

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE COUNTY OF PERRY, KENTUCKY AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION PUBLIC PURPOSE BOND ANTICIPATION NOTES, SERIES 2000A, GENERAL OBLIGATION PUBLIC PURPOSE BOND ANTICIPATION NOTES, SERIES 2000B AND GENERAL OBLIGATION PUBLIC PURPOSE BOND ANTICIPATION NOTES, SERIES 2000C IN THE AGGREGATE PRINCIPAL AMOUNT OF \$6,050,000; APPROVING THE FORMS OF THE SERIES A NOTES, SERIES B NOTES AND SERIES C NOTES; AUTHORIZING DESIGNATED OFFICERS TO EXECUTE AND DELIVER THE NOTES; PROVIDING FOR THE PAYMENT AND SECURITY OF THE NOTES; PROVIDING FOR THE ISSUANCE OF COUNTY OF PERRY, KENTUCKY GENERAL OBLIGATION PUBLIC PURPOSE BONDS (DETENTION FACILITY PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,000,000 TO PROVIDE FUNDS TO RETIRE SAID NOTES WHEN DUE; CREATING A NOTE PAYMENT FUND; CREATING A SINKING FUND; AND REPEALING INCONSISTENT ORDINANCES.

WHEREAS, the County of Perry, Kentucky (the "County") has heretofore determined and does hereby confirm that it is necessary and desirable for the health, welfare and safety of the residents of the County that the County proceed with the acquisition, construction, installation and equipping of a new detention facility and the acquisition of certain vehicles for use by the County (collectively, the "Project"); and

WHEREAS, pursuant to the Constitution and Laws of the Commonwealth of Kentucky, and particularly KRS 66.011 et seq (the "Act"), a county may issue bonds or notes, subject to the requirements of the Act, to pay all or any portion of the costs of the Project; and

WHEREAS, the County has determined that it is necessary and in the best interests of the County that the County defer the issuance of bonds to a later date and that the County provide interim financing for the Project through the issuance of \$2,000,000 County of Perry, Kentucky General Obligation Public Purpose Bond Anticipation Notes, Series 2000A (the "Notes"), \$2,000,000 County of Perry, Kentucky General Obligation Public Purpose Bond Anticipation Notes, Series 2000B (the "Series B Notes") and \$2,050,000 County of Perry, Kentucky General

Obligation Public Purpose Bond Anticipation Notes, Series 2000C (the "Series C Notes", and together with the Series A Notes and Series B Notes, the "Notes"); and

WHEREAS, the County has determined that the Notes are to be sold at private, negotiated sale in accordance with the provisions of Section 66.141 of the Kentucky Revised Statutes following the solicitation of proposals.

NOW, THEREFORE, BE IT ORDAINED by the Fiscal Court, County of Perry, Kentucky, as follows:

Section 1 – Authorization of General Obligation Bonds. The County shall issue its general obligation bonds (the "Bonds") in an aggregate principal amount not to exceed \$7,000,000 for the purpose of permanently financing the Project. Said Bonds shall be issued in one or more series dated approximately May 1, 2003, bear interest at an approximate rate of six percent (6%) per annum, payable semiannually, and shall mature over a period not exceeding thirty years. The final terms of the Bonds shall be established in a subsequent ordinance of the County.

Section 2 -- Necessity, Authorization and Purpose of General Obligation Notes. The County hereby declares that it is necessary to issue and authorizes the issuance of its General Obligation Public Purpose Bond Anticipation Notes, Series 2000A, in the aggregate principal amount of \$2,000,000, its General Obligation Public Purpose Bond Anticipation Notes, Series 2000B, in the aggregate principal amount of \$2,000,000, and its General Obligation Public Purpose Bond Anticipation Notes, Series 2000C in an aggregate principal amount of \$2,050,000 for the purpose of (i) paying the costs of the Project, (ii) retiring a certain Lease Agreement dated as of October 12, 1999 between the County and The Bank of Kentucky, Inc. (the "Prior Lease") and (iii) paying the costs of issuance of the Notes.

Section 3 -- Form. The Notes shall be issued as fully registered Notes, shall be designated "County of Perry, Kentucky General Obligation Public Purpose Bond Anticipation Notes, Series 2000A", "County of Perry, Kentucky General Obligation Public Purpose Bond Anticipation Notes,

Series 2000B" and "County of Perry, Kentucky General Obligation Public Purpose Bond Anticipation Notes, Series 2000C" respectively, shall express upon their faces the purpose for which they are issued, that they are issued under the Act and shall be substantially in the form set forth in Annex A. Each of the Series A Notes, Series B Notes and Series C Notes shall be in denominations as requested by the purchaser thereof (the "Purchasers"), which shall be in denominations of \$100,000 or any integral multiple of five thousand dollars (\$5,000) above \$100,000.

