

ORDINANCE NO. 010801

AN ORDINANCE OF BRECKINRIDGE COUNTY, KENTUCKY RELATING TO THE ISSUANCE AND SALE OF ITS KENTUCKY ASSOCIATION OF COUNTIES LEASING TRUST LEASE PROGRAM REVENUE BONDS, 2001 SERIES A IN AN AGGREGATE PRINCIPAL AMOUNT OF UP TO \$50,000,000 TO PROVIDE FUNDING FOR THE KENTUCKY ASSOCIATION OF COUNTIES LEASING TRUST PROGRAM; AUTHORIZING THE SALE OF THE BONDS; APPROVING PARTICIPATION IN SAID PROGRAM; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE AND A REIMBURSEMENT AGREEMENT; APPROVING A PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL STATEMENT; AND RELATED MATTERS

WHEREAS, Breckinridge County, Kentucky (the "County") is a duly and regularly created, organized and existing county and political subdivision of the Commonwealth of Kentucky (the "State"), existing as such under and by virtue of the Constitution, statutes and laws of the State;

WHEREAS, governmental agencies in the State have experienced and are continuing to experience difficulty in economically financing or refinancing the acquisition, construction and installation of various public projects at reasonable costs;

WHEREAS, in order to provide a vehicle for economically financing or refinancing the acquisition, construction and installation of various public projects by public agencies in the State, the Kentucky Association of Counties Leasing Trust Program (the "Program") has been established;

WHEREAS, in order to assist the Program to fulfill its public purposes and functions, the County desires to issue its revenue bonds denominated as Breckinridge County, Kentucky, Kentucky Association of Counties Leasing Trust Lease Program Revenue Bonds, 2001 Series A (the "Bonds") in accordance with the provisions of KRS 65.210 through 65.300, KRS 58.010 through 58.190 and KRS 65.940 through 65.956, as amended (collectively, the "Act");

WHEREAS, the Bonds will be issued pursuant to a Trust Indenture dated as of February 1, 2001 (the "Indenture") between the County and National City Bank of Kentucky, Louisville, Kentucky, as trustee (the "Trustee"), and the County intends to sell the Bonds pursuant to the terms of a Notice of Bond Sale (the "Notice of Bond Sale") and related documents;

WHEREAS, the Bonds will be payable solely from and secured solely by the Trust Estate, as provided and defined in the Indenture, and moneys drawn under a Letter of Credit (the "Letter of Credit") issued by Firststar Bank, National Association (the "Bank"), pursuant to a Letter of Credit and Reimbursement Agreement dated as of February 1, 2001 (the "Reimbursement Agreement") among the County, the Bank and Kentucky Association of Counties Leasing Trust ("CoLT") (the form of the Letter of Credit is attached to the Reimbursement Agreement as Exhibit A);

WHEREAS, in connection with the sale of the Bonds, the County intends to authorize the distribution of a Preliminary Official Statement (the "Preliminary Official Statement") and a Final Official Statement (the "Final Official Statement") of the County;

WHEREAS, there have been presented to the Fiscal Court of the County the following documents (each of which is designated as an Exhibit hereto), which the County proposes to enter into or accept to effectuate its participation in the Program and the proposed issuance of the Bonds:

- (1) the form of the Indenture, which will set forth the terms of the Bonds (Exhibit A); and
- (2) the form of Reimbursement Agreement (including the form of the Letter of Credit attached as an Exhibit thereto) (Exhibit B); and
- (3) the form of Notice of Bond Sale and the Official Bid Form (the "Official Bid Form") to be received from proposed purchasers of the Bonds (Exhibit C); and
- (4) the form of the Preliminary Official Statement (Exhibit D);

WHEREAS, it appears that each of the instruments above referred to is in appropriate form and an appropriate instrument for the purposes intended;

NOW, THEREFORE, be it ordained by the Fiscal Court of Breckinridge County, Kentucky.

Section 1. Purpose. The County hereby finds, determines and declares that all statements of fact set forth in the preambles to this Ordinance are true and correct in all respects, and such preambles are incorporated into the body of this Ordinance by reference as if set forth at length herein. The County further finds, determines and declares that the issuance by the County of the Bonds will be in the best interest of the County and is in the furtherance of the public purposes and functions of the County and in the public interest.

