2021 Kansas Statutes

12-1666.   Same; no-fund warrants; authorization for issuance; interest; conditions; form; issuance and sale; redemption; notice. The governing body of a public agency shall authorize each issue of no-fund warrants by resolution which states the amount to be covered by the warrants, the denomination of each warrant and rate of interest. No-fund warrants shall bear interest at a rate not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto, mature when the federal aid is available, the total amount not to exceed in the aggregate the amount of money to be received as federal aid as shown by the commitment of the federal agency, shall be payable to the order of a payee, be payable at the office of the treasurer of the public agency, identify the commitment for federal aid and state that the no-fund warrant is payable therefrom and that, if the federal aid fails, payment will be made from tax funds available for the local program, and if none, a refunding no-fund warrant will be issued payable by not more than four annual tax levies for the purpose, or in the case of revenue producing facilities, from revenue of the facility. Such no-fund warrants shall be in substantially the following form:

(NAME OF PUBLIC AGENCY)No-fund Warrant Anticipating Federal Aid Local Program Relating to _____

No. _____ _____, 19__ To the _____ Treasurer, _____, Kansas

Pay to the order of _____, the sum of _____ dollars ($) upon receipt of county, city or federal funds for _____, with interest thereon at the rate of __ percent (%) per annum from the date hereof until paid but for not longer than 30 days after notice of call for redemption is published in _____.

This warrant is one of a series issued under authority of K.S.A. 12-1662 et seq., and amendments thereto, and authorized by and issued under resolution, dated _____, in anticipation of federal aid according to (identify documents committing the federal agency to aid for the program).

If for any reason the anticipated federal aid or any part thereof fails, this warrant shall be paid from current tax funds available for the project, but if no tax funds are available, a refunding no-fund warrant will be issued, the principal and interest of which shall be paid by a tax levied for the purpose.

If the no-fund warrant is for a revenue producing facility, the recital shall read: If for any reason the anticipated federal aid or any part thereof fails, this warrant and the interest thereon shall be paid from revenue of the facility.

(Officer of public agency having authority to sign warrants)

Attest: _____

(Clerk or Secretary)

(Seal if public agency has seal)

Countersigned and recorded:

_____ (Treasurer)

No-fund warrants issued hereunder may be issued to individual claimants for services rendered or materials furnished or may be sold at not less than par and accrued interest at private sale, be made payable to the order of the purchaser and the proceeds placed in the fund from which the local program is being financed. Such no-fund warrants and any refunding no-fund warrants shall be registered by the clerk or secretary and by the treasurer of the public agency. Interest shall be payable when due out of appropriate current funds or the general fund or bond or usual temporary note proceeds of the public agency and interest shall be included as a part of the public agency's share of the cost of the

local program. When money is available to pay such warrants, the treasurer of the public agency shall publish in the official newspaper of the city, and of other public agencies in the official county newspaper, a call for redemption describing the warrants called and stating that money is available and that interest will cease 30 days after the publication of the call. The treasurer also shall notify by mail the payee of each warrant or the later owner if the treasurer has been notified of change of ownership and the name of the new owner.

History: L. 1967, ch. 422, § 5; L. 1970, ch. 64, § 14; L. 1978, ch. 64, § 4; L. 1980, ch. 67, § 4; L. 1983, ch. 49, § 49; May 12.