

**ORDINANCE NO. 2019-01-02**

AN ORDINANCE OF THE CITY OF BELLEVUE, KENTUCKY AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION PUBLIC PROJECT BOND ANTICIPATION NOTES IN ONE OR MORE SERIES IN A PRINCIPAL AMOUNT NOT TO EXCEED \$2,500,000 TO PROVIDE INTERIM FINANCING IN ANTICIPATION OF THE ISSUANCE OF BONDS; APPROVING THE FORM OF THE NOTES; AUTHORIZING DESIGNATED OFFICERS TO EXECUTE AND DELIVER THE NOTES; PROVIDING FOR THE PAYMENT AND SECURITY OF THE NOTES; CREATING A NOTE PAYMENT FUND; MAINTAINING THE HERETOFORE ESTABLISHED SINKING FUND; AUTHORIZING THE COMPETITIVE OR NEGOTIATED SALE OF THE NOTES, WHEN ISSUED; AND REPEALING INCONSISTENT ORDINANCES.

WHEREAS, the City of Bellevue, Kentucky (the “City”) has determined the necessity of financing a public project consisting of the acquisition of certain property (collectively, the “Project”);

WHEREAS, pursuant to the Constitution and Laws of the Commonwealth of Kentucky, and particularly Sections 66.011 et. seq. of the Kentucky Revised Statutes, as amended (the “General Obligation Act”), a city may issue bonds and/or notes, subject to the requirements of the General Obligation Act to pay all or any portion of the costs of financing any public project that such city is authorized to acquire, improve or construct;

WHEREAS, the City has authorized the issuance of City of Bellevue, Kentucky General Obligation Public Project Bonds in an aggregate principal amount not to exceed \$2,500,000 (the “Bonds”) to permanently finance the Project;

WHEREAS, the City, pending completion of the Project, issued its General Obligation Bond Anticipation Notes, Series 2017 (the “Prior Notes”), in anticipation of the issuance of the Bonds, in order to provide interim financing for the costs of the Project; and

WHEREAS, the City, has further determined that it is advantageous and in the best interests of the City that the City proceed with the issuance of renewal General Obligation Bond

Anticipation Notes, in one or more series (each a “Note Series,” and collectively, the “Notes”) to refund the Prior Notes, pending the issuance of the Bonds; and

WHEREAS, the Notes, when issued, shall be issued in one or more series in an aggregate principal amount not to exceed \$2,500,000, such Notes to be sold and awarded at either at public competitive sale or a private negotiated sale to a purchaser (the “Note Purchaser”) identified by Ross, Sinclair & Associates, LLC, as financial advisor to the City, in accordance with the provisions of Section 66.141 of the Kentucky Revised Statutes.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL, CITY OF BELLEVUE, KENTUCKY, AS FOLLOWS:

Section 1 – Necessity, Authorization and Purpose of General Obligation Bond Anticipation Notes in Anticipation of Issuance of Bonds. The City hereby declares that it is necessary in anticipation of the issuance of the Bonds to issue and the City hereby authorizes the issuance of its General Obligation Bond Anticipation Notes in one or more series, in an aggregate principal amount not to exceed \$2,500,000 for the purpose of (i) refunding the Prior Notes; and (ii) paying the costs of issuance of the Notes.

Section 2 – Form of the Notes. The Notes shall be issued as fully registered Notes, shall be designated “General Obligation Bond Anticipation Notes,” with an appropriate series designation to distinguish one Note Series from another, 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 B. The Notes shall be in denominations as requested by the Note Purchaser or as is determined in a certificate of award, which shall be integral multiples of five thousand dollars (\$5,000). The Notes of a Note Series shall be dated their date of initial delivery to the Note Purchaser or such other date as is determined in a certificate of award (each a “Note Certificate of Award,” and collectively, the “Note Certificates of Award”) to be executed by the Mayor on the date the final interest rate for the Notes of a Note Series is established by the Note Purchaser or on

the date of the competitive sale of the Notes. Interest on the Notes shall be payable semiannually (each a “Note Interest Payment Date”), commencing on the date or dates set forth in the applicable Note Certificate of Award, at the stated interest rate or rates on the principal amount thereof. The interest rate on the Notes of a Note Series shall be determined in the applicable Note Certificate of Award; provided that the aggregate net interest cost of the Notes of any Note Series shall not exceed five percent (5.00%). The Notes shall mature of any Note Series shall mature no later than five years from their date of issuance, as shall be set forth in the applicable Note Certificate of Award.

