

PRELIMINARY OFFICIAL STATEMENT DATED APRIL __, 2024

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

**NEW ISSUE
BOOK ENTRY ONLY**

**MOODY'S RATING: "___"
See "Rating" herein.**

In the opinion of Gilmore & Bell, P.C., Bond Counsel, 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 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax, (2) the interest on the Bonds is exempt from income taxation by the State of Missouri and (3) the Bonds are not "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

Bond Counsel notes that for tax years beginning after December 31, 2022, interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See "TAX MATTERS" in this Official Statement.

\$12,900,000*
CITY OF LEE'S SUMMIT, MISSOURI
SPECIAL OBLIGATION BONDS
(DOWNTOWN MARKET PLAZA PROJECT)
SERIES 2024A

**Due: April 1, as shown on
the inside cover page**

Dated: Date of Delivery

The Bonds are issuable only 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 Bonds will be made in book-entry form, in authorized denominations. Purchasers will not receive certificates representing their interests in Bonds purchased. So long as Cede & Co. is the registered owner of the bonds, as nominee of DTC, references herein to the Bondowners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (herein defined) of the Bonds.

The Bonds will be issued in the denomination of \$5,000 or any integral multiple thereof. Semiannual interest will be payable on April 1 and October 1, beginning on October 1, 2024. Principal will be payable upon presentation and surrender of the Bonds by the registered owners thereof at the payment office of UMB Bank, N.A., Kansas City, Missouri, Paying Agent. Interest will be payable by check or draft of the Paying Agent mailed (or by electronic transfer in certain circumstances as described herein) to the persons who are the registered owners of the Bonds as of the close of business on the fifteenth day of the month preceding the interest payment date. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner. DTC is expected, in turn, to remit such payments to the DTC Participants (herein defined) for subsequent disbursement to the Beneficial Owners.

The Bonds are subject to redemption prior to maturity as described herein.

The Bonds and the interest thereon will constitute special obligations of the City payable solely from amounts appropriated in each Fiscal Year (i) out of the income and revenues of the City provided for such Fiscal Year, plus (ii) any unencumbered balances from previous years. The City is not obligated to make any such annual appropriation. The Bonds do not constitute general obligations or indebtedness of the City within the meaning of any constitutional, charter or statutory debt limitation or restriction, and the City does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys or property of the City to pay the principal of and interest on the Bonds. The fiscal year of the City begins on each July 1 and ends on June 30 (the "Fiscal Year").

The Bonds are offered when, as and if issued by the City, subject to the approval of legality by Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel. Certain legal matters related to the Official Statement will be passed upon by Gilmore & Bell, P.C., Kansas City, Missouri. It is expected that the Bonds will be available for delivery at The Depository Trust Company in New York, New York on or about May __, 2024.

Bids for the Bonds will only be received electronically through Columbia Capital Auction as described in the Notice of Sale until 10:00 A.M., Central Time, on _____, 2024.

The date of this Official Statement is May __, 2024.

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. 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 may this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor may there be any sale of these securities in any jurisdictions in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

\$12,900,000*
CITY OF LEE'S SUMMIT, MISSOURI
SPECIAL OBLIGATION BONDS
(DOWNTOWN MARKET PLAZA PROJECT)
SERIES 2024A

MATURITY SCHEDULE

Serial Bonds*

<u>Due April 1</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Price</u>	<u>Yield</u>
2025	\$470,000			
2026	410,000			
2027	430,000			
2028	450,000			
2029	470,000			
2030	495,000			
2031	520,000			
2032	545,000			
2033	575,000			
2034	605,000			
2035	635,000			
2036	665,000			
2037	695,000			
2038	730,000			
2039	770,000			
2040	805,000			
2041	850,000			
2042	890,000			
2043	925,000			
2044	965,000			

* Preliminary, subject to change.

CITY OF LEE'S SUMMIT, MISSOURI
220 SE Green Street
Lee's Summit, Missouri 64063
(816) 969-1000

MAYOR AND CITY COUNCIL

Bill Baird, *Mayor*
Beto Lopez, *Mayor Pro Tem*
Fred DeMoro, *Council Member*
Phyllis Q. Edson, *Council Member*
Andrew S. Felker, *Council Member*
Faith Hodges, *Council Member*
John Lovell, *Council Member*
Mia Prier, *Council Member*
Hillary Shields, *Council Member*

CITY ADMINISTRATION

Mark Dunning, *City Manager*
Ryan Elam, *Assistant City Manager*
Donna Lake, *Assistant City Manager*
Christal Weber, *Assistant City Manager*
Bette Wordelman, *Finance Director*

