	CITY OF COFFEYVILLE **BOARD OF COMMISSIONERS AGENDA ITEM**	
MEETING DATE	September 24, 2013	
RESOLUTION OR ORDINANCE NUMBER	R-13-81 & S-13-06	
AGENDA TITLE	**A RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION ELECTRIC UTILITY SYSTEM REFUNDING BONDS, SERIES 2013-A, OF THE CITY OF COFFEYVILLE, KS.**	
REQUESTING DEPARTMENT	Finance Department	
PRESENTER	Stephanie A. Richardson, Finance Director	
FISCAL INFORMATION	Cost as recommended:	N/A
	Budget Line Item:	N/A
	Balance Available	N/A
	New Appropriation Required:	[X] Yes [ ] No
PURPOSE	Authorizing the offering of general obligation electric revenue bonds, Series 2013-A.	

BACKGROUND	As identified in the residential survey conducted in 2013, good stewardship of public funds is one of the City's top four priorities. The commission recently approved a contract with Springsted Incorporated to serve as our independent financial advisor, and staff requested their first task be the refunding of our General Obligation Electric Utility System Refunding Bonds-Series 2004-B. The commission determined at the September 10, 2013, meeting to move forward with an accelerated principal repayment term for the new bond issue. This will maximize our projected savings while maintaining a steady annual debt service payment for the utility. With this type of refunding, the majority of the savings will be realized in the final year (2021). Projections show an aggregate future value savings of approximately $677,340 with a net present value benefit of approximately $600,100.
SPECIAL NOTES	N/A
ANALYSIS	There are two items on the agenda this evening related to the refunding of our 2004-B General Obligation Electric Utility System Refunding Bonds. The first item authorizes the Financial Advisor to proceed with the offering and authorizes the Financial Advisor and Gilmore & Bell, PC (Bond Counsel) in conjunction with city staff to proceed with the preparation and distribution of a preliminary official statement and notice of bond sale. This action also makes provisions for payment and redemption of the refunded bonds. The second item is the Ordinance authorizing the bond sale and providing funds to refund the City's outstanding general obligation electric utility system bonds. This ordinance sets forth certain covenants providing for the payment and security of the principal and interest payments of the new general obligation bonds as they become due.
PUBLIC INFORMATION PROCESS	N/A

BOARD OR COMMISSION RECOMMENDATION	N/A
STAFF RECOMMENDATION	Staff recommends approval of the resolution and ordinance related to this bond issue.
REFERENCE DOCUMENTS ATTACHED	Springsted Incorporated Recommendations for Issuance of Bonds

RESOLUTION NO. R-13-81

RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION ELECTRIC UTILITY SYSTEM REFUNDING BONDS, SERIES 2013-A, OF THE CITY OF COFFEYVILLE, KANSAS.

WHEREAS, the City of Coffeyville, Kansas (the "Issuer") owns and operates an electric utility system (the "System"), and has heretofore issued and has outstanding bonds issued to finance or refinance improvements to the System (the "System Indebtedness"); and

WHEREAS, due to the current interest rate environment, the Issuer has the opportunity to issue its general obligation refunding bonds in order to achieve an interest cost savings on a portion of the System Indebtedness described as follows (the "Refunded Bonds"):

Description	Series	Dated Date	Years	Amount
G.O. Electric Utility System Refunding Bonds	2004-B	July 15, 2004	2014 to 2021	$5,990,000

; and

WHEREAS, the Issuer hereby selects the firm of Springsted Incorporated, Kansas City, Missouri, and Saint Paul, Minnesota ("Financial Advisor"), as financial advisor for one or more series of general obligation refunding bonds of the Issuer to be issued in order to provide funds to refund the Refunded Bonds; and

WHEREAS, the Issuer desires to authorize the Financial Advisor to proceed with the offering for sale of said general obligation refunding bonds and related activities; and

WHEREAS, one of the duties and responsibilities of the Issuer is to prepare and distribute a preliminary official statement relating to said general obligation refunding bonds; and

WHEREAS, the Issuer desires to authorize the Financial Advisor and Gilmore & Bell, P.C. ("Bond Counsel"), in conjunction with the Clerk, to proceed with the preparation and distribution of a preliminary official statement and notice of bond sale and to authorize the distribution thereof and all other preliminary action necessary to sell said general obligation refunding bonds.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF COFFEYVILLE, KANSAS, AS FOLLOWS:

Section 1. The Issuer is hereby authorized to offer for sale the Issuer's General Obligation Electric Utility System Refunding Bonds, Series 2013-A (the "Bonds") described in the Notice of Bond Sale, which is hereby approved in substantially the form presented to the governing body this date. All proposals for the purchase of the Bonds shall be delivered to the governing body at its meeting to be held on such date, at which meeting the governing body shall review such bids and award of the sale of the Bonds or reject all proposals.

Section 2. The Mayor. Director of Finance and Clerk, in conjunction with the Financial Advisor and Bond Counsel, are hereby authorized to cause to be prepared a Preliminary Official Statement, and such officials and other representatives of the Issuer are hereby authorized to use such document in connection with the sale of the Bonds.

Section 3. The Clerk, in conjunction with the Financial Advisor and Bond Counsel, is hereby authorized and directed to give notice of said bond sale by distributing copies of the Notice of Bond Sale and Preliminary Official Statement to prospective purchasers of the Bonds. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in said Notice of Bond Sale, and shall be delivered to the governing body at its meeting to be held on such date, at which meeting the governing body shall review such bids and shall award the sale of the Bonds or reject all proposals.

Section 4. For the purpose of enabling the purchaser of the Bonds (the "Purchaser") to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), the Mayor and Director of Finance or other appropriate officers of the Issuer are hereby authorized: (a) to approve the form of said Preliminary Official Statement and to execute the "Certificate Deeming Preliminary Official Statement Final" in substantially the form attached hereto as ***Exhibit A*** as approval of the Preliminary Official Statement, such official's signature thereon being conclusive evidence of such official's and the Issuer's approval thereof; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to the Municipal Securities Rulemaking Board; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the Rule.

Section 5. The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 6. The Mayor, Director of Finance, Clerk and the other officers and representatives of the Issuer, the Financial Advisor and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale of the Bonds. Such officials are also directed and authorized to make provision for payment and redemption of the Refunded Bonds.

Section 7. This Resolution shall be in full force and effect from and after its adoption.

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ADOPTED by the governing body on September 24, 2013.