The Notes of any Note Series may be subject to optional redemption or to mandatory sinking fund redemption prior to their maturity as set forth in the applicable Note Certificate of Award.

At least thirty (30) days before the redemption date of any Notes, the Paying Agent and Registrar for the Notes (the “Paying Agent and Registrar”) 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 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 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 3 -- Execution and Delivery of the Notes. The Notes shall be executed by the manual or facsimile signature of the Mayor and duly attested by the manual or facsimile signature of the City Clerk (which, together with any other person as may be authorized by resolution are referred to as “Designated Officers”), and shall bear the manual authenticating signature of an authorized representative of the bank designated as the Paying Agent and Registrar for the Bonds (the “Paying Agent and Registrar”). The Designated Officers are further authorized and directed to deliver the Notes to the Note Purchaser or Purchaser upon the terms and conditions provided herein, in the Certificate of Award for the Notes, receive the proceeds therefor, execute and deliver such certificate 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 City authorizes and directs the Paying Agent and Registrar to authenticate the Notes and to deliver the Notes to the Note Purchaser or Purchaser upon execution of the Certificate of Award and payment of the respective purchase price thereof.

Section 4 -- Payment. Interest on the Notes shall be payable by check, mailed to the person whose name appears on the fifteenth day of the month preceding an Interest Payment Date on the bond 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 of Notes 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, as applicable, 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 5 – 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 City, including, but not limited to, securing the approval of the State Local Debt Officer for the issuance of the Notes, and all actions heretofore taken in respect thereof are hereby ratified and approved.

Section 6 – Note Payment Funds, Payment of Notes. There shall be established with the Paying Agent and Registrar a note payment fund for each Note Series in the name of the City to be known as General Obligation Bond Anticipation Notes, Note Payment Fund (each a “Note Payment Fund,” and collectively, the “Note Payment Funds”), into which the City covenants to deposit, and into which the Designated Officers are hereby authorized and directed to deposit from the Sinking Fund, on or before the twenty-fifth day of each month which precedes a Note Interest Payment Date, the amount required to pay principal of and interest due on the Notes of any Note Series on such Note Interest Payment Date. There shall further be deposited to the Note Payment Funds such proceeds of Bonds, when issued, as shall be necessary to pay the principal of and interest on the Notes at maturity, and the City hereby pledges such proceeds of the Bonds for such purposes. The Paying Agent and Registrar shall, without further authorization from the City, withdraw from the Note Payment Funds, on each Note Interest Payment Date and on the final maturity date of the Notes of any Note Series, the amounts necessary to pay principal of, and interest on, the Notes of any Note Series to the registered owner of the same.

The Paying Agent and Registrar is hereby appointed as the depository of the Note Payment Funds herein established with respect to the Notes.

If the City shall fail or refuse to make any required deposit in the Note Payment Funds 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 City 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 owners of the Notes or their assignees, and shall disburse all funds so collected to the owners of the Notes as payment of the Notes.

Section 7 – General Obligation; Maintenance of Sinking Fund. The Notes shall be full general obligations of the City and, for the payment of said Notes and the interest thereon, the full faith, credit and revenue of the City 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 City, 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 City are available for the payment of the Bonds and are appropriated for such purpose, the amount of such direct tax upon all of the taxable property in the City shall be reduced by the amount of such other funds so available and appropriated.

A sinking fund has heretofore been established by the City (the “Sinking Fund”) and it is hereby ordered to be maintained and continued as long as any of the Bonds shall remain outstanding and unpaid. 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 bonds issued

under the General Obligation Act and Tax-Supported Leases, as defined in the General Obligation Act, when and as the same fall due.

Section 8 – Note Certificate of Award. The Mayor is hereby authorized to execute the Note Certificates of Award without further action of the City Council setting forth the terms of the Notes and any other provisions required by and not inconsistent with this Ordinance.

Section 9 – Execution and Delivery of Note Purchase Agreement. The sale and delivery of the Notes of a Note Series to the Note Purchaser, if sold at a negotiated sale, shall be undertaken upon the terms and conditions to be set forth in a purchase contract for the Notes of a Note Series (each a “Note Purchase Agreement,” and collectively, the “Note Purchase Agreements”) with the Note Purchaser; the execution, delivery and performance of which is hereby authorized, subject to such changes, additions and deletions and at the interest rates as may be approved by the Mayor in the applicable Note Certificate of Award, and the Mayor and City Clerk of the City be and are hereby authorized, upon execution of a Note Certificate of Award approving delivery of the applicable Note Purchase Agreement, to execute and deliver the applicable Note Purchase Agreement to the Note Purchaser, which execution and delivery shall be conclusive evidence of the approval of the price, interest rates, maturity, redemption provisions and any aforesaid changes, additions and deletions.

