

ORDINANCE NO. 722-2008

AN ORDINANCE OF THE CITY OF DRY RIDGE, KENTUCKY APPROVING A LEASE FOR THE FINANCING OF A PUBLIC PROJECT IN A MAXIMUM PRINCIPAL AMOUNT NOT TO EXCEED \$140,000; PROVIDING FOR THE PAYMENT AND SECURITY OF THE LEASE; DIRECTING THE MAINTENANCE OF THE HERETOFORE CREATED SINKING FUND AS SECURITY FOR THE LEASE; AND AUTHORIZING THE EXECUTION OF VARIOUS DOCUMENTS RELATED TO SUCH LEASE.

WHEREAS, the City of Dry Ridge, Kentucky (the "Lessee") has the power, pursuant to Section 65.940 et seq. of the Kentucky Revised Statutes to enter into lease agreements with or without the option to purchase in order to provide for the use of property for public; and

WHEREAS, the City Council of the Lessee (the "Governing Body") has previously determined, and hereby further determines, that the Lessee is in need of acquiring an Ambulance, as further described in the hereinafter defined Lease; and

WHEREAS, the Governing Body has determined and hereby determines that it is in the best interests of the Lessee that the Lessee and the Kentucky League of Cities Funding Trust (the "Lessor") enter into a Lease Agreement in a principal amount not to exceed \$140,000 (the "Lease") for the leasing by the Lessee from the Lessor of the Project.

~~NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DRY RIDGE, KENTUCKY, AS FOLLOWS:~~

Section 1. Recitals and Authorization. The Lessee hereby approves the Lease Agreement (the "Lease") and all Collateral Documents, as defined in the Lease, each in substantially the form presented to this Governing Body. It is hereby found and determined that the Project identified in the Lease is public property to be used for public purposes. It is further determined that it is necessary and desirable and in the best interests of the Lessee to enter into the Lease for the purposes therein specified, and the execution and delivery of the Lease and all representations, certifications and other matters contained in the Closing Memorandum with respect to the Lease, or as may be required by the Lessor prior to delivery of the Lease, are hereby approved, ratified and confirmed. The Mayor and Clerk of the Lessee are hereby authorized to execute the Lease, together with such other agreements or certifications which may be necessary to accomplish the transaction contemplated by the Lease.

Section 2. General Obligation Pledge. Pursuant to the Constitution of the Commonwealth and Chapter 66 of the Kentucky Revised Statutes, as amended (the "General Obligation Statutes"), the obligation of the Lessee created by the Lease shall be a full general obligation of the Lessee and, for the prompt payment of the Lease Payments, the full faith, credit and revenue of the Lessee are hereby pledged. During the period the Lease is outstanding, there shall be and there hereby is levied on all the taxable property in the Lessee, in addition to all other taxes, without limitation as to rate, a direct tax annually in an amount sufficient to pay the Lease Payments on the Lease 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 taxes of the Lessee are available for the payment of the Lease Payments and are appropriated for such purpose, the

amount of such direct tax upon all of the taxable property in the Lessee shall be reduced by the amount of such other taxes so available and appropriated.

There is hereby established with the Lessee a sinking fund (the "Sinking Fund"). The funds derived from said tax levy hereby required or other available taxes shall be placed in the Sinking Fund and, together with interest collected on the same, are irrevocably pledged for the payment of all bonds or obligations issued under the General Obligation Statutes and all Tax Supported Leases, as defined in General Obligation Statutes, including the Lease herein authorized, when and as the same fall due. Amounts shall be transferred from the Sinking Fund to the Lessor at the times and in the amounts required by the Lease.

Section 3. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 4. Open Meetings Law. This Governing Body hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this Governing Body, and that all deliberations of this Governing Body and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

Section 5. Conflicts. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed and the provisions of this Ordinance shall prevail and be given effect.

Section 6. Effective Date. This Ordinance shall take effect from and after its passage, as provided by law.

INTRODUCED, SECONDED AND ADOPTED, at a duly convened meeting of the City Council of the City of Dry Ridge, Kentucky, held on January 21, 2008, after first reading held on January 7, 2008, signed by the Mayor of the Lessee, attested by the City Clerk, ordered published in summary form and filed and indexed as provided by law.

By: Clay Crippen
Mayor

Attest: Cindy L. Harris
Clerk