_____
David George, Mayor

ATTEST:

_____
Cindy Price, City Clerk

Gilmore & Bell, P.C.
09/18/2013

EXHIBIT A

CERTIFICATE DEEMING
PRELIMINARY OFFICIAL STATEMENT FINAL

October 22, 2013

To:

Re: City of Coffeyville, Kansas, General Obligation Electric Utility System Refunding Bonds, Series 2013-A

The undersigned are the duly acting Mayor and Director of Finance of the City of Coffeyville, Kansas (the "Issuer"), and are authorized to deliver this Certificate to the addressee (the "Purchaser") on behalf of the Issuer. The Issuer has heretofore caused to be delivered to the Purchaser copies of the Preliminary Official Statement (the "Preliminary Official Statement") relating to the above-referenced bonds (the "Bonds").

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the Issuer hereby deems the information regarding the Issuer contained in the Preliminary Official Statement to be final as of its date, except for the omission of such information as is permitted by the Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Bonds depending on such matters.

CITY OF COFFEYVILLE, KANSAS

By: _____
Title: David George, Mayor

By: _____
Title: Stephanie Richardson, Director of Finance

Gilmore & Bell, P.C.
09/18/2013

NOTICE OF BOND SALE

$5,690,000*

CITY OF COFFEYVILLE, KANSAS

GENERAL OBLIGATION ELECTRIC UTILITY SYSTEM REFUNDING BONDS SERIES 2013-A

(GENERAL OBLIGATION BONDS PAYABLE
FROM UNLIMITED AD VALOREM TAXES)

Bids. Written Facsimile and electronic (as explained below) bids for the purchase of the above-referenced bonds (the "Series 2013-A Bonds") of the City of Coffeyville, Kansas (the "Issuer") herein described will be received on behalf of the undersigned Director of Finance of the Issuer at the address hereinafter set forth in the case of written bids, and via PARITY® in the case of electronic bids, until 10:30 A.M., Central Standard Time (the "Submittal Hour"), on

NOVEMBER 12, 2013

(the "Sale Date"). All bids will be publicly evaluated at said time and place and the award of the Series 2013-A Bonds to the successful bidder (the "Successful Bidder") will be acted upon by the governing body at its meeting to be held at 6:30 P.M. on the Sale Date. No oral or auction bids will be considered. Capitalized terms not otherwise defined herein shall have the meanings set forth in the hereinafter referenced Preliminary Official Statement relating to the Series 2013-A Bonds.

Terms of the Series 2013-A Bonds. The Series 2013-A Bonds will consist of fully registered bonds in the denomination of $5,000 or any integral multiple thereof (the "Authorized Denomination"). The Series 2013-A Bonds will be dated December 3, 2013 (the "Dated Date"), and will become due in principal installments on June 1 in the years as follows:

Year	Principal Amount*	Year	Principal Amount*
2014	$340,000	2018	$875,000
2015	830,000	2019	855,000
2016	855,000	2020	830,000
2017	865,000	2021	240,000

The Series 2013-A Bonds will bear interest from the Dated Date at rates to be determined when the Series 2013-A Bonds are sold as hereinafter provided, which interest will be payable semiannually on June 1 and December 1 in each year, beginning on June 1, 2014 (the "Interest Payment Dates").

***Adjustment of Issue Size**. The Issuer reserves the right to increase or decrease the total principal amount of the Series 2013-A Bonds, depending on the purchase price and interest rates bid and the offering prices specified by the Successful Bidder. The principal amount of any maturity may be adjusted by the Issuer in order to properly size the Series 2013-A Bond issue based on the premium and/or discount and interest rates bid on the Series 2013-A Bonds. The Successful Bidder may not withdraw its bid or change the interest rates bid as a result of any changes made to the principal amount of the Series 2013-A Bonds or principal of any maturity as described herein. If there is an increase or decrease in the final aggregate principal amount of the Series 2013-A Bonds or the schedule of principal payments as described above, the Issuer will notify the Successful Bidder by means of telephone or facsimile transmission, subsequently confirmed in writing, no later than 2:00 P.M., Central Standard

Time on the Sale Date. The actual purchase price for the Series 2013-A Bonds shall be calculated by applying the percentage of par value bid by the Successful Bidder against the final aggregate principal amount of the Series 2013-A Bonds, as adjusted, plus accrued interest from the date of the Series 2013-A Bonds to the date of delivery.

Place of Payment. The principal of and interest on the Series 2013-A Bonds will be payable in lawful money of the United States of America by check or draft of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"). The principal of each Series 2013-A Bond will be payable at maturity or earlier redemption to the owner thereof whose name is on the registration books (the "Bond Register") of the Bond Registrar (the "Registered Owner") upon presentation and surrender at the principal office of the Paying Agent. Interest on each Series 2013-A Bond will be payable to the Registered Owner of such Series 2013-A Bond as of the fifteenth day (whether or not a business day) of the calendar month next preceding each Interest Payment Date (the "Record Date") (a) mailed by the Paying Agent to the address of such Registered Owner as shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered 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 2013-A Bonds, by wire transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the wire transfer address to which such Registered Owner wishes to have such wire directed.

Bond Registration. The Series 2013-A Bonds will be registered pursuant to a plan of registration approved by the Issuer and the Attorney General of the State of Kansas (the "State"). The Issuer will pay for the fees of the Bond Registrar for registration and transfer of the Series 2013-A Bonds and will also pay for printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, will be the responsibility of the Owners.

Book-Entry-Only System. The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Series 2013-A Bonds. The Series 2013-A Bonds will initially be issued exclusively in "book entry" form and shall be initially registered in the name of Cede & Co., as the nominee of DTC and no beneficial owner will receive certificates representing their interests in the Series 2013-A Bonds. During the term of the Series 2013-A Bonds, so long as the book-entry-only system is continued, the Issuer will make payments of principal of, premium, if any, and interest on the Series 2013-A Bonds to DTC or its nominee as the Registered Owner of the Series 2013-A Bonds, DTC will make book-entry-only transfers among its participants and receive and transmit payment of principal of, premium, if any, and interest on the Series 2013-A Bonds to its participants who shall be responsible for transmitting payments to beneficial owners of the Series 2013-A Bonds in accordance with agreements between such participants and the beneficial owners. The Issuer will not be responsible for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that: (a) DTC determines not to continue to act as securities depository for the Series 2013-A Bonds, or (b) the Issuer determines that continuation of the book-entry-only form of evidence and transfer of ownership of the Series 2013-A Bonds would adversely affect the interests of the beneficial owners of the Series 2013-A Bonds, the Issuer will discontinue the book-entry-only form of registration with DTC. If the Issuer fails to identify another qualified securities depository to replace DTC, the Issuer will cause to be authenticated and delivered to the beneficial owners replacement Series 2013-A Bonds in the form of fully registered certificates. Reference is made to the Official Statement for further information regarding the book-entry-only system of registration of the Series 2013-A Bonds and DTC.

