County (the “County”). The City is situated to the northwest of Wichita, Kansas, adjacent to the neighboring city.

Between 2000 and 2019, the City has increased from 1,868 residents to approximately 4,934 residents, an increase of over 160%. This continued growth can in part be attributed to the Maize School District (USD No. 266), which is the fastest growing district in the State of Kansas. The Maize School District covers large portions of northwest Sedgwick County, which has experienced rapid residential growth and development.

Government and Organization of the City

The City is a municipal corporation incorporated in 1915, and is a city of the third class organized and existing under and pursuant to the Constitution and laws of the State of Kansas. The City has a Mayor-Council form of government. The Mayor and five Councilmembers are elected at large to staggered four (4) year terms.

The principal officials and officers of the Issuer as the date of this report are as follows:

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Mayor	Donna Clasen	01/2022
Council President:	Patrick Stivers	01/2022
Members:	Karen Fitzmier	01/2024
	Jennifer Herington	01/2022
	Alex McCreath	01/2024
	Kevin Reid	01/2024
City Administrator	Richard LaMunyon	N/A
Deputy City Administrator	Jolene Graham	N/A
City Clerk	Jocelyn Reid	N/A
City Attorney	Tom Powell, Esq.	N/A
City Treasurer	Sue Villarreal	N/A

Management Personnel

The City Administrator is appointed by the Council and is charged with the efficient and effective administration of the City. The City Council conducts all legislative functions for the City and establishes general policies which are executed by its staff, which serves at its pleasure.

Public Safety

The City has 10 full-time police officers, a police chief, assistant chief, two sergeants, and one detective. Fire protection for the City is provided by the Sedgwick County Fire Department. Sedgwick County provides emergency medical services (EMS) to the City.

Municipal Services and Other Utilities

The City provides a full range of services, which include construction and maintenance of infrastructure, community development and planning and cultural activities. The City operates the water and wastewater systems. Electric and natural gas services are provided to the City by Evergy Energy and Black Hills Energy, respectively. Cable TV service is provided by Direct TV and Cox Communications. Telephone and internet service is provided by AT&T. Additional services in the City are provided by private companies.

Transportation Facilities

The City is served by a major highway, rail line, and two local airports. Kansas Highway 96 is a limited access freeway that runs through the northeastern portions of the community. Union Pacific railroad line transverses through eastern Maize, running nearly parallel to Kansas Highway 96. The Wichita Dwight D. Eisenhower National Airport offers passenger service and is located eleven miles south of the City.

Educational Institutions and Facilities

The City is served by the Maize Unified School District No. 266. The Maize Unified School District is an independent taxing unit with boundaries that are separate from the jurisdictional boundaries of the City of Maize. The schools continue to absorb the increasing number of students from western Wichita and have the potential to absorb future Maize growth. The district currently operates two high schools, two middle schools, five elementary schools, one alternative high school, a transport facility, a maintenance building and an administrative center, most of which are in the Maize city area. The total number of students in the Maize Unified School District is approximately 7,678. A majority of students and staff come from Wichita. This influx of students and staff increases the daytime population of Maize impacting Maize and its service and utility capacity.

The following universities or colleges offering bachelor's or advanced degrees are also located in the region:

<u>Name</u>	<u>Location</u>	<u>Estimated Distance from City (in Miles)</u>	<u>Estimated Enrollment (FTE)</u>
Newman University	Wichita, KS	9	2,066
Friends University	Wichita, KS	9	2,024
Wichita Technical Institute	Wichita, KS	10	2,015
Wichita State University	Wichita, KS	11	11,743
Wichita Area Technical College	Wichita, KS	14	2,220
Hutchinson Community College	Hutchinson, KS	33	4,174
Butler Community College	El Dorado, KS	33	6,676

Medical and Health Facilities

Major medical service is available at HCA Wesley Medical Center, Ascension Via Christi Riverside Medical Center, Ascension Via Christi St. Francis Campus and Ascension Via Christi St. Joseph Campus, located within 10 miles of the City.

Recreational, Cultural and Religious Facilities

The Jeeps Motorcycle Club Racing facility and 81 Speedway located in the immediate vicinity of the City provide motor sports activities.

The County offers a wide variety of cultural and entertainment options, including: Botanica – The Wichita Gardens, Wurlitzer Organ Pops Concerts, Metropolitan Ballet Company, Wichita Community Theater, Wichita Children’s Theater, Music Theater of Wichita, Mid-America Dance Theater, Inc., Wichita Symphony and Choral Society, Wichita Art Association Galleries, Wichita Omnisphere Earth-Space Center, Lake Afton Public Observatory, Wichita Art Museum, Whittier Fine Arts Gallery, The Mid America All Indian Center Museum, and The Wichita Exploration Place.

Some of the major cultural events held annually are: St. Patrick’s Day Parade, Kansas Junior Livestock Show, Wichita Jazz Festival, Renaissance Fair, Wichita River Festival, Victorian Garden Festival, National Baseball Congress Tournament, Wichita Arts Festival, the Old Sedgwick County Fair, Park City Bluegrass Festival, and Salute to Freedom 4th of July Celebration. In addition to the recreational and cultural facilities offered by the cities in the County, the County operates the Kansas Coliseum, the Sedgwick County Zoo and Botanical Gardens, Lake Afton Park, and the Sedgwick County Park.

The Sedgwick County Zoo and Botanical Gardens are considered world-class facilities. The zoo provides an environment where animals roam in spacious areas that simulate their natural habitats, while the Botanical Gardens offers a wide variety of species of native American and foreign plants, trees, and shrubs in a natural setting.

The City has eight churches that serve the community.

FINANCIAL INFORMATION

Accounting, Budgeting and Auditing Procedures

The City follows a basis of accounting for all tax supported funds of the City, including the General Fund, that shows compliance with the State's cash basis and budget laws. The City has waived GAAP accounting. More complete information regarding the City's accounting is contained in the Notes to the Financial Statements attached hereto as *APPENDIX B*.

An annual budget of estimated receipts and disbursements for the coming calendar year is required by statute to be prepared for all funds (unless specifically exempted). The budget is prepared utilizing the modified accrual basis which is further modified by the encumbrance method of accounting. For example, commitments such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures. The budget lists estimated receipts by funds and sources and estimated disbursements by funds and purposes. The proposed budget is presented to the governing body of the City prior to August 1, with a public hearing required to be held prior to August 15, with the final budget to be adopted by a majority vote of the governing body of the City prior to August 25 of each year (or September 20 if the City must conduct a public hearing to levy taxes in excess of its revenue neutral rate described below). Budgets may be amended upon action of the governing body after notice and public hearing, provided that no additional tax revenues may be raised after the original budget is adopted.

The City may levy taxes in accordance with the requirements of its adopted budget. Property tax levies are based on the adopted budget of the City and the assessed valuations provided by the County appraiser. In 2021, the Kansas Legislature passed legislation (the "Revenue Neutral Tax Act") that repeals the "tax lid" (formerly K.S.A. 79-2925c) and provides that, beginning January 1, 2021, a taxing subdivision (which includes any political subdivision of the State that levies an ad valorem property tax, including the City) is not authorized to levy a property tax rate in excess of its revenue neutral rate without first providing notice, holding a public hearing, and authorizing such property tax rate by majority vote of its governing body. The revenue neutral rate means the tax rate for the current tax year that would generate the same property tax revenue as levied the previous tax year using the current tax year's total assessed valuation.

The Revenue Neutral Tax Act provides that by June 15 of every year, each county clerk shall calculate the revenue neutral rate for each taxing subdivision in their respective county. If a taxing subdivision desires to levy a tax rate in excess of its revenue neutral rate, it must first publish notice of a public hearing and notify the county clerk of the taxing subdivision's intent to exceed the revenue neutral rate. The county clerk is required to provide notice of the public hearing to each taxpayer with property in the taxing subdivision, along with following information concerning the taxing subdivision: (1) the revenue neutral rate, (2) the proposed property tax revenue needed to fund the proposed budget, (3) the proposed tax rate based on the proposed budget, (4) the tax rate and property tax of each taxing subdivision on the taxpayer's property from the previous year's tax statement, (5) the appraised value and assessed value of the taxpayer's property, (6) estimates of the tax for the current tax year on the taxpayer's property based on the revenue neutral rate of each taxing subdivision and any proposed tax rates that exceed the revenue neutral rates, (7) the difference between the estimates of tax based on the proposed tax rate and the revenue neutral rate. The public hearing regarding exceeding the revenue neutral rate is to be held between August 10 and September 10, and can be held in conjunction with the taxing subdivision's budget hearing. If multiple taxing subdivisions within the county are required to hold a public hearing, the notices to the taxpayer can be combined into a single notice. After the public hearing, the taxing subdivision can approve exceeding the revenue neutral rate by a majority vote of its governing body, and the amount of tax to be levied must be certified to the county clerk by September 20. The taxing subdivision's adopted budget shall not result in a tax rate in excess of its proposed rate stated in the notice provided to the taxpayers. If a taxing subdivision fails to comply with the requirements of the Revenue Neutral Tax Act, it shall refund to the taxpayers any property taxes over collected based on the amount of the levy that was in excess of the revenue neutral rate.

The City cannot predict the impact of the Revenue Neutral Tax Act on the ratings on the Series 2021A Bonds, or the general rating of the City. A change in the rating on the Series 2021A Bonds or a change in the general rating of the City may adversely impact the market price of the Series 2021A Bonds in the secondary market.

Kansas law prohibits governmental units from creating indebtedness unless there are funds on hand in the proper accounts and unencumbered by previous action with which to pay such indebtedness. An exception to this cash basis operation is made where provision has been made for payment of obligations by bonds or other specific debt obligations authorized by law.

The financial records of the City are audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards. In recent years, the annual audit has been performed by Busby, Ford & Reimer, LLC., Wichita, Kansas. Copies of the audit reports for the past five (5) years are on file in the Clerk's office and are available for review. The audit for the Fiscal Year ended December 31, 2020, is attached hereto as APPENDIX B.

The financial information contained in the Appendices to this Preliminary Official Statement are an integral part of this document and are intended to be read in conjunction herewith.

Property Valuations

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the state of Kansas is the responsibility of the various counties under the direction of state statutes. The County Appraiser's office determines the fair market value of all taxable property within the County and the assessed valuation thereof that is to be used as a basis for the mill levy on property located in the City.

Property subject to ad valorem taxation is divided into two classes, real property and personal property. Real property is divided into seven subclasses; there are six subclasses of personal property. The real property (Class 1) subclasses are: (i) real property used for residential purposes including multi family mobile or manufactured homes and the real property on which such homes are located, assessed at 11.5%, (ii) agricultural land, valued on the basis of agricultural income or productivity, assessed at 30%, (iii) vacant lots, assessed at 12%, (iv) real property, owned and operated by a not for profit organization not subject to federal income taxation, pursuant to Code §501, assessed at 12%, (v) public utility real property, except railroad real property, assessed at the average rate that all other commercial and industrial property is assessed, assessed at 33%, (vi) real property used for commercial and industrial purposes and buildings and other improvements located on land devoted to agricultural use, assessed at 25%, and (vii) all other urban and real property not otherwise specifically classified, assessed at 30%. Tangible personal property (Class 2) subclasses are: (i) mobile homes used for residential purposes, assessed at 11.5%, (ii) mineral leasehold interests, except oil leasehold interests, the average daily production from which is 5 barrels or less, and natural gas leasehold interests, the average daily production from which is 100 mcf or less, which shall be assessed at 25%, assessed at 30%, (iii) public utility tangible personal property, including inventories thereof, except railroad personal property, including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed, assessed at 33%, (iv) all categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985, assessed at 30%, (v) commercial and industrial machinery and equipment which if its economic life is 7 years or more, shall be valued at its retail cost, when new, less seven year straight line depreciation, or which, if its economic life is less than 7 years, shall be valued at its retail cost when new, less straight line depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property, assessed at 25%, and (vi) all other tangible personal property not otherwise specifically classified, assessed at 30%. All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchants' and manufacturers' inventories, other than public utility inventories included in subclass (3) of class 2, livestock, and all household goods and personal effects not used for the production of income, shall be exempted from property taxation.

The Kansas Legislature (the "Legislature") reduced the applicable assessment rates on motor vehicles from 30% of market value to 20% of market value as of January 1, 2000.

The 2006 Legislature exempted from all property or ad valorem property taxes levied under the laws of the State all commercial, industrial, telecommunications and railroad machinery and equipment acquired by qualified purchase or lease after June 30, 2006 or transported into the State after June 30, 2006 for the purpose of expanding an existing business or creation of a new business.

The Legislature may from time to time adopt changes in the property tax system or method of imposing and collecting property taxes within the State. Taxpayers may also challenge the fair market value of property assigned by the county appraiser. The effects of such legislative changes and successful challenges to the appraiser's determination of fair market value could affect the City's property tax collections. If a taxpayer valuation challenge is successful, the liability of the City to refund property taxes previously paid under protest may have a material impact on the City's financial situation.

Sources of Revenue

The City finances its general fund operations through the local property tax levy, various other taxes, a variety of license and permit fees, and other miscellaneous sources as estimated below for the current fiscal year:

<u>Source</u>	<u>Percent</u>
Ad Valorem Tax	49.59%
Sales Tax	20.63%
Franchise Tax	10.01%
Motor Vehicle Tax	6.43%
Permits and Licenses	7.32%
Transient Guest Tax	1.75%
Municipal Court	2.12%
Delinquent Tax	1.50%
Other	0.47%
Interest	0.16%
Liquor Tax	<u>0.03%</u>
Total	100.00%

Source: City’s 2020 audited financial statements.

Assessed Valuation

The following table shows the assessed valuation of the taxable tangible property within the City for the following years:

<u>Levy Year</u>	<u>Budget Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Utilities</u>	<u>Motor Vehicles</u>	<u>Total Valuation</u>
2020	2021	\$57,674,405 ⁽¹⁾	\$415,663 ⁽¹⁾	\$2,019,032 ⁽¹⁾	\$8,442,473	\$68,551,573
2020	2021	57,695,408 ⁽²⁾	416,796 ⁽²⁾	2,019,035 ⁽²⁾	8,442,473	68,573,712
2019	2020	53,280,078	362,282	1,693,181	8,141,667	63,477,208
2018	2019	47,947,183	350,713	1,335,786	7,505,382	57,139,064
2017	2018	42,304,696	245,225	1,226,092	6,959,032	50,735,045
2016	2017	38,871,312	253,058	1,153,827	6,753,057	47,031,254

⁽¹⁾ Final valuation figures as of November 1, 2020.

⁽²⁾ Preliminary valuation figures as of July 15, 2020, used for budgeting purposes.

Source: County Clerk

Property Tax Levies and Collections

Tax Collections. Tax statements are mailed November 1 each year and may be paid in full or one-half on or before December 20 with the remaining one-half due on or before May 10 of the following year. Taxes that are unpaid on the due dates are considered delinquent and accrue interest at a per annum rate established by State law until paid or until the property is sold for taxes. Real estate bearing unpaid taxes is advertised for sale on or before August 1 of each year and is sold by the County for taxes and all legal charges on the first Tuesday in September. Properties that are sold and not redeemed within two years after the tax sale are subject to foreclosure sale, except homestead properties which are subject to foreclosure sale after three years.

Personal taxes are due and may be paid in the same manner as real estate taxes, with the same interest applying to delinquencies. If personal taxes are not paid when due, and after written notice, warrants are issued and placed in the hands of the Sheriff for collection. If not paid on or before October 1, legal judgment is entered and the delinquent tax becomes a lien on the property. Unless renewed, a non-enforced lien expires five years after it is entered. Motor vehicle taxes are collected periodically throughout the year concurrently with the renewal of motor vehicle tags based upon the value of such vehicles. Such tax receipts are distributed to all taxing subdivisions, including the State of Kansas, in proportion to the number of mills levied within each taxpayer's tax levy unit.

Motor vehicle taxes are collected periodically throughout the year concurrently with the renewal of motor vehicle tags based upon the value of such vehicles. Such tax receipts are distributed to all taxing subdivisions, including the State of Kansas, in proportion to the number of mills levied within each taxpayer's tax levy unit.

Tax Rates. The City may levy taxes in accordance with the requirements of its adopted budget. Property tax levies are based on the adopted budget of the City and the assessed valuations provided by the County appraiser.

<u>Levy Year</u>	<u>Budget Year</u>	<u>General</u>	<u>Bond & Interest</u>	<u>Total Levy</u>
2020	2021	42.356	0.705	43.061
2019	2020	41.670	1.373	43.043
2018	2019	42.909	0.016	42.925
2017	2018	43.117	0.000	43.117
2016	2017	41.220	1.839	43.059

Source: County Clerk

Aggregate Tax Levies. The aggregate tax levies (per \$1000 assessed valuation) of the City and overlapping jurisdictions for the years indicated are included in the following table:

<u>Tax Year</u>	<u>Budget Year</u>	<u>City</u>	<u>Sedgwick County</u>	<u>USD No. 266⁽¹⁾</u>	<u>State</u>	<u>Township</u>	<u>Fire District</u>	<u>Regional Library</u>	<u>Cemetery District</u>	<u>Total</u>
2020	2021	43.061	29.376	59.829	1.500	0.404	17.891	1.229	0.540	153.830
2019	2020	43.043	29.384	59.842	1.500	0.088	17.896	1.229	0.540	153.522
2018	2019	42.925	29.383	59.800	1.500	0.647	18.163	1.237	0.539	154.194
2017	2018	43.117	29.983	60.550	1.500	0.241	18.392	1.253	0.540	155.576
2016	2017	43.059	29.393	60.581	1.500	0.566	18.414	1.253	0.136	154.902

⁽¹⁾ Includes levy for recreation commission.