MUNICIPAL ADVISOR

Columbia Capital Management, LLC
Merriam, Kansas

CERTIFIED PUBLIC ACCOUNTANT

RSM US LLP
Kansas City, Missouri

BOND COUNSEL

Gilmore & Bell, P.C.
Kansas City, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesperson or other person has been authorized by the City or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this 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 Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of 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 has been furnished by the City and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this 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 City or others since the date hereof.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as 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 that information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOTT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES OR "BLUE SKY" LAWS. THE BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "anticipate," "projected," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. NEITHER THE CITY NOR ANY OTHER PARTY PLANS TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN THEIR EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES UPON WHICH SUCH STATEMENTS ARE BASED OCCUR.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
INTRODUCTION	1	Other Factors Affecting the City	8
Purpose of the Official Statement.....	1	The Hancock Amendment.....	8
The City	1	Defeasance Risks	9
The Bonds	1	THE BOOK-ENTRY ONLY SYSTEM	9
Security and Source of Payment.....	1	Transfer Outside Book-Entry Only System ..	11
Financial Statements	2	LEGAL MATTERS	11
Risk Factors.....	2	Legal Proceedings.....	11
Continuing Disclosure Information.....	2	Approval of Legality.....	11
THE CITY	2	TAX MATTERS	12
PLAN OF FINANCING	2	Opinion of Bond Counsel.....	12
The Project	2	Other Tax Consequences	12
Sources and Uses of Funds	2	CONTINUING DISCLOSURE	13
THE BONDS	3	General.....	13
General Description	3	Prior Compliance.....	13
Redemption Provisions	3	Electronic Municipal Market Access System	
Registration, Transfer and Exchange of		(EMMA).....	14
Bonds.....	4	RATINGS	14
SECURITY AND SOURCES OF PAYMENT		MISCELLANEOUS	14
FOR THE BONDS	4	Financial Advisor.....	14
RISK FACTORS	4	Underwriting	14
No Credit Enhancement	5	Certification and Other Matters Regarding	
Changes in Economic, Demographic and		Official Statement.....	15
Market Conditions.....	5	Appendix A:	
Investment Ratings and Secondary Market ...	6	The City.....	A-1
Cybersecurity Risks.....	6	Appendix B:	
Enforcement of Remedies	6	Accountants’ Report and Audited Financial	
Bankruptcy.....	6	Statements.....	B-1
Pensions and Other Postemployment		Appendix C:	
Benefits	7	Proposed Form of Opinion of Bond Counsel .	C-1
Amendment of the Bond Ordinance.....	7	Appendix D:	
Loss of Premium from Redemption	7	Form of Continuing Disclosure Certificate... .	D-1
Risk of Audit.....	7		
Taxability	7		

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OFFICIAL STATEMENT

\$12,900,000*
CITY OF LEE'S SUMMIT, MISSOURI
SPECIAL OBLIGATION BONDS
(DOWNTOWN MARKET PLAZA PROJECT)
SERIES 2024A

INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.

Purpose of the Official Statement

The purpose of this Official Statement is to furnish information relating to (1) the City of Lee's Summit, Missouri (the "City") and (2) the City's Special Obligation Bonds (Downtown Market Plaza Project), Series 2024A (the "Bonds"), to be issued in the principal amount of \$12,900,000* to (a) fund the costs of a project for the City and (b) pay costs related to the issuance of the Bonds. The project includes of acquiring, constructing, installing, improving, furnishing, and equipping various public project components related to the City's Downtown Market Plaza, including, but not limited to, a new Farmer's Market Pavilion and the connecting event space, outdoor performance area, streetscape improvements and capital facilities improvements including Green Street and Johnson Street improvements, stormwater management improvements and utility upgrades in and around the Project site (the "Project").

The City

The City is a constitutionally chartered city and political subdivision organized and existing under the laws of the State of Missouri. See the caption "**THE CITY**" herein.

The Bonds

The Bonds are being issued pursuant to an ordinance (the "Bond Ordinance") adopted by the governing body of the City for the purpose of funding the Project and paying costs related to the issuance of the Bonds. See the caption "**THE BONDS**" herein.

Security and Source of Payment

The payment of the principal of and interest on the Bonds is subject to annual appropriation by the City. The City is not required or obligated to make any such appropriation. No property of the City is pledged or encumbered to secure payment of the Bonds.

The Bonds and the interest thereon will constitute special limited obligations of the City payable solely from amounts appropriated in each Fiscal Year (i) out of the income and revenues of the City provided for such Fiscal Year, plus (ii) any unencumbered balances from previous years. The City is not obligated to make any such annual appropriation. The Bonds do not constitute general obligations or indebtedness of the City within the meaning of any constitutional, charter or statutory debt limitation or restriction, and the City does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys or property of the City to pay the principal of and interest on the Bonds. The fiscal year of the City begins on each July 1 and ends on June 30 (the "Fiscal Year"). See the caption "**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**" herein.

* Preliminary, subject to change.