Section 2. Indenture. The County hereby approves and authorizes the execution and delivery of the Indenture in substantially the form filed with the County, subject to such changes, alterations, modifications and amendments as may be approved by the County, such approval to be established conclusively by the execution of the Indenture.

Section 3. Bonds; Trustee; Paying Agent. The County hereby approves and authorizes the preparation and issuance of the Bonds in an aggregate principal amount of up to \$50,000,000, bearing interest at rates not to exceed the Maximum Rate provided in the Indenture, and otherwise in accordance with the terms of the Indenture and the Act and as further described in the Preliminary Official Statement. National City Bank of Kentucky, Louisville, Kentucky is hereby designated to act as trustee, paying agent and registrar for the Bonds under the Indenture.

Section 4. Reimbursement Agreement. The County hereby approves and authorizes the execution and delivery of the Reimbursement Agreement in substantially the form filed with the County, subject to such changes, alterations, modifications and amendments as may be approved by the County, such approval to be established conclusively by the execution of the Reimbursement Agreement.

Section 5. Sale of Bonds; Financial Advisors. The County hereby approves and authorizes the offering for sale of the Bonds (at a price of not less than par) pursuant to the terms of the Notice of Bond Sale, which is hereby approved. The County Judge/Executive or the Clerk of the Fiscal Court are hereby authorized to select the best bid, based upon the advice of the County's Financial

Advisors with respect to the Bonds, and such determination will be conclusive and final. In order to assist the County in structuring the Program and in formulating the financing plan and the terms and conditions of the Bonds and matters related thereto, and to assist and advise the County with respect to the original sale of the Bonds, the County hereby designates and retains Merrill Lynch & Co. and Lawrenson Services, Inc., acting jointly, as its Financial Advisors.

Section 6. Preliminary Official Statement; Final Official Statement. The County hereby approves and authorizes the distribution of the Preliminary Official Statement in substantially the form filed with the County and the execution and distribution of the Final Official Statement in substantially the form of the Preliminary Official Statement, each subject to such changes, alterations, modifications and amendments as may be approved by the County, such approval to be established conclusively by the execution of the Final Official Statement.

Section 7. Representatives. The County hereby designates its County Judge/Executive and Clerk of the Fiscal Court, or their designees, to act as representatives of the County in connection with the matters provided in this Ordinance and said representatives or their designees are authorized and directed to execute and deliver for and on behalf of the County, the Indenture, the Reimbursement Agreement, the Official Bid Form, the Official Statement, the Bonds and any and all additional certificates, documents, agreements or other papers and perform all other acts necessary or desirable in connection with the County's participation in the Program and the issuance of the Bonds (the necessity and desirability of such additional certificates, documents, agreements and other papers and such other acts to be established conclusively by the execution or taking thereof).

Section 8. Severability. If any section, phrase or provision of this Ordinance is for any reason declared to be invalid, such declaration will not affect the validity of the remainder of the sections, phrases or provisions of this Ordinance.

Section 9. Conflict. To the extent any resolution, ordinance or part thereof is in conflict, the provisions of this Ordinance will prevail and be given effect.

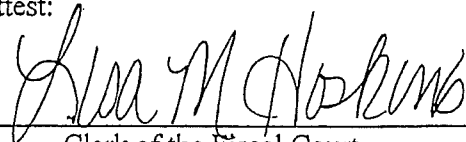
Section 10. Effective Date. This Ordinance will be in full force and effect from and after adoption and publication thereof as provided by law.

INTRODUCED, SECONDED, READ AND GIVEN FIRST READING APPROVAL at a duly convened meeting of the Fiscal Court of Breckinridge County, Kentucky, held on January 8, 2001.

GIVEN SECOND READING AND ADOPTED at a duly convened meeting of the Fiscal Court of Breckinridge County, Kentucky, held on January 22, 2001, signed by the County Judge/Executive as evidence of his approval, attested by the Clerk of the Fiscal Court, ordered published and filed as required by law, and declared to be in full force and effect from and after its adoption, approval and publication according to law.

  
County Judge/Executive

Attest:

  
Clerk of the Fiscal Court