Source: County Clerk

Tax Collection Record. The following table sets forth tax collection information (not including special assessments) for the City for the years indicated:

<u>Levy Year</u>	<u>Collection Year</u>	<u>Total Levy</u>	<u>Total Taxes Levied (\$)</u>	<u>Current Taxes Collected (\$)</u>	<u>Current Taxes Collected (%)</u>	<u>Delinquent Taxes Collected (\$)</u>	<u>Delinquent & Current Taxes Collected (%)</u>
2020	2021	43.061	\$2,590,798	In Process	N/A	In Process	N/A
2019	2020	43.043	2,383,935	\$2,319,926	97.31%	\$53,415	99.56%
2018	2019	42.925	2,133,008	2,089,922	97.98%	34,502	99.60%
2017	2018	43.117	1,890,682	1,844,904	97.58%	34,348	99.40%
2016	2017	43.059	1,736,976	1,684,061	96.95%	54,662	100.10%

Source: County Clerk

Major Taxpayers. The following table sets forth the ten largest taxpayers in the City based on total assessed valuation and total taxes levied in the most recent tax collection period (2020/21):

	<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Taxes Levied</u>
1.	Watercress Apartments	\$2,307,521	\$99,364
2.	Every Kansas South Inc.	1,324,593	57,038
3.	Heartland Credit Union	984,520	42,394
4.	Edward Rose Development Co	904,624	38,954
5.	HL Villas Investment Group LLC	821,064	35,356
6.	Worthington Cylinders Kansas LLC	639,300	27,529
7.	Carlson Products LLC	626,726	26,987
8.	Fieldstone Apartments Phase II/III LP	608,719	26,212
9.	Individual Trust	541,963	23,337
10.	Thorn LLC	510,850	21,998

Source: County Clerk

Pension and Employee Retirement Plans

The City participates in the Kansas Public Employees Retirement System (“KPERS”) established in 1962, as an instrumentality of the State, pursuant to K.S.A. 74-4901 *et seq.*, to provide retirement and related benefits to public employees in Kansas. KPERS is governed by a board of trustees consisting of nine members, each of whom serve four-year terms. The board of trustees appoints an executive director to serve as the managing officer of KPERS and manage a staff to carry out daily operations of the system.

As of December 31, 2019, KPERS serves approximately 325,000 members and approximately 1,500 participating employers, including the State, school districts, counties, cities, public libraries, hospitals and other governmental units. KPERS administers the following three statewide, defined benefit retirement plans for public employees:

- (a) Kansas Public Employees Retirement System;
- (b) Kansas Police and Firemen’s Retirement System; and
- (c) Kansas Retirement System for Judges.

These three plans are separate and distinct with different membership groups, actuarial assumptions, experience, contribution rates and benefit options. The Kansas Public Employees Retirement System is the largest of the three plans, accounting for approximately 95% of the members. The Kansas Public Employees Retirement System is further divided into two separate groups, as follows:

(a) *State/School Group* - includes members employed by the State, school districts, community colleges, vocational-technical schools and educational cooperatives. The State of Kansas makes all employer contributions for this group, the majority of which comes from the State General Fund.

(b) *Local Group* - all participating cities, counties, library boards, water districts and political subdivisions are included in this group. Local employers contribute at a different rate than the State/School Group rate.

KPERS is currently a qualified, governmental, § 401(a) defined benefit pension plan, and has received IRS determination letters attesting to the plan’s qualified status dated October 14, 1999 and March 5, 2001. KPERS is also a “contributory” defined benefit plan, meaning that employees make contributions to the plan. This contrasts it from noncontributory pension plans, which are funded solely by employer contributions. The City’s employees currently annually contribute 6% of their gross salary to the plan if such employees are KPERS Tier 1 members (covered employment prior to July 1, 2009), KPERS Tier 2 members (covered employment on or after July 1, 2009), or KPERS Tier 3 members (covered employment on or after January 1, 2015).

The City’s contribution varies from year to year based upon the annual actuarial valuation and appraisal made by KPERS, subject to legislative caps on percentage increases. The City’s contribution is 8.87% of the employee’s gross salary for calendar year 2021. In addition, the City contributes 1% of the employee’s gross salary for Death and Disability Insurance for covered employees.

According to the Valuation Report as of December 31, 2019 (the “2019 Valuation Report”) the KPERS Local Group, of which the Issuer is a member, carried an unfunded accrued actuarial liability (“UAAL”) of approximately \$1.502 billion at the end of 2019. The amount of the UAAL in 2019 changed from the previous year’s amount due to the factors discussed in the 2019 Valuation Report; such report also includes additional information relating to the funded status of the KPERS Local Group, including recent trends in the funded status of the KPERS Local Group. A copy of the 2019 Valuation Report is available on the KPERS website at kpers.org/about/reports.html. The Issuer has no means to independently verify any of the information set forth on the KPERS website or in the 2019 Valuation Report, which is the most recent financial and actuarial information available on the KPERS website relating to the funded status of the KPERS Local Group. The 2019 Valuation Report sets the employer contribution rate for the period beginning January 1, 2022, for the KPERS Local Group, and KPERS’ actuaries identified that an employer contribution rate of 8.90% of covered payroll would be necessary, in addition to statutory contributions by covered employees, to eliminate the UAAL by the end of the actuarial period set forth in the 2019 Valuation Report. The statutory contribution rate of employers currently equals the 2019 Valuation Report’s actuarial rate. As a result, members of the Local Group are adequately funding their projected actuarial liabilities and the UAAL can be expected to diminish over time. The required employer contribution rate may increase up to the maximum statutorily allowed rate, which is 1.2% in fiscal year 2017 and thereafter

The City has not implemented GASB 68 – Accounting and Financial Reporting for Pensions – An Amendment of GASB 27, because the City’s financial statements are prepared on a regulatory basis of accounting which is a comprehensive basis of accounting different from accounting principles generally accepted in the United States of America. KPERS, however, has implemented GASB 67 – Financial Reporting for Pension Plans – An Amendment of GASB Statement 25, and is required annually to provide its participants the proportional share of the net pension liability of KPERS allocated to each participant as of the end of the prior fiscal year. The KPERS’ Schedule of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer and Nonemployer (the “GASB 68 Report”) provides the net pension liability allocated to each KPERS participant, including the City. The GASB 68 Report is available on the KPERS website at kpers.org/about/reports.html. Because the City has not implemented GASB 68, the net pension liability calculated by KPERS for the City is not reflected as a liability on the City’s financial statements. The City has no means to independently verify any of the information set forth on the KPERS website or in the GASB 68 Report. It is important to note that under existing State law, the City has no legal obligation for the UAAL or the net pension liability calculated by KPERS, and such figures are for informational purposes only.

History of Employment

The following table indicates the history of the City's employment for the years indicated.

<u>Year</u>	<u>Total Full-Time Employees</u>	<u>Total Part-Time Employees</u>	<u>Total</u>
2020	35	14	49
2019	36	12	48
2018	32	16	48
2017	37	17	54
2016	36	22	58

Source: City Clerk

Risk Management

The City is insured against the risks arising from general liability by Employer’s Mutual Company and employee medical coverage by Blue Cross & Blue Shield of Kansas.

CITY'S AUTHORITY TO INCUR DEBT

Equalized Assessed Valuation of Tangible Valuation for Computation of Bonded Debt Limitations ⁽¹⁾	\$76,414,573
Legal limitation of Bonded Debt ⁽²⁾	\$22,924,371
Outstanding general obligation debt anticipated as of July 8, 2021.....	\$25,320,000
Exempt Debt.....	\$16,757,285
Net Debt against Statutory Debt limit capacity.....	\$8,562,715
Additional debt capacity.....	\$14,361,656
Direct debt per capita (population 4,934).....	\$5,132
Overlapping Indebtedness.....	\$23,317,157
Direct and overlapping debt.....	\$48,637,156
Direct and overlapping debt per capita.....	\$9,858
Direct debt as a percentage of Assessed Valuation.....	33.14%
Direct and overlapping debt as a percentage of Assessed Valuation.....	63.65%
Statutory direct debt as a percentage of Equalized Assessed Valuation.....	11.21%

⁽¹⁾ The assessed value of all tangible taxable property within the City, as certified to the County Clerk on the preceding August 25. Also includes the taxable value of motor vehicles within the City. See K.S.A. 10-301 *et seq.*

⁽²⁾ See K.S.A. 10-301 *et seq.*

Overlapping Indebtedness

The following table sets forth overlapping indebtedness as of July 8, 2021, and the percent attributable (on the basis of assessed valuation) to the City.

<u>Taxing Jurisdiction</u>	<u>2020 Assessed Valuation</u>	<u>Outstanding General Obligation Indebtedness</u>	<u>Percent Applicable to The City</u>	<u>Amount Applicable to The City</u>
Sedgwick County	\$5,309,726,413	\$ 53,095,000	1.29%	\$ 682,479
U.S.D. No. 266	515,996,401	171,125,000	13.23%	<u>22,634,678</u>
TOTAL				<u>\$23,317,157</u>

**OUTSTANDING GENERAL OBLIGATION DEBT
(As of July 8, 2021)**

<u>Description of Indebtedness</u>	<u>Series</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>	<u>Amount Included in Debt Limitation</u>
General Obligation Bonds	2015B	10/01/2022	\$ 740,000	\$ 200,000	\$ 15,900
General Obligation Refunding & Improvement Bonds ⁽¹⁾	2016A	10/01/2036	4,730,000	285,000	69,882
General Obligation Refunding & Improvement Bonds	2018A	10/01/2038	5,545,000	4,735,000	1,670,034
General Obligation Refunding & Improvement Bonds	2019A	10/01/2034	6,275,000	5,845,000	1,822,773
General Obligation Refunding Bonds	2020A	10/01/2035	2,640,000	2,640,000	759,528
General Obligation Bonds ⁽²⁾	2021A	10/01/2041	4,405,000	4,405,000	1,943,007
General Obligation Refunding Bonds ⁽²⁾	2021B	10/01/2036	3,515,000	<u>3,515,000</u>	<u>861,878</u>
TOTAL				<u>\$21,625,000</u>	<u>\$7,143,002</u>

⁽¹⁾ Issue currently in the process of being refunded; subject to change.

⁽²⁾ Bond sale is scheduled for July 19, 2021 and is subject to change.

TEMPORARY NOTES OUTSTANDING

<u>Description of Indebtedness</u>	<u>Series</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>	<u>Amount Included in Debt Limitation</u>
General Obligation Temporary Notes ⁽¹⁾	2019A	09/01/2022	\$2,080,000	\$ 560,000	\$ 232,368
General Obligation Temporary Notes ⁽¹⁾	2020A	10/01/2023	6,600,000	<u>3,135,000</u>	<u>1,187,344</u>
TOTAL				<u>\$3,695,000</u>	<u>\$1,419,712</u>

⁽¹⁾ Issues currently in the process of being redeemed; subject to change.

CERTIFICATES OF PARTICIPATION OUTSTANDING

As of July 8, 2021, the City had no certificates of participation outstanding.

REVENUE BONDS OUTSTANDING

Description of Indebtedness	Series	Maturity Date	Original Amount	Amount Outstanding
Water Utility System Revenue Bonds	2014A	10/01/2038	\$ 285,000	\$ 265,000
Wastewater Utility System Revenue Bonds	2014A	10/01/2038	995,000	915,000
Water Utility System Refunding Revenue Bonds	2016A	08/01/2031	4,125,000	<u>3,175,000</u>
TOTAL				\$4,355,000

**LOANS OUTSTANDING
(As of July 8, 2021)**

Description	Year	Maturity Date	Original Amount	Amount Outstanding
KDHE Sewer Loan	2016	03/01/2038	\$6,100,000	\$5,314,140
KDHE Sewer Loan ⁽¹⁾	2020	03/01/2042	2,500,000	<u>0</u>
TOTAL				\$5,314,140

⁽¹⁾ No draws have been completed against this loan as of the date of the Bonds.

CAPITAL LEASE OBLIGATIONS

As of July 8, 2021, the City had no capital lease obligations outstanding.

**PBC REVENUE BONDS OUTSTANDING
(As of July 8, 2021)**

Description of Indebtedness	Series	Maturity Date	Original Amount	Amount Outstanding
Public Building Commission Revenue Bonds	2012A	11/01/2022	\$ 300,000	\$ 60,000
Public Building Commission Revenue Bonds ⁽¹⁾	2015A	10/01/2025	1,050,000	545,000
Public Building Commission Revenue Bonds ⁽²⁾	2016A	05/01/2031	3,965,000	0
Public Building Commission Refunding Revenue Bonds ⁽³⁾	2021A	05/01/2031	3,460,000	<u>3,460,000</u>
TOTAL				\$4,065,000

⁽¹⁾ The Series 2015A Bonds are secured by a lease unrelated to the Lease. Similar to the Lease, however, the City's payment obligation on the lease securing the Series 2015A Bonds is a binding obligation of the City.

⁽²⁾ Issue being refunded by the Series 2021A Bonds.

⁽³⁾ This issue and subject to change.

Debt Payment Record

The City has never been delinquent in any payments of its debt obligations.

Future Indebtedness

The City is considering several projects that may be financed in the next two years with approximately \$20 million in general obligation bonds and \$5.5 million in utility revenue bonds. Over half of the project costs are for residential infrastructure projects that are anticipated to be financed with special assessments. However, the exact size, scope, financing method, and timing of these projects are still being discussed. The City from time to time will lease small equipment and such leases may or may not have a purchase option in accordance with the terms of said lease. Periodically, the City reviews all its outstanding debt obligations for refunding opportunities and will complete issues as needed when sufficient savings can be achieved. As the need develops, the City finances public infrastructure needs with ongoing temporary note financing and eventually bonded indebtedness. Other than the projects detailed above, the City has no plans to issue additional debt at this time.

ECONOMIC INFORMATION CONCERNING THE CITY

Population Trends

The following table shows the approximate population of the County and the City in the years indicated:

<u>Year</u>	<u>County Population</u>	<u>City Population</u>
2019	516,042	4,934
2018	513,607	4,662
2017	513,687	4,557
2016	511,995	4,438
2015	511,574	4,362

Source: State of Kansas

Labor Force

The following table sets forth labor force figures for the County, and the State of Kansas:

SEDGWICK COUNTY

<u>Average For Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployment Rate</u>
2020	257,213	234,765	22,448	8.7%
2019	251,155	242,477	8,678	3.5%
2018	246,605	237,249	9,356	3.8%
2017	244,662	234,327	10,335	4.2%
2016	245,673	233,914	11,759	4.8%

STATE OF KANSAS

<u>Average For Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployment Rate</u>
2020	1,497,003	1,408,995	88,008	5.9%
2019	1,486,620	1,439,563	47,057	3.2%
2018	1,482,220	1,432,387	49,833	3.4%
2017	1,478,783	1,425,216	53,567	3.6%
2016	1,484,001	1,422,122	61,879	4.2%

Currently, the Kansas Department of Labor estimates an unemployment rate of 5.6% for the County and 3.8% for the State of Kansas for the month of March 2021.

Source: Kansas Statistical Abstract (2016 – 2019 data); Kansas Department of Labor (March 2021 estimate)

Retail Sales and Use Tax Collections

The following table lists the County's state sales and use tax collections for the years indicated:

<u>Year</u>	<u>Sales and Use Tax Collections</u>	<u>Per Capita Sales and Use Tax</u>
2020	\$624,845,228	Not Available
2019	656,724,476	\$1,272.62
2018	628,713,626	1,224.11 ⁽¹⁾
2017	542,322,930 ⁽¹⁾	1,068.97 ⁽¹⁾
2016	549,882,967 ⁽¹⁾	1,070.76 ⁽¹⁾

⁽¹⁾ Use tax collections not included.

Source: Kansas Statistical Abstract (2016-2019 data); Kansas Department of Revenue (2020 data)

Effective July 1, 2015, the statewide sales and use tax was increased to 6.50%.

Building Permits

The following table lists the number of building permits and total valuation of these permits issued within the City for the years indicated. These numbers reflect permits issued either for new construction or for major renovation.

<u>Year</u>	<u>Number of Permits Issued</u>		<u>Total Valuation of Permits</u>	
	<u>Residential</u>	<u>Non-Residential</u>	<u>Residential</u>	<u>Non-Residential</u>
2020	82	3	\$21,456,514	\$64,875,000 ⁽¹⁾
2019	56	4	21,266,218	3,612,318
2018	43	11	9,133,238	8,333,932
2017	52	14	9,535,393	21,594,700
2016	39	36	9,794,992	38,533,282 ⁽²⁾

⁽¹⁾ Includes two permits for new construction for a local school district (USD 266) totaling \$58,075,000.

⁽²⁾ Includes three permits for new construction/renovation for a local school district (USD 266) totaling \$14,965,000

Source: City Clerk

Oil Production

The oil production (in number of barrels) for Sedgwick County for the years listed is indicated in the following table:

<u>Year</u>	<u>Oil Production</u>
2020 ⁽¹⁾	80,640
2019	111,958
2018	122,441
2017	121,195
2016	127,680

⁽¹⁾ As of October 2020.

