

SUMMARY OF ORDINANCE AND NOTICE OF ENACTMENT OF ORDINANCE

The City Council of the City of Highland Heights, Kentucky, at a meeting held on December 6, 2016, gave second reading to, and enacted, the following ordinance:

ORDINANCE NO. O-9 - 2016

AN ORDINANCE OF THE CITY OF HIGHLAND HEIGHTS, KENTUCKY AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,540,000 FOR THE PURPOSE OF REFUNDING IN ADVANCE OF MATURITY ALL OR A PORTION OF THE OUTSTANDING CITY OF HIGHLAND HEIGHTS, KENTUCKY GENERAL OBLIGATION PUBLIC PROJECT BONDS, SERIES 2009, THE PROCEEDS OF WHICH WERE USED TO FINANCE THE COSTS OF THE ACQUISITION, CONSTRUCTION INSTALLATION AND EQUIPPING OF A NEW MUNICIPAL BUILDING IN THE CITY OF HIGHLAND HEIGHTS, KENTUCKY; APPROVING THE FORM OF BONDS; AUTHORIZING DESIGNATED OFFICERS TO EXECUTE AND DELIVER THE BONDS; AUTHORIZING AND DIRECTING THE FILING OF NOTICE WITH THE STATE LOCAL DEBT OFFICER; PROVIDING FOR THE PAYMENT AND SECURITY OF THE BONDS; CREATING A BOND PAYMENT FUND; MAINTAINING THE HERETOFORE ESTABLISHED SINKING FUND; AUTHORIZING ACCEPTANCE OF THE BID OF THE BOND PURCHASER FOR THE PURCHASE OF THE BONDS; AND REPEALING INCONSISTENT ORDINANCES.

This Ordinance authorizes the issuance of general obligation refunding bonds designated as Series 2017 in an aggregate principal amount not to exceed \$5,540,000 (the "Bonds") by the City of Highland Heights, Kentucky (the "City"). The Bonds are to be issued for the purpose of refunding in advance of maturity all or a portion of the outstanding City of Highland Heights, Kentucky General Obligation Public Project Bonds, Series 2009 (the "Prior Bonds"), the proceeds of which were used to finance a new municipal building in the City (the "Project"). Provisions are made in the Ordinance for the payment of the Bonds and the security therefor; for the application of the proceeds of the Bonds; for the establishment of a Bond Payment Fund; for the maintenance of the previously established sinking fund; and for certain covenants of the City with respect to the Bonds. The Bonds are to be sold at public, competitive sale, and shall mature, or be subject to mandatory sinking fund redemption, in varying amounts on December 1 of each of the years 2016 through 2038. The Bonds pledge the full faith and credit of the City and provision is made for the collection of a tax to pay the principal of, and interest on the Bonds, subject to certain credits, as provided in Section 7 of the Ordinance. As required by KRS 83A.060, the following Section 7 of the Ordinance is set forth in its entirety:

"Section 7 -- General Obligation. The Bonds shall be full general obligations of the City and, for the payment of said Bonds 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 Bonds 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 Bonds 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."

The undersigned Attorney at Law, licensed to practice in Kentucky, hereby certifies that the foregoing title summary of Ordinance No. O-____ - 2016 of the City of Highland Heights, Kentucky, was prepared by the undersigned and constitutes a general summary of essential provisions of said ordinance, reference to the full text of which ordinance is hereby made for a complete statement of its provisions and terms.

By: /s/ Dirk M. Bedarff, Esq.

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