Redemption of Series 2013-A Bonds Prior to Maturity.

Optional Redemption. The Bonds are **not** subject to optional redemption prior to maturity.

Mandatory Redemption. A bidder may elect to have all or a portion of the Series 2013-A Bonds scheduled to mature in consecutive years issued as term bonds (the "Term Bonds") scheduled to mature in

the latest of said consecutive years and subject to mandatory redemption requirements consistent with the schedule of serial maturities set forth above, subject to the following conditions: (a) not less than all Series 2013-A Bonds of the same serial maturity shall be converted to Term Bonds with mandatory redemption requirements; and (b) a bidder shall make such an election by completing the applicable paragraph on the Official Bid Form or completing the applicable information on PARITY®.

Authority, Purpose and Security. The Series 2013-A Bonds are being issued pursuant to K.S.A. 10-427 *et seq*., as amended, and an ordinance and a resolution adopted by the governing body of the Issuer (collectively the "Series 2013-A Supplemental Resolution"). The Series 2013-A Supplemental Resolution amends and supplements Resolution No. R-04-82, adopted by the Issuer on July 13, 2004 (the "Series 2004-B Bond Resolution") as further amended and supplemented by Resolution No. R-11-117, adopted by the Issuer on December 13, 2011 (the "Series 2011-A Supplemental Resolution," and collectively with the Series 2004-B Bond Resolution and the Series 2013-A Supplemental Resolution, the "Bond Resolution"), which authorized the issuance of Additional Bonds. The Series 2013-A Bonds constitute Additional Bonds as defined in the Bond Resolution. The Series 2013-A Bonds are being issued for the purpose of refunding the Issuer's General Obligation Electric Utility System Refunding Bonds, Series 2004-B, authorized pursuant to the Series 2004-B Bond Resolution (the "Refunded Bonds") that were previously issued to refinance improvements to the Issuer's electric utility system (the "System"). The Series 2013-A Bonds shall be general obligations of the Issuer, payable from, and secured as to the payment of principal and interest by a pledge of, the net revenues of the System (the "Net Revenues"), and if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are irrevocably pledged for the prompt payment of the principal and interest on the Series 2013-A Bonds as the same become due. The lien of the Series 2013-A Bonds on the Net Revenues is subordinate to the lien of the Parity Bonds and any Parity Obligations, including the Issuer's Electric Utility System Revenue Bonds, Series 2011-A, authorized pursuant to the Series 2011-A Supplemental Resolution. The Series 2013-A Bonds constitute Subordinate Lien Bonds as defined in the Series 2013-A Bond Resolution, and upon the redemption of the Refunded Bonds, will constitute the only Outstanding Subordinate Lien Bonds.

Submission of Bids. Written bids must be made on forms which may be procured from the Financial Advisor and shall be addressed to the undersigned, and marked "Proposal for General Obligation Electric Utility System Refunding Bonds, Series 2013-A." Written bids submitted by facsimile should not be preceded by a cover sheet and should be sent only once to ***(651) 223-3002***. Confirmation of receipt of facsimile bids may be made by contacting the Financial Advisor at the number listed below. Electronic bids via PARITY® must be submitted in accordance with its Rules of Participation, as well as the provisions of this Notice of Bond Sale. If provisions of this Notice of Bond Sale conflict with those of PARITY®, this Notice of Bond Sale shall control. Bids must be received prior to the Submittal Hour on the Sale Date accompanied by the Deposit (as hereinafter defined), which may be submitted separately. The Issuer shall not be responsible for any failure, misdirection or error in the means of transmission selected by any bidder.

PARITY®. Information about the electronic bidding services of PARITY® may be obtained from i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Phone No. (212) 849-5023.

Conditions of Bids. Proposals will be received on the Series 2013-A Bonds bearing such rate or rates of interest as may be specified by the bidders, subject to the following conditions: (a) the same rate shall apply to all Series 2013-A Bonds of the same maturity year; (b) no interest rate may exceed a rate equal to the daily yield for the 10-year Treasury Bond published by ***THE BOND BUYER***, in New York, New York, on the Monday next preceding the day on which the Series 2013-A Bonds are sold, plus 6%; (c) no supplemental interest payments will be considered; (d) each interest rate specified shall be in integral multiples of 1/100 or 1/8 of 1%; and (e) the initial offering price to the public for each maturity must be 98.0% or greater. No bid for less than ***$5,651,593*** will be considered. Each bid shall specify the total interest cost (expressed in dollars) during the term of the Series 2013-A Bonds on the basis of such bid, the discount, if any, the premium, if any, offered by the bidder, the net interest cost (expressed in dollars) on the basis of such bid, and an estimate of the TIC (as hereinafter defined) on the basis of such

bid. Each bidder shall certify to the Issuer the correctness of the information contained on the Official Bid Form; the Issuer will be entitled to rely on such certification. Each bidder agrees that, if it is awarded the Series 2013-A Bonds, it will provide the certification as to initial offering prices described under the caption "Certification as to Offering Price" in this Notice.