Source: Kansas Statistical Abstract (2016-2019); Kansas Geological Survey (2020 data)

Financial and Banking Institutions

There are currently 36 banks, with 153 different branch locations, located in the County. During a five-year period, bank deposits of the County's banks are as follows:

<u>Year</u>	<u>Total Bank Deposits</u> (thousands of dollars)
2020	\$16,661,846
2019	13,634,000
2018	13,401,000
2017	12,851,000
2016	12,581,000

Source: Kansas Statistical Abstract (2016 -2019 data); FDIC (2020 data)

Personal Income Trends

The following table lists the County personal and per capita income and State of Kansas per capita income for the years indicated:

<u>Year</u>	<u>Sedgwick County Personal Income (\$000)</u>	<u>Sedgwick County Per Capita Income</u>	<u>State Per Capita Income</u>
2020	\$27,647,784	\$53,577	\$53,426
2018	27,619,954	53,776	51,471
2017	25,222,667	49,101	48,559
2016	25,197,029	49,213	47,228
2015	25,143,719	49,267	46,994

Source: Kansas Statistical Abstract (2015 -2018 data); U.S. Department of Commerce – Bureau of Economic Analysis (2019 data)

APPENDIX B

**FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT
FISCAL YEAR ENDED DECEMBER 31, 2020**

CITY OF MAIZE FINANCIAL REPORTING ENTITY, KANSAS

**FINANCIAL STATEMENT
DECEMBER 31, 2020**



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DECEMBER 31, 2020**

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INDEPENDENT AUDITORS' REPORT

Mayor and City Council City of Maize, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the **City of Maize Financial Reporting Entity, Kansas**, as of and for the year ended **December 31, 2020**, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Mayor and City Council
City of Maize, Kansas**

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1 of the financial statement, the financial statement is prepared by the **City of Maize Financial Reporting Entity, Kansas**, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the **City of Maize Financial Reporting Entity, Kansas**, as of **December 31, 2020**, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the **City of Maize Financial Reporting Entity, Kansas**, as of **December 31, 2020**, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual, schedule of cash receipts and expenditures-capital projects and summary of regulatory basis receipts and disbursements-agency funds (Regulatory-Required Supplementary Information as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statement as a whole, on the basis of accounting described in Note 1.

**Mayor and City Council
City of Maize, Kansas**

The 2019 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and schedule of cash receipts and expenditures-capital projects (as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2019 basic financial statement upon which we rendered an unmodified opinion dated April 7, 2020. The 2019 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the web site of the Kansas Department of Administration at the following link: <http://da.ks.gov/ar/muniserv/>. Such 2019 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statement. The 2019 comparative information was subjected to the auditing procedures applied in the audit of the 2019 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 comparative information is fairly stated in all material respects in relation to the 2019 basic financial statement as a whole, on the basis of accounting described in Note 1.

BFR CPA, LLC

BFR CPA, LLC

May 20, 2021

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental							
General	\$ 571,986	\$ 0	\$ 4,514,814	\$ 3,852,335	\$ 1,234,465	\$ 415	\$ 1,234,880
Special Purpose Funds							
Consolidated Street	212,209	0	335,529	320,463	227,275	12	227,287
Capital Improvement	244,418	0	385,644	87,896	542,166	11,839	554,005
Maize Park Cemetery District	127,220	0	94,633	26,805	195,048	0	195,048
Equipment Reserve	109,718	0	150,789	237,842	22,665	0	22,665
Law Enforcement Training	16,875	0	7,028	1,558	22,345	0	22,345
Wastewater Reserve	308,108	0	166,100	134,059	340,149	0	340,149
Water Reserve	512,323	0	281,507	71,796	722,034	0	722,034
Water Bond Reserve	268,000	0	0	0	268,000	0	268,000
Wastewater Bond Reserve	147,800	0	0	0	147,800	0	147,800
Drug Tax	0	0	0	0	0	0	0
Asset Forfeiture	4,165	0	0	0	4,165	0	4,165
Maize Public Building Commission	11	0	252,453	251,175	1,289	0	1,289
Bond and Interest	114,264	0	2,471,932	2,571,620	14,576	0	14,576
Capital Projects	(1,472,168)	0	4,892,711	4,795,225	(1,374,682)	1,243,288	(131,394)
Business							
Wastewater Treatment	1,024,916	0	1,058,934	975,960	1,107,890	452	1,108,342
Water	1,080,692	0	1,231,023	991,865	1,319,850	429	1,320,279
	<u>\$ 3,270,537</u>	<u>\$ 0</u>	<u>\$ 15,843,097</u>	<u>\$ 14,318,599</u>	<u>\$ 4,795,035</u>	<u>\$ 1,256,435</u>	<u>\$ 6,051,470</u>

Composition of Cash:	Checking	\$ 565,684
	Money Market	5,552,665
		<u>6,118,349</u>
	Agency Funds	(66,879)
		<u>\$ 6,051,470</u>

The notes to the financial statement are an integral part of this statement.

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2020**

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

The City of Maize is a municipal corporation governed by an elected Mayor and five-member City Council. This regulatory financial statement presents the City of Maize and its related municipal entity. The related municipal entity is included in the City's reporting entity because it was established to benefit the city and/or its constituents.

Maize Public Building Commission

The Maize Public Building Commission performs functions related to the issuance and repayment of debt for the City. The governing body of the component unit is appointed by the governing body of the City. During the year ended December 31, 2020, the City of Maize made payments totaling \$251,099 to the Maize Public Building Commission for the purpose of debt service.

The Maize Public Building Commission is presented as a Special Purpose Fund. Separate audited financial statements are not prepared by the Maize Public Building Commission.

Basis of Presentation – Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The City has created several types of funds and a number of discrete funds within each fund type. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, receipts, and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions.

KMAAG Regulatory Basis of Presentation Fund Definitions:

Governmental Funds-

General Fund-the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds-used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Projects and tax levies for long-term debt) that are intended for specified purposes.

Bond & Interest Fund-used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Projects Fund-used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business Fund-funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.)

Agency Fund-funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.)

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2020**

Regulatory Basis of Accounting and Departure from Accounting Principles Generally accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the municipality to use the regulatory basis of accounting.

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held, and the governing body may amend the budget at that time. There were no budget amendments for the year ended December 31, 2020.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2020**

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital projects funds, trust funds and the following special purpose funds:

Equipment Reserve Fund	Law Enforcement Training Fund
Wastewater Reserve Fund	Water Reserve Fund
Water Bond Reserve Fund	Wastewater Bond Reserve Fund
Drug Tax Fund	Asset Forfeiture Fund
Maize Public Building Commission Fund	

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Special Assessments

Projects financed in part by special assessments are financed through the issuance of general obligation bonds which are secured in full by the City and are retired from the City's bond and interest fund. Further, state statutes permit the levying of additional general ad valorem property taxes in the City's bond and interest fund to finance delinquent special assessments. Special assessment taxes are levied over a ten- or fifteen-year period and the annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears.

Note 2 - Deferred Compensation Plan:

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all City employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or beneficiary) the property and rights of the plan (without being restricted to the provision of benefits under the plan), subject only to the claims of the plan's general creditors. Participants' rights under the plan are equal to those of general creditors of the plan in an amount equal to the fair market value of the deferred account for each participant.

Note 3 - Compensated Absences:

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

It is the policy of the City to record vacation and sick leave benefits as expenditures when paid.

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2020**

Note 4 - Deposits:

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at December 31, 2020.

At December 31, 2020, the City's carrying amount of deposits, including related its related municipal entity was \$6,118,349 and the bank balance was \$6,218,140. The bank balance is held by two banks resulting in a concentration of credit risk. Of the bank balance, \$251,289 was covered by federal depository insurance, and the remaining \$5,966,851 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Note 5 - Maize Public Building Commission:

As described in Note 1, the Maize Public Building Commission (MPBC) is a component unit of the City. As of December 31, 2020, all funds of the MPBC were held in trust by Security Bank of Kansas City in a money market bank account. All funds are received by Security Bank of Kansas City and disbursed as appropriate in accordance with a Trust Agreement between the MPBC and Security Bank of Kansas City.

Note 6 - Reimbursed Expenditures:

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under the KMAAG regulatory basis of accounting.

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2020**

Note 7 - Contingencies:

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Grant Programs

The City participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Note 8 - Postemployment Benefits:

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

The City did not provide any significant postemployment benefits for former employees at December 31, 2020.

Note 9 - Interfund Transactions:

Operating transfers were as follows:

Transfer from:	Statutory Authority	Transfer to:						Total
		Consolidated Street	Capital Improvement	Bond & Interest	Equipment Reserve	Wastewater Reserve	Water Reserve	
General	K.S.A. 12-1,119	\$ 150,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 150,000
General	K.S.A. 12-1,118	0	376,000	0	0	0	0	376,000
General	K.S.A. 12-1,117	0	0	0	150,000	0	0	150,000
Wastewater Treatment	K.S.A. 12-825d	0	0	366,499	0	36,000	0	402,499
Water	K.S.A. 12-825d	0	0	412,475	0	0	176,157	588,632
Wastewater Reserve	K.S.A. 12-825d	0	0	75,000	0	0	0	75,000
		<u>\$ 150,000</u>	<u>\$ 376,000</u>	<u>\$ 853,974</u>	<u>\$ 150,000</u>	<u>\$ 36,000</u>	<u>\$ 176,157</u>	<u>\$ 1,742,131</u>

Note 10 - Subsequent Events:

The City has evaluated subsequent events through May 20, 2021, the date which the financial statement was available to be issued.

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2020**

Note 11 - Defined Benefit Pension Plan:

Plan Description

The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.89% for the fiscal year ended December 31, 2020. Contributions to the pension plan from the City were \$165,290 for the year ended December 31, 2020.

Net Pension Liability

At December 31, 2020, the City's proportionate share of the collective net pension liability reported by KPERS was \$1,637,679. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2020**

Note 12 - Sublease Agreement:

The City has entered into a sublease agreement with the Maize Recreation Commission for use of a portion of the City Hall building. Terms of the sublease agreement provide for payments by the Maize Recreation Commission based on the debt service schedule related to the Maize Public Building Commission Improvement Bonds. Future minimum payments under this agreement are as follows:

<u>Year ending December 31,</u>	
2021	\$ 165,416
2022	169,558
2023	144,081
2024	150,626
2025	156,564
Thereafter	<u>967,579</u>
	<u>\$ 1,753,824</u>

Note 13 - Capital Projects:

At year-end, capital project authorizations compared with expenditures from inception are as follows:

	<u>Project Authorization</u>	<u>Expenditures to Date</u>
Eagles Nest II	\$ 387,713	\$ 387,713
119th & 45th Street Intersection	<u>\$ 1,441,786</u>	<u>\$ 1,441,786</u>
Mallard Estates	<u>\$ 893,203</u>	<u>\$ 893,203</u>

Note 14 - Tax Abatements:

The City negotiates property tax abatement agreements on an individual basis. The City has tax abatement agreements with three entities as of December 31, 2020:

<u>Entity</u>	<u>Amount of Taxes Abated During the Fiscal Year</u>
Maize Hotel, LLC	\$ 34,470
Reiloy Westland Corporation	33,206
Aerotech Engineering	<u>21,522</u>
	<u>\$ 89,198</u>

The above agreements have been negotiated under K.S.A. 12-1740 et seq, which authorizes the City to issue industrial revenue bonds to pay for the costs of facilities used for commercial, industrial, and manufacturing purposes. The City must prepare an analysis of the costs and benefits of each exemption and conduct a public hearing on the granting of such exemption. The notice of public hearing must be published at least seven days prior to the hearing in the official City newspaper.

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2020**

Note 15 - Revenue Bond Reserve Requirements:

The City issued revenue bonds for the purpose of constructing a water distribution system and a wastewater treatment system.

Provisions of the bond ordinance make the following requirement for the Wastewater Treatment and Water Funds to assure profitable operation and timely repayment of debt by the establishment of rates that will produce revenues sufficient to:

- (a) Pay the cost of the operation and maintenance of the System.
- (b) Pay the principal of and interest on the revenue bonds as and when the same become due.
- (c) Enable the City to have in each fiscal year net revenues in an amount that will be not less than 110% of the debt service requirements required to be paid by the City for the current fiscal year on all Wastewater Fund and Water Fund revenue bonds at the time outstanding. For 2020, 110% of the debt service payments for the current fiscal year were \$361,866 for the water system and \$78,402 for the wastewater treatment system, while net revenues as calculated per the covenant were \$827,790 and \$485,473, respectively.
- (d) Provide reasonable and adequate reserves for the payment of the bonds and the interest thereon.

Note 16 - Compliance with Revenue Bond Ordinance:

The financial statement, together with the description of the revenue bond requirements in Note 15, indicate the Water Fund and the Wastewater Treatment Fund did meet all requirements for reserves and debt service, and the current rate structure does appear to have been adequate in 2020, to meet the requirements of K.S.A. 12-866 and K.S.A. 10-1208, as applicable.

Note 17 - Conduit Debt:

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector and other entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying debt. Upon repayment of the bonds, ownership of the acquired facilities transfers to the entities served by the bond issuance. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported in the accompanying financial statement.

As of December 31, 2020, there were six series of Industrial Revenue Bonds outstanding with an aggregate principal at the time of issuance of \$21,742,412 and an aggregate principal balance outstanding as of December 31, 2020, of \$20,340,376.

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2020**

Note 18 - Revolving Loan:

On November 9, 2020, the City entered into a Revolving Loan agreement with the Kansas Department of Health and Environment. The terms of the agreement provide \$2,500,000 for the purpose of upgrading the City's wastewater treatment plant. Repayment of the loan begins in 2022 and carries a gross interest rate of 1.34. There were no draws on the loan during the year ended December 31, 2020.

Note 19 - Long-Term Debt:

Principal payments are due annually and interest payments are due semi-annually on bond issues. Principal and interest payments are due annually for lease purchase payments.

Terms for long-term liabilities for the City for the year ended December 31, 2020, were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds				
2015 Series A	2.00 - 3.25	2/19/15	\$ 3,415,000	10/1/33
2015 Series B	1.00 - 2.00	8/31/15	\$ 740,000	10/1/22
2016 Series A	2.00 - 2.50	9/30/16	\$ 4,730,000	10/1/36
2018 Series A	2.00 - 3.40	9/25/18	\$ 5,545,000	10/1/38
2019 Series A	2.00 - 2.50	9/30/19	\$ 6,275,000	10/1/34
2020 Series A	1.00 - 1.40	9/1/20	\$ 2,640,000	10/1/35
Revenue Bonds				
Water System Series 2014A	2.50 - 4.00	10/29/14	\$ 285,000	10/1/38
Wastewater System Series 2014A	2.50 - 4.00	10/29/14	\$ 995,000	10/1/38
Water System Refunding Series 2016A	2.00 - 3.00	7/7/16	\$ 4,125,000	8/1/31
Revolving Loan				
Wastewater Treatment Plant	1.74	9/1/16	\$ 6,065,906	3/1/38
Maize Public Building Commission				
2012A Improvement Revenue Bonds	1.00 - 2.00	10/30/12	\$ 300,000	11/1/22
2015A Improvement Revenue Bonds	1.00 - 2.125	10/1/15	\$ 1,050,000	10/1/25
2016A Refunding Revenue Bonds	2.00 - 2.50	4/28/16	\$ 3,965,000	5/1/31
Temporary Notes				
Series 2017A	1.70	11/29/17	\$ 4,260,000	10/1/20
Series 2019A	1.75	5/1/19	\$ 2,080,000	9/1/22
Series 2020A	1.00	6/3/20	\$ 6,600,000	10/1/23

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2020**

Changes in long-term liabilities for the City for the year ended December 31, 2020, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
2015 Series A	\$ 2,750,000	\$ 0	\$ 2,750,000	\$ 0	\$ 79,238
2015 Series B	290,000	0	90,000	200,000	5,800
2016 Series A	3,975,000	0	275,000	3,700,000	83,255
2018 Series A	5,150,000	0	415,000	4,735,000	132,120
2019 Series A	6,275,000	0	430,000	5,845,000	131,213
2020 Series A	0	2,640,000	0	2,640,000	0
	<u>18,440,000</u>	<u>2,640,000</u>	<u>3,960,000</u>	<u>17,120,000</u>	<u>431,626</u>
Revenue Bonds					
Water System Series 2014A	275,000	0	10,000	265,000	9,525
Wastewater System Series 2014A	955,000	0	40,000	915,000	31,275
Water System Refunding Series 2016A	3,420,000	0	245,000	3,175,000	83,969
	<u>4,650,000</u>	<u>0</u>	<u>295,000</u>	<u>4,355,000</u>	<u>124,769</u>
Revolving Loan					
Wastewater Treatment Plant	5,797,310	0	270,524	5,526,786	99,702
Maize Public Building Commission					
2012A Improvement Revenue Bonds	90,000	0	30,000	60,000	1,800
2015A Improvement Revenue Bonds	650,000	0	105,000	545,000	13,281
2016A Refunding Revenue Bonds	3,630,000	0	140,000	3,490,000	76,875
	<u>4,370,000</u>	<u>0</u>	<u>275,000</u>	<u>4,095,000</u>	<u>91,956</u>
Temporary Notes					
Series 2017A	1,670,000	0	1,670,000	0	19,085
Series 2019A	2,080,000	0	0	2,080,000	36,400
Series 2020A	0	6,600,000	0	6,600,000	21,633
	<u>3,750,000</u>	<u>6,600,000</u>	<u>1,670,000</u>	<u>8,680,000</u>	<u>77,118</u>
	<u>\$ 37,007,310</u>	<u>\$ 9,240,000</u>	<u>\$ 6,470,524</u>	<u>\$ 39,776,786</u>	<u>\$ 825,171</u>

