

ORDINANCE NO. 246.

AN ORDINANCE PROVIDING FOR THE ISSUE BY THE CITY OF GRAND JUNCTION, IN THE STATE OF COLORADO, OF ITS NEGOTIABLE INTEREST BEARING BONDS TO BE DESIGNATED GRAND JUNCTION FUNDING BONDS, SERIES OF JANUARY FIRST, 1916, IN THE AGGREGATE AMOUNT OF TWENTY THOUSAND DOLLARS (\$20,000.00), FOR THE PURPOSE OF FUNDING AND REDEEMING A LIKE AMOUNT OF THE OUTSTANDING LEGAL WARRANTS OF THE CITY AND THE INDEBTEDNESS EVIDENCED THEREBY.

WHEREAS, the City of Grand Junction, in the County of Mesa, and State of Colorado, has now outstanding legal floating indebtedness evidenced by the legal valid warrants of the city, in the aggregate amount of nineteen thousand three hundred sixty-six dollars and fifty-four cents (\$19,366.54), with interest thereon at the rate of six per centum per annum from the first day of July, A. D. 1915; and

WHEREAS, the said City of Grand Junction has not now funds in its treasury available for the redemption and payment of said indebtedness and said warrants; and

WHEREAS, by a resolution of the City Council of the City of Grand Junction, duly adopted and approved October 15, 1915, the question of authorizing the City Council of said city to issue the negotiable interest bearing bonds of the city, to be designated Grand Junction Funding Bonds, Series of January First, 1916, in the aggregate amount of twenty-one thousand dollars (\$21,000.00), to mature as the Council may determine in not to exceed ten years after date, and bearing interest at a rate not exceeding five and one-half per centum (5½%) per annum, payable semi-annually, for the purpose of redeeming a like amount of the outstanding legal warrants of the city and the indebtedness evidenced thereby, was submitted to the qualified electors of said city at the general election for municipal officers to be held in said city on the second day of November, A. D. 1915; and

Whereas, at said election and upon the funding question so submitted a total of 1414 votes were cast by the duly qualified electors of the city upon the question so submitted, of which votes 1055 were in favor of the issue of said bonds, and 359 were against said issue, there being a total majority of 696 votes in favor of the issue of said bonds, as appears from the report of the canvassing board of said election and the resolution of the City Council adopted November 4, 1915, adopting the report of said canvassing board and finding and declaring the result of said election as aforesaid; and

Whereas, it now appears that the total amount of warrants outstanding and indebtedness evidenced thereby amounts to nineteen thousand three hundred sixty-six dollars and fifty-four cents (\$19,366.54), which amount, with interest thereon at the rate of six per centum per annum from the first day of July, 1915, to February first, 1916, the date at which the proceeds of the

funding bonds authorized by this ordinance will be available for the purpose of paying and redeeming said indebtedness, will aggregate twenty thousand and forty-four dollars and thirty-seven cents (\$20,044.37); it being the opinion of the City Council that a bond issue in the aggregate amount of twenty thousand dollars (\$20,000.00) will be sufficient, with other available funds in the treasury of the city, to pay and redeem said warrants, with interest as aforesaid; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

Section 1. That the negotiable interest bearing coupon bonds, in the name of the City of Grand Junction, be issued in the aggregate amount of twenty thousand dollars (\$20,000.00), for the purpose of paying, funding and redeeming a like amount of the outstanding legal warrants of the city and the indebtedness evidenced thereby.

Sec. 2. That the Mayor and Clerk of the city be and they are hereby authorized and directed to have prepared the negotiable interest bearing coupon bonds of the city in said aggregate amount of twenty thousand dollars (\$20,000.).