Section 10 – Registered Owner; Transfer; Exchange. As long as any 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 a Note Interest Payment Date, as applicable, or its assignees, for purposes of this Ordinance, to the extent of its interest, shall be treated as the owner of the Notes, as applicable, and shall be entitled to all rights and security of the owner of the Notes, as the case may be, 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, as applicable, 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 Note Proceeds. The proceeds of the sale of any Note Series shall be deposited as follows: (a) accrued interest, if any, shall be deposited to the applicable Note Payment Fund created in Section 6 hereof and (b) the remainder of the proceeds shall be deposited to a special disbursement fund (the “City of Bellevue Note Disbursement Fund”) to be held by the financial institution or institutions established in the applicable Note Certificate of Award (the “Note Disbursement Fund Depository”) and used redeem the Prior Notes and to pay the costs of issuance of the applicable Note Series.



Section 12 – Discharge of Note Ordinance. If the City 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 Ordinance, then the pledges made under this Ordinance, and all covenants, agreements and other obligations of the City hereunder, shall thereupon cease, terminate and become void and be discharged and satisfied.

Section 13 – 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 14 – Inconsistent Actions. All prior ordinances, resolutions or parts thereof inconsistent herewith are hereby repealed.

Section 15 – Open Meetings Compliance. All meetings of the City Council 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.

Section 16 – Effective Date. This Ordinance shall become effective immediately upon adoption and publication of a summary thereof, as provided by law.

INTRODUCED AND PUBLICLY READ ON FIRST READING HELD ON JANUARY 9, 2019.

INTRODUCED AND PUBLICLY READ ON DULY ADOPTED AFTER SECOND READING ON FEBRUARY 20, 2019.

**CITY OF BELLEVUE, KENTUCKY**

By: \_\_\_\_\_  
Mayor

Attest:  
\_\_\_\_\_  
City Clerk

**CERTIFICATION**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Bellevue, Kentucky (the “City”), and as such City Clerk, I further certify that the foregoing is a true, correct and complete copy of an Ordinance duly enacted by the City Council at a duly convened meeting held on February 20, 2019, on the same occasion signed by the Mayor as evidence approval, and the Ordinance is now in full force and effect, all as appears from the official records of the Participant in my possession and under my control.

Witness my hand as of the \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_

City Clerk

ANNEX A

CITY OF BELLEVUE, KENTUCKY  
GENERAL OBLIGATION BOND ANTICIPATION NOTES, SERIES \_\_\_\_\_

No. R-1 \$ \_\_\_\_\_

NOTE DATE: \_\_\_\_\_, 200\_

MATURITY DATE: \_\_\_\_\_ 1, 200\_

INTEREST RATE: \_\_\_\_\_%

REGISTERED HOLDER: \_\_\_\_\_

PRINCIPAL AMOUNT: \_\_\_\_\_ DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS: That the City of Bellevue, Kentucky (the "City"), for value received, hereby acknowledges itself obligated to, and promises to pay to the registered holder identified above, or registered assigns, the principal sum identified above (or, if any part thereof has been paid, the balance thereof remaining unpaid), on the maturity date specified above, and to pay interest on said principal sum (or, if any part thereof has been paid, the balance thereof remaining unpaid) from the date hereof, payable each \_\_\_\_\_ 1 and \_\_\_\_\_ 1, commencing \_\_\_\_\_ 1, 200\_, at the Interest Rate per annum identified above, except as the provisions hereinafter set forth with respect to prior redemption may be and become applicable hereto. The principal and interest of this Note are payable, without deduction for exchange, collection, or service charges, in lawful money of the United States of America. Principal is payable at the principal office of [Name of Paying Agent], [City of Paying Agent], Kentucky, or any successor (the "Paying Agent and Registrar") or by other transfer of funds acceptable to the Paying Agent and Registrar and such owner. All interest on this Note and principal payable prior to the final maturity date shall be payable by check or draft mailed to the record date registered owner hereof at the address shown on the registration records kept by the Paying Agent and Registrar or by other transfer of funds acceptable to the Trustee and such owner. The record date shall be the fifteenth day of the month preceding each interest payment date.