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2020**

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

	Principal						Interest						Total Principal and Interest
	General		Maize Public				General		Maize Public				
	Obligation Bonds	Revenue Bonds	Revolving Loan	Building Commission	Temporary Notes	Total Principal	Obligation Bonds	Revenue Bonds	Revolving Loan	Building Commission	Temporary Notes	Total Interest	
2021	\$ 1,420,000	\$ 305,000	\$ 275,252	\$ 285,000	\$ 0	\$ 2,285,252	\$ 358,451	\$ 115,569	\$ 94,974	\$ 86,456	\$ 102,400	\$ 757,850	\$ 3,043,102
2022	1,445,000	310,000	280,062	375,000	2,080,000	4,490,062	329,295	107,569	90,164	80,756	102,400	710,184	5,200,246
2023	1,380,000	320,000	284,956	365,000	6,600,000	8,949,956	302,045	98,619	85,269	73,256	66,000	625,189	9,575,145
2024	1,325,000	325,000	289,936	385,000	0	2,324,936	275,660	90,619	80,290	65,957	0	512,526	2,837,462
2025	1,380,000	330,000	295,003	415,000	0	2,420,003	250,180	83,819	75,223	58,119	0	467,341	2,887,344
2026 - 2030	6,145,000	1,820,000	1,554,171	1,830,000	0	11,349,171	833,710	300,618	296,958	179,975	0	1,611,261	12,960,432
2031 - 2035	3,780,000	685,000	1,694,802	440,000	0	6,599,802	256,000	103,093	156,326	11,000	0	526,419	7,126,221
2036 - 2038	245,000	260,000	852,604	0	0	1,357,604	14,250	21,000	21,493	0	0	56,743	1,414,347
	<u>\$ 17,120,000</u>	<u>\$ 4,355,000</u>	<u>\$ 5,526,786</u>	<u>\$ 4,095,000</u>	<u>\$ 8,680,000</u>	<u>\$ 39,776,786</u>	<u>\$ 2,619,591</u>	<u>\$ 920,906</u>	<u>\$ 900,697</u>	<u>\$ 555,519</u>	<u>\$ 270,800</u>	<u>\$ 5,267,513</u>	<u>\$ 45,044,299</u>

**REGULATORY REQUIRED
SUPPLEMENTARY INFORMATION**

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Fund	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
Governmental					
General	\$ 4,377,861	\$ 0	\$ 4,377,861	\$ 3,852,335	\$ (525,526)
Special Purpose Funds					
Consolidated Street	381,850	0	381,850	320,463	(61,387)
Capital Improvement	625,115	0	625,115	87,896	(537,219)
Maize Park Cemetery District	154,612	0	154,612	26,805	(127,807)
Equipment Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	237,842	XXXXXXXXXX
Law Enforcement Training	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	1,558	XXXXXXXXXX
Wastewater Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	134,059	XXXXXXXXXX
Water Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	71,796	XXXXXXXXXX
Water Bond Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Wastewater Bond Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Drug Tax	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Asset Forfeiture	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Maize Public Building Commission	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	251,175	XXXXXXXXXX
Bond and Interest	2,658,355	0	2,658,355	2,571,620	(86,735)
Capital Projects	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	4,795,225	XXXXXXXXXX
Business					
Wastewater Treatment	988,000	0	988,000	975,960	(12,040)
Water	1,032,500	0	1,032,500	991,865	(40,635)
	<u>\$ 10,218,293</u>	<u>\$ 0</u>	<u>\$ 10,218,293</u>	<u>\$ 14,318,599</u>	<u>\$ (1,391,349)</u>

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

General Fund	Current Year		Variance - Over (Under)	
	Prior Year Actual	Actual		Budget
Cash Receipts				
Ad valorem tax	\$ 2,084,306	\$ 2,238,893	\$ 2,175,322	\$ 63,571
Delinquent tax	52,055	67,543	30,000	37,543
Motor vehicle tax	274,889	290,431	255,616	34,815
Sales tax	870,580	931,218	845,000	86,218
Transient guest tax	111,279	79,097	110,000	(30,903)
Liquor Tax	1,612	1,136	1,500	(364)
Franchise tax	416,684	451,820	402,000	49,820
Municipal court	98,642	95,614	94,590	1,024
Permits and licenses	158,251	330,515	125,000	205,515
Interest	24,371	7,147	15,000	(7,853)
Other	44,111	21,400	60,076	(38,676)
	<u>4,136,780</u>	<u>4,514,814</u>	<u>\$ 4,114,104</u>	<u>\$ 400,710</u>
Expenditures				
City council	30,512	32,705	\$ 32,950	\$ (245)
Administration	327,437	299,965	336,542	(36,577)
Police department	796,663	798,095	890,844	(92,749)
Municipal court	140,580	148,211	147,421	790
Community facilities	90,030	85,788	82,500	3,288
Non-Departmental				
Employee benefits	758,999	701,506	810,000	(108,494)
Utilities	23,764	21,479	30,000	(8,521)
Community services	11,039	18,692	7,500	11,192
Building inspections	25,827	135,802	35,000	100,802
Planning & zoning	90,472	94,946	88,500	6,446
Audit	16,700	17,600	17,000	600
Economic development	10,837	12,331	20,000	(7,669)
Park & tree board	28,577	27,866	35,000	(7,134)
Senior services	1,825	623	0	623
City Hall/Public Works lease payment	236,832	251,099	250,606	493
Transfers	694,800	676,000	676,000	0
Transient guest tax rebate	111,279	79,097	110,000	(30,903)
Housing grant	336,209	359,265	435,000	(75,735)
Commercial incentive	23,881	0	0	0
Contingency	9,437	0	210,000	(210,000)
Cash Reserve	0	200	100,000	(99,800)
Tech Support	47,009	91,065	53,500	37,565
Miscellaneous	250	0	9,498	(9,498)
	<u>3,812,959</u>	<u>3,852,335</u>	<u>\$ 4,377,861</u>	<u>\$ (525,526)</u>
Receipts Over (Under) Expenditures	323,821	662,479		
Unencumbered Cash, Beginning	248,165	571,986		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	<u>\$ 571,986</u>	<u>\$ 1,234,465</u>		

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

<u>Consolidated Street Fund</u>	<u>Current Year</u>		Variance - Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u> <u>Budget</u>	
Cash Receipts			
County gas tax	\$ 56,450	\$ 55,191 \$ 55,390	\$ (199)
State gas tax	126,293	124,658 124,280	378
Transfers	150,000	150,000 150,000	0
Other	4,674	5,680 0	5,680
	<u>337,417</u>	<u>335,529</u> <u>\$ 329,670</u>	<u>\$ 5,859</u>
 Expenditures			
Operating expenditures	<u>309,865</u>	<u>320,463</u> <u>\$ 381,850</u>	<u>\$ (61,387)</u>
	<u>309,865</u>	<u>320,463</u> <u>\$ 381,850</u>	<u>\$ (61,387)</u>
 Receipts Over (Under) Expenditures	27,552	15,066	
 Unencumbered Cash, Beginning	184,657	212,209	
 Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>	
 Unencumbered Cash, Ending	<u>\$ 212,209</u>	<u>\$ 227,275</u>	

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

<u>Capital Improvement Fund</u>	<u>Current Year</u>		Variance - Over (Under)	
	Prior Year <u>Actual</u>	<u>Actual</u>		<u>Budget</u>
Cash Receipts				
Transfers	\$ 375,000	\$ 376,000	\$ 376,000	\$ 0
Interest	30,926	9,024	15,000	(5,976)
Other	20	620	0	620
	<u>405,946</u>	<u>385,644</u>	<u>\$ 391,000</u>	<u>\$ (5,356)</u>
Expenditures				
Capital outlay	<u>440,731</u>	<u>87,896</u>	<u>\$ 625,115</u>	<u>\$ (537,219)</u>
	<u>440,731</u>	<u>87,896</u>	<u>\$ 625,115</u>	<u>\$ (537,219)</u>
Receipts Over (Under) Expenditures	(34,785)	297,748		
Unencumbered Cash, Beginning	279,203	244,418		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 244,418</u>	<u>\$ 542,166</u>		

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

<u>Maize Park Cemetery District Fund</u>	<u>Current Year</u>		Variance -
	Prior Year		Over (Under)
	Actual	Actual	Budget
Cash Receipts			
Ad valorem tax	\$ 41,089	\$ 45,748	\$ 46,286
Delinquent tax	494	711	0
Motor vehicle tax	5,350	6,100	4,765
Lot sales	22,842	28,973	5,000
Internments	10,100	9,700	4,000
Interest	4,297	1,164	1,200
Other	1,676	2,237	500
	<u>85,848</u>	<u>94,633</u>	<u>\$ 61,751</u>
			<u>\$ 32,882</u>
Expenditures			
Operating expenditures	64,488	26,805	\$ 154,612
	<u>64,488</u>	<u>26,805</u>	<u>\$ 154,612</u>
Receipts Over (Under) Expenditures	21,360	67,828	
Unencumbered Cash, Beginning	105,860	127,220	
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>	
Unencumbered Cash, Ending	<u>\$ 127,220</u>	<u>\$ 195,048</u>	

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

<u>Bond and Interest Fund</u>	Prior Year	<u>Current Year</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Cash Receipts				
Ad valorem tax	\$ 777	\$ 73,767	\$ 71,673	\$ 2,094
Delinquent tax	1,358	736	2,500	(1,764)
Motor vehicle tax	348	253	96	157
Special assessments	1,595,897	1,531,100	1,650,000	(118,900)
Transfers	850,844	853,974	853,974	0
Interest	7,177	2,099	3,500	(1,401)
Other	0	10,003	0	10,003
	<u>2,456,401</u>	<u>2,471,932</u>	<u>\$ 2,581,743</u>	<u>\$ (109,811)</u>
Expenditures				
Principal	1,773,595	1,915,524	\$ 1,819,871	\$ 95,653
Interest	695,042	656,096	788,484	(132,388)
Cash basis reserve	0	0	50,000	(50,000)
	<u>2,468,637</u>	<u>2,571,620</u>	<u>\$ 2,658,355</u>	<u>\$ (86,735)</u>
Receipts Over (Under) Expenditures	(12,236)	(99,688)		
Unencumbered Cash, Beginning	126,500	114,264		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 114,264</u>	<u>\$ 14,576</u>		

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

<u>Wastewater Treatment Fund</u>	Prior Year	<u>Current Year</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Cash Receipts				
User fees	\$ 885,370	\$ 945,338	\$ 868,000	\$ 77,338
Installation fees	0	95,000	95,000	0
Interest	28,514	9,671	18,000	(8,329)
Other	694	8,925	7,000	1,925
	<u>914,578</u>	<u>1,058,934</u>	<u>\$ 988,000</u>	<u>\$ 70,934</u>
Expenditures				
Operating expenses	552,684	573,461	\$ 585,501	\$ (12,040)
Transfers	335,528	402,499	402,499	0
	<u>888,212</u>	<u>975,960</u>	<u>\$ 988,000</u>	<u>\$ (12,040)</u>
Receipts Over (Under) Expenditures	26,366	82,974		
Unencumbered Cash, Beginning	998,550	1,024,916		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 1,024,916</u>	<u>\$ 1,107,890</u>		

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

<u>Water Fund</u>	Prior Year	<u>Current Year</u>		Variance - Over (Under)
		<u>Actual</u>	<u>Actual</u>	
Cash Receipts				
User fees	\$ 1,019,157	\$ 1,107,167	\$ 909,000	\$ 198,167
Hook on fees	0	80,000	80,000	0
Turn on fees	8,200	6,350	5,000	1,350
Interest	9,286	2,716	8,000	(5,284)
Other	32,346	34,790	30,500	4,290
	<u>1,068,989</u>	<u>1,231,023</u>	<u>\$ 1,032,500</u>	<u>\$ 198,523</u>
Expenditures				
Operating expenses	455,336	403,233	\$ 543,868	\$ (140,635)
Transfers	492,543	588,632	488,632	100,000
	<u>947,879</u>	<u>991,865</u>	<u>\$ 1,032,500</u>	<u>\$ (40,635)</u>
Receipts Over (Under) Expenditures	121,110	239,158		
Unencumbered Cash, Beginning	959,582	1,080,692		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 1,080,692</u>	<u>\$ 1,319,850</u>		

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

Equipment Reserve Fund

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Transfers	\$ 169,800	\$ 150,000
Interest	<u>2,699</u>	<u>789</u>
	<u>172,499</u>	<u>150,789</u>
 Expenditures		
Equipment	<u>175,711</u>	<u>237,842</u>
	<u>175,711</u>	<u>237,842</u>
 Receipts Over (Under) Expenditures	 (3,212)	 (87,053)
 Unencumbered Cash, Beginning	 112,930	 109,718
 Prior Year Canceled Encumbrances	 <u>0</u>	 <u>0</u>
 Unencumbered Cash, Ending	 <u>\$ 109,718</u>	 <u>\$ 22,665</u>

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

<u>Law Enforcement Training Fund</u>	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Cash Receipts		
Training funds	\$ 6,324	\$ 7,028
	<u>6,324</u>	<u>7,028</u>
 Expenditures		
Training	<u>2,505</u>	<u>1,558</u>
	<u>2,505</u>	<u>1,558</u>
 Receipts Over (Under) Expenditures	3,819	5,470
 Unencumbered Cash, Beginning	13,056	16,875
 Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
 Unencumbered Cash, Ending	<u>\$ 16,875</u>	<u>\$ 22,345</u>

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

Wastewater Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	\$ 36,000	\$ 36,000
Other	216,637	130,100
	<u>252,637</u>	<u>166,100</u>
 Expenditures		
Engineering services	0	33,646
Equipment	49,628	25,413
Transfers	142,773	75,000
	<u>192,401</u>	<u>134,059</u>
 Receipts Over (Under) Expenditures	60,236	32,041
 Unencumbered Cash, Beginning	247,872	308,108
 Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
 Unencumbered Cash, Ending	<u>\$ 308,108</u>	<u>\$ 340,149</u>

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

Water Reserve Fund

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Hook On Fees	\$ 229,600	\$ 105,350
Transfers	<u>84,000</u>	<u>176,157</u>
	<u>313,600</u>	<u>281,507</u>
 Expenditures		
Engineering services	0	33,645
Equipment	<u>0</u>	<u>38,151</u>
	<u>0</u>	<u>71,796</u>
 Receipts Over (Under) Expenditures	 313,600	 209,711
 Unencumbered Cash, Beginning	 198,723	 512,323
 Prior Year Canceled Encumbrances	 <u>0</u>	 <u>0</u>
 Unencumbered Cash, Ending	 <u>\$ 512,323</u>	 <u>\$ 722,034</u>

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

Water Bond Reserve Fund

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Transfers	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	268,000	268,000
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 268,000</u>	<u>\$ 268,000</u>

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

Wastewater Bond Reserve Fund

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Cash Receipts		
Transfers	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	147,800	147,800
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 147,800</u>	<u>\$ 147,800</u>

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

Drug Tax Fund

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Other	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures		
Other	2,405	0
	<u>2,405</u>	<u>0</u>
Receipts Over (Under) Expenditures	(2,405)	0
Unencumbered Cash, Beginning	2,405	0
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

Asset Forfeiture Fund

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Other	\$ 4,702	\$ 0
	<u>4,702</u>	<u>0</u>
Expenditures		
Equipment and commodities	<u>537</u>	<u>0</u>
	<u>537</u>	<u>0</u>
Receipts Over (Under) Expenditures	4,165	0
Unencumbered Cash, Beginning	0	4,165
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 4,165</u>	<u>\$ 4,165</u>

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

Maize Public Building Commission Fund

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Investment earnings	\$ 123	\$ 1,402
Other revenue	<u>234,042</u>	<u>251,051</u>
	<u>234,165</u>	<u>252,453</u>
 Expenditures		
Fees	2,500	2,500
Principal	150,000	170,000
Interest	<u>81,675</u>	<u>78,675</u>
	<u>234,175</u>	<u>251,175</u>
 Receipts Over (Under) Expenditures	 (10)	 1,278
 Unencumbered Cash, Beginning	 21	 11
 Prior Year Canceled Encumbrances	 <u>0</u>	 <u>0</u>
 Unencumbered Cash, Ending	 <u>\$ 11</u>	 <u>\$ 1,289</u>

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
CAPITAL PROJECTS
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

	Prior Year Actual	Current Year Actual
Cash Receipts		
Special assessments	\$ 330,000	\$ 0
Temporary note proceeds	2,071,784	4,892,711
	2,401,784	4,892,711
Expenditures		
Construction/engineering costs	1,844,727	4,711,993
Other costs	55,582	11,004
Bond Principal	233,942	0
Temporary note interest	158,120	72,228
	2,292,371	4,795,225
Receipts Over (Under) Expenditures	109,413	97,486
Unencumbered Cash, Beginning	(1,581,581)	(1,472,168)
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	\$ (1,472,168)	\$ (1,374,682)

**CITY OF MAIZE FINANCIAL REPORTING ENTITY
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
AGENCY FUNDS
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Municipal Court	\$ 53,418	\$ 33,578	\$ 27,554	\$ 59,442
Mayor Donnelly Memorial	4,280	0	0	4,280
Cafeteria Plan	4,762	29,951	31,556	3,157
	<u>\$ 62,460</u>	<u>\$ 63,529</u>	<u>\$ 59,110</u>	<u>\$ 66,879</u>

APPENDIX C

SUMMARY OF FINANCING DOCUMENTS

SUMMARIES OF THE PRINCIPAL FINANCING DOCUMENTS

The following, in addition to the information provided elsewhere in this Official Statement, summarizes certain provisions of the Series 2021A Bonds, along with the Indenture, the Lease and the Sublease related thereto. These summaries do not purport to be complete and are expressly made subject to the exact provisions of the complete documents. Reference must be made to each of such documents for the detailed provisions thereof. All documents referred to herein may be reviewed during regular business hours at the offices of the Issuer or Financial Advisor.

DEFINITIONS OF WORDS AND TERMS

"Act" means K.S.A. 12-1757, *et seq.*, and K.S.A. 10-116a, all as amended and supplemented.

"Additional Bonds" means any Bonds issued in addition to the Series 2012A Bonds and Series 2021A Bonds and on a parity with the Series 2012A Bonds and Series 2021A Bonds, as authorized pursuant to the Indenture.