Good Faith Deposit. Each bid shall be accompanied by a good faith deposit (the Deposit") in the amount of $113,800 payable to the order of the Issuer to secure the Issuer from any loss resulting from the failure of the bidder to comply with the terms of its bid. ***The Deposit must be received by the Issuer or the Financial Advisor prior to the Submittal Hour, unless such Deposit is submitted by wire transfer as described below, in which case the Deposit must be received by 10:00 A.M. CST on the Sale Date***. The Deposit may be submitted in any of the following forms:

(a) Certified or cashier's check drawn on a bank located in the United States of America;

(b) financial surety bond as hereinafter described (the "Surety Bond"); or

(c) wire transfer in Federal Reserve funds, immediately available for use by the Issuer, transmitted to the Financial Advisor on behalf of the Issuer. Deposits sent to the Financial Advisor on behalf of the Issuer in the form of a wire transfer of Federal Reserve funds shall be sent to:

Wells Fargo Bank, N.A., San Francisco, CA 94104
ABA #121000248
for credit to Springsted Incorporated, Account #635-5007954
Ref: City of Coffeyville, Kansas Series 2013-A Good Faith Deposit

Contemporaneously with the submission of a wire transfer Deposit, such bidder shall send an email to the Financial Advisor at bond_services@springsted.com including the following information: (a) notification that a wire transfer has been made; (b) the amount of the wire transfer; and (c) return wire transfer instructions in the event such bid is unsuccessful. All Surety Bonds must be from an insurance or surety company rated "AA" by Standard & Poor's Ratings Services, a division of McGraw Hill Financial Inc., or "Aa" by Moody's Investors Service and licensed to issue such a surety bond in the State. The Surety Bond must identify each bidder whose deposit is guaranteed by such Surety Bond. Good Faith checks submitted by unsuccessful bidders will be returned; wire transfer Deposits submitted by unsuccessful bidders will not be accepted or shall be returned in the same manner received on the next business day following the Sale Date. The Issuer reserves the right to withhold reasonable charges for any fees or expenses incurred in returning a wire transfer Deposit. If the sale of the Series 2013-A Bonds is awarded to a bidder utilizing a Surety Bond, the Successful Bidder is required to submit to the Issuer a cashier's or certified check or wire transfer of immediately available federal funds to such financial institution requested by the Issuer, not later than 2:00 p.m., Central Standard Time on the next business day following the Sale Date. If such funds are not received by such time, the Surety Bond may be drawn on by the Issuer to satisfy the Deposit requirement. No interest on the Deposit will be paid by the Issuer. If a bid is accepted, the Deposit, or the proceeds thereof, will be held by the Issuer until the Successful Bidder has complied with all of the terms and conditions of this Notice at which time the amount of said Deposit shall be returned to the Successful Bidder or deducted from the purchase price at the option of the Issuer. If a bid is accepted but the Issuer fails to deliver the Series 2013-A Bonds to the Successful Bidder in accordance with the terms and conditions of this Notice, said Deposit, or the proceeds thereof, will be returned to the Successful Bidder. If a bid is accepted but the bidder defaults in the performance of any of the terms and conditions of this Notice, the proceeds of such Deposit will be retained by the Issuer as and for liquidated damages.

Basis of Award. Subject to the timely receipt of the Deposit set forth above, the award of the Series 2013-A Bonds will be made on the basis of the lowest true interest cost ("TIC"), which will be determined as follows: the TIC is the discount rate (expressed as a per annum percentage rate) which, when used in computing the present value of all payments of principal and interest to be paid on the Series 2013-A Bonds, from the payment dates to the Dated Date, produces an amount equal to the price bid, including any adjustments for premium or discount, if any. Present value will be computed on the

basis of semiannual compounding and a 360-day year of twelve 30-day months. Bidders are requested to provide a calculation of the TIC for the Series 2013-A Bonds on the Official Bid Form, computed as specified herein on the basis of their respective bids, which shall be considered as informative only and not binding on either the Issuer or the bidder. The Financial Advisor will verify the TIC based on such bids. If there is any discrepancy between the TIC specified and the bid price and interest rates specified, the specified bid price and interest rates shall govern and the TIC specified in the bid shall be adjusted accordingly. If two or more proper bids providing for identical amounts for the lowest TIC are received, the governing body of the Issuer will determine which bid, if any, will be accepted, and its determination is final.

The Issuer reserves the right to reject any and/or all bids and to waive any irregularities in a submitted bid. Any bid received after the Submittal Hour on the Sale Date will be returned to the bidder. Any disputes arising hereunder shall be governed by the laws of the State, and any party submitting a bid agrees to be subject to jurisdiction and venue of the federal and state courts within Kansas with regard to such dispute. The award of the Series 2013-A Bonds is predicated upon the Issuer achieving a certain level of savings in conjunction with the refunding issue, such amount to be solely determined by the Issuer.

The Issuer's acceptance, including electronic acceptance through PARITY®, of the Successful Bidder's proposal for the purchase of the Series 2013-A Bonds in accordance with this Notice of Bond Sale shall constitute a bond purchase agreement between the Issuer and the Successful Bidder for purposes of the laws of the State and a contract between the Issuer and the Successful Bidder for the purposes of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") and Rule G-32 of the Municipal Securities Rulemaking Board ("Rule G-32"). The method of acceptance shall be determined solely by the governing body of the Issuer.

Bond Ratings. The Issuer has applied to Standard & Poor's Ratings Services, a division of McGraw Hill Financial Inc. for a rating on the Series 2013-A Bonds herein offered for sale.

Optional Bond Insurance. The Issuer has **not** applied for any policy of municipal bond insurance with respect to the Series 2013-A Bonds. If the Series 2013-A Bonds qualify for municipal bond insurance, and any bidder desires to purchase such policy, such indication and the name of the desired insurer must be set forth on the bidder's Official Bid Form. ***The Issuer specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the Issuer***. All costs associated with the issuance of such policy and associated ratings and expenses (other than any independent rating requested by the Issuer) shall be paid by the Successful Bidder. Failure of the municipal bond insurer to issue the policy after the award of the Series 2013-A Bonds shall not constitute cause for failure or refusal by the Successful Bidder to accept delivery of the Series 2013-A Bonds.

CUSIP Numbers. CUSIP identification numbers will be assigned and printed on the Series 2013-A Bonds, but neither the failure to print such number on any Series 2013-A Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Series 2013-A Bonds in accordance with the terms of this Notice. All expenses in relation to the assignment and printing of CUSIP numbers on the Series 2013-A Bonds will be paid by the Issuer.

Delivery and Payment. The Issuer will pay for preparation of the Series 2013-A Bonds and will deliver the Series 2013-A Bonds properly prepared, executed and registered without cost on or about **DECEMBER 3, 2013** (the "Closing Date"), to DTC for the account of the Successful Bidder. The Successful Bidder will be furnished with a certified transcript of the proceedings evidencing the authorization and issuance of the Series 2013-A Bonds and the usual closing documents, including a certificate that there is no litigation pending or threatened at the time of delivery of the Series 2013-A Bonds affecting their validity and a certificate regarding the completeness and accuracy of the Official Statement. Payment for the Series 2013-A Bonds shall be made in federal reserve funds, immediately

available for use by the Issuer. The Issuer will deliver one Series 2013-A Bond of each maturity registered in the nominee name of DTC.