The Notes shall each be dated their date of delivery or such other date as is determined in the resolution of the County (the "Bid Resolution") awarding the Notes to the Purchasers thereof and establishing the interest rates on the Notes. Interest on the Notes shall be payable on each May 1 and November 1, commencing November 1, 2000, at the stated interest rate or rates on the principal amount thereof. The specific interest rates for each of the Series A Notes, Series B Notes and Series C Notes shall be as set forth in the Bid Resolution; provided that the aggregate net interest cost of each of the Series A Notes, Series B Notes and Series C Notes shall not exceed seven and one half percent (7.50%). The Series A Notes shall mature May 1, 2003, the Series B Notes shall mature May 1, 2004 and the Series C Notes shall mature May 1, 2005.

The Notes shall be subject to optional redemption prior to their maturity on any date on or after November 1, 2001, in whole or in part, at the election of the County upon 30 days' written notice to the Paying Agent and Registrar, at a redemption price of 100% of the principal amount of the Notes to be redeemed, plus accrued interest to the date of redemption.

At least twenty (20) days before the redemption date of any Notes the Paying Agent and Registrar (as hereinafter defined) shall cause a notice of such redemption either in whole or in part, signed by the Paying Agent and Registrar, to be mailed, first class, postage prepaid, to all registered owners of the Notes to be redeemed in whole or in part at their addresses as they appear on the registration books kept by the Paying Agent and Registrar, but failure to mail any such notice shall not affect the validity of the proceedings for such redemption of Notes for which such notice has

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been sent. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Notes being payable by their terms on a single date then outstanding shall be called for redemption, the distinctive number or letters, if any, of such Notes to be redeemed.

On the date so designated for redemption, notice having been mailed in the manner under the conditions hereinabove provided and moneys for payment of the redemption price being held in the Note Payment Fund by the Paying Agent and Registrar for the registered owners of the Notes to be redeemed, the Notes so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Notes on such date, interest on the Notes so called for redemption shall cease to accrue, and the registered owners of such Notes shall have no right in respect thereof except to receive payment of the redemption price thereof.

Section 4 -- Execution and Delivery. The Notes shall be executed by the manual or facsimile signature of the Judge/Executive and duly attested by the manual or facsimile signature of the Fiscal Court Clerk (which, together with any other person as may be authorized by resolution are referred to as "Designated Officers"), shall have the seal of the County or a facsimile thereof affixed thereto, and shall bear the manual authenticating signature of an authorized representative of Central Bank & Trust Co., which bank is hereby designated as the Paying Agent and Registrar for the Notes (the "Paying Agent and Registrar"). The Designated Officers are further authorized and directed to deliver the Notes to the Purchaser, upon the terms and conditions provided herein and in the Bid, receive the proceeds therefor, execute and deliver such certificates and other closing documents and take such other action as may be necessary or appropriate in order to effectuate the proper issuance, sale and delivery of the Notes.

The County authorizes and directs the Paying Agent and Registrar to authenticate the Notes and to deliver the Notes to the Purchaser upon payment of the purchase price thereof.

Section 5 -- Payment. Payment of or on account of the interest on and principal of the Notes shall be made directly to the Paying Agent and Registrar for the account of the registered owner. Interest on the Notes shall be payable by check, mailed to the person whose name appears on the fifteenth day preceding an Interest Payment Date on the Note registration records as the registered owner, on each Interest Payment Date or by other transfer of funds acceptable to such registered owner and the Paying Agent and Registrar. Principal shall be payable in such coin or currency of the United States of America as shall be legal tender for the payment of public and private debts at the time and place of payment upon delivery of the Notes to the Paying Agent and Registrar or by other transfer of funds acceptable to the Paying Agent and Registrar and such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Notes to the extent of the sum or sums so paid.

Section 6 -- Filing and Approvals. The Designated Officers are hereby authorized to undertake and cause all filings of notices or information, and to obtain such other approvals, which may be required by law to be filed or obtained by the County, including, but not limited to, securing the approval of the State Local Debt Officer for the issuance of the Notes.