Financial Statements

Audited financial statements of the City, as of and for the year ended June 30, 2023, are included in *Appendix B* to this Official Statement. These financial statements have been audited by RSM US LLP, Kansas City, Missouri, to the extent and for the periods indicated in their report which is also included in *Appendix B* hereto.

Risk Factors

Payment of the Bonds is subject to certain risks. See the caption “**RISK FACTORS**” herein.

Continuing Disclosure Information

The City has covenanted in its Continuing Disclosure Certificate to provide certain financial information and notices of material events to the Municipal Securities Rulemaking Board, in compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission. See the caption “**CONTINUING DISCLOSURE**” herein.

THE CITY

The City is a constitutional charter city and political subdivision organized and existing under the laws of the State of Missouri. The City was organized on December 1, 1865 and became a charter city on April 2, 1996. The City is approximately 65.87 square miles in area and is located in eastern Jackson County, Missouri and extends south into Cass County, Missouri. The estimated population of the City in 2022 was 103,465, according to the United States Census Bureau. See “**APPENDIX A: THE CITY**” and “**APPENDIX B: ACCOUNTANT’S REPORT AND AUDITED FINANCIAL STATEMENTS.**”

PLAN OF FINANCING

The Project

The Project includes of acquiring, constructing, installing, improving, furnishing, and equipping various public project components related to the City’s Downtown Market Plaza, to be constructed near Southwest Green Street and Southeast Third Street across from City Hall. The Downtown Market Plaza will center around a new Farmer’s Market Pavilion, which is anticipated to be a four-seasons facility that will double as an event space when the farmer’s market is not in season. Also included is an Outdoor Performance Area with a synthetic turf lawn and an overhead canopy structure located adjacent to the Farmer’s Market Pavilion. It is expected that this area will host live performances throughout the year with a planned moveable stage. The lawn will serve a variety of functions including festivals and community celebrations, with smaller, programmed events throughout the week which may include yoga, various exercise classes, family-friendly entertainment, yard games and art exhibitions. The Farmer’s Market Pavilion is anticipated to have garage style doors that will open to the Outdoor Performance Area, which allows the farmer’s market to expand if needed. Further, the Project will include a Streetscaped Pavilion area that will serve as a host to several festivals held in Downtown Lee’s Summit each year and will also work as a gathering space for those who live in and visit the City.

[The Project is anticipated to cost approximately \$_____, and will be funded from proceeds of the Bonds, an equity contribution from the City in amount of \$_____, a contribution from the Downtown Lee’s Summit Community Improvement District in the approximate amount of \$_____.]

For discussion purposes: Do we have a contract for the private improvements, and do we want to discuss that more fully here? [The Project is a part of a large, planned development that is intended to include, but not limited to, a freestanding restaurant building, a multi-family apartment complex, and a boutique hotel with first

floor retail and restaurant.]

[Include description of Project’s schedule]

[Include pictures of the Project here]

Sources and Uses of Funds*

The following table summarizes the estimated sources of funds and the expected uses of such funds, in connection with the plan of financing:

<i>Sources of Funds:</i>	
Principal Amount of the Bonds	\$12,900,000*
[Net] Original Issue [Premium/Discount].....	
Total.....	<u>\$</u>
 <i>Uses of Funds:</i>	
Deposit for Project costs	\$
Costs of Issuance including Underwriters’ Discount.....	
Total.....	<u>\$</u>

THE BONDS

The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the provisions with respect thereto in the Bond Ordinance for the detailed terms and provisions thereof.

General Description

The Bonds will be issued in the principal amounts stated on the inside cover page of this Official Statement, will be dated their date of delivery, and will consist of fully registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. The Bonds will mature, subject to redemption as described below, on April 1 in the years and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Bonds will be payable semiannually on April 1 and October 1 in each year, beginning on October 1, 2024. Principal will be payable upon presentation and surrender of the Bonds by the Registered Owners thereof at the payment office of UMB Bank, N.A., Kansas City, Missouri, the Paying Agent. Interest shall be paid to the Registered Owners of the Bonds 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 Registered Owners shown on the Bond Register, (b) at such other address as is furnished to the Paying Agent in writing by any Registered Owner or (c) in the case of an interest payment to any Registered Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 5 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Registered Owner wishes to have such transfer directed.

* Preliminary, subject to change.

Redemption Provisions

Optional Redemption. At the option of the City, Bonds may be called for redemption and payment prior to maturity on April 1, 2032* and thereafter, in whole or in part at any time at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

Selection of Bonds to be Redeemed. Bonds shall be redeemed only in \$5,000 principal amounts or multiples thereof. When less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity, such Bonds shall be redeemed from the maturities selected by the City, and Bonds of less than a full maturity shall be selected by the Paying Agent in \$5,000 units of face value by lot or in such other equitable manner as the Paying Agent may determine.