Reoffering Prices. To provide the Issuer with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), the Successful Bidder will be required to complete, execute and deliver to the Issuer prior to the delivery of the Series 2013-A Bonds, a written certification (the "Issue Price Certificate") containing the following: (a) the initial offering price and interest rate for each maturity of the Series 2013-A Bonds; (b) that all of the Series 2013-A Bonds were offered to the public in a bona fide public offering at the initial offering prices on the Sale Date; and (c) on the Sale Date the Successful Bidder reasonably expected that at least 10% of each maturity of the Series 2013-A Bonds would be sold to the "public" at prices not higher than the initial offering prices. For purposes of the preceding sentence "public" means persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers. However, such Issue Price Certificate may indicate that the Successful Bidder has purchased the Series 2013-A Bonds for its own account in a capacity other than as an underwriter or wholesaler, and currently has no intent to reoffer the Series 2013-A Bonds for sale to the public.

Subsequent to the Submittal Hour, such initial offering prices to the public shall be provided to the Financial Advisor not more than 20 minutes after requested by the Financial Advisor.

At the request of the Issuer, the Successful Bidder will provide information explaining the factual basis for the Successful Bidder's Issue Price Certificate. This agreement by the Successful Bidder to provide such information will continue to apply after the Closing Time if: (a) the Issuer requests the information in connection with an audit or inquiry by the Internal Revenue Service (the "IRS") or the Securities and Exchange Commission (the "SEC") or (b) the information is required to be retained by the Issuer pursuant to future regulation or similar guidance from the IRS, the SEC or other federal or state regulatory authority.

Official Statement. The Issuer has prepared an Official Statement dated October 22, 2013, copies of which may be obtained from the Financial Advisor. Upon the sale of the Series 2013-A Bonds, the Issuer will supplement such Official Statement by an addendum or addenda specifying final terms of the Series 2013-A Bonds, together with any other information required by the SEC Rule or other applicable law, which shall result in a "final Official Statement" (as said term is defined in the SEC Rule). The Issuer agrees to furnish the Successful Bidder, without cost, within seven business days of the acceptance of the Successful Bidder's proposal, with a sufficient number of copies thereof, which may be in electronic format, in order for the Successful Bidder to comply with the requirements of the Rule and Rule G-32. Additional copies may be ordered by the Successful Bidder at its expense.

Continuing Disclosure. In the Series 2013-A Bond Resolution, the Issuer has covenanted to provide annually certain financial information and operating data and other information necessary to comply with the Rule, and to transmit the same to the Municipal Securities Rulemaking Board. This covenant is for the benefit of and is enforceable by any Registered Owner of the Series 2013-A Bonds. For further information, reference is made to the caption "CONTINUING DISCLOSURE" in the Preliminary Official Statement.

Assessed Valuation and Indebtedness. The total assessed valuation of the taxable tangible property within the Issuer for the year 2013 is as follows:

Equalized Assessed Valuation of Taxable Tangible Property	$[_____]
Tangible Valuation of Motor Vehicles (2012)	[_____]
Equalized Assessed Tangible Valuation for Computation of Bonded Debt Limitations	$[_____]

The total general obligation indebtedness of the Issuer as of the Dated Date, including the Series 2013-A Bonds being sold, is $18,050,000. The Refunded Bonds in the principal amount of $5,990,000 will be retired out of proceeds of the Series 2013-A Bonds, which will reduce the outstanding general obligation indebtedness of the Issuer to $12,060,000.

Legal Opinion. The Series 2013-A Bonds will be sold subject to the approving legal opinion of GILMORE & BELL, P.C., WICHITA, KANSAS, Bond Counsel, which opinion will be furnished and paid for by the Issuer, will be printed on the Series 2013-A Bonds, if the Series 2013-A Bonds are printed, and will be delivered to the Successful Bidder when the Series 2013-A Bonds are delivered. Said opinion will also include the opinion of Bond Counsel relating to the interest on the Series 2013-A Bonds being excludable from gross income for federal income tax purposes and exempt from income taxation by the State of Kansas. Reference is made to the Preliminary Official Statement for further discussion of federal and Kansas income tax matters relating to the interest on the Series 2013-A Bonds.

Additional Information. Additional information regarding the Series 2013-A Bonds may be obtained from the undersigned or from the Financial Advisor at the addresses set forth below:

DATED: September 24, 2013.

CITY OF COFFEYVILLE, KANSAS
By Stephanie Richardson, Director of Finance

Issuer – Written Bid and Good Faith Deposit Delivery Address:

City Hall
102 W 7th Street
P.O. Box 1629
Coffeyville, Kansas 67337
Phone No.: (620) 252-6100
Fax No.: (620) 252-6175
Email: srichardson@coffeyville.com

Financial Advisor – Facsimile Bid and Good Faith Deposit Delivery Address:

Springsted Incorporated, Attn: Bond Services
380 Jackson Street, Suite 300
St. Paul, Minnesota 55101-2887
Phone No. (651) 223-3000
Fax No. (651) 223-3046
Email: bond_services@springsted.com

OFFICIAL BID FORM

PROPOSAL FOR THE PURCHASE OF CITY OF COFFEYVILLE, KANSAS
GENERAL OBLIGATION ELECTRIC UTILITY SYSTEM REFUNDING BONDS

TO: Cindy Price, Clerk
City of Coffeyville, Kansas

November 12, 2013

For $5,690,000* principal amount of General Obligation Electric Utility System Refunding Bonds, Series 2013-A, of the City of Coffeyville, Kansas, to be dated December 3, 2013, as described in the Notice of Bond Sale dated September 24, 2013, said Series 2013-A Bonds to bear interest as follows:

Stated Maturity June 1	Principal Amount*	Annual Rate of Interest	Stated Maturity June 1	Principal Amount*	Annual Rate of Interest
2014	$340,000	_____%	2018	$875,000	_____%
2015	830,000	_____%	2019	855,000	_____%
2016	855,000	_____%	2020	830,000	_____%
2017	865,000	_____%	2021	240,000	_____%

* Subject to change; see Notice of Bond Sale.

the undersigned will pay the purchase price for the Series 2013-A Bonds set forth below, plus accrued interest to the date of delivery.

