

162.580 Duty of authority as to each bond issue.

In connection with each bond issue of the authority, it shall be the duty of the authority:

- (1) To require the board of education to insure the project to its full insurable value, or to the amount of the bonds outstanding from time to time, whichever is the less, against the hazards covered by the standard fire insurance policy with standard endorsement of "extended coverage"; and to require that a copy of each policy be delivered to the authority for inspection and for its records;
- (2) To require periodic accounting from all depositories of funds, the same to be submitted on forms prepared and supplied by the authority;
- (3) To furnish to the auditing staff of the department a summary identification and description of each issue, and to request that the financial records of the board of education relating thereto be audited as a part of the annual audit of the board of education, and that a separate statement or report thereof be filed with the authority;
- (4) To send to each board of education, at least thirty (30) days before the due date of any rental payment, a notice of the amount of rental to become due, and the date thereof, and to require acknowledgment thereof;
- (5) In the event of failure to receive from the board of education satisfactory evidence that sufficient funds have been transmitted to the authority, or will be so transmitted, for paying bond principal and/or interest when due, as provided in the lease, to notify and request that the department withhold from the board of education a sufficient portion of any undisbursed funds then held or set aside or allocated to it, and to request that the department transfer the required amount thereof to the authority for the account of the board of education.

Effective: July 13, 1990

History: Repealed and reenacted 1990 Ky. Acts ch. 476, Pt. V, sec. 587, effective July 13, 1990. -- Created 1960 Ky. Acts ch. 81, sec. 8, effective June 16, 1960.