"Additional Rent" means all fees, charges and expenses of the Trustee, all Impositions, all amounts required to be rebated to the United States pursuant to the Indenture, all amounts necessary to provide for the timely redemption of Outstanding Bonds pursuant to the Indenture, all other payments of whatever nature which the City has agreed to pay or assume under the provisions of the Lease and all expenses (including reasonable attorney's fees) incurred by Issuer in connection with the enforcement of any rights under this Lease or the Indenture. The fees, charges and expenses of the Trustee shall include all costs incurred by the Trustee in connection with the transfer, exchange, registration, redemption or payment of the Bonds except (a) the reasonable fees and expenses in connection with the replacement of a Bond or Bonds mutilated, stolen, lost or destroyed or (b) any tax or other government charge imposed in relation to the transfer, exchange, registration, redemption or payment of the Bonds.

"Additional Term" shall mean that term commencing on the last day of the Basic Term and terminating five (5) years thereafter.

"Authorized City Representative" means the City Administrator of the City of Maize, Kansas, or such other person at the time designated to act on behalf of the City as evidenced by written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the City by the Mayor of the City of Maize, Kansas. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized City Representative.

"Authorized Denomination" means \$5,000 or any integral multiples thereof

"Authorized Issuer Representative" means the President or Secretary of the Issuer, or such other person at the time designated to act on behalf of the Issuer as evidenced by written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the Issuer by its President. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Issuer Representative.

"Basic Rent" means the amount which, when added to Basic Rent Credits, is sufficient to pay, on the next occurring Payment Date, all principal of, redemption premium, if any, and interest on the Bonds which is due and payable on such Payment Date.

"Basic Rent Credits" means all funds on deposit in the Principal and Interest Payment Account and available for the payment of the principal of, redemption premium, if any, and interest on the Bonds on any Payment Date, including any accrued interest received at the time of issuance and delivery of the Bonds and deposited in the Principal and Interest Payment Account pursuant to the terms of the Indenture and transfers from the Capitalized Interest Account established under the Indenture, and including any payments made by the Recreation Commission to the Trustee under the terms of the Sublease.

"Basic Rent Payment Date" means the day three (3) Business Days prior to each Payment Date until the principal of, redemption premium, if any, and interest on the Bonds have been fully paid or provision made for their payment in accordance with the provisions of the Indenture.

"Basic Term" means that term commencing as of the date of the Lease and ending on the date when all Bonds have been paid in full, subject to prior termination as specified in this Lease, but to continue thereafter until all of the principal of, redemption premium, if any, and interest on all outstanding Bonds shall have been paid in full or provision made for their payment in accordance with the provisions of the Indenture.

"Beneficial Owners" of the Bonds includes any Owner of the Bonds and any other Person who, directly or indirectly has the investment power with respect to such Bonds.

"Bond Counsel" means such other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Trustee, City and Issuer.

"Bondowner" or **"Owner"** means the registered owner of any fully registered Bond.

"Bond Registrar" means the Trustee.

"Bond Resolution" means (i) with respect to the Series 2021A Bonds, the resolution of the City of Maize, Kansas Public Building Commission adopted June 21, 2021 and specifically authorizing the issuance of the Series 2021A Bonds; and (ii) with respect to additional Bonds, the resolution of the City of Maize, Kansas Public Building Commission adopted specifically authorizing the issuance of such Additional Bonds.

"Bonds" means the Series 2012A Bonds, Series 2021A Bonds and any Additional Bonds.

"Business Day" means a day which is not a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which Banks in the State are not authorized to be closed.

"Cede & Co." means Cede & Co., as nominee of DTC and any successor nominee of DTC.

"Change of Circumstances" means the occurrence of any of the following events: (a) All or a substantial portion of the Project is damaged or destroyed by fire or other casualty to such extent that the City and the Issuer determine the Project cannot be reasonably restored or replaced to the condition thereof preceding such event and the City is thereby prevented from carrying on the normal operations of the Maize Government Center; or (b) as a result of any changes in the Constitution of the State of Kansas or the Constitution of the United States of America or of legislative or administrative action (whether state or federal) or by final direction, judgment or order of any court or administrative body (whether state or federal), the Lease becomes void or unenforceable or impossible of performance.

"City" means the City of Maize, Kansas, a municipal corporation of the State of Kansas.

"Code" means the Internal Revenue Code of 1986, as amended, together with the regulations and revenue rulings promulgated thereunder by the United States Department of the Treasury.

"Costs of Issuance" means any and all expenses of whatever nature incurred in connection with the issuance and sale of the Bonds, including but not limited to underwriting fees and expenses, underwriting discount, bond and other printing expenses, and legal fees and expenses of counsel.

"Default" means any event or condition the occurrence of which, with the lapse of time or the giving of notice or both, constitutes an Event of Default.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns, including any successor securities depository duly appointed.

“DTC Representation Letter” means the Blanket Letter of Representation from the Issuer and the Paying Agent to DTC which provides for a book-entry system, or any agreement between the Issuer and Paying Agent and a successor securities depository duly appointed.

"EMS Lease" means the Lease Agreement for Emergency Medical Service Facility among the Issuer, the City and Sedgwick County, Kansas.

"Event of Bankruptcy" means an event whereby either City shall (i) admit in writing its inability to pay its debts as they become due; or (ii) file a petition in bankruptcy or for reorganization or for the adoption of an arrangement under the Bankruptcy Code as now or in the future amended, or file a pleading asking for such relief; or (iii) make an assignment for the benefit of creditors; or (iv) consent to the appointment of a trustee or receiver for all or a major portion of its property; or (v) be finally adjudicated as bankrupt or insolvent under any federal or state law; or (vi) suffer the entry of a final and nonappealable court order under any federal or state law appointing a receiver or trustee for all or a major part of its property or ordering the winding-up or liquidation of its affairs, or approving a petition filed against it under the Bankruptcy Code, which order, if such City has not consented thereto, shall not be vacated, denied, set aside or stayed within sixty (60) days after the day of entry; or (vii) suffer a writ or warrant of attachment or any similar process to be issued by any court against all or any substantial portion of its property, and such writ or warrant of attachment or any similar process is not contested, stayed, or is not released within sixty (60) days after the final entry, or levy or after any contest is finally adjudicated or any stay is vacated or set aside.

"Event of Default", as used in the Indenture, means one of the following events: (1) Default in the due and punctual payment of any interest on any Bond; (2) Default in the due and punctual payment of the principal or premium, if any, on any Bond on the stated maturity or accelerated maturity date thereof, or at the redemption date thereof; (3) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer in the Indenture or in the Bonds contained, and the continuance thereof for a period of 30 days after written notice thereof shall have been given to the Issuer and the City by the Trustee, or to the Trustee, the Issuer and the City by the Owners of not less than 25% in aggregate principal amount of Bonds then outstanding; provided, however, if any default shall be such that it cannot be corrected within such 30 day period, it shall not constitute an Event of Default if corrective action is instituted by the Issuer or the City within such period and diligently pursued until such default is corrected; or (4) Default as defined in the Lease shall have occurred.

"Event of Default," as used in the Lease, means anyone of the following events: (1) Failure of City to make any payment of Basic Rent at the time and in the amount required hereunder; or (2) Failure of City to make any payment of Additional Rent at the times and in the amounts required hereunder, or failure to observe or perform any other covenant, agreement, obligation or provision of this Lease on the City's part to be observed or performed, and the same is not remedied within thirty (30) days after the Issuer or the Trustee has given the City written notice specifying such failure (or such longer period as shall be reasonably required to correct such default, provided that the (i) City has commenced such correction within said 30-day period, and (ii) City diligently prosecutes such correction to completion); or (3) An Event of Bankruptcy; or (4) the City abandons the Project. Notwithstanding the foregoing, if, by reason of force majeure, the City is unable to perform or observe any agreement, term or condition hereof which would give rise to an Event of Default under subsection (2) above, the City shall not be deemed in default during the continuance of such inability. However, the City shall promptly give notice to the Trustee and the Issuer of the existence of an event of force majeure and shall use its best efforts to remove the effects thereof; provided that the settlement of strikes or other industrial disturbances shall be entirely within its discretion.

"Fiscal Year" means the 12-month period used by the City for financial reporting purposes which presently begins on January 1 of each calendar year and ends December 31 of such calendar year.

"Full Insurable Value" means the full actual replacement cost less physical depreciation as determined from time to time upon the request of Issuer, City or the Trustee (but not more frequently than once in every 24 months) by an architect, appraiser, appraisal company or one of the insurers, selected and paid by the City.

"Government Securities" means direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Hazardous Substances" means and includes those elements or compounds which are contained in the list of hazardous substances adopted by the EPA or the list of toxic pollutants designated by Congress or the EPA or which are defined as hazardous, toxic, pollutant, infectious or radioactive by any other Federal, or applicable State or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect.

"Impositions" means all taxes and assessments, general and special, which may be lawfully taxed, charged, levied, assessed or imposed upon or against or payable for or in respect of the Project or any part thereof, or any improvements at any time thereon or City's interest therein, including any new lawful taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real or personal property, and further including all water and sewer charges, assessments and other governmental charges and impositions whatsoever, foreseen or unforeseen, which if not paid when due would encumber Issuer's title to the Project.

"Improvements" means the buildings, structures, facilities, machinery, equipment and any other property purchased in whole or in part from the proceeds of the Bonds and more specifically described in Schedule I attached to the Indenture and Lease.

"Indenture" means the Trust Indenture dated as of May 15, 2006, by and between the Issuer and the Trustee, as from time to time amended and supplemented by Supplemental Indentures in accordance with the provisions thereof.

"Interest Payment Date" means, with respect to the Series 2021A Bonds, May 1 and November 1 of each year, commencing as of November 1, 2021, for so long as any of the Series 2021A Bonds remain Outstanding.

"Investment Securities" means any of the following securities, to the extent the same are at the time permitted for investment of funds held by Trustee pursuant to the Indenture: (1) Government Securities. (2) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Farm Credit Administration, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Association; (3) certificates of deposit, whether negotiable or nonnegotiable, issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association (including the Trustee), provided that such deposits shall be either of a bank, trust company or national banking association continuously and fully insured by the Federal Deposit Insurance Corporation, or continuously and fully secured by such securities as are described above in clauses (1) or (2), inclusive, which shall have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such deposits and shall be deposited with the Trustee, as custodian, by the bank, trust company or national banking association accepting such deposit or issuing such certificate of deposit, and the bank, trust company or national banking association issuing each such certificate of deposit required to be so secured shall furnish the Trustee an undertaking satisfactory to it that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount equal to the principal amount of each such certificate of deposit and the Trustee shall be entitled to rely on each such undertaking; (4) any investment contract or repurchase agreement with any bank or trust company organized under the laws of any state of the United States of America or any national banking association (including the Trustee) or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, which agreement is secured by anyone or more of the securities described in clauses (1) or (2) above; (5) any investment in shares or units of a money market fund or trust determined by Trustee to be suitable for and customarily used for investment of trust funds by trust departments of commercial banks, or in any other savings or time deposits of a state or national bank, including Trustee; (6) commercial paper maturing not more than 270 days from the date of issuance thereof which, at the time of purchase, is rated by Standard & Poor's and Moody's in the highest category (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) assigned by such agencies for obligations of that nature.

"Issuer" means the City of Maize, Kansas Public Building Commission, a municipal corporation organized and existing under the laws of the State of Kansas, and its successors and assigns.

"Land" means the real property described in Schedule I attached to the Indenture and Lease.

"Lease" means the Lease Agreement dated as of May 15, 2006 by and between the Issuer and the City, as from time to time amended and supplemented in accordance with the provisions thereof and of the Indenture.

"Maize EMS Post" means the emergency services medical facility located on the Land and leased to Sedgwick County, Kansas pursuant to the EMS Lease.

"Maize Government Center" means the City administrative offices, municipal court facilities and police facilities, together with the Recreation Facility, located on the Land and acquired, constructed or installed with the proceeds of the Series 2006 Bonds and the Series 2012A Bonds.

"Maturity" when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

"Original Indenture" means the Trust Indenture dated as of May 15, 2006, by and between the Issuer and the Trustee.

"Original Lease" means the Lease Agreement dated as of May 15, 2006 by and between the Issuer and the City.

"Outstanding" means, as of a particular date all Bonds theretofore issued, authenticated and delivered under the Indenture, except: (1) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation pursuant to the Indenture; (2) Bonds for the payment or redemption of which moneys or investments have been deposited with the Trustee in accordance with the provisions of the Indenture; and (3) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to the Indenture.

"Owner" or **"Bondowner"** means the registered owner of any Bond.

"Participants" means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

"Paying Agent" means the Trustee.

"Payment Date" means any Principal Payment Date or Interest Payment Date on the Bonds, as more fully described in the Indenture.

"Principal and Interest Payment Account" means "Maize Public Building Commission, Principal and Interest Payment Account (City Government Complex)" created pursuant to Section 601 of the Original Indenture.

"Principal Payment Date" means, with respect to the Series 2021A Bonds, May 1 in each year commencing as of May 1, 2022 during which the principal of and redemption premium, if any, on the Series 2021A Bonds remains Outstanding and unpaid.

"Project" means and includes the Land and the Maize Government Center, together with any Project Additions.

"Project Additions" means any additional improvements acquired, constructed or installed from proceeds of any Additional Bonds authorized and issued pursuant to the Indenture, including the additions to the Recreation Facility constructed and equipped with the proceeds of the Series 2012A Bonds.

"Project Replacement Fund" means the "Maize Public Building Commission, Project Replacement Fund (City Government Complex)" created pursuant to the Indenture.

"Rebate Fund" means the "Maize Public Building Commission Rebate Fund (City Government Complex)" created pursuant to the Indenture.

"Record Date" means the date fifteen (15) days prior to each Payment Date, or if such day is not a Business Day, the Business Day immediately preceding such date.

"Recreation Commission" means the Maize Recreation Commission duly organized and existing under the laws of the State of Kansas for the purpose of providing recreation and leisure program activities for the citizens of Unified School District No. 266.

"Recreation Facility" means that portion of the Project subleased by the City to the Recreation Commission for its use in providing recreation and leisure program activities.

"Redemption Date" means, for purposes of the Refunded Bonds, July 9, 2021.

"Redemption Price" when used with respect to any Bond to be redeemed means the price at which such Bond is to be redeemed pursuant to the terms of the Indenture, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the dated fixed for redemption.

"Refunded Bonds" means the Series 2016A Bonds maturing May 1, 2022 and thereafter.

"Replacement Bonds" means Bonds issued to the Beneficial Owners of the Bonds in accordance with the Indenture.

"Rental Payments" means the aggregate of the Basic Rent and Additional Rent payments provided for pursuant to Article III of the Lease.

"Series B, 2005 Bonds" means the Issuer's Improvement Revenue Bonds, Series B, 2005 (Land Acquisition) in the aggregate principal amount of \$235,000 issued for the purpose of acquiring the Land.

"Series 2006 Bonds" means the Issuer's Improvement Revenue Bonds, Series A, 2006 (City Government Complex) in the aggregate principal amount of \$4,200,000 issued for the purpose of refunding and redeeming the Series B, 2005 Bonds and paying the costs of acquiring, constructing and equipping the Maize Government Center.

"Series 2011 Bonds" means the Issuer's Refunding Revenue Bonds, Series A, 2011 (City Government Complex) issued for the purpose of refunding and redeeming the Series 2006 Bonds.

"Series 2012A Bonds" means the Issuer's Improvement Revenue Bonds, Series 2012A (Recreation Facility Addition) issued for the purpose of paying the costs of acquiring, constructing and equipping the Project Additions.

"Series 2016A Bonds" means the Issuer's Refunding Revenue Bonds, Series 2016A (City Government Complex) issued for the purpose of refunding and redeeming the Series 2011 Bonds.

"Series 2021A Bonds" means the Issuer's Refunding Revenue Bonds, Series 2021A (City Government Complex) issued for the purpose of refunding and redeeming the Series 2016A Bonds.

"Stated Maturity" when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and the Indenture as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

"Sublease" means the sublease of the Recreation Facility from the City to the Recreation Commission, as amended from time to time in accordance with the provisions thereof.

"State" means the State of Kansas.

"Supplemental Indenture" means any indenture supplemental or amendatory to the Indenture entered into by the Issuer and the Trustee pursuant to the provisions of the Indenture.

"Supplemental Indenture No. 1" means Supplemental Trust Indenture No. 1 dated as of April 1, 2011 between the Issuer and the Trustee, supplementing and amending the Original Indenture.

"Supplemental Indenture No. 2" means Supplemental Trust Indenture No. 2 dated as of October 1, 2012 between the Issuer and the Trustee, supplementing and amending the Original Indenture.

"Supplemental Indenture No. 3" means Supplemental Trust Indenture No. 3 dated as of April 1, 2016, between the Issuer and the Trustee, supplementing and amending the Original Indenture.

"Supplemental Indenture No. 4" means Supplemental Trust Indenture No. 4 dated as of July 8, 2021, between the Issuer and the Trustee, supplementing and amending the Original Indenture.

"Supplemental Lease No. 1" means Supplemental Lease Agreement No. 1 dated as of April 1, 2011 between the Issuer and the City, amending and supplementing the Original Lease.

"Supplemental Lease No. 2" means Supplemental Lease Agreement No. 2 dated as of October 1, 2012, between the Issuer and the City, amending and supplementing the Original Lease.

"Supplemental Lease No. 3" means Supplemental Lease Agreement No. 3 dated as of April 1, 2016, between the Issuer and the City, amending and supplementing the Original Lease.

"Supplemental Lease No. 4" means Supplemental Lease Agreement No. 4 dated as of July 8, 2021, between the Issuer and the City, amending and supplementing the Original Lease.

"Tax Compliance Agreement" shall mean, with respect to the Series 2021A Bonds, the Tax Compliance Agreement dated as of the date of issuance of the Series 2021A Bonds, by and among the Issuer, the City and the Trustee.

"Term" means, collectively, the Basic Term and any Additional Term of the Lease.

"Trust Estate" means the Trust Estate described in the Granting Clauses of the Indenture.