Principal Amount $5,690,000*
Less Discount (not to exceed $38,407) .....-_____
Plus Premium (if any) ..... _____
Total Purchase Price .....$_____

Total interest cost to maturity at the rates specified .....$_____
Net interest cost (adjusted for Discount and/or Premium) .....$_____
True Interest Cost ..... _____%

☐ The Bidder elects to have the following Term Bonds:

Maturity Date	Years	Amount*
June 1, ____	_____ to _____	$_____
June 1, ____	_____ to _____	$_____

*subject to mandatory redemption requirements in the amounts and at the times shown above.

This proposal is subject to all terms and conditions contained in said Notice of Bond Sale, and if the undersigned is the Successful Bidder, the undersigned will comply with all of the provisions contained in said Notice. A cashier's or certified check, a wire transfer or a qualified financial surety bond in the amount of $113,800 payable to the order of the Issuer, accompanies this proposal as an evidence of good faith. The acceptance of this proposal by the Issuer by execution below shall constitute a contract between the Issuer and the Successful Bidder for purposes of complying with Rule 15c2-12 of the Securities and Exchange Commission and a bond purchase agreement for purposes of the laws of the State of Kansas.

Submitted by: _____

(LIST ACCOUNT MEMBERS ON REVERSE)

By: _____
Telephone No. (_____)_____

ACCEPTANCE

Pursuant to action duly taken by the Governing Body of the City of Coffeyville, Kansas, the above proposal is hereby accepted on November 12, 2013.

Attest:

_____
Cindy Price, City Clerk

_____
David George, Mayor

NOTE: No additions or alterations in the above proposal form shall be made, and any erasures may cause rejection of any bid. Sealed bids may be filed with the Clerk, Cindy Price, City Hall, 102 W 7th Street, P.O. Box 1629, Coffeyville, Kansas 67337, facsimile bids may be filed with Springsted Incorporated, Fax No. (651) 223-3002, or electronic bids may be submitted via ***PARITY***®, at or prior to 10:30 A.M., Central Standard Time, on November 12, 2013. Any bid received after such time will not be accepted or shall be returned to the bidder.

City of Coffeyville, Kansas

Recommendations for Issuance of Bonds

$5,690,000 General Obligation Electric Utility System Refunding Bonds, Series 2013-A

The City Commission has under consideration the issuance of bonds to refund the outstanding maturities of the City's General Obligation Electric Utility System Refunding Bonds, Series 2004-B (the "Series 2004-B Bonds"). This document provides information relative to the proposed issuance.

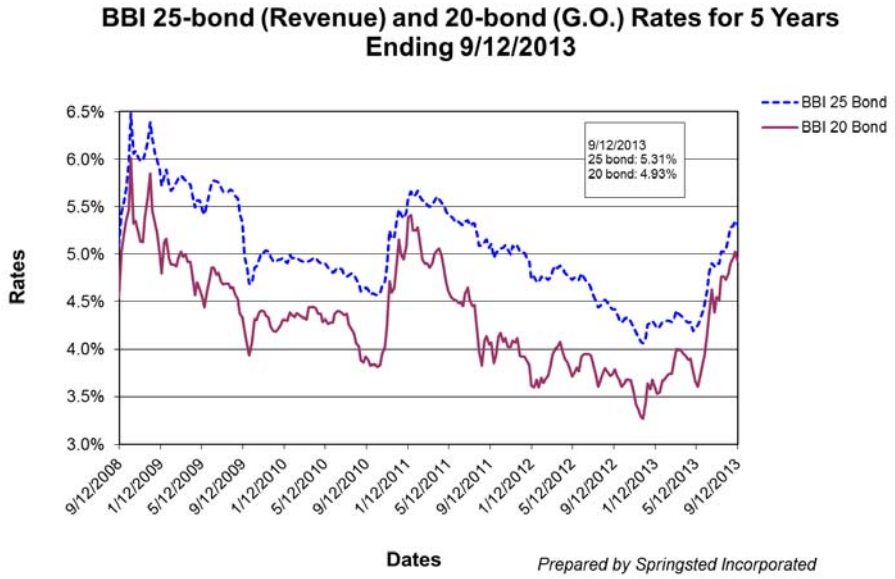
KEY EVENTS: The following summary schedule includes the timing of some of the key events that will occur relative to the bond issuance.

September 24, 2013	City Commission sets sale date and terms
Week of November 11, 2013	Rating conference is conducted and receipt of rating
November 12, 2013, 10:30 a.m.	Competitive proposals are received
November 12, 2013, 6:30 p.m.	City Commission considers award of Bonds
December 3, 2013	Proceeds are received and the Series 2004-B Bonds are redeemed

RATING: An application will be made to Standard & Poor's Ratings Services for a rating on the Bonds. The City's general obligation debt is currently rated "A" by S&P.

THE MARKET: Municipal bond rates decreased dramatically as the recession deepened in late 2008 and early 2009 fueled by investor uneasiness, low municipal borrowing and actions of the Federal Reserve to keep interest rates low as a means to stimulate the overall economy. Over the past few months, however, this trend has reversed as improved consumer confidence and economic activity resulted in significant flow of funds out of municipal bonds into the equities market. Additionally, the Federal Reserve has indicated that it intends to begin easing its support of low interest rates. The cumulative result has been a return to municipal bond interest rates more in line with historic averages.

Performance of the tax-exempt market is often measured by the Bond Buyer's Index ("BBI") which measures the yield of high grade municipal bonds in the 20th year for general obligation bonds (the BBI 20 Bond Index) and the 30th year for revenue bonds (the BBI 25 Bond Index). The following chart illustrates these two indices over the past five years.



Springsted

POST ISSUANCE COMPLIANCE:

The issuance of the Bonds will result in post-issuance compliance responsibilities. The responsibilities are in two primary areas: i) compliance with federal arbitrage requirements and ii) compliance with secondary disclosure requirements.

Federal arbitrage requirements include a wide range of implications that have been taken into account as your issue has been structured. Post-issuance compliance responsibilities for your tax-exempt issue include both rebate and yield restriction provisions of the IRS Code. In general terms the arbitrage requirements control the earnings on unexpended bond proceeds, including investment earnings, moneys held for debt service payments (which are considered to be proceeds under the IRS regulations), and/or reserves. There is an exception to the rebate provisions for gross proceeds that are spent within a 6-month period. The City expects to meet the 6-month spending exception to rebate since the issuance of the Bonds is a current refunding transaction and the proceeds will be expending within 30 days from the date of issuance of the Bonds. Yield restriction provisions will apply to the debt service fund and any project proceeds unspent after three years under certain conditions and the funds should be monitored throughout the life of each issue.