Notice and Effect of Call for Redemption. In the event of any such redemption, the Paying Agent will give written notice of the City's intention to redeem and pay said Bonds by first-class mail to the original purchaser of the Bonds, and to the Registered Owner of each Bond, said notice to be mailed not less than 20 days prior to the redemption date. 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 City defaults in the payment of the redemption price) such Bonds or portion of Bonds shall cease to bear interest.

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

Registration, Transfer and Exchange of Bonds

Each Bond when issued shall be registered by the Paying Agent in the name of the owner thereof on the Bond Register. Bonds are transferable only upon the Bond Register upon presentation and surrender of the Bonds, together with instructions for transfer. Bonds may be exchanged for Bonds in the same aggregate principal amount and maturity upon presentation to the Paying Agent, subject to the terms, conditions and limitations set forth in the Bond Ordinance and upon payment of any tax, fee or other governmental charge required to be paid with respect to any such registration, transfer or exchange.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

The Bonds are special obligations of the City payable solely from amounts pledged or appropriated therefor in each Fiscal Year (i) out of the income and revenues provided for such Fiscal Year plus (ii) any unencumbered balances for previous years. The Bonds do not constitute general obligations or indebtedness of the City within the meaning of any constitutional, charter or statutory debt limitation or restriction, and the City does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys or property of the City to pay the principal of and interest on the Bonds.

The payment of the principal of and interest on the Bonds is subject to an annual appropriation by the City. The City Council has directed the Finance Director or any other officer of the City at any time charged with the responsibility of formulating budget proposals to include in each annual budget an appropriation of the amount necessary (after taking into account any moneys legally available for such purpose) to pay debt service on the Bonds. The City is not required or obligated to make any such annual appropriation, and the decision whether or not to appropriate such funds will be solely within the discretion of the then current City Council. No property of the City is pledged or encumbered as security for payment of the Bonds.

The City plans to use funds from property taxes, sales taxes and other revenues to provide for the payment of the debt service of the Bonds. **As discussed above, none of such taxes or revenues are pledged or may be**

pledged to the payment of the Bonds and any decision to budget or appropriate any of such funds will be within the sole discretion of the then current City Council in each fiscal year.

All references herein to the Bond Ordinance are qualified in their entirety by reference to the Bond Ordinance. Copies of the Bond Ordinance and the Official Statement may be viewed at the office of Columbia Capital Management, LLC, 6700 Antioch, Suite 250, Merriam, Kansas 66204, (913) 312-8072, or will be provided to any prospective purchaser requesting the same, upon payment by such prospective purchaser of the cost of complying with such request.

RISK FACTORS

The following section describes certain risk factors affecting the payment of and security for the Bonds. The following discussion of risks is not meant to be an exhaustive list of the risks associated with the purchase of the Bonds and does not necessarily reflect the relative importance of the various risks. Potential investors are advised to consider the following factors along with all other information in this Official Statement in evaluating the Bonds. There can be no assurance that other risk factors will not become material in the future.

Payment of Principal and Interest on the Bonds Subject to Annual Appropriation

Although the City is obligated to include in its annual budget request to the City Council an appropriation to cover principal and interest on the Bonds, the City Council is not obligated to approve such an appropriation and its failure to do so is not an event of default.

THE BONDS DO NOT GIVE RISE TO A GENERAL OBLIGATION OR OTHER INDEBTEDNESS OF THE CITY, THE STATE OF MISSOURI, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, CHARTER OR STATUTORY DEBT LIMITATION OR RESTRICTION.

THE BONDS SHALL BE SPECIAL OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE ANNUAL APPROPRIATION OF FUNDS BY THE CITY FOR THAT PURPOSE. IN EACH FISCAL YEAR, PAYMENTS OF PRINCIPAL OF AND INTEREST ON THE BONDS SHALL BE MADE SOLELY FROM THE AMOUNTS APPROPRIATED THEREFOR (I) OUT OF THE INCOME AND REVENUES OF THE CITY PROVIDED FOR SUCH YEAR PLUS (II) ANY UNENCUMBERED BALANCES FOR PREVIOUS YEARS, AND THE DECISION WHETHER TO MAKE SUCH APPROPRIATION EACH YEAR SHALL BE WITHIN THE SOLE DISCRETION OF THE THEN CURRENT CITY COUNCIL. SUBJECT TO THE PRECEDING SENTENCE, THE OBLIGATIONS OF THE CITY TO MAKE PAYMENTS HEREUNDER AND TO PERFORM AND OBSERVE ANY OTHER COVENANT AND AGREEMENT CONTAINED IN THE BOND ORDINANCE SHALL BE ABSOLUTE AND UNCONDITIONAL.

NO OTHER PROPERTY OF THE CITY IS PLEDGED OR ENCUMBERED TO SECURE PAYMENT OF THE BONDS.