"Trustee" means Security Bank of Kansas City, Kansas City, Kansas, as successor trustee to Southwest National Bank, Wichita, Kansas, in its capacity as Paying Agent, bond registrar and fiscal agent, and its successor or successors and any other corporation or association which at the time may be substituted in its place pursuant to and at the time serving as Trustee under the Indenture.

THE INDENTURE

Trust Estate

The Issuer, in consideration of good and valuable consideration, the receipt of which is acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on all of the Bonds issued and Outstanding under the Indenture from time to time according to their tenor and effect, and to secure the performance and observance by the Issuer of all the covenants, agreements and conditions contained in the Bonds, pledges and assigns to the Trustee and its successors and assigns forever, the property described in paragraphs (a) and (b) below (said property being herein referred to as the "Trust Estate"):

(a) All right, title and interest of the Issuer in, to and under the Lease, as the same may be amended (except the Issuer's right to indemnity thereunder and its express right to enforce certain environmental provisions obtained therein), and all rents, revenues and receipts derived by the Issuer from the Project including, without limitation, all Rental Payments derived by the Issuer under and pursuant to and subject to the provisions of the Lease (except for the rights of the Issuer to indemnity and to receive moneys for its own account under the Lease); provided that the pledge and assignment thereby made shall not impair or diminish the obligations of the Issuer under the provisions of the Lease, and

(b) All moneys and securities (except moneys in the Rebate Fund) from time to time held by the Trustee under the terms of the Indenture, as the same may be amended, and any and all other real or personal property of every kind and nature from time to time hereafter by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security hereunder by the Issuer or by anyone in its behalf, or with its written consent, to the Trustee, which is authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture.

Authorization of Additional Bonds.

Additional Bonds may be issued under, and equally and ratably secured by, the Indenture on a parity with the Series 2012A Bonds, the Series 2021A Bonds and any other Additional Bonds Outstanding at any time and from time to time, upon compliance with the conditions hereinafter provided, for any of the following purposes:

(1) To provide funds to pay all or any part of the costs of repairing, replacing or restoring the Project in the event of damage, destruction or condemnation thereto or thereof

(2) To provide funds to pay all or any part of the costs of acquisition, purchase or construction of such additions, improvements, extensions, alterations, expansions, or modifications of the Project or any part thereof as the City may deem necessary or desirable and as will not impair the nature of the Project as a facility within the meaning and purposes of the Act.

(3) To provide funds for refunding all of the Bonds of any series then Outstanding, including the payment of any premium thereon and interest to accrue to the designated redemption date and any expenses in connection with such refunding.

Before any Additional Bonds shall be issued under the provisions of the Indenture, the Original Purchaser and the City shall be notified in writing and the Issuer's governing body shall adopt a Resolution (i) authorizing the issuance of such Additional Bonds, fixing the amount and terms thereof and describing the purpose or purposes for which such Additional Bonds are being issued or describing the Bonds to be refunded, (ii) authorizing the Issuer to enter into a Supplemental Indenture for the purpose of providing for the issuance of and securing such Additional Bonds and, if required, (iii) authorizing the Issuer to enter into a supplemental lease with the City to provide for rental payments at least sufficient to pay the principal of, premium, if any, and interest on the Bonds then to be Outstanding (including the Additional Bonds to be issued) as the same become due, for the acquisition, purchase, construction or equipping of an addition to or expansion, modification or remodeling of the Project, for the inclusion of any such addition, expansion or modification as a part of the Project, and for such other matters as are appropriate because of the issuance of the Additional Bonds proposed to be issued which, in the judgment of the Issuer, is not to

the prejudice of the Issuer or the Owners of the Bonds previously issued. No Additional Bonds shall be issued without the written consent of the City.

Except as provided in this Section, the Issuer will not otherwise issue any obligations ratably secured and on a parity with the Series 2012A Bonds and Series 2021A Bonds, but the Issuer may issue other obligations specifically subordinate and inferior to the Series 2012A Bonds and Series 2021A Bonds.

Redemption Fund

Moneys in the Redemption Fund will be disbursed by the Trustee for the payment of the principal of and interest on the Refunded Bonds on the Redemption Date.

Principal and Interest Payment Account

The Indenture provides for the establishment of a separate account referred to therein as the "Principal and Interest Payment Account," into which shall be deposited the premium, if any, and all accrued interest received from the sale of the Bonds. All Rental Payments payable by the City to the Issuer, as well as payment to be made to the Trustee by the Maize Recreation Commission pursuant to the terms of the Sublease, shall be deposited into the Principal and Interest Payment Account. The moneys in the Principal and Interest Payment Account shall be used solely and only to pay interest and principal on the Bonds when due or to retire all the Bonds prior to maturity when properly subject to call and when cash funds are available to pay all outstanding Bonds in full plus interest and call premium, if any. Any amount remaining in the Principal and Interest Payment Account after the principal of, premium, if any, and interest on the Bonds, and all fees and expenses of the Trustee, shall have been paid in full or provision made therefor in accordance with the Indenture, shall be paid by the Trustee to the City.

Project Replacement Fund

The Indenture provides for the establishment of a separate fund referred to therein as the "Project Replacement Fund." Any insurance proceeds or condemnation awards received on account of a casualty loss or condemnation respecting the Project shall, in the event Tenant elects to rebuild, repair, restore, replace or make substitutions for the Project, be deposited in the Project Replacement Fund and applied to such purposes. (*See "The Lease - Damage or Destruction of Project."*)

Investment of Moneys in Funds.

Moneys held in the funds and accounts established under the Indenture shall be separately invested and reinvested by the Trustee in Investment Securities which mature or are subject to redemption by the owner prior to the date such funds will be needed; provided, however, that such moneys shall not be invested in such manner as will violate the provisions of the Tax Compliance Agreement. Any such Investment Securities shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund or account in which such moneys are originally held, and the interest accruing thereon and any profit realized from such Investment Securities shall be credited to and accumulated in such fund or account, and any loss resulting from such Investment Securities shall be charged to such fund or account, except as provided in the Tax Compliance Agreement. The Trustee shall sell and reduce to cash a sufficient amount of such Investment Securities whenever the cash balance in any fund or account is insufficient for the purposes of such fund or account. In determining the balance in any fund or account, investments in such fund or account shall be valued at the lower of their original cost or their fair market value as of the most recent Payment Date. The Trustee may make any and all investments permitted by the Indenture through its own bond department or short-term investment department. All investments made pursuant to the Indenture shall be made in accordance with the Tax Compliance Agreement.

Acceleration of Maturity in Event of Default

(a) If an Event of Default shall have occurred and be continuing, the Trustee may, and upon the written request of the Owners of not less than 51 % in aggregate principal amount of the Bonds then Outstanding shall, by notice in writing delivered to the Issuer and the City, declare the principal of all Bonds then Outstanding

and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable.

(b) If, at any time after such declaration, but before the Bonds shall have matured by their terms, all overdue installments of principal and interest on the Bonds, together with the reasonable and proper expenses of the Trustee, and all other sums then payable by the Issuer under the Indenture shall either be paid or provision satisfactory to the Trustee shall be made for such payment, then and in every such case the Trustee shall, but only with the approval of the Owners of not less than 51 % in aggregate principal amount of the Bonds Outstanding, rescind such declaration and annul such default in its entirety.

(c) In case of any rescission, then and in every such case, the Issuer, the Trustee and the Bondowners shall be restored to their former position and rights hereunder respectively, but no such rescission shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

Exercise of Remedies by the Trustee.

(a) If an Event of Default shall have occurred and be continuing, the Trustee shall pursue and exercise any available remedy at law or in equity by suit, action, mandamus or other proceeding or exercise such one or more of the rights and powers conferred by the Indenture as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondowners to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding, and to enforce and compel the performance of the duties and obligations of the Issuer as herein set forth.

(b) All rights of action under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery of judgment shall be for the equal benefit of all the Owners of the Series 2012A Bonds, the Series 2021A Bonds and any Additional Bonds Issued on a parity therewith.

(c) In any litigation with the Tenant after an Event of Default, the Trustee may, after obtaining the written approval of the Issuer and of Bond owners owning at least 51% of the aggregate principal amount of Bond Outstanding, enter into an agreement to settle the litigation upon such terms as the Trustee in its sole discretion determines to be in the best interests of the Bondowners, even if such settlement results in the Trustee receiving less than the amount needed to pay the Owners of the Bonds Outstanding the full amounts of principal and accrued interest on the Bonds.

Limitation on Exercise of Remedies by Bondowners.

No Owner of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Indenture or for the execution of any trust hereunder or for the appointment of a receiver or any other remedy hereunder, unless (i) a default has occurred of which the Trustee has knowledge, (ii) such default shall have become an Event of Default, (iii) the Owners of 51% in aggregate principal amount of Series 2012A Bonds, Series 2021A Bonds and any Additional Bonds issued on a parity therewith then Outstanding shall have made written request to the Trustee, shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, and (iv) the Trustee shall thereafter fail or refuse to exercise the powers herein granted or to institute such action, suit or proceeding in its own name; and such knowledge and request are declared in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy hereunder, it being understood and intended that no one or more Owners of the Bonds shall have any right in any matter whatsoever to affect, disturb or prejudice the Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of the Owners of all Bonds then Outstanding. Except as provided in paragraph (c) above, nothing in the Indenture contained shall, however, affect or impair the right of any Bondowner to payment of the principal of and interest on any Bond at and after the maturity thereof or the limited obligation of

the Issuer to pay the principal of, premium, if any, and interest on each of the Bonds issued hereunder to the respective Owners thereof at the time, place, from the source and in the manner herein and in the Bonds expressed.

Right of Bondowners to Direct Proceedings.

Anything in the Indenture to the contrary notwithstanding, the Owners of 51% in aggregate principal amount of Series 2012A Bonds, the Series 2021A bonds and any Additional Bonds issued in parity therewith, then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture and Trustee shall have the right to decline to follow such direction if Trustee shall in good faith, and upon advice of counsel, determine that proceeding as so directed would expose Trustee to personal liability.

Remedies Cumulative.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee or to the Bondowners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondowners hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon any Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and every such right, power or remedy may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default hereunder, whether by the Trustee or by the Bondowners, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Waivers of Events of Default.

The Trustee may in its discretion waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest on Bonds, and shall do so upon the written request of the Owners of at least 51 % in aggregate principal amount of all the Series 2012A Bonds, the Series 2021A Bonds and any Additional Bonds issued in parity therewith, then Outstanding. In case of any such waiver or rescission, or in case any proceedings taken by the Trustee under the Indenture on account of any such default shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Trustee and the Bondowners shall be restored to their former positions, rights and obligations hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Supplemental Indentures Not Requiring Consent of Bond owners.

The Issuer and the Trustee may from time to time, without the consent of or notice to any of the Bondowners, enter into such Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions of the Indenture, for anyone or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in the Indenture or to make any other change not prejudicial to the Bondowners;
- (b) To grant to or confer upon the Trustee for the benefit of the Bondowners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondowners or the Trustee or either of them;
- (c) To more precisely identify the Project or to substitute or add additional property thereto;
- (d) To subject to the Indenture additional revenues, properties or collateral;

(e) To issue Additional Bonds;

(f) To provide for the issuance of coupon Bonds and the exchange of fully registered Bonds for coupon Bonds upon such terms and conditions as the Issuer and Trustee shall determine provided, however, that no such amendments shall become effective unless and until Trustee shall have received an opinion of Bond Counsel in the form and substance satisfactory to Trustee, to the effect that the issuance of such coupon Bonds or the exchange of Bonds for such coupon Bonds will not cause the interest on the Bonds to be includable in the gross income of the recipients thereof under the provisions of the Code; and

(g) To conform the provisions of the Indenture to the provisions of the Code as the same now exists or may be hereafter amended.

Supplemental Indentures Requiring Consent of Bond owners.

(a) Exclusive of Supplemental Indentures described above and subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than 66% in aggregate principal amount of the Series 2012A Bonds, Series 2021A Bonds and any Additional Bonds issued in parity therewith then Outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such other Supplemental Indenture or Supplemental Indentures as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section contained shall permit or be construed as permitting (1) an extension of the maturity of the principal of or the interest on any Bond issued hereunder, or (2) a reduction in the principal amount of any Bond or the rate of interest thereon, or (3) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (4) a reduction in the aggregate principal amount of Bonds the Owners of which are required for consent to any such Supplemental Indenture.

(b) Any provision of the Indenture or the Bonds may be amended with the written consent of the Owners of 100% in aggregate principal amount then Outstanding.

City's Consent to Supplemental Indentures.

Anything herein to the contrary notwithstanding, a Supplemental Indenture which affects any rights of the City shall not become effective unless and until the City shall have consented in writing to the execution and delivery of such Supplemental Indenture, provided that receipt by the Trustee of an amendment to the Lease executed by the City in connection with the issuance of Additional Bonds shall be deemed to constitute consent of the City to the execution of a Supplemental Indenture.

The Trustee

The Trustee agrees to perform the trusts under the Indenture as a reasonable and prudent person would under the circumstances in the conduct of his or her own affairs. In addition, the Trustee is entitled, in the absence of negligence or willful misconduct, to rely upon the authenticity of, and shall be protected in acting upon, certain instruments set forth in the Indenture.

In the event that it should become necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the neglect or misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. Upon the occurrence of an Event of Default and during its continuance, the Trustee shall have a lien with right of payment prior to payment of principal of, redemption premium, if any, or interest on any Bond, upon all moneys in its possession under any provisions of the Indenture for the foregoing advances, fees, costs and expenses incurred.

Any corporation or association into which the Trustee may be merged or converted or with or into which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any merger, conversion, sale, consolidation or transfer to which it is a party, shall be and become successor Trustee under the Indenture and shall be vested with all the trusts, powers, rights, obligations, duties, remedies, immunities and privileges under the Indenture as was its predecessor, without the execution or filing of any instrument or any further act on the part of any of the parties to the Indenture. The Trustee may resign by an instrument in writing delivered by registered or certified mail to the Issuer and the Tenant to take effect not sooner than Ninety (90) days after its delivery, whereupon the Issuer, with the consent of the Tenant, shall immediately, in writing, designate a successor Trustee; provided, however, that the Trustee's resignation shall not become effective unless and until a successor Trustee is approved and qualified. The Trustee may be removed at any time by an instrument or concurrent instruments in writing executed by the Issuer and the Tenant. Every Successor Trustee appointed pursuant to the Indenture shall be a trust company or bank in good standing and qualified to accept such trust having a reported capita~ retained earnings and surplus of not less than \$10,000,000.

THE LEASE

Basic Rent.

The Issuer City covenants and agrees to pay to the Trustee, for the account of Issuer, for deposit in the Principal and Interest Payment Account, on each Basic Rent Payment Date, Basic Rent in immediately available funds.

Additional Rent.

Within thirty (30) days after receipt of written notice thereof, the City shall pay any Additional Rent required to be paid pursuant to the Lease. The City agrees to pay any Additional Rent for required rebatable arbitrage in the amounts at the times required and entirely in accordance with the provisions of Section 148(1) of the Code and the Tax Compliance Agreement.

Rent Payable Without Abatement or Set-off.

The City covenants and agrees with and for the express benefit of the Issuer and the Owners that all payments of Basic Rent and Additional Rent shall be made by City as the same become due, and that City shall perform all of its obligations, covenants and agreements hereunder without notice or demand and without abatement, deduction, set-off, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the Improvements shall have been acquired, started or completed, or whether Issuer's title to the Project or any part thereof is defective or non-existent, and notwithstanding any failure of consideration or commercial frustration of purpose, the eviction or constructive eviction of City, any Change of Circumstances, any change in the tax or other laws of the United States of America, the State, or any municipal corporation of either, any change in Issuer's legal organization or status, or any default of Issuer hereunder, and regardless of the invalidity of any action of Issuer or any other event or condition whatsoever, and regardless of the invalidity of any portion of the Lease, and City waives the provisions of any statute or other law now or hereafter in effect contrary to any of its obligations, covenants or agreements under the Lease or which releases or purports to release City therefrom. Nothing in the Lease shall be construed as a waiver by City of any rights or claims City may have against Issuer under the Lease or otherwise, but any recovery upon such rights and claims shall be had from Issuer separately, it being the intent of the Lease that City shall be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under the Lease (including the obligation to pay Basic Rent and Additional Rent) for the benefit of the Owners.

Acquisition of Land and Improvements.

The City has conveyed the Land and the Maize Government Center to the Issuer.

Right of Entry by Issuer.

The duly authorized agents of Issuer shall have the right at any reasonable time prior to the completion of the Project Additions to have access to the Project Additions or any parts thereof for the purpose of inspecting and supervising the acquisition, installation or construction thereof.

Machinery and Equipment Purchased by City.

If no part of the purchase price of an item of machinery, equipment or personal property is paid from Bond proceeds pursuant to the terms of the Lease, then such item of machinery, equipment or personal property shall not be deemed a part of the Project.

Project Property of Issuer.

All buildings, improvements and work constituting a part of the Project, all work and materials on the Project as such work progresses, and the Project as fully completed, anything under the Lease which becomes, is deemed to be, or constitutes a part of the Project, and the Project as repaired, rebuilt, rearranged, restored or replaced by City under the provisions of the Lease, except as otherwise specifically provided herein, shall immediately when erected or installed become the absolute property of Issuer.

Insurance

The City shall and covenants and agrees that it will, throughout the Basic Term, at no cost to the Issuer, keep the Project constantly insured against loss or damage by fire, lightning and all other risks covered by extended coverage insurance in an amount equal to the Full Insurable Value thereof issued by such insurance company or companies as it may select and shall at all times maintain general accident and public liability insurance (including coverage for all losses whatsoever arising from the ownership, maintenance, use or operation of any automobile, truck or other vehicle in or upon the Project) in an amount not less than the then maximum liability of a governmental entity for claims arising out of a single occurrence as provided by the Kansas tort claims act or other similar future law (currently \$500,000 per occurrence).