This Note is one of an issue of Notes of like tenor and effect, except as to denomination and maturity, numbered from R-1 upward, inclusive, of the denomination of \$5,000 or any integral multiple thereof, originally aggregating \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) in principal amount, issued in anticipation of the issuance of the City's General Obligation Bonds, Series [\_\_\_\_\_] (the "Bonds") for the purpose of (i) paying the costs of the acquisition of certain property for the City (the "Project") and (ii) paying the costs of issuance of the Notes, all pursuant to and in full compliance with the general laws of the Commonwealth of Kentucky and particularly Chapter 66 of the Kentucky Revised Statutes, and pursuant to an ordinance duly adopted by the City Council on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Ordinance") upon the affirmative vote of at least a majority of the members of the City Council at a public meeting duly and regularly held, and after approval by the State Local Debt Officer of the Commonwealth of Kentucky.

This Note and the issue of which it forms a part is a general obligation of the City and the full faith, credit and revenue of the City are pledged to the payments due hereunder. THIS NOTE IS CONTINUALLY SECURED BY THE FAITH, CREDIT AND REVENUE OF THE CITY.

The Notes mature on \_\_\_\_\_ 1, 200\_, bear interest at the rate of \_\_\_\_% per annum, payable on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year, commencing \_\_\_\_\_ 1, 20\_\_.

[The Notes shall be subject to optional redemption prior to their maturity on any date in whole or in part at the election of the City upon 30 days' written notice to the Paying Agent and Registrar at a redemption price equal to the principal amount of Notes to be redeemed, plus accrued interest to the date of redemption.]

At least thirty (30) days before the redemption date of any Notes the Paying Agent and Registrar shall cause a notice of such redemption signed by the Paying Agent and Registrar, to be mailed, first class, postage prepaid, to all registered owners of the Notes to be redeemed 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 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 published in the manner under the conditions hereinabove provided and moneys for payment of the redemption price being held in the Bond 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.

No recourse shall be had for the payment of the principal of or the interest on this Notes, or for any claim based hereon, against any officer, agent or employee, past, present or future, of the City, as such, either directly or through the City, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise; all such liability of such officers, agents or employees is hereby renounced, waived and released as a condition of and as consideration for the issuance, execution and acceptance of this Note.

It is hereby certified that all acts, conditions and things required to be done, to occur or be performed precedent to and in the issuance of this Note, or in the creation of the obligations of which this Note is evidence, have been done, have occurred and have been performed in regular and due form and manner as required by law; that the faith, credit and revenue of the City are hereby irrevocably pledged for the prompt payment of the principal hereof and interest hereon; that the repayment obligation represented by this Note is not in excess of any constitutional or statutory limitation; and that due provision has been made for the levy and collection of a tax sufficient in amount to pay the interest on this Note as it falls due and to provide for the redemption of this Note at maturity or upon earlier redemption.

IN WITNESS WHEREOF, the City has caused this Note to be signed either manually or by facsimile in its name by its Mayor and duly attested either manually or by facsimile by its City Clerk and an impression or facsimile of the City's seal to be imprinted hereon, as of the date set forth above.

**CITY OF BELLEVUE, KENTUCKY**

By: \_\_\_\_\_  
Mayor

Attest:  
\_\_\_\_\_  
City Clerk

**CERTIFICATE**

This is to certify that this Note is one of the Notes described hereinabove.

[Name of Paying Agent],  
Paying Agent and Registrar

By: \_\_\_\_\_  
Authorized Signature

**CERTIFICATE**

It is hereby certified that the following is a correct and complete copy of the text of the legal opinion of Dinsmore & Shohl LLP, Attorneys, Covington, Kentucky, regarding the issue of which the within note is one, the original of which opinion was manually executed, dated and issued as of the date of delivery of and payment for said issue and a copy of which is on file with the undersigned.

\_\_\_\_\_  
City Clerk

[FORM OF APPROVING OPINION]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfer unto the within Note and hereby irrevocably constitutes and appoints attorney to transfer the within Note on the books kept for registration and transfer of said Note, with full power of substitution in the premises.

Dated:

\_\_\_\_\_

-

\_\_\_\_\_  
(Signature must correspond with name of Registered Owner as it appears on the front of this Note in every particular, without alteration, enlargement or any change whatsoever.)

Social Security Number or other identifying number:

\_\_\_\_\_

Signature

-

Guaranteed

By:

\_\_\_\_\_

Notice: Signatures must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.