

184.260 Road improvement bonds -- Form -- Term -- Tax exemptions -- Rights of holders -- Payment.

- (1) In the event that the board of directors determines to issue road improvement bonds, or road district bonds for maintenance purposes, it may pledge the special assessment and liens on the property for the payment of the principal and interest of the bonds and shall apply the proceeds exclusively to the payment of the bonds. The bonds shall bear a date not less than thirty (30) days nor more than sixty (60) days after the date which was the last day for the execution by the property owners of installment payment agreements. The bonds shall be negotiable and payable to bearer, shall provide for the semiannual or more frequent payment of interest, shall bear coupons to provide for the payment of the interest, shall be numbered consecutively, shall be in denominations of one hundred dollars (\$100) or its multiple (provided that any odd amount not in multiple of one hundred dollars (\$100) may be included in the last bond to mature), shall be divided into nine (9) series as nearly equal as practicable, one (1) series maturing each year, and shall be payable at the office of the treasurer of the road district or at a bank or trust company named in the bonds. The bonds shall have the name of the road for the improvement or maintenance of which they are issued printed or engraved on the bonds, shall state the character and extent of the improvements, or the character and extent of the contemplated maintenance, shall be signed by the chairman and secretary of the board of directors, and the coupons shall be signed by the secretary either personally or by his engraved or lithographed facsimile signature.
- (2) It shall not be necessary in the bonds to recite the steps taken for the improvement of the road, maintenance of the road, or in making the assessment of the cost, but it shall be sufficient to make a general reference to the proceedings and to this chapter. The bonds shall be exempt from all taxation by or in the Commonwealth of Kentucky. The bonds shall convey and transfer to the owner of the bonds all lien, right, title, and interest in and to the assessments and liens upon the respective parcels of land abutting upon the improvement. The liens, until released after payment, shall be security for the bonds and coupons until they are paid.
- (3) The bonds shall be subject to prepayment and redemption at any interest period which does not occur within four (4) years from the date of the issue of the bonds. The treasurer of the district shall, when funds have accumulated from any special assessment sufficient to redeem in excess of the next series falling due, by lot select from the next succeeding issue falling due, bonds of a par value equal to the excess in the fund arising from the excess collection and shall advertise by publication pursuant to KRS Chapter 424 the designation and numbers of the bond or bonds so drawn to the effect that on the specified date, the bonds will be redeemed at their par value and accrued interest. The bonds specified in the notice shall bear no interest after the date fixed for their redemption, which provision shall be set forth in substance on the bonds.

Effective: July 15, 1996

History: Amended 1996 Ky. Acts ch. 274, sec. 48, effective July 15, 1996. -- Amended 1968 Ky. Acts ch. 55, sec. 11. -- Amended 1966 Ky. Acts ch. 239, sec. 160. -- Created 1942 Ky. Acts ch. 65, sec. 26.