Section 7 -- Note Payment Fund, Payment of Notes. There is hereby established with the Paying Agent and Registrar a note payment fund in the name of the County to be known as General Obligation Public Purpose Bond Anticipation Notes, Series 2000 A, B and C Note Payment Fund (the "Note Payment Fund"), into which the County covenants to deposit, and into which the Designated Officers are hereby authorized and directed to deposit from the Sinking Fund (hereinafter established), on or before the twentieth day of each month which precedes an Interest Payment Date on the Notes, the amount required to pay principal of and interest due on the Notes on such Interest Payment Date. The Paying Agent and Registrar shall, without further authorization from the County, withdraw from the Note Payment Fund, on such Interest Payment Date of the

Notes, the amounts necessary to pay principal of, and interest on, the Notes to the registered owner of the same.

The Paying Agent and Registrar is hereby appointed Note Payment Fund Depository with respect to the Notes.

If the County shall fail or refuse to make any required deposit in the Note Payment Fund from the Sinking Fund, the Paying Agent and Registrar shall (i) notify any agency of the Commonwealth of Kentucky or any political subdivision thereof which may collect and distribute taxes or revenues for the County to seek any available necessary or proper remedial action; and (ii) upon being indemnified against cost and expense, exercise any remedy provided in the Act or at law or in equity for the benefit of the owner of the Notes or its assignee, and shall disburse all funds so collected to the owners of the Notes as payment of the Notes.

Section 8 -- General Obligation; Creation of Sinking Fund. The Notes shall be full general obligations of the County and, for the payment of said Notes and the interest thereon, the full faith, credit and revenue of the County are hereby pledged for the prompt payment thereof. During the period the Notes are outstanding, there shall be and there hereby is levied on all the taxable property in the County, in addition to all other taxes, without limitation as to rate, a direct tax annually in an amount sufficient to pay the principal of and interest on the Notes when and as due, it being hereby found and determined that current tax rates are within all applicable limitations. Said tax shall be and is hereby ordered computed, certified, levied and extended upon the tax duplicate and collected by the same officers in the same manner and at the same time that taxes for general purposes for each of said years are certified, extended and collected. Said tax shall be placed before and in preference to all other items and for the full amount thereof provided, however, that in each year to the extent that the other lawfully available funds of the County are available for the payment of the Notes and are appropriated for such purpose, the amount of such direct tax upon all of the taxable

property in the County shall be reduced by the amount of such other funds so available and appropriated.

There is hereby established with the County a sinking fund (the "Sinking Fund"). The funds derived from said tax levy hereby required or other lawfully available funds shall be placed in the Sinking Fund and, together with interest collected on the same, are irrevocably pledged for the payment of the interest on and principal of all Notes issued under the Act and Tax-Supported Leases, as defined in the Act, when and as the same fall due. Amounts shall be transferred from the Sinking Fund to the Note Payment Fund at the times and in the amounts required by Section 7 hereof.

Section 9 – Award of Notes. The Designated Officers are hereby directed to sell the Notes to the Purchasers thereof based on the lowest net interest cost to the County offered to the County in accordance with bids submitted to the County, the final interest rates of the Notes to be established in accordance with the requirements of Sections 2 and 3 of this Ordinance and the Bid Resolution.

Section 10 -- Registered Owner, Transfer, Exchange. As long as the Notes executed and delivered hereunder shall remain outstanding, the Paying Agent and Registrar shall maintain an office for the Registration of such Notes and shall also keep at such office books for such registration and transfers. The registered owner of the Notes, as set forth in the registration books maintained by the Paying Agent and Registrar on the fifteenth day preceding an Interest Payment Date, or its assignees, for purposes of this Note Ordinance, to the extent of its interest, shall be treated as the owner of the Notes and shall be entitled to all rights and security of the owner of the Notes hereunder.

Upon surrender for registration of transfer of the Notes at the office of the Paying Agent and Registrar with a written instrument of transfer satisfactory to the Paying Agent and Registrar, duly executed by the registered owner or the registered owner's duly authorized attorney, the Paying Agent and Registrar shall execute and deliver, in the name of the designated transferee or

transferees, one or more Notes of the same series of any authorized denomination and of a like tenor and effect.

All Notes, upon surrender thereof at the office of the Paying Agent and Registrar, may, at the option of the registered owner thereof be exchanged for an equal aggregate principal amount of Notes of the same series of any authorized denomination.