Sec. 3. That said funding bonds shall bear date the first day of January, A. D. 1916, shall bear interest at the rate of five and one-half per centum per annum, payable semi-annually, on the first day of January and the first day of July in each year, both principal and interest being payable at the office of the city treasurer of the City of Grand Junction, in Grand Junction, Colorado, or at the banking house of Kountze Brothers, in the city of New York, U. S. A.; that said issue shall consist of forty bonds, in the denomination of five hundred dollars each, numbered consecutively from one to forty, both numbers inclusive, and shall mature in accordance with the following schedule:

| BOND NUMBER. .... | MATURITY DATE.....   | AMOUNT.  |
|-------------------|----------------------|----------|
| 1-4 .....         | January 1, 1917..... | \$2,000. |
| 5-8 .....         | " " 1918.....        | 2,000.   |
| 9-12 .....        | " " 1919.....        | 2,000.   |
| 13-16 .....       | " " 1920.....        | 2,000.   |
| 17-20 .....       | " " 1921.....        | 2,000.   |
| 21-24 .....       | " " 1922.....        | 2,000.   |
| 25-28 .....       | " " 1923.....        | 2,000.   |
| 29-32 .....       | " " 1924.....        | 2,000.   |
| 33-36 .....       | " " 1925.....        | 2,000.   |
| 37-40 .....       | " " 1926.....        | 2,000.   |

Said bonds shall be signed by the Mayor of the city and shall bear the seal of the city affixed and attested by the City Clerk, and the coupons thereto annexed representing the semi-annual interest thereon shall be signed by the city treasurer by his engraved fac-simile signature, and when so signed said coupons shall be taken to be the valid obligations of said city, evidencing the

interest accruing on said bonds.

Sec. 4. That said bonds and the interest coupons thereto attached shall be in substantially the following form:

(Form of Bond.)

UNITED STATES OF AMERICA,

State of Colorado.

COUNTY OF MESA.

CITY OF GRAND JUNCTION.

GRAND JUNCTION FUNDING BONDS.

Series of January 1, 1916.

- - - -

No. \_\_\_\_\_

\$500.00

The City of Grand Junction, in the County of Mesa and State of Colorado, for value received hereby acknowledges itself to be indebted and promises to pay to the bearer hereof the sum of five hundred dollars, in lawful money of the United States of America, on the first day of January, A. D. 19\_\_, with interest thereon at the rate of five and one-half per centum, payable semi-annually on the first day of July and the first day of January in each year, both principal and interest being payable at the office of the city treasurer of the City of Grand Junction, in Grand Junction, Colorado, or at the banking house of Kountze Brothers, in the city of New York, U. S. A., at the holder's option, upon presentation and surrender of this bond at its maturity and of the annexed coupons as they severally become due.

This bond is issued by the City of Grand Junction for the purpose of paying, redeeming and funding a like amount of the outstanding legal warrants of the city and the indebtedness evidenced thereby, by virtue of and in full conformity with the constitution of the State of Colorado, the charter of said city, and an ordinance duly adopted, published and made a law of said city prior to the issue hereof; and it is hereby certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers in the issue of this bond, and that the issue of this bond has been authorized by the vote of a majority of the duly qualified electors of said city voting upon the question at the general election for municipal officers, held in said city on the second day of November, A. D. 1915.

It is further hereby certified, recited and warranted that this bond is issued in full satisfaction and payment of a like amount of the unpaid, payable, lawful and valid indebtedness of the City of Grand Junction and in exchange therefor, and that all necessary acts and things required to be done and conditions and things required to exist, precedent to and in the issue of this bond, to

render the same lawful and valid, have happened, have properly done and performed and did exist in due time, form and manner as required by law, and that the total indebtedness of the City of Grand Junction, including this bond, exceeds neither the statutory nor the constitutional limitations of the State of Colorado, nor the charter limitations of said city.

The faith and credit of the City of Grand Junction are hereby pledged for the punctual payment of the principal of and the interest upon this bond.

IN TESTIMONY WHEREOF, the City of Grand Junction has caused this bond to be signed by its Mayor, and the seal of the city to be hereunto affixed and attested by the City Clerk, as of this first day of January, A. D. 1916.