No Credit Enhancement

No bond insurance policy, letter of credit, reserve fund or other credit enhancement will be issued or funded to insure payment of the principal of or interest on the Bonds. Accordingly, any potential purchaser of the Bonds should consider the financial ability of the City to appropriate moneys sufficient to make the payments of principal of and interest on the Bonds.

Potential Risks Relating to COVID-19

In December 2019, a novel strain of coronavirus (which leads to the disease known as “COVID-19”), was discovered in Wuhan, China. Since that date, the virus spread throughout the world and was characterized

as a pandemic. The impact of the COVID-19 pandemic on the U.S. economy has been broad based and negatively impacted national, state and local economies, including the City.

Although no pandemic-related health orders are currently in effect, the recurrent of wide spread outbreaks of COVID-19 or the occurrence of any other pandemic may negatively impact the ability of the City to pay debt service on the Bonds if the economic ramifications of any pandemic has a lasting impact on the economy in and around the City.

Changes in Economic, Demographic and Market Conditions

Changes in real estate market conditions in the Lee's Summit area, as well as changes in general or local demographic or economic conditions, could adversely affect the value of the property located within the City and the level of economic activity in the City and, consequently, the amounts of real estate taxes, sales taxes and other revenues generated by the City. Such changes could also have an adverse impact on the financial condition of the City and, thus, the City resources available for appropriation for the payment of the Bonds.

In particular, sales tax revenues historically have been sensitive to changes in local, regional and national economic conditions. For example, sales tax revenues have historically declined during economic recessions, when high unemployment adversely affects consumption. Demographic changes in the population of the City may adversely affect the level of sales tax revenues. A decline in the City's population, or reductions in the level of commercial and industrial activity in the City, could reduce the number and value of taxable transactions and thus reduce the amount of sales tax revenues. Internet and on-line sales have also caused local sales tax collections to decline. The City does not currently impose a use tax, however if, in the future, the City does impose a use tax, it is expected that the U.S. Supreme Court's *South Dakota v. Wayfair, Inc.* decision would apply to the City. It is not possible to predict whether or to what extent any such changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur, and what impact any such changes would have on sales tax revenues.

Investment Ratings and Secondary Market

The lowering or withdrawal of the investment rating initially assigned to the Bonds could adversely affect the market price for and the marketability of the Bonds. There is no assurance that a secondary market will develop for the purchase and sale of the Bonds. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in operating performance of the entities operating the facilities subject to the municipal securities. From time to time the secondary market trading in selected issues of municipal securities will fluctuate as a result of the financial condition or market position of the underwriters, prevailing market conditions, or a material adverse change in the operations of that entity, whether or not the subject securities are in default as to principal and interest payments, and other factors that may give rise to uncertainty concerning prudent secondary market practices. Municipal securities are generally viewed as long-term investments, subject to material unforeseen changes in the investor's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

Cybersecurity Risks

The City relies on its information systems to provide security for processing, transmission and storage of confidential and other credit information. It is possible that the City's security measures will not prevent improper or unauthorized access or disclosure of personally identifiable information resulting from cyber-attacks. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the City and the services it provides, or the unauthorized disclosure of confidential and other credit information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, 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 if it is found to be in violation of federal or state laws or regulations. 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. The City has security practices and assessments to monitor and prevent cyber-security risks. The City has not experienced any cyber-security incidents within the last 3 years.

Enforcement of Remedies

The enforcement of the remedies under the Bond Ordinance may be limited or restricted by federal or state laws or by the application of judicial discretion, and may be delayed in the event of litigation to enforce the remedies. State laws concerning the use of assets of political subdivisions and federal and state laws relating to bankruptcy, fraudulent conveyances, and rights of creditors may affect the enforcement of remedies. Similarly, the application of general principles of equity and the exercise of judicial discretion may preclude or delay the enforcement of certain remedies. The legal opinions to be delivered with the issuance of the Bonds will be qualified as they relate to the enforceability of the various legal instruments by reference to the limitations on enforceability of those instruments under (1) applicable bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditors' rights, (2) general principles of equity, and (3) the exercise of judicial discretion in appropriate cases.

Bankruptcy

In addition to the limitations on remedies contained in the Bond Ordinance, the rights and remedies provided by the Bonds may be limited by and are subject to (i) bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws affecting creditors' rights, (ii) the application of equitable principles, and (iii) the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against political subdivisions in the State of Missouri. The City, like all other Missouri political subdivisions, is specifically authorized by Missouri law to institute proceedings under Chapter 9 of the Federal Bankruptcy Code. Such proceedings, if commenced, are likely to have an adverse effect on the market price of the Bonds.