In all cases in which the privilege of exchanging or transferring Notes is exercised, the Paying Agent and Registrar shall execute and deliver Notes in accordance with the provisions of this Section. Every such exchange or transfer of Notes, whether temporary or definitive, shall be without charge; provided that the Paying Agent and Registrar may impose a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

Section 11 -- Disposition of Proceeds. The proceeds of the sale of the Notes, together with other funds of the County to be applied toward the payment of the Project and the payment of costs of issuance of the Notes, shall be deposited as follows: (a) premium and accrued interest on the Notes, if any, shall be deposited to the Note Payment Fund created in Section 7 hereof; (b) the amount of Note proceeds established in the Bid Resolution to be necessary to pay the costs of the Project and retire the Prior Lease, together with any additional amounts deposited by the County to complete the Project, shall be deposited to a special fund hereby directed to be established with Central Bank & Trust Co. (the "Project Fund Depository") to be known as the "Project Fund" and shall be disbursed at the direction of the Designated Officers to pay the costs of the Project; and (c) the remainder of the proceeds of the Notes shall be deposited to a special cost of issuance fund hereby directed to be established and designated as the "County of Perry, Kentucky General



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Obligation Public Purpose Bond Anticipation Notes, Series 2000 Cost of Issuance Fund" (the "Cost of Issuance Fund") and used to pay the costs of issuance of the Notes.

Section 12 -- Designation of Notes. The County designates the Notes as "qualified tax-exempt obligations" for the purposes set forth in § 265(b)(3) of the Internal Revenue Code of 1986, as amended. The County does not anticipate issuing more than \$10,000,000 of "qualified tax-exempt obligations" during calendar year 2000.

Section 13 -- Discharge of Note Ordinance. If the County shall pay or cause to be paid, or there shall otherwise be paid, to the owners of the Notes the total principal and interest due or to become due thereon through maturity, in the manner stipulated therein and in this Note Ordinance, then the pledges made under this Note Ordinance, and all covenants, agreements and other obligations of the County hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied.

Section 14 -- Severability. If any one or more of the provisions of this Note Ordinance should be determined by a court of competent jurisdiction to be contrary to law, then such provisions shall be deemed to be severable from all remaining provisions and shall not affect the validity of such other provisions.

Section 15 -- Inconsistent Actions. All prior ordinances, resolutions or parts thereof inconsistent herewith are hereby repealed.

Section 16 -- Open Meetings Compliance. All meetings of the Fiscal Court and of its committees and any other public bodies, at which the formal actions in connection with the issuance of the Notes were taken, or at which deliberations that resulted in such formal actions were held, were open meetings, and such formal actions were taken and any such deliberations took place while such meetings, after proper notice, were open to the public, in compliance with all legal requirements including KRS Sections 61.810, 61.815, 61.820 and 61.825.

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Section 17 -- Effective Date. This Ordinance shall become effective immediately upon adoption and publication of a summary thereof, as provided by law.

FIRST READING HELD on April 26, 2000.

DULY ADOPTED AFTER SECOND READING on May \_\_\_\_, 2000.

COUNTY OF PERRY, KENTUCKY

By: \_\_\_\_\_  
Judge/Executive

Attest:

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Fiscal Court Clerk

## SPECIAL CALLED PERRY COUNTY FISCAL COURT MEETING

A Special Called Meeting of the Perry County Fiscal Court was held on Thursday, June 8, 2000 at 7:00 P.M. Present and presiding the Honorable Denny Ray Noble, Judge. Magistrates Gary Baker, Johnny Blair, and A.J. Hamblin were present.

## ORDER: APPROVE MINUTES OF LAST MEETING

Motion by A.J. Hamblin seconded by Johnny Blair to approve minutes of last meeting.

All for.

ORDER: APPROVE SECOND READING AND ADOPTION OF ORDINANCE OF PERRY COUNTY AUTHORIZING THE  
ISSUANCE OF GENERAL OBLIGATION PUBLIC PURPOSE BOND ANTICIPATION NOTES  
SERIES A-SERIES B-SERIES C

