

**107.120 Bonds not to constitute debt against city -- Not subject to taxation --
Liquidation -- City liable to bondholders for failure to pursue available
remedies for collection of improvement assessments.**

Each of said bonds shall bear on its face the statement that it has been issued under this chapter, and that it does not constitute an indebtedness of the city within the meaning of the Constitution. The bonds, and the receipt of interest thereon, shall not be subject to taxation. The bonds shall have all the qualities and incidents of negotiable instruments. The bonds, and the interest thereon, shall be payable exclusively from the proceeds of the annual improvement assessments levied from time to time upon the properties benefited by the project identified in the bonds and from the debt service reserve fund; but the city shall become directly and personally liable to the bondholders for any deficiencies which may arise from its failure to pursue to exhaustion, and in timely fashion, all remedies lawfully available in the collection of such improvement assessments.

History: Amended 1976 (1st Extra. Sess.) Ky. Acts ch. 13, sec. 18. -- Created 1956 Ky. Acts ch. 239, sec. 12.