Pensions and Other Postemployment Benefits

The City contributes to the Missouri Local Government Employees Retirement System ("LAGERS"), an agent multi-employer, statewide public employee retirement plan for entities of local government which is legally separate and fiscally independent of the State of Missouri. The City also provides other postemployment benefits ("OPEB") as part of the total compensation offered to attract and retain the services of qualified employees. Future required contribution increases beyond the current fiscal year may require the City to increase its revenues, reduce its expenditures, or some combination thereof, which may impact the City's operations or limit the City's ability to generate additional revenues in the future.

For more information specific to the City's participation, including the City's past contributions, net pension liability, and pension expense, see Note 8 to the City's financial statements included in *Appendix B* to this Official Statement.

Amendment of the Bond Ordinance

Certain amendments, effected by ordinance of the City, to the Bonds and the Bond Ordinance may be made with consent of the owners of not less than a majority in principal amount of the Bonds then outstanding. Such amendments may adversely affect the security of the owners of the Bonds.

Loss of Premium from Redemption

Any person who purchases the Bonds at a price in excess of their principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See **"THE BONDS – Redemption Provisions"** in this Official Statement.

Risk of Audit

The Internal Revenue Service has established an ongoing program to audit obligations such as the Bonds to determine the legitimacy of the tax status of such obligations. No assurance can be given that the Internal Revenue Service will not commence an audit of the Bonds. Owners of the Bonds are advised that, if an audit of the Bonds were commenced, in accordance with its current published procedures, the Internal Revenue Service is likely to treat the City as the taxpayer, and the Owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

Taxability

The Bonds are not subject to prepayment nor is the interest rate subject to adjustment in the event of a determination by the Internal Revenue Service or a court of competent jurisdiction that the interest paid or to be paid on any Bonds is or was includible in the gross income of the Owners of the Bonds for federal income tax purposes. It may be that Owners of the Bonds would continue to hold their bonds, receiving principal and interest as and when due, but would be required to include such interest payments in gross income for federal income tax purposes.

Other Factors Affecting the City

One or more of the following factors or events could adversely affect the City's operations and financial performance to an extent that cannot be determined at this time:

1. *Changes in Administration.* Changes in key administrative personnel could affect the capability of management of the City.
2. *Future Economic Conditions.* Adverse economic conditions or changes in demographics in the City, including increased unemployment and inability to control expenses in periods of inflation, could adversely impact the City's financial condition.
3. *Insurance Claims.* Increases in the cost of general liability insurance coverage and the amounts paid in settlement of liability claims not covered by insurance could adversely impact the City's financial condition.
4. *Natural Disasters.* The occurrence of natural disasters, such as floods, droughts, tornadoes or earthquakes, or the impact of pandemics, could damage the facilities of the City, interrupt services or otherwise impair operations and the ability of the City to produce revenues or control expenditures.
5. *Organized Labor Efforts.* Efforts to organize employees of the City into collective bargaining units could result in adverse labor actions or increased labor costs.

The Hancock Amendment

The City's ability to raise property taxes is substantially constrained by Missouri law. An amendment to the Missouri Constitution limiting taxation and government spending was approved by Missouri voters on November 4, 1980. This amendment limits the ability of the City to impose new or increased taxes to provide funding for the payment of the Bonds, or other governmental purposes of the City, without voter approval. The amendment (commonly known as the Hancock Amendment) limits the rate of increase and the total amount of taxes which may be imposed in any fiscal year, and the limit may not be exceeded without voter approval. The tax rate ceiling, determined annually, is the rate of levy which, when charged against the newly assessed valuation of the City for the current year, excluding new construction and improvements, will produce an amount of tax revenues equal to tax revenues for the previous year increased by 5% or the Consumer Price Index, whichever is lower. The limitation on local governmental units does not apply to taxes imposed for the payment of principal of and interest on general obligation bonds approved by the requisite percentage of voters.

The Hancock Amendment also requires political subdivisions of the State to obtain voter approval in order to increase any “*tax, license or fee.*” The precise meaning and application of the phrase “*tax, license or fee*” is unclear, but decisions of the Missouri Supreme Court have indicated that it does not apply to traditionally set user fees. The limitations imposed by the Hancock Amendment restrict the City’s ability to increase many but not all taxes, licenses and certain fees without obtaining voter approval.

In 2008, through the enactment of Senate Bill 711 (“SB 711”), the Missouri General Assembly approved further limitations on the amount of property taxes that can be imposed by a political subdivision such as the City. Prior to the enactment of SB 711, a Hancock rollback would not necessarily result in a reduction of the City’s property tax levy if its current tax levy was less than its current tax levy ceiling, due to the City’s voluntary rollback from the maximum authorized tax levy. The property tax levy is the levy actually imposed by a political subdivision while the tax rate ceiling is the maximum levy the political subdivision may impose under the provisions of the Hancock Amendment. Under SB 711, in reassessment years (odd-numbered years), the Hancock rollback is applied to a political subdivision’s actual property tax levy, regardless of whether that levy is at the political subdivision’s tax levy ceiling. This further reduction is sometimes referred to as an “SB 711 rollback.” In non-reassessment years (even-numbered years), the property tax levy may be increased to the political subdivision’s tax levy ceiling (as adjusted by the Hancock rollback), only after a public hearing and adoption of a resolution or policy statement justifying the action.

