

ORDINANCE NO. 432-1988

AN ORDINANCE OF THE CITY OF DRY RIDGE REGARDING THE PREPAYMENT OF BONDED INDEBTEDNESS OWING TO THE FARMERS HOME ADMINISTRATION AND REFINANCE OF SUCH INDEBTEDNESS BY PARTICIPATION IN A PLAN OF FINANCE REORGANIZATION AND STATE BOND ISSUE INSTITUTED BY THE KENTUCKY INFRASTRUCTURE AUTHORITY

WHEREAS, the City of Dry Ridge is presently indebted to the Farmers Home Administration for loan made for sanitary sewers constructed secured by bonds issued by the City in 1979 and to mature in 2017;

WHEREAS, the bonded indebtedness owing to the FmHA has been regularly <sup>paid</sup> with a balance on principal and interest thereon still outstanding and as to such indebtedness the Kentucky Infrastructure Authority has proposed to governmental entities and districts a plan where such bonded indebtedness outstanding is now prepaid with a refinancing of indebtedness so as to result in a savings to the debtor-borrower and as to such proposal and plan, the City of Dry Ridge has decided to participate and make application for reorganization of such indebtedness, if approved by the controlling state authority, all of which must be concluded by passage or ordinance and execution of documents and other papers together with certifications by June 9, 1988, so the Mayor has executed a declaration finding that a condition of emergency exists permitting the process or participation in the debt plan to be timely completed by single-unit consideration of ordinance and publication of same.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF DRY RIDGE:

SECTION ONE

That the City of Dry Ridge together with its Mayor and City Clerk and City Clerk, Pro-Tem be and the same are hereby authorized to participate in the plan of prepayment of the bonded indebtedness due and owing to the Farmers Home Administration incurred under the 1979 Sewer Bond Issue in the original sum and amount of \$476,700.00 to mature in January of 2017 proposed and to be directed by the Kentucky Infrastructure Authority resulting in a refinancing of such indebtedness under structured plan resulting in savings to the City.

SECTION TWO

That the City of Dry Ridge together with its Mayor and City Clerk and City Clerk, Pro-Tem be and the same are hereby authorized to prepay/refinance the balance of such bonded indebtedness owing to the FmHA in the approximate sum of \$428,000.00 plus interest thereon under the FmHA's 1988 Discount Purchase Program in conjunction with the Kentucky Infrastructure Authority and to further apply available monies or funds to the balance owing to the FmHA, if possible, then borrowing from the Bond Bank, the remaining monies so executing and completing timely any and all contracts, indentures and applications and any

assignments, delegations or hypothecations required to gain approval of the state's public service commission, prepay the FmHA debt and refinance the balance of the debt not so prepaid and thereafter service and timely pay any "new" indebtedness.

SECTION THREE

All documents, papers, forms and exhibits to be made and executed under the plan of the Kentucky Infrastructure Authority be and the same are incorporated hereinto by reference and made a part hereof the same as if set forth at length herein including the 'form' ordinance submitted by KIA and the Assistance Agreement and all schedules thereto attached or referred to therein including the repayment schedule as to monies borrowed from the state's Bond Bank. (The full text of the application and all other papers and schedules submitted, made and executed under the plan shall be maintained by the City Clerk for public review)..

The foregoing is a SUMMARY of the full and complete text of this Ordinance as read to, voted upon and approved by Council duly prepared by Michael S. Mulvey, attorney at law, and City Attorney for the City of Dry Ridge.

Duly read, passed and ordered published this the 6th day of June, 1988.

Attest:

Crystal Jones  
Crystal Jones, City Cler, Pro-Tem

Norman Ferguson  
Norman Ferguson, Mayor