\_\_\_\_\_  
/s/Chas. E. Cherrington

Mayor.

Attest:

/s/\_\_\_\_\_  
City Clerk.

(Form of Coupon.)

No. \_\_\_\_\_ July \$13.75

On the first day of January, A. D. 19\_\_ , the City of Grand Junction, in the County of Mesa and State of Colorado, will pay the bearer thirteen and 75/100 dollars, in lawful money of the United States, at the office of the city treasurer in said city, or at the banking house of Kountze Brothers, in the city of New York, U. S. A., being six months' interest on Grand Junction Funding Bond, Series of January first, 1916.

No. \_\_\_\_\_

(Fac-simile signature)

\_\_\_\_\_  
City Treasurer.

Sec. 5. That when the funding bonds hereby authorized are duly executed as aforesaid and ready for delivery, they shall be delivered to Sweet, Causey, Foster & Company, of Denver, Colorado, in accordance with the purchase contract heretofore entered into between the City of Grand Junction and said Sweet, Causey, Foster & Company, and the proceeds thereof shall be used exclusively for the purpose of paying, redeeming and funding a like amount of the outstanding legal warrants of the city and the indebtedness evidenced thereby, and when issued, the funding bonds hereby authorized shall be duly registered by the City Clerk in a book to

be by him kept for that purpose, therein noting the date and maturity dates, interest paying periods and the respective interest and principal amounts.

And the city treasurer shall keep a like register and shall therein enter the floating indebtedness and outstanding legal warrants of the city which may be funded, paid and redeemed by the issue of the bonds hereby authorized.

Sec. 6. For the payment of the half yearly interest accrued on each bond actually delivered and issued hereunder the City Council shall levy annually and cause to be collected a sufficient tax upon all the taxable property in said city fully to discharge and pay said interest; and for the ultimate redemption of such bonds the City Council shall annually levy, beginning with the year 1916, and cause to be collected such a tax upon all the taxable property in said city as will create a yearly fund sufficient in the aggregate to pay the principal of such bonds at the time of the maturity thereof, which fund shall be called the redemption fund; and said taxes are hereby levied and when collected shall be kept for and applied only to the payment of such interest and principal, respectively, as the same become due, and for no other purpose whatsoever.

And it shall be the duty of the City Council of said city annually at the time and in the manner provided by law for levying other city taxes, if such action shall be necessary to effectuate the provisions of this ordinance, to ratify and carry out the provisions hereof with reference to the levying and collection of taxes, and shall require the officers of and for said city to levy, extend and collect such taxes in the manner provided by law for the purpose of creating a fund for the payment of the principal of said bonds and the interest thereon, and any such taxes, when collected, shall be kept for and applied only to the payment of the interest and principal of said bonds, as hereinbefore specified.

Sec. 7. This ordinance shall be irrevocable until the indebtedness herein contracted and the bonds issued as herein provided shall have been fully paid.

Adopted and approved this 19th day of January, A. D. 1916.

/s/Chas. E. Cherrington

Mayor.

Attest:

/s/Charles K. Holmburg  
City Clerk.

I HEREBY CERTIFY, that the foregoing ordinance, entitled "An Ordinance Providing for the Issue by the City of Grand Junction,

in the State of Colorado, of its Negotiable Interest Bearing Bonds to be Designated Grand Junction Funding Bonds, Series of January First, 1916, in the Aggregate Amount of Twenty Thousand Dollars (\$20,000.00) for the Purpose of Funding and Redeeming a like amount of the Outstanding Legal Warrants of the City and the Indebtedness Evidenced Thereby," was introduced and read at a regular adjourned meeting of the City Council of the City of Grand Junction, held on the 7th day of January, A. D. 1916, and that the same was published in full in The Daily News, a daily newspaper published and in general circulation in said city, at least ten days before its passage.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said city, this 19th day of January, A. D. 1916.

/s/Charles K. Holmburg  
City Clerk.

First publication, January 8, 1916.

Final publication, January 21, 1916.