On March 2, 2021, the Missouri Court of Appeals, Eastern Division, held in *Blankenship v. Franklin County Collector* (619 S.W. 3d 491) that an increase in the operating levy by political subdivisions pursuant to the provisions of Section 137.073.5(2), which allows political subdivisions to increase the operating levy to account for inflation in certain situations, cannot result in a levy that exceeds the highest voter-approved levy in violation of the Hancock Amendment. Approximately 600 taxing authorities were notified by the Missouri State Auditor’s Office that their 2020 tax rates did not comply with the *Blankenship* decision and would need to be recalculated to determine their 2021 tax rates. To the extent a taxing authority levied taxes in violation of the *Blankenship* decision, refunds of such taxes are permitted if (1) a taxpayer files for injunctive relief before such taxes become payable, which is December 31 of the tax year, or (2) a taxpayer pays such taxes under protest and files suit against the tax collector within ninety days. The City did not receive a letter from the Missouri State Auditor’s Office and will not need to adjust revenues because of the *Blankenship* decision.

Defeasance Risks

When all of the Bonds are deemed paid as provided in the Bond Ordinance, the requirements contained in the Bond Ordinance and all other rights granted to bond owners thereby shall terminate. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company and having full trust powers, at or prior to the stated maturity or redemption date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and Defeasance Obligations that, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of said Bonds and interest accrued to the stated maturity or redemption date, or if default in such payment has occurred on such date, then to the date of the tender of such payments; provided, however, that if any such Bonds are to be redeemed prior to their stated maturity, (1) the City has elected to redeem such Bonds, and (2) either notice of such redemption shall have been given, or the City shall have given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Paying Agent to give such notice of redemption in compliance with the Bond Ordinance. Defeasance Obligations include, in addition to cash and obligations pre-refunded with cash, bonds, notes, certificates of indebtedness, treasury bills and other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America. Historically, such United States obligations have been rated in the highest rating category by the rating agencies. There is no legal requirement in the Bond Ordinance that Defeasance Obligations consisting of such United States obligations be or remain rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the

credit markets and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

THE BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds 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 maturity of the Bonds.

DTC, the world’s largest securities 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 3.5 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 both 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.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 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 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 the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all 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 the 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 Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such 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.

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. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain

that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City 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 the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the 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 City or Paying Agent, on the payable 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 City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal or redemption price of and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the 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.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

Transfer Outside Book-Entry Only System

If the Book-Entry Only System is discontinued the following provisions would apply. The Bonds are transferable only upon the Register upon presentation and surrender of the Bonds, together with instructions for transfer. Bonds may be exchanged for other Bonds of any denomination authorized by the Bond Ordinance in the same aggregate principal amount, series, payment date and interest rate, upon presentation to the Paying Agent, subject to the terms, conditions and limitations and upon payment of any tax, fee or other governmental charge required to be paid with respect to any such registration, exchange or transfer.

LEGAL MATTERS

Legal Proceedings

As of the date hereof, there is no controversy, suit or other proceeding 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 City or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Bonds, or the constitutionality or validity of the Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof, or which might affect the City's ability to meet its obligations to pay the Bonds.

From time to time, claims and litigation against the City arises in the ordinary course of business. The City, after consultation with counsel, does not believe that the outcome of these matters will have a material impact on the financial condition of the City, and the City does not believe that such exposure would materially affect the City's ability to meet its obligations to pay the Bonds.

Approval of Legality

All legal matters incident to the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel.

TAX MATTERS

The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the 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 owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the 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 Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the 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 Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law existing as of the issue date of the Bonds:

Federal and State of Missouri Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

Alternative Minimum Tax. The interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

No Bank Qualification. The Bonds are not "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

Bond Counsel's opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the 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 is the excess of the stated redemption price at maturity of a Bond over its issue price. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that 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 (3) any interest payable on that Bond during that accrual period. The amount of original issue discount 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 Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which 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 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 bond premium.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the 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 Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is 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 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 the Bonds, and to the proceeds paid on the sale of the 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 Bonds should be aware that ownership of the 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 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of 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 Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that for tax years beginning after December 31, 2022, the interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

CONTINUING DISCLOSURE

General

The City is executing a Continuing Disclosure Certificate, in substantially the form provided in *Appendix D* to this Official Statement, for the benefit of the owners and Beneficial Owners of the Bonds in order to comply with Rule 15c2 12 of the Securities and Exchange Commission (the “Rule”). The City is the only “obligated person” with responsibility for continuing disclosure.