Springsted will provide arbitrage compliance services for the Bonds pursuant to a separate contract that has been provided to City staff.

Secondary disclosure requirements result from an SEC requirement that underwriters provide ongoing disclosure information to investors. To meet this requirement, any prospective underwriter will require the City to commit to providing the information needed to comply under a continuing disclosure agreement.

We understand that continuing disclosure compliance services are being monitored internally.

PURPOSE:

Proceeds of the Bonds along with a contribution of $386,000 from accumulated debt service funds from the Series 2004-B Bonds, will be used to refund the June 1, 2014 through 2021 maturities of the City's General Obligation Electric Utility System Refunding Bonds, Series 2004-B, dated July 14, 2004 and outstanding in the principal amount of $5,990,000. This refunding transaction is being conducted as a current refunding and is being undertaken to provide interest cost savings to the City.

The Series 2004-B Bonds were originally issued to refund all the outstanding maturities of the City's outstanding electric system revenue bonds (the "Series 1999-A Bonds" and "Series 2000 Bonds"). The Series 1999-A Bonds originally funded (i) a new substation; (ii) a transmission line re-route; (iii) a new transmission line to the industrial park; (iv) repair and replacement of boilers; and (v) substation upgrades. The Series 2000 Bonds funded (i) modification to 5 substations; (ii) replace of a transformer at the industrial park substation; (iii) installation of transmission/distribution line; (iv) boiler repair and replacement; and (v) substation upgrades.

AUTHORITY:

Statutory Authority: The Bonds are being issued pursuant to K.S.A. 10-427 *et Seq.*, as amended, and an ordinance and a resolution (the "Resolution") adopted by the Commission.

Existing Covenants: Pursuant to the Resolution authorizing the Bonds, the City will be required to establish and maintain rates and charges sufficient for the use and service of the electric system (the "System") so as to produce general system revenues sufficient to

(i) pay the expenses of the System; (ii) pay the debt service requirements on the Bonds; (iii) maintain certain debt service coverage ratios on all outstanding senior lien bonds, parity bonds, junior lien and subordinate lien bonds as detailed in the Resolution and (iv) provide reasonable and adequate reserves.

SECURITY AND SOURCE OF PAYMENT:

The Bonds will be a general obligation of the City secured by its full faith and credit and taxing power. The Bonds are payable primarily from net revenues (the "Net Revenues") of the City's Electric System and if no so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all taxable tangible property, real and personal, within the territorial limits of the City.

The Bonds are considered subordinate lien bonds in respect to the pledge of Net Revenues of the System. The Bonds are the only subordinate lien bonds and are subordinate to any parity bonds or senior lien bonds. The City has one outstanding parity bond issue; the City's Electric Utility System Revenue Bonds, Series 2011-A, which is a senior lien obligation. Based on 2012 net revenues of the System of $6,758,045.44*, coverage to total debt service (subordinate and senior lien obligations) is in excess of 7 times.

** Source: the City's 2012 audited financial statements.*

STRUCTURING SUMMARY:

At the direction of the City, principal repayment on the Bonds has been structured to accelerate the original principal repayment term. This structure results in the City realizing all of the projected savings in the final year (2021). The City's annual debt service payments will remain roughly unchanged. By paying the same annual amount of debt service at a lower interest rate, the City will be able to maximize the interest cost savings.

On December 3, 2013 (the call date of the Series 2004-B Bonds), the City will use the proceeds of the Bonds along with a cash contribution of $386,000 to redeem in full the outstanding principal on the Series 2004-B Bonds. The City will be responsible for making their regularly scheduled interest payment due on December 1, 2013 on the Series 2004-B Bonds in the amount of $132,225.63.

Based on current interest rate estimates, this refunding transaction is projected to result in aggregate future value savings of approximately $677,337 with a net present value benefit to the City of approximately $600,106. These estimates are net of all costs associated with the refunding.

SCHEDULES ATTACHED:

Schedules attached include (i) preliminary feasibility summary, (ii) debt service comparison, (iii) debt service schedule (iv) debt service to maturity and to call and (v) coverage calculation.

RISKS/SPECIAL CONSIDERATIONS:

The outcome of this financing will rely on the market conditions at the time of the sale. Any projections included herein are estimates based on current market conditions.

SALE TERMS AND MARKETING:

Variability of Issue Size: A specific provision in the sale terms permits modifications to the issue size and/or maturity structure to customize the issue once the price and interest rates are set on the day of sale.

Prepayment Provisions: Based on the short duration of the Bonds, and to avoid possible negative pricing impacts, the Bonds will not be subject to redemption prior to their stated maturities.

Bank Qualification: The City does not expect to issue more than $10 million in tax-exempt obligations that counts against the $10 million limit for 2013; therefore, the Bonds are designated as bank qualified.

SUPPLEMENTAL INFORMATION AND BOND RECORD:

Supplementary information will be available to staff including detailed terms and conditions of sale, comprehensive structuring schedules and information to assist in meeting post-issuance compliance responsibilities.

Upon completion of the financing, a bond record will be provided that contains pertinent documents and final debt service calculations for the transaction.

$5,690,000

City of Coffeyville, KS

General Obligation Electric Utility System Refunding Bonds, Series 2013-A
Current Refunding of Series 2004-B

Preliminary Feasibility Summary

Dated 12/03/2013 | Delivered 12/03/2013

Sources Of Funds	
Par Amount of Bonds	$5,690,000.00
Transfers from Prior Issue Debt Service Funds	386,000.00
Total Sources	**$6,076,000.00**
Uses Of Funds	
Deposit to Current Refunding Fund	5,991,469.17
Costs of Issuance	46,000.00
Total Underwriter's Discount (0.675%)	38,407.50
Rounding Amount	123.33
Total Uses	**$6,076,000.00**
ISSUES REFUNDED AND CALL INFORMATION	
Prior Issue Call Price	100.000%
Prior Issue Call Date	12/03/2013
SAVINGS INFORMATION	
Net Future Value Benefit	$677,337.10
Net Present Value Benefit	$600,105.95
Net PV Benefit / $6,675,982.62 PV Refunded Debt Service	8.989%
BOND STATISTICS	
Average Life	3.934 Years
Average Coupon	1.6553097%
Net Interest Cost (NIC)	1.8268990%
True Interest Cost (TIC)	1.8272326%

$5,690,000

City of Coffeyville, KS

General Obligation Electric Utility System Refunding Bonds, Series 2013-A
Current Refunding of Series 2004-B

