RESOLUTION NO.: 97-08

A RESOLUTION OF THE COUNTY OF MADISON DESIGNATING $3,880,000 PRINCIPAL AMOUNT OF MADISON COUNTY UTILITY DISTRICT UTILITY DISTRICT REFUNDING REVENUE BONDS, SERIES 1997 AS QUALIFIED TAX-EXEMPT OBLIGATIONS

WHEREAS, pursuant to Section 74 of the Kentucky Revised Statutes, the County of Madison, Kentucky (the "County"), established the Madison County Utility District (the "District") for the purposes described in Section 74 of the Kentucky Revised Statutes; and

WHEREAS, the District desires to issue refunding revenue bonds in the principal amount of $3,880,000 (the "Bonds") for the purpose of refunding certain outstanding revenue bonds (the "Project"); and

WHEREAS, the District is a subordinate entity to the County within the meaning of Section 148(f)(4)(C)(ii)(III) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the County and all its subordinate entities do not expect to issue more than $5,000,000 of the tax-exempt bonds (or leases) during the calendar year ending December 31, 1997; and

WHEREAS, in order to obtain the most advantageous terms of financing, it is necessary that the Bonds be designated "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code; and

WHEREAS, this Fiscal Court has determined and does hereby confirm that the County does not reasonably anticipate that the total principal amount of qualified tax-exempt obligations which will be issued by the County (or on its behalf) during the calendar year ending December 31, 1997 will exceed $10,000,000.

NOW, THEREFORE, BE IT RESOLVED BY THE FISCAL COURT, COUNTY OF MADISON, KENTUCKY as follows:

SECTION 1. Approval of Bonds and Project. The County hereby approves the Bonds and the Project.

SECTION 2. Expectation Regarding the Bonds. The County, by the adoption of this Resolution, certifies that it does not reasonably anticipate that less than 95% of the proceeds of the Bonds will be used for "local government activities" related to the County or that the aggregate face amount of all tax-exempt bonds issued by the County during the calendar year ending December 31, 1997 will exceed $5,000,000.

SECTION 3. Designation of Bonds. The Bonds are hereby designated as "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Code and it is certified that the County does not reasonably anticipate that the total principal amount of qualified tax-exempt obligations which will be issued by the County (or on its behalf) during the calendar year ending December 31, 1997 will exceed $10,000,000.

SECTION 4. No County Liability The County hereby states that it accepts no legal or moral obligation for repayment of the Bonds. This Resolution in no way obligates the County to repay the Bonds or pledge any County receipts to the District.

SECTION 5. Open Meetings. It is hereby determined that all formal actions of this Fiscal Court relating to the adoption of this Resolution were taken in an open meeting of this Fiscal Court, and that all deliberations of this Fiscal Court 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 6. Effective Date. This Resolution shall take effect from and after its passage, as provided by law.

Passed and approved this 14th day of October, 1997.

Judge/Executive

Attest: Mary Jane Ginter
Fiscal Court Clerk

<u>CERTIFICATE</u>

I, Fiscal Court Clerk of the County of Madison, Kentucky, do hereby certify that the above is a true copy of Resolution No. 97-08 as adopted by the Fiscal Court at a meeting held on October 14, 1997 whereat a quorum was present and voting, all as shown by the records of said County in my office.

COUNTY OF MADISON, KENTUCKY

By: Mary Jane Ginter
Fiscal Court Clerk

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