All policies of such insurance and all renewals thereof shall name Issuer, City and Trustee as insureds as their respective interests may appear, shall contain a provision that such insurance may not be canceled or amended by the issuer thereof without at least thirty (30) days' written notice to Issuer, City and Trustee and, to the extent such proceeds shall respect any portion of the Project, such proceeds shall be payable to the Trustee. Issuer and City each agree to do anything necessary, be it the endorsement of checks or otherwise, to cause any insurer payments made under such policies to be directed to the Trustee, as long as such payment is required by the Lease to be made to the Trustee. Any charges made by the Trustee for its services shall be paid by the City.

Each policy of insurance hereinabove referred to shall be issued by a nationally recognized responsible insurance company qualified under the laws of the State to assume the risks covered therein; .may be subject a reasonable deductible in an amount approved by the Trustee; and may be provided through blanket policies maintained by the City.

Impositions.

City shall, during the life of the Lease, bear, pay and discharge, before the delinquency thereof, any and all Impositions. In the event any Impositions may be lawfully paid in installments, City shall be required to pay any such installments thereof as become due and payable during the life of the Lease as and when the same become due and payable.

Issuer May Not Sell.

Issuer covenants that, unless City is in default under the Lease it will not, without City's express prior written Consent, unless required by law, sell or otherwise part with or encumber its fee or other ownership interest in the Project at any time during the Term of the Lease.

Environmental Provisions.

To the extent allowed by law, and in furtherance and not in limitation of any indemnity elsewhere provided to Issuer in the Lease and the Indenture, the City agrees to indemnify and hold harmless Issuer and Trustee from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees, costs of any settlement or judgment and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against, Issuer or Trustee by any person, including any individual, partnership, joint venture, corporation or other business enterprise, or any other governmental unit or agency, for, with respect to, or as a direct or indirect result of, the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission, discharging or release from the Project of any Hazardous Material (including, without limitation, any losses, liabilities, reasonable attorneys' fees, costs of any settlement or judgment or claims asserted or arising under the Comprehensive Environmental Response, Compensation and Liability Act, any federal, state or local so-called "Superfund" or "Super lien" laws, or any other applicable statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability, including strict liability, or standards of conduct concerning, any Hazardous Material) regardless of whether or not caused by or within the control of City.

The indemnification provisions shall survive the termination of the Lease, except with respect to obligations which would arise hereunder as a result of the use, spill, release, leak, seepage or discharge of Hazardous Substance placed on the Project site by persons other than the City after the Project is no longer occupied by the City.

Sublease and Assignment.

The parties acknowledge and agree that the Recreation Facility shall continue to be subleased to the Recreation Commission. The City may not otherwise sublease or assign its interest in the Project, or any portion thereof, to any other party or entity, without the prior written consent of Issuer and an opinion of Bond Counsel that such sublease or assignment will not result in the interest on any Outstanding Bonds becoming includable in gross income for purposes of Federal income taxation under the Code then in effect. In the event of any subleasing or assignment, City shall remain fully liable for the performance of its duties and obligations hereunder, and no such subleasing and no dealings or transactions between Issuer or the Trustee and any such subtenant or assignee shall relieve City of any of its duties and obligations hereunder.

Repairs and Maintenance.

The City covenants and agrees that it will, during the Term of the Lease, keep, or require the Recreation Commission to keep and maintain the Project and all parts thereof in good condition and repair, including but not limited to the furnishing of all parts, mechanisms and devices required to keep the machinery, equipment and personal property constituting a part of the Project in good mechanical and working order, and that during said period of time it will keep, or require the Recreation Commission to keep the Project and all parts thereof free from filth, nuisance or conditions unreasonably increasing the danger of fire.

Removal, Disposition and Substitution of Machinery and Equipment.

The City shall have the right, provided City is not in default in the payment of Basic Rent and Additional Rent, to remove and sell or otherwise dispose of any machinery and equipment (other than fixtures) which constitute a part of the Project and which are no longer used by City or, in the opinion of City, are no longer useful to the City in its operations (whether by reason of changed processes, changed techniques, obsolescence, depreciation or otherwise), subject, however, to the following conditions:

(a) Prior to any such removal, City shall deliver to the Trustee a certificate signed by the Authorized City Representative (i) containing a complete description, including the make, model and serial numbers, if any, of any machinery and equipment constituting a part of the Project which it proposes to remove, (ii) stating the reason for such removal, (iii) stating what disposition, if any, of the machinery and equipment is to be made by City after such removal and the names of the party or parties to whom such disposition is to be made and the consideration to

be received by City therefor, if any, and (iv) setting forth the original cost and the fair market value of such machinery and equipment.

(b) Should the City replace any such machinery and equipment so removed with machinery and equipment of the same or a different kind but which are capable of performing the same or an alternate function as the machinery and equipment so removed, the machinery and equipment so acquired by the City to replace such machinery and equipment shall be deemed a part of the Project. Within thirty (30) days after any such replacement by City, City shall deliver to the Trustee a certificate of the Authorized City Representative setting forth a complete description, including make, model and serial numbers, if any, of the machinery and equipment which City has acquired to replace the machinery and equipment so removed by City, the cost thereof and that said machinery and equipment have been installed.

All machinery and equipment constituting a part of the Project and removed by City shall become the absolute property of City and may be sold or otherwise disposed of by City without accounting to Issuer with respect thereto, provided that City will need to demonstrate compliance with this Section when necessary to obtain the Issuer's and Trustee's release of any financing statements previously filed pursuant to the Lease and covering the subject machinery and equipment. In all cases, City shall pay all the costs and expenses of any such removal and shall immediately repair at its expense all damage caused thereby. City's rights to remove machinery and equipment constituting a part of the Project is intended only to permit City to maintain an efficient operation by the removal of such machinery and equipment no longer suitable to City's use for any of the reasons set forth in this paragraph and such right is not to be construed to permit a removal under any other circumstances and shall not be construed to permit the wholesale removal of such machinery and equipment by City.

Alteration of Project.

City shall have and is given the right, at its sole cost and expense, to make such additions, changes and alterations in and to any part of the Project as City from time to time may deem necessary or advisable; provided, however, City shall not make any major addition, change or alteration which will adversely affect the intended use and operations or structural strength of any part of the Project. All additions, changes and alterations made by City shall (i) be made in a workmanlike manner and in strict compliance with all laws and resolutions applicable thereto, (ii) when commenced, be prosecuted to completion with due diligence, and (iii) when completed, shall be deemed a part of the Project; provided, however, that additions of machinery, equipment and/or personal property of City, not purchased or acquired from funds deposited with the Trustee hereunder and not constituting a part of the Project shall remain the separate property of City and may be removed by City prior to expiration of the Term of the Lease; provided further, however, that all such additional machinery, equipment and/or personal property which remain in the Project after the termination of the Lease for any cause other than the purchase of the Project by the City shall, upon and in the event of such termination, become the separate and absolute property of Issuer.

Additional Improvements.

The City shall have and is given the right, at its sole cost and expense, to construct on the Land or within areas occupied by the Improvements, or in airspace above the Project, such additional buildings and improvements as City from time to time may deem necessary or advisable. All additional buildings and improvements constructed by City shall, during the Basic Term and any Additional Term, remain the property of City and may be added to, altered or razed and removed by City at any time during the Term. City covenants and agrees (i) to make or require the Recreation Commission to make all repairs and restorations, if any, required to be made to the Project because of the construction of, addition to, alteration or removal of, said additional buildings or improvements, (ii) to keep and maintain or require the Recreation Commission to keep and maintain said additional buildings and improvements in good condition and repair, ordinary wear and tear excepted, (iii) to promptly and with due diligence either raze and remove from the Land, in a good, workmanlike manner, or repair, replace or restore such of said additional buildings or improvements as may from time to time be damaged by fire or other casualty (or require the Recreation Commission to do so), and (iv) that all additional buildings and improvements constructed by City which remain in place after the termination of the Lease for any cause other than the purchase of the Project by the City shall, upon and in the event of such termination, become the separate and absolute property of Issuer.

Mechanics' Liens.

City shall not do or suffer anything to be done whereby the Project, or any part thereof, may be encumbered by any mechanics' or other similar lien and if, whenever and so often as any mechanics' or other similar lien is filed against the Project, or any part thereof, City shall discharge the same of record within thirty (30) days after the date of filing.

Option to Purchase Project.

Subject to the following provisions, the City shall have the right and option to purchase the Issuer's interest in the Project at any time during the Term thereof. The City shall exercise its aforesaid option by giving the Issuer written notice of City's election to exercise its option and specifying the date, time and place of closing, which date (the "Closing Date") shall neither be earlier than thirty (30) days nor later than one hundred eighty (180) days after the notice is given. The City may not, however, exercise its said option if it is in default hereunder on the Closing Date.

Quality of Title and Purchase Price for Project.

If a notice of election to purchase the Project be given, the Issuer shall and covenants and agrees to sell and convey all and several of its interests in and to the Project to the City on the Closing Date free and clear of all liens and encumbrances whatsoever except (i) those to which the title was subject on the date of the City's conveyance of the Project to the Issuer, Or to which title became subject with Issuer's written consent, or which resulted from any failure of the City to perform any of its covenants or obligations under the Lease, (ii) taxes and assessments, general and special, if any, and (iii) the rights, titles and interests of any party having condemned or who is attempting to condemn title to, or the use for a limited period of, all or any part of the Project, for the price and sum as follows (which City shall and covenants and agrees to pay in cash at the time of delivery of the Issuer's deed or other instrument or instruments of transfer to the Project to City as hereinafter provided):

(1) The full amount, which is required to provide the Issuer and the Trustee with funds sufficient, in accordance with the provisions of the Indenture, to pay at maturity or to redeem and pay in full (i) the principal of all of the Outstanding Bonds, (ii) all interest due thereon to the date of maturity or redemption, whichever first occurs, and (iii) all costs, expenses, including reasonable attorney's fees, and premiums incident to the redemption and payment of said Bonds in full, plus

(2) The sum of one dollar (\$1.00).

Exercise of the purchase option shall not release or discharge the City from its duty or obligation under the Lease to make any payment of Basic Rent or Additional Rent which, in accordance with the terms of the Lease, becomes due and payable prior to the Closing Date, or its duty and obligation to fully perform and observe all those Lease obligations and duties required to be performed and observed by the City prior to the Closing Date.

Damage and Destruction.

If, during the Basic Term, the Project is damaged or destroyed, in whole or in part, by fire or other casualty, the City shall promptly notify the Issuer and the Trustee in writing as to the nature and extent of such damage or loss and whether it is practicable and desirable to rebuild, repair, restore or replace such damage or loss. If the City shall determine that such rebuilding, repairing, restoring or replacing is practicable and desirable, so long as the City is not in default hereunder, the City shall forthwith proceed with and complete with reasonable dispatch such rebuilding, repairing, restoring or replacing. In such case, any Net Proceeds of casualty insurance received with respect to any such damage or loss to the Project shall be paid to the Trustee and shall be deposited in the Project Replacement Fund and shall be used and applied for the purpose of paying the cost of such rebuilding, repairing, restoring or replacing such damage or loss. Any amount remaining in the Project Replacement Fund after such rebuilding, repairing, restoring or replacing shall be deposited into the Principal and Interest Payment Account and used to pay a like amount of principal of the Bonds on their next available call date.

If the City shall be in default hereunder or otherwise determine that rebuilding, repairing, restoring or replacing the Project are not practicable and desirable, any Net Proceeds of casualty insurance required by the Lease and received with respect to any such damage or loss to the Project shall be paid into the Principal and Interest Payment Account and used to pay a like amount of principal of the Bonds on their next available call date. The City agrees that it shall be reasonable in exercising its judgment.

The City shall not, by reason of its inability to use all or any part of the Project during any period in which the Project is damaged or destroyed, or is being repaired, rebuilt, restored or replaced nor by reason of the payment of the costs of such rebuilding, repairing, restoring or replacing, be entitled to any reimbursement or any abatement or diminution of the Basic Rent or Additional Rent payable by the City under the Lease nor of any other obligations of the City under the Lease except as expressly provided therein.

Termination by Reason of Change of Circumstances.

If, at any time during the Basic Term, a Change of Circumstances occurs, then and in such event City shall have the option to purchase the Project or the option to terminate the Lease by giving Issuer notice of such termination within ninety (90) days after City has actual knowledge of the event giving rise to such option; provided, however, that such termination shall not become effective unless and until none of the Bonds are Outstanding.

Remedies on Default.

Whenever any Event of Default shall have happened and be continuing, the Issuer or Trustee may take anyone or more of the following remedial actions:

(a) By written notice to the City upon acceleration of maturity of the Bonds as provided in the Indenture, the Trustee may declare the aggregate amount of all unpaid Basic Rent or Additional Rent then or thereafter required to be paid under the Lease by the City to be immediately due and payable as liquidated damages from the City, whereupon the same shall become immediately due and payable by the City;

(b) Give City written notice of intention to terminate the Lease on a date specified therein, which date shall not be earlier than ten (10) days after such notice is given and, if all defaults have not then been cured on the date so specified, City's rights to possession of the Project shall cease, and the Lease shall thereupon be terminated, and Issuer may re-enter and take possession of the Project as of Issuer's former estate; or

(c) Without terminating the term thereof, or the Lease, re-enter the Project or take possession thereof pursuant to legal proceedings or pursuant to any notice provided for by law, and having elected to re-enter or take possession of the Project without terminating the term or the Lease, Issuer shall use reasonable diligence to relet the Project, or parts thereof, for such term or terms and at such rental and upon such other terms and conditions as Issuer may deem advisable, with the right to make alterations and repairs to the Project, and no such re-entry or taking of possession of the Project by Issuer shall be construed as an election on Issuer's part to terminate the Lease, and no such re-entry or taking of possession by Issuer shall relieve City of its obligation to pay Basic Rent or Additional Rent (at the time or times provided herein), or of any of its other obligations under the Lease, all of which shall survive such re-entry or taking of possession, and City shall continue to pay the Basic Rent and Additional Rent provided for in the Lease until the end of the Term, whether or not the Project shall have been relet, less the net proceeds, if any, of any reletting of the Project after deducting all of Issuer's expenses incurred in connection with such reletting, including without limitation, all repossession costs, brokerage commissions, legal expenses, expenses of employees, alteration costs and expenses of preparation of the Project for reletting.

Net proceeds of any reletting shall be deposited in the Principal and Interest Payment Account. Having elected to re-enter or take possession of the Project pursuant to subsection (c) hereunder, Issuer may (subject, however, to any restrictions against termination of the Lease in the Indenture), by notice to City given at any time thereafter while City is in default in the payment of Basic Rent or Additional Rent or in the performance of any other obligation under the Lease, elect to terminate the Lease in accordance with subsection (b) hereunder. If, in accordance with any of the foregoing provisions, Issuer shall have the right to elect to re-enter and take possession of the Project, Issuer may enter and expel City and those claiming through or under City and remove the property

and effects of both or either (forcibly if necessary) without being guilty of or liable for any manner of trespass and without prejudice to any remedies for arrears of Basic Rent or Additional Rent or preceding breach of covenant.

(d) Notwithstanding any other provision herein contained, neither the Issuer nor the Trustee shall be required to take any action which either the Issuer or Trustee believes could subject it to any environmental liability.

Survival of Obligations.

City covenants and agrees with Issuer and the Owners that until the Bonds and the interest thereon and redemption premium, if any, are paid in full or provision made for the payment thereof in accordance with the Indenture, its obligations under the Lease shall survive the cancellation and termination of the Lease, for any cause, and that City shall continue to pay Basic Rent and Additional Rent and perform all other obligations provided for in the Lease, all at the time or times provided in the Lease.

No Remedy Exclusive.

No remedy herein conferred upon or reserved to the Issuer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Lease or now or hereafter existing at law or in equity or by statute, subject to the provisions of the Indenture. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer to exercise any remedy reserved to it, it shall not be necessary to give any notice, other than notice required therein.

Net Lease.

The parties agree (i) that the Lease is intended to be a net lease, (ii) that the payments of Basic Rent and Additional Rent are designed to provide Issuer and the Trustee with, funds adequate in amount to pay all principal of premium, if any, and interest on the Bonds as the same become due and payable, and (iii) that to the extent that the payments of Basic Rent and Additional Rent are not adequate to provide Issuer and the Trustee with funds sufficient for the purposes aforesaid, City shall be obligated to pay, and it does covenant and agree to pay, upon demand therefor, as Additional Rent, such further sums of money as may from time to time be required for such purposes.

Waiver of Breach.

No waiver of any breach of any covenant or agreement contained in the Lease shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the non-defaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults which were in existence at the time such payment or payments or performance were accepted by it.

Amendments.

The Lease may be amended, changed or modified in the following manner:

(a) With respect to any amendment, change or modification which will materially adversely affect the security or rights of the Owners of the Series 2012A Bonds, the Series 2021A Bonds and any other Additional Bonds issued on parity therewith, by an agreement in writing executed by Issuer and City and consented to in writing by the owners of at least Sixty-six percent (66%) of the aggregate principal amount of the Series 2012A Bonds, Series 2021A Bonds and any other Additional Bonds issued on parity therewith, then outstanding;

(b) With respect to any amendment, change or modification which reduces the Basic Rent or Additional Rent due under the Lease, or any amendment which reduces the percentage of Owners whose consent is required for any such amendment, change or modification, by an agreement in writing executed by Issuer and City

and consented to in writing by the owners of One Hundred percent (100%) of the aggregate principal amount of the Series 2012A Bonds, Series 2021A Bonds and any other Additional Bonds issued on parity therewith then outstanding; and

(c) With respect to all other amendments, changes, or modifications, by an agreement in writing executed by Issuer and City.