Debt Service Comparison

Date	Total P+I	Net New D/S	Old Net D/S	Savings
06/01/2014	378,434.40		772,225.63	393,791.23
06/01/2015	905,692.50	905,692.50	908,051.26	2,358.76
06/01/2016	925,297.50	925,297.50	929,576.26	4,278.76
06/01/2017	928,030.00	928,030.00	928,976.26	946.26
06/01/2018	928,082.50	928,082.50	931,163.76	3,081.26
06/01/2019	894,957.50	894,957.50	896,820.00	1,862.50
06/01/2020	854,140.00	854,140.00	856,495.00	2,355.00
06/01/2021	245,880.00	245,880.00	900,420.00	654,540.00
Total	$6,060,514.40	$6,060,514.40	$7,123,728.17	$1,063,213.77

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings	1,063,213.77
Gross PV Debt Service Savings	985,982.62
Net PV Cashflow Savings @ 1.648%(Bond Yield)	985,982.62
Transfers from Prior Issue Debt Service Fund	(386,000.00)
Contingency or Rounding Amount	123.33
Net Future Value Benefit	$677,337.10
Net Present Value Benefit	$600,105.95
Net PV Benefit / $1,079,957.46 PV Refunded Interest	55.568%
Net PV Benefit / $6,675,982.62 PV Refunded Debt Service	8.989%
Net PV Benefit / $5,990,000 Refunded Principal	10.018%
Net PV Benefit / $5,690,000 Refunding Principal	10.547%

Refunding Bond Information

Refunding Dated Date	12/03/2013
Refunding Delivery Date	12/03/2013

$5,690,000

City of Coffeyville, KS

General Obligation Electric Utility System Refunding Bonds, Series 2013-A

Current Refunding of Series 2004-B

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/01/2014	340,000.00	0.600%	38,434.40	378,434.40
06/01/2015	830,000.00	0.650%	75,692.50	905,692.50
06/01/2016	855,000.00	0.850%	70,297.50	925,297.50
06/01/2017	865,000.00	1.150%	63,030.00	928,030.00
06/01/2018	875,000.00	1.500%	53,082.50	928,082.50
06/01/2019	855,000.00	1.850%	39,957.50	894,957.50
06/01/2020	830,000.00	2.200%	24,140.00	854,140.00
06/01/2021	240,000.00	2.450%	5,880.00	245,880.00
Total	$5,690,000.00	-	$370,514.40	$6,060,514.40

Yield Statistics

Bond Year Dollars	$22,383.39
Average Life	3.934 Years
Average Coupon	1.6553097%
Net Interest Cost (NIC)	1.8268990%
True Interest Cost (TIC)	1.8272326%
Bond Yield for Arbitrage Purposes	1.6478806%
All Inclusive Cost (AIC)	2.0442917%

IRS Form 8038

Net Interest Cost	1.6553097%
Weighted Average Maturity	3.934 Years

$10,010,000

City of Coffeyville, KS

General Obligation Electric Utility System Refunding Bonds, Series 2004-B

Debt Service To Call And To Maturity

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
12/03/2013	5,990,000.00	1,469.17	5,991,469.17	-	-	-	-
06/01/2014	-	-	-	640,000.00	4.125%	132,225.63	772,225.63
12/01/2014	-	-	-	-	-	119,025.63	119,025.63
06/01/2015	-	-	-	670,000.00	4.250%	119,025.63	789,025.63
12/01/2015	-	-	-	-	-	104,788.13	104,788.13
06/01/2016	-	-	-	720,000.00	4.250%	104,788.13	824,788.13
12/01/2016	-	-	-	-	-	89,488.13	89,488.13
06/01/2017	-	-	-	750,000.00	4.375%	89,488.13	839,488.13
12/01/2017	-	-	-	-	-	73,081.88	73,081.88
06/01/2018	-	-	-	785,000.00	4.375%	73,081.88	858,081.88
12/01/2018	-	-	-	-	-	55,910.00	55,910.00
06/01/2019	-	-	-	785,000.00	4.500%	55,910.00	840,910.00
12/01/2019	-	-	-	-	-	38,247.50	38,247.50
06/01/2020	-	-	-	780,000.00	4.625%	38,247.50	818,247.50
12/01/2020	-	-	-	-	-	20,210.00	20,210.00
06/01/2021	-	-	-	860,000.00	4.700%	20,210.00	880,210.00
Total	$5,990,000.00	$1,469.17	$5,991,469.17	$5,990,000.00	-	$1,133,728.17	$7,123,728.17

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/03/2013
Average Life	4.188 Years
Average Coupon	4.5133796%
Weighted Average Maturity (Par Basis)	4.188 Years

Refunding Bond Information

Refunding Dated Date	12/03/2013
Refunding Delivery Date	12/03/2013

City of Coffeyville, Kansas

Total Debt Service Payable from Net Revenues of the Electric Utiliy
Senior Lien Bonds and Subordinate Lien Bonds

Aggregate Debt Service and Coverage

Calendar Year	Senior Lien Bonds		Subordinate Lien Bonds			Total Senior Lien + Subordinate Lien Debt	Coverage Net Revenue to Total D/S (times)
	2011-A Elect Util Sys Rev Bonds	Coverage to 2012 Net Revenues (times)	2004-B GO Elec Rev Bonds	2013-A GO Elec Rev Ref Bonds(Ref 2004)	Coverage to 2012 Net Revenues (times)		
2013	50,660.00	133.40	891,751.26		7.58	942,411.26	7.17
2014	50,660.00	133.40		808,393.03	8.36	859,053.03	7.87
2015	50,660.00	133.40		903,730.00	7.48	954,390.00	7.08
2016	50,660.00	133.40		922,398.75	7.33	973,058.75	6.95
2017	50,660.00	133.40		923,791.25	7.32	974,451.25	6.94
2018	50,660.00	133.40		922,255.00	7.33	972,915.00	6.95
2019	50,660.00	133.40		887,783.75	7.61	938,443.75	7.20
2020	50,660.00	133.40		845,745.00	7.99	896,405.00	7.54
2021	50,660.00	133.40		273,307.50	24.73	323,967.50	20.86
2022	643,560.00	10.50			-	643,560.00	10.50
2023	643,230.00	10.51			-	643,230.00	10.51
-	$1,742,730.00		$891,751.26	$6,487,404.28		$9,121,885.54	

*** 2012 Net Income as per the City's 2012 Audited Financial Statements is $6,758,045.44**