Motion by A.J. Hamblin seconded by Denny Ray Noble to approve Second reading and adoption of an Ordinance of the County of Perry, Kentucky authorizing the Issuance of General Obligation Public Purpose Bond Anticipation Notes, Series 2000A General Obligation Public Purpose Bond Anticipation Notes, Series 2000B, and General Obligation Public Purpose Bond Anticipation Notes, Series 2000C in an aggregate Principal amount not to exceed \$6,350,000.00; Approving the forms of the Series A Notes, Series B Notes, and Series C Notes; authorizing designated officers to execute and deliver the notes: Providing for the payment and security of the Notes; Providing for the Issuance of County of Perry, Kentucky General Obligation Public Purpose Bonds (Detention Facility Project) in a aggregate Principal amount not to exceed \$7,000,000.00 to provide funds to retire said notes when due; Creating a Note Payment Fund; Creating a Sinking Fund and Repealing Inconsistent Ordinances. All for. Per Todd Switzer, this provides the security for the repayment of the notes to be used to finance the jail. The action to be taken in this Ordinance is a pledge of the County to enforce a tax to repay the debt if no other funds are available. This gives the Court authorization to issue \$7,000,000.00 in long term bonds. Presently issued are five year Bond Anticipation Notes. After construction, but before the first payment is due, which is not for two and one-half years, they will issue long term bonds to pay off short term notes. The County has capitalized two years worth of interest. The money that Perry County is borrowing on this project will be deposited in an interest bearing account. They will be borrowing at 6½ % and reinvesting at 5 ¾ %. Per Perry County Attorney, Lanny Combs, the Fiscal Court will be hiring an Administrator to handle all jail funds, except Jail Canteen Funds and Bond Funds. This Administrator handles all money, purchases food, and keeps jail filled with prisoners. This person will answer to the Fiscal Court for the decisions he or she make concerning the jail. The Jailor will actually run the jail, but this Administrator, with proper training, should save the County \$100,000.00 plus per year. If this jail houses Class D Prisoners, by law, they must be worked and this will help clean up the County. Per Todd Switzer, the County can also house Class C Prisoners, within five years of being paroled. The County can also save money by having in-house medical treatment

GENERAL PUBLIC PURPOSE BOND ANTICIPATION NOTES: SERIES A-SERIES B-SERIES C CONTINUED:

instead of so many Emergency room visits. Judge Noble has talked with surrounding counties and they are interested in sending their prisoners to Perry County. The new jail being built will be a 154 bed facility, but heating system and kitchen is large enough to handle a 200 bed facility, leaving room for expansion.

ORDER: APPROVE PAYING PARTIAL PAYMENT FOR HAYWORTH, MEYER AND BOLEYN ARCHITECTS FOR NEW JAIL

Motion by Johnny Blair seconded by A.J. Hamblin to approve paying partial payment on Invoice # 10 Hayworth, Meyer, & Boleyn, Inc. \$5,746.67. All for. Per Judge Noble, this is the remainder of the \$800,000.00 account and this payment zeros the account out.

ORDER: APPROVE PAYING ANTHONY JOSEPH FOR ELECTRICAL WORK AT COURTHOUSE

Motion by Johnny Blair seconded by Gary Baker to approve paying Anthony Joseph for electrical work in Courthouse \$700.00. All for. This repair was in Steve Tackett's new office and the County will collect \$11,000.00 per year in extra rent from this office, per Judge Noble.

ORDER: DISCUSS AND APPROVE RESOLUTION OF PERRY COUNTY ACCEPTING THE PROPOSAL OF KENTUCKY ASSOCIATION OF COUNTIES LEASING TRUST PROGRAM RELATING TO THE FINANCING OF THE PURCHASE OF TRUCKS TO BE LOCATED AND USED IN PERRY COUNTY

Motion by A.J. Hamblin seconded by Johnny Blair to discuss and approve Resolution of Perry County, Kentucky Fiscal Court accepting the proposal of the Kentucky Association of Counties Leasing Trust Program relating to the financing of the Purchase of Trucks to be located and used in Perry County, Kentucky. All for. The County is leasing to buy with no mileage limits.

ORDER: DISCUSS AND APPROVE RESOLUTION APPROVING KRYPTON INTERLOCAL WATER LINE EXTENSION AND INTERLOCAL COOPERATION AGREEMENT TO PROVIDE FOR CONSTRUCTION AND OPERATIONS OF THE KRYPTON WATER LINE EXTENSION PROJECT

Motion by Gary Baker seconded by A.J. Hamblin to discuss and approve Resolution approving Krypton Interlocal waterline extension and Interlocal Cooperation Agreement to provide for Construction and operations of the Krypton Water Line Extension Project. All for. This is a local agreement with the City to furnish water.

ORDER: ADJOURNMENT

Motion by A.J. Hamblin seconded by Johnny Blair to adjourn. All for.

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