At least thirty (30) days prior to the execution of any agreement pursuant to (C) above, Issuer or City shall furnish the Trustee and the Original Purchaser of the Bonds with a copy of the amendment, change or modification proposed to be made.

Granting of Easements.

If no Event of Default under the Lease shall have happened and be continuing, the City may, at any time or times, (i) grant easements, licenses and other rights or privileges in the nature of easements with respect to any property included in the Project, free from any rights of Issuer or the Owners, or (ii) release existing easements, licenses, rights-of-way and other rights or privileges, all with or without consideration and upon such terms and conditions as shall determine, and Issuer agrees, to the extent that it may legally do so, that it will execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege or any such agreement or other arrangement, upon receipt by Issuer of (a) a copy of the instrument of grant or release or of the agreement Or other arrangement, (b) a written application signed by the Authorized City Representative requesting such instrument and (c) a certificate executed by stating (1) that such grant or release is not detrimental to the proper conduct of the business of, and (2) that such grant or release will not impair the effective use or interfere with the efficient and economical operation of the Project and will not materially adversely affect the security of the Owners. If the instrument of grant shall so provide, any such easement or right and the rights of such other parties thereunder shall be superior to the rights of Issuer and the Bondowners and shall not be affected by any termination of the Lease or default on the part of hereunder. If no Event of Default shall have happened and be continuing. any payments or other consideration received by for any such grant or with respect to or under any such agreement or other arrangement shall be and remain the property of, but, in the event of the termination of the Lease or default of, all rights then existing of with respect to or under such grant shall inure to the benefit of and be exercisable by Issuer.

THE SUBLEASE

Definitions

In addition to terms defined elsewhere herein, the following words and terms, as used in connection with the Sublease, shall have the following meanings:

"Additional Rent" means all payments of whatever nature which the Commission has agreed to pay or assume under the provisions of the Sublease and all expenses incurred by the City in connection with the enforcement of any rights under the Sublease.

"Anniversary Date" shall mean the date one year after the date of the certificate of final occupancy is issued for the Maize Government Center, and the same date each year thereafter.

"Commission" means the Maize Recreation Commission duly organized and existing under the laws of the State of Kansas for the purpose of providing recreation and leisure program activities for the citizens of Unified School District No. 266.

"Event of Default" means anyone of the following events:

With respect to the Commission (a "*Commission Default*"):

(1) Failure of the Commission to make any payment of Basic Rent within five (5) days of the time set in the Sublease and/or in the amounts required hereunder; or

(2) Failure of the Commission to make any payment of Additional Rent at the times and/or in the amounts required hereunder, or failure to observe or perform any other covenant, agreement, obligation or provision of the Sublease on the Commission's part to be observed or performed, and the same is not remedied within thirty (30) days after the City has given the Commission written notice specifying such failure (provided, however, if the event is not susceptible to being cured with due diligence within said thirty days, the time shall be extended for such period as may be necessary to complete the cure with all due diligence); or

(3) The Commission abandons the Recreation Facility.

With respect to the City (a "*City Default*"): The City's failure to perform any material duty or obligation hereunder, which, if remaining uncured for thirty (30) days following receipt of written notice to the City from the Commission (provided, however, if the event is not susceptible to being cured with due diligence within said thirty days, the time shall be extended for such period as may be necessary to complete the cure with all due diligence).

"PBC" means the City of Maize, Kansas Public Building Commission, a municipal corporation organized and existing under the laws of the State of Kansas, and its successors and assigns.

Granting of Leasehold; Term.

The City leases, rents, and lets unto the Commission, and the Commission leases, rents, and hires from the City, for the rentals and upon and subject to the terms and conditions set forth in the Sublease, the Recreation Facility for the Term. The Term of the Sublease shall commence upon the issuance of a certificate of final occupancy for the Maize Government Center and shall initially expire ten years later. Notwithstanding the foregoing, the Term of the Sublease shall annually be automatically renewed for a period of ten years from the then current Anniversary Date, unless the Commission shall adopt a resolution directing that the Term not be renewed and the Commission shall give written notice to the City at least sixty days prior to that Anniversary Date of its intention not to renew. In no event shall the then current Term be for more than ten years from the then current Anniversary Date. The final automatic renewal shall provide that the Term shall expire on the final stated maturity date of the Bonds. Any failure to renew the Term of the Sublease shall have no impact or effect on the then current Term; therefore, if the Commission fails to renew the Sublease at the end of a rental year, the remaining Term at the end of such rental year will be nine years. Notwithstanding anything herein to the contrary, the Sublease shall terminate on the date no Bonds remain outstanding under the provisions of the Trust Indenture.

Basic Rent.

The Commission shall pay to the City as Basic Rent for the Term of the Sublease a sum equal to 38.59% of the annual principal and interest payments on the Series 2021A Bonds and 100% of the annual principal and interest payments on the Series 2012A Bonds. Basic Rent shall be payable each February 1 and September 1 in an amount which is sufficient to pay the Commission's share of the interest on the Bonds which is due and payable on the next occurring Interest Payment Date and one half of the Commission's share of the principal on the Bonds which is due and payable on the next occurring Principal Payment Date for each series of Bonds. Basic Rent shall be payable directly to the Trustee and Paying Agent designated by the PBC in connection with the Bonds.

Additional Rent.

Within thirty (30) days after receipt of written notice thereof, the Commission shall pay any Additional Rent required to be paid pursuant to the Sublease.

Insurance.

The City covenants and agrees that it will throughout the Term keep the Maize Government Center, including the Recreation Facility, constantly insured against loss or damage by fire, lightning and all other risks covered by extended coverage insurance in an amount equal to the replacement value thereof issued by such

insurance company or companies as it may select; provided, however, that such casualty insurance shall not insure machinery, equipment and other personal property which remains the property of the Commission under the provisions of the Lease or the Sublease. The Commission shall pay as Additional Rent a proportionate share of the Cost of such casualty insurance. The Commission, in case of a loss covered by such casualty insurance, shall reimburse the City a proportionate share of any deductible expended by the City in connection with such casualty loss.

The Commission, at its cost, shall provide general accident and public liability insurance (including coverage for all losses whatsoever arising from the ownership, maintenance, use or operation of any automobile, truck or other vehicle in or upon the Maize Government Center) under which the Commission, the City and the PBC shall be named as insureds or additional named insured, in an amount not less than the then maximum liability of a governmental entity for claims arising out of a single occurrence as provided by the Kansas tort claims act or other similar future law (currently \$500,000 per occurrence); which policy shall provide that such insurance may not be canceled by the issuer thereof without at least thirty (30) days' advance written notice to PBC and the City, such insurance to be maintained throughout the Term of the Sublease.

Use of Recreation Facility.

The Commission shall conduct recreation and leisure program activities in the Recreation Facility for the benefit of the citizens of the City and Unified School District No. 266. All equipment necessary or convenient to the performance of the Commission's recreation and leisure activities shall be the exclusive responsibility of the Commission.

The parties recognize that it is the right and responsibility of the Commission to control, manage, direct and supervise the operation of the Recreation Facility and the conduct of the activities of the Commission therein, subject to and limited and qualified only by law and the express terms of the Lease and the Sublease. The parties further recognize and agree that neither the PBC nor the City shall have the right hereunder to supervise, control or in any manner affect the activities and practices of the Commission or its policies or procedures with respect thereto, and that the PBC's and City's only rights with respect to the Recreation Facility are those specifically set forth herein and in the Lease.

Subleases and Operating Contracts.

The Commission agrees that it will not sublease the Recreation Facility or assign any portion of the Sublease, without having obtained in each case, the consent of the City, which consent shall be at the sole discretion of the City.

Assignments.

None of the parties shall assign rights or delegate duties arising hereunder without the express written consent of the City, which consent shall be at the sole discretion of the City.

Utilities.

The Commission shall be responsible for a proportionate share of all utilities and utility services used by the Commission in, on or about the Recreation Facility, including electrical, gas, water, sanitary sewer, trash collection and telecommunications.

Termination by Reason of Change of Circumstances.

If, at any time during the Term, a Change of Circumstances with respect to the Recreation Facility occurs and the City and the PBC have determined it is not practicable or desirable to acquire or construct replacement facilities in accordance with the terms of the Lease, then and in such event, the Commission shall have the option to terminate the Sublease by giving the City notice of such termination within ninety (90) days after the Commission has actual knowledge of the event giving rise to such option.

Maintenance.

The City shall be responsible for maintenance and repair of the facility. The Commission shall pay as Additional Rent a proportionate share of the costs incurred by the City for any single event of maintenance the City is responsible for equals or exceeds Five Thousand Dollars (\$5,000.00) in total cost in any calendar year. The Commission shall be responsible, at its cost, for maintaining a clean and orderly facility and for making minor interior repairs caused by normal wear and tear.

Remedies on Commission Default.

Whenever any Event of Default by the Commission shall have happened and be continuing, the City may take anyone or more of the following remedial actions:

(a) By written notice to the Commission, the City may declare the aggregate amount of all unpaid Basic Rent or Additional Rent then or thereafter required to be paid under the Sublease by the Commission to be immediately due and payable as liquidated damages from the Commission, whereupon the same shall become immediately due and payable by the Commission; or

(b) Terminate the Sublease and re-enter the Recreation Facility or take possession thereof pursuant to legal proceedings or pursuant to any notice provided for by law; or

(c) Without terminating the term thereof, re-enter the Recreation Facility or take possession thereof pursuant to legal proceedings or pursuant to any notice provided for by law, and having elected to re-enter or take possession of the Recreation Facility without terminating the Term or the Sublease, the City shall use reasonable diligence to relet the Recreation Facility, or parts thereof, for such term or terms and at such rental and upon such other terms and conditions as the City may deem advisable, with the right to make alterations and repairs to the Recreation Facility, and no such re-entry or taking of possession of the Recreation Facility by the City shall be construed as an election on the City's part to terminate the Sublease, and no such re-entry or taking of possession by the City shall relieve the Commission of its obligation to pay Basic Rent or Additional Rent (at the time or times provided herein), or of any of its other obligations under the Sublease, all of which shall survive such re-entry or taking of possession, and the Commission shall continue to pay the Basic Rent and Additional Rent provided for in the Sublease until the end of the Term, whether or not the Recreation Facility shall have been relet, less the net proceeds, if any, of any reletting of the Recreation Facility after deducting all of the City's expenses incurred in connection with such reletting, including without limitation, all repossession costs, brokerage commissions, legal expenses, expenses of employees, alteration costs and expenses of preparation of the Recreation Facility for reletting.

If, in accordance with any of the foregoing provisions, the City shall have the right to elect to re-enter and take possession of the Recreation Facility, the City may enter and expel those claiming through or under the Commission and remove the property and effects of both or either (forcibly if necessary) without being guilty of any manner of trespass and without prejudice to any remedies for arrears of Basic Rent or Additional Rent or preceding breach of covenant.

Remedies on City Default.

Whenever any Event of Default by the City shall have happened and be continuing, the Commission may take anyone or more of the following remedial actions:

(a) The Commission may cure the City Default by making the payments, performing the work required by the Sublease or completing any third party agreement and bill the City for any costs incurred in connection with such action, and the City shall promptly reimburse money due the Commission; or

(b) The Commission may, but only after delivery of a written notice to the City notifying the City of the Commission's intent and giving the City a reasonable time to cure any such default, exercise any legal right or remedy which the Commission may have in law or equity.

No Remedy Exclusive.

No remedy herein conferred upon or reserved to the parties hereto is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Sublease or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the parties hereto to exercise any remedy reserved to it, it shall not be necessary to give any notice other than notice required herein.

Cash Basis and Budget Law

The right of all parties to enter into the Sublease are subject to the provisions of the Cash Basis Law (K.S.A. 10-1112 and 10-1113), the Budget Law (K.S.A. 79-2935), and other laws of the State of Kansas. The Sublease shall be construed and interpreted so as to ensure that the parties shall at all times stay in conformity with such laws and as a condition to the agreement each party reserves the right to unilaterally sever, modify or terminate the Sublease at any time if, in the opinion of its legal counsel, the Sublease is deemed to violate the terms of such laws.

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APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

DATED AS OF JULY 8, 2021

BY

THE CITY OF MAIZE, KANSAS

in connection with

**CITY OF MAIZE, KANSAS PUBLIC BUILDING COMMISSION
REFUNDING REVENUE BONDS, SERIES 2021A
(CITY GOVERNMENT COMPLEX)
DATED JULY 8, 2021**

CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of July 8, 2021 (this “**Continuing Disclosure Undertaking**”), is executed and delivered by the **City of Maize, Kansas** (the “**City**”).

RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the City in connection with the issuance by the City of Maize, Kansas Public Building Commission (the “**Issuer**”) of its Refunding Revenue Bonds, Series 2021A (City Government Complex) (the “**Bonds**”), pursuant to a supplemental bond indenture and a resolution and adopted by the governing body of the Issuer (collectively, the “**Bond Resolution**”).

2. The City is entering into this Continuing Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “**Rule**”). The City is the only “**obligated person**” with responsibility for continuing disclosure hereunder, and the PBC has undertaken no responsibility with respect to any reports, notices or disclosures provide or required under this Continuing Disclosure Undertaking, and has no liability to any person, including any Beneficial Owner of the Bonds, with respect to the Rule. The Issuer and the City have entered into a certain Lease, dated May 15, 2006, as amended and supplemented (collectively, the “**Lease**”). Pursuant to **Article XXVI** of the Lease, the City covenants to enter into this undertaking to provide certain financial and other information with respect to the Bonds in order to assist the Participating Underwriter in complying with the provisions of the Rule. The City is the only “**obligated person**” with responsibility for continuing disclosure with respect to the Bonds.

The City covenants and agrees as follows:

Section 1. Definitions. In addition to the definitions set forth in the Bond Resolution, which apply to any capitalized term used in this Continuing Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report provided by the City pursuant to, and as described in, **Section 2** of this Continuing Disclosure Undertaking.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Business Day**” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal office or designated payment office of the paying agent or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“**Dissemination Agent**” means any entity designated in writing by the City to serve as dissemination agent pursuant to this Continuing Disclosure Undertaking and which has filed with the City a written acceptance of such designation.

“EMMA” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“Financial Obligation” means a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means the 12-month period beginning on January 1 and ending on December 31 or any other 12-month period selected by the City as the Fiscal Year of the City for financial reporting purposes.

“Material Events” means any of the events listed in *Section 3* of this Continuing Disclosure Undertaking.

“MSRB” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“Participating Underwriter” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Section 2. Provision of Annual Reports.

(a) The City shall, not later than July 1 of each year, commencing July 1, 2022, file with the MSRB, through EMMA, the following financial information and operating data (the “Annual Report”):

(1) The audited financial statements of the City for the prior Fiscal Year, in substantially the format contained in the Official Statement relating to the Bonds. A more detailed explanation of the accounting basis and method of preparation of the financial statements is contained in the Official Statement relating to the Bonds. If such audited financial statements are not available by the time the Annual Report is required to be provided pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be provided in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement related to the Bonds, as described in *Exhibit A*, in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the City.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the City is an “obligated person” (as defined by the Rule), which have been provided to the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The City shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that

the audited financial statements of the City may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**, and the Annual Report deadline provided above shall automatically become the first day of the ninth month after the end of the new fiscal year.

(b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

Section 3. Reporting of Material Events. Not later than 10 Business Days after the occurrence of any of the following events, the City shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("Material Events"):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

If the City has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)**, the City shall send a notice to the MSRB of the failure of the City to file on a timely basis the Annual Report, which notice shall be given by the City in accordance with this **Section 3**.

Section 4. Termination of Reporting Obligation. The obligations of the City under this Continuing Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the obligations of the City under this Continuing Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing

Disclosure Undertaking in the same manner as if it were the City, and the City shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the City shall give notice of such termination or substitution in the same manner as for a Material Event under *Section 3*.

Section 5. Dissemination Agents. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the City. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the City pursuant to this Continuing Disclosure Undertaking.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Undertaking, the City may amend this Continuing Disclosure Undertaking and any provision of this Continuing Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the City with its written opinion that the undertaking of the City contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Undertaking.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Undertaking, the City shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under *Section 3*, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that required by this Continuing Disclosure Undertaking. If the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that specifically required by this Continuing Disclosure Undertaking, the City shall have no obligation under this Continuing Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. If the City fails to comply with any provision of this Continuing Disclosure Undertaking, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this Continuing Disclosure Undertaking. A default under this Continuing Disclosure Undertaking shall not be deemed an event of default under the Bond Resolution or the Bonds, and the sole remedy under this Continuing Disclosure Undertaking in the event of any failure of the City to comply with this Continuing Disclosure Undertaking shall be an action to compel performance.

Section 9. Beneficiaries. This Continuing Disclosure Undertaking shall inure solely to the benefit of the City, the Participating Underwriter, and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 10. Severability. If any provision in this Continuing Disclosure Undertaking, the Bond Resolution or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions. The arrangement described herein may be conducted and related documents may be sent, received, or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12. Governing Law. This Continuing Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Kansas.

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IN WITNESS WHEREOF, the City has caused this Continuing Disclosure Undertaking to be executed as of the day and year first above written.

THE CITY OF MAIZE, KANSAS

(SEAL)

By: _____
Title: Mayor

ATTEST

By: _____
Title: Clerk

EXHIBIT A

**FINANCIAL INFORMATION AND OPERATING DATA
TO BE INCLUDED IN ANNUAL REPORT**

The financial information and operating data contained in tables in the following sections contained in ***Appendix A*** of the final Official Statement relating to the Bonds:

- Assessed Valuation
- Tax Rates
- Aggregate Tax Levies
- Tax Collection Record
- Major Taxpayers
- City's Authority to Incur Debt
- Current Indebtedness of the Issuer*