The City has engaged in an undertaking similar to the Continuing Disclosure Certificate with respect to several series of bonds previously issued by the City to provide to the national information repositories (presently, only the MSRB) the audited financial statements of the City and updates of certain operating data of the City. Over the last five years (i.e., for the fiscal years ending June 30, 2019 through June 30, 2023), the City timely filed its audited financial statements and operating data.

Electronic Municipal Market Access System (EMMA)

All Annual Reports and notices of Material Events required to be filed by the City or the Dissemination Agent pursuant to the Continuing Disclosure Certificate must be submitted to the MSRB through the MSRB’s Electronic Municipal Market Access system (“EMMA”). EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, material event notices, real-time municipal securities trade prices and MSRB education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the City or the Bonds is incorporated by reference in this Official Statement.

RATINGS

Moody’s Investors Services has assigned the Bonds a rating of “___” which reflects its evaluation of the investment quality of the Bonds. Such rating reflects only the view of such rating agency, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the 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, by said rating agency if, in its judgment, circumstances warrant. Any such downward revisions or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

The City has furnished the rating agency with certain information and materials relating to the Bonds and the City 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 made by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the rating agency originally establishing such rating, circumstances so warrant. The Underwriter has not undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of the ratings of the Bonds or to oppose any such proposed revision or withdrawal. Pursuant to the Continuing Disclosure Certificate, the City is required to bring to the attention of the holders of the Bonds any revision or withdrawal of the ratings of the Bonds but has not undertaken any responsibility to oppose any such revision or withdrawal. See the section herein captioned “**CONTINUING DISCLOSURE.**” Any such revision or withdrawal of the ratings could have an adverse effect on the market price and marketability of the Bonds.

MISCELLANEOUS

Municipal Advisor

Columbia Capital Management, LLC (the “Municipal Advisor”) has acted as Municipal Advisor to the City in connection with the sale of the Bonds. The Municipal Advisor has assisted the City in matters relating to the planning, structuring and issuance of the Bonds and various other debt related matters. The Municipal Advisor will not be a manager or a member of any purchasing group submitting a proposal for the purchase of the Bonds.

Underwriting

Based upon bids received by the City on _____, 2024, the Bonds were awarded to _____ (the “Underwriter”). The Bonds are being purchased for reoffering by the Underwriter. The Underwriter has agreed to purchase the Bonds from the City at a price equal to \$_____ (representing the par amount of the Bonds less an underwriters’ discount of \$_____ and [plus a net original issue premium] [less a net original issue discount] of \$_____). The Underwriter is purchasing the Bonds from the City for resale in the normal course of the Underwriter’s business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine. The Underwriter reserves the right to join with dealers and other purchasers in offering the Bonds to the public. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as 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 that information.

Certification and Other Matters Regarding Official Statement

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the City, certified public accountants, and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized.

The Preliminary Official Statement has been “deemed final” by the City except for the omission of certain information as provided by Securities and Exchange Commission Rule 15c2-12. Simultaneously with the delivery of the Bonds, the Mayor of the City, acting on behalf of the City, will furnish to the Underwriter a certificate that shall state, among other things, that to the best knowledge and belief of such officer, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading in any material respect.

The form of this Official Statement, and its distribution and use by the Underwriter, has been approved by the City. Neither the City nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the City or the City's ability to make payments required of it; and further, neither the City nor its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the City by the Bond Ordinance.

CITY OF LEE'S SUMMIT, MISSOURI

By: _____

Mayor

APPENDIX A

THE CITY

APPENDIX B

ACCOUNTANTS' REPORT AND AUDITED FINANCIAL STATEMENTS

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

City of Lee's Summit, Missouri
Lee's Summit, Missouri

[Underwriter]
[Underwriter City, State]

Re: \$12,900,000* City of Lee's Summit, Missouri Special Obligation Bonds (Downtown Market Plaza Project), Series 2024A

Ladies and Gentlemen:

We have acted as bond counsel to the City of Lee's Summit, Missouri (the "City") in connection with the issuance of the above-captioned bonds (the "Bonds"). In this capacity, we have examined the law and the certified proceedings, certifications and other documents that we deem necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify them by independent investigation.

Based on and subject to the foregoing, we are of the opinion, under existing law, as follows:

1. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and legally binding general obligations of the Issuer.

2. The Bonds are special obligations of the City payable solely from amounts pledged or appropriated therefor in each Fiscal Year (i) out of the income and revenues provided for such Fiscal Year plus (ii) any unencumbered balances for previous years. The Bonds do not constitute general obligations or indebtedness of the City within the meaning of any constitutional, charter or statutory debt limitation or restriction, and the City does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys or property of the City to pay the principal of and interest on the Bonds.

3. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes, (ii) is exempt from income taxation by the State of Missouri, and (iii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bonds are "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement). Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

This opinion is limited to the laws of the State of Missouri and applicable laws of the United States.

Very truly yours,

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE