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October 2, 2018

The Honorable Senator Stan Humphries, Co-Chair
The Honorable Representative Larry Brown, Co-Chair
Capital Projects and Bond Oversight Committee
Legislative Research Commission
Capitol Annex Building
Frankfort, Kentucky 40601

Dear Senator Humphries and Representative Brown:

Listed below is information regarding various projects and reports that will be presented to the Capital Projects and Bond Oversight Committee ("CPBO") at the October 16, 2018, meeting. Included pursuant to KRS 56.863(11) is the Asset/Liability Commission Semi-Annual Report as of June 30, 2018. Also included is the Annual Report of Outstanding Bonds as of Fiscal Year ending June 30, 2018.

The Kentucky Infrastructure Authority ("KIA") will present the following loan for the Committee's approval:

<u>Fund A Loan</u>	
City of Glasgow	\$5,298,000
<u>Fund B Loan</u>	
City of Calvert City	\$542,900
City of Mount Washington	\$1,599,630
<u>Fund F Loan</u>	
Green-Taylor Water District	\$1,963,390

The Office of Financial Management will present two (2) new bond issue reports for the Committee's approval:

Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Notes, Series 2018 (The Puritan Apartments)	\$24,000,000+
Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Notes, Series 2018 (Westminster Village)	\$9,500,000+

+Not to Exceed

Senator Humphries
Representative Brown
October 2, 2018
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The Office of Financial Management will present one (1) informational item for the Committee's review:

Kentucky Housing Corporation Multifamily Housing Revenue Bonds, Series 2018 (Jefferson Green Apartments Project) Series 2018, dated September 14, 2018	\$30,000,000+
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The School Facilities Construction Commission is submitting the following additional information for the Committee's approval:

Anderson County	\$6,215,000*
Boyle County	\$2,770,000*
Christian County	\$2,275,000*
Hazard Independent	\$3,215,000*
Mason County	\$5,385,000*
McCreary County	\$3,515,000*
Menifee County	\$14,770,000*
Nicholas County	\$5,880,000*
Paris Independent	\$275,000*
Southgate Independent	\$570,000*
Walton Verona Independent	\$3,100,000*

*Estimated

An OFM staff member will attend the CPBO meeting to answer any questions regarding this information. Please contact me if there are any questions or should your staff require additional information.

Sincerely,



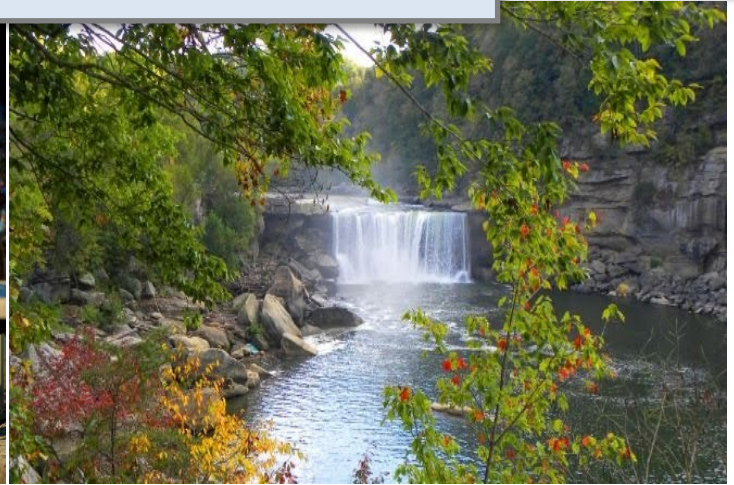
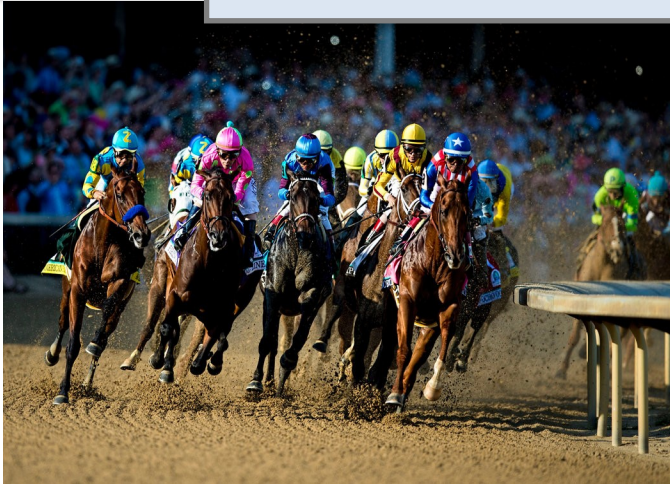
Ryan Barrow
Executive Director

Attachments

COMMONWEALTH OF KENTUCKY
KENTUCKY ASSET/LIABILITY COMMISSION
SEMI-ANNUAL REPORT

For the period ending June 30, 2018

43rd Edition



Matthew G. Bevin, Governor, Commonwealth of Kentucky

William M. Landrum III, Secretary, Finance and Administration Cabinet

Ryan Barrow, Executive Director, Office of Financial Management



An electronic copy of this report
may be viewed at:

<http://finance.ky.gov/services/ofm/Pages/semi-annualreports.aspx>

The Commonwealth's Comprehensive Annual Financial Report (CAFR)
may be viewed at:

<http://finance.ky.gov/services/statewideacct/Pages/ReportsandPublications.aspx>

The Municipal Securities Rulemaking Board (MSRB)
Electronic Municipal Market Access (EMMA)

website is located at:

<http://emma.msrb.org/>

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INTRODUCTION

The Kentucky Asset/Liability Commission (ALCo or the Commission) presents its 43rd semi-annual report to the Capital Projects and Bond Oversight Committee and the Interim Joint Committee on Appropriations and Revenue pursuant to KRS 56.863 (11) for the period beginning January 1, 2018 through June 30, 2018.

Provided in the report is the current structure of the Commonwealth's investment and debt portfolios and the strategy used to reduce both the impact of variable revenue receipts on the budget of the Commonwealth and fluctuating interest rates on the interest-sensitive assets and interest-sensitive liabilities of the Commonwealth. Additionally, an analysis of the Commonwealth's outstanding debt is provided as well as a description of all financial agreements entered into during the reporting period. And finally, the report makes available a summary of gains and losses associated with outstanding financial agreements.

Several factors on both the state and national level had an impact on activity during the reporting period. The most significant factors were:

On the national level

- The Federal Reserve Board of Governors voted unanimously to raise the target range for the federal funds rate by 0.25% in March and again in June to a range of 1.75% - 2.00%.
- The unemployment rate continued its downward trend, ending June 2018 at 3.9% from 4.1% in December 2017 and 4.3% in June 2017.
- The annual rate of economic growth as measured by GDP grew during the first half of 2018. The seasonally adjusted rate for the first and second quarters was 2.0% and 4.1%, respectively.
- Inflation, trending higher during the first half of 2018, saw the core rate (ex-energy and food) move from 1.8% at the end of 2017 to 2.3% ending June 2018.

On the state level

- General Fund receipts totaled \$10.838 billion for Fiscal Year (FY) 2018, representing a 3.4% increase over the same period in 2017. General Fund receipts for FY 2018 were \$119.8 million, or 1.1%, more than the official revised revenue estimate which projected 2.3% growth.
- Road Fund receipts for FY 2018 totaled \$1.511 billion increasing 0.2% for FY 2018 over the same period in FY 2017. Road Fund receipts for FY 2018 were \$7.0 million, or 0.5%, more than the official revenue estimate.
- Kentucky's seasonally adjusted unemployment rate stood at 4.2% at the end of June 2018, down from 5.1% one year ago.
- Large unfunded pension liabilities continue to put stress on the Commonwealth's budget and credit ratings.
- Implementation of bond authorizations from prior-year sessions of the General Assembly continued. Bond issues for the period are discussed later in the report.

INVESTMENT MANAGEMENT

MARKET OVERVIEW

The U.S. economy entered the ninth straight year of expansion, the second longest expansion on record. While tensions over trade threaten to impact future growth, the overall economic picture remains strong. The Bureau of Economic Analysis reported first-quarter 2018 gross domestic product (GDP) growth of 2.2% and second-quarter GDP growth at an impressive 4.1%. Job growth accelerated compared to the last half of 2017, with an average of approximately 224,000 jobs added each month for the first half of 2018. The unemployment rate continued its slow but steady trend downward as the economy approaches full employment, ending June at 3.9% compared to 4.3% in June 2017. The Federal Open Market Committee (FOMC) raised the federal funds rate target by 25 basis points in March and again in June to a range of 1.75% - 2.00%. Economists expect at least one and maybe two more rate hikes in 2018 as inflation passes the 2% target. The FOMC continues to gradually unwind its massive balance sheet by letting securities roll off once they reach maturity, a process that began in October of 2017.

Gross Domestic Product (GDP)

The Bureau of Economic Analysis (BEA) released the first quarter 2018 real GDP growth rate, a seasonally adjusted annualized rate of 2.2%, down slightly from the fourth quarter 2017 rate of 2.3%. The second quarter GDP growth rate was very strong coming in at 4.1%. Economists believe this is partly due to the effect of the recent tax cuts, but opinions vary on whether this increased momentum can be sustained. Growth rates for the third and fourth quarter will be heavily scrutinized. Private consumption, the largest portion of the economy, was anemic in the first quarter but bounced back in the following second quarter to post the largest annual increase since 2014. A

narrowing trade deficit and continued high levels of fixed investment overcame a drawdown in inventories. Inflation continued its slow rise, with the Consumer Price Index (CPI) coming in at 2.4% for first quarter and 2.9% for the second quarter. However, if the volatile food and energy component is removed, CPI was slightly lower for both the first and second quarter, 2.1% and 2.3% respectively. Since reaching the FOMC's target inflation of 2%, the further planned rate hikes are expected to dampen inflation going forward.

Employment

The employment situation continues strong during the first half of the year. Employers, on average, added 224,000 jobs during the six months ending in June. The closely-watched and less volatile three-month moving average rose to 230,000 from 221,000 during the last half of 2017. The unemployment rate as of June was 3.9%, down slightly from the 4.1% reported in March and 4.3% reported for June 2017.

Federal Reserve Policy

The Federal Open Market Committee (FOMC) confirmed the consensus expectations of economists by raising the federal funds target rate 0.25% at both the March and June meetings, bringing the range to 1.75% - 2.00%. Although inflation in the Federal Reserve's (Fed) core gauge has finally reached the target 2%, Fed chairman Jay Powell states that he is "slightly more worried about lower inflation still," reflecting a continuing concern after years of inflation undershooting the target. Traders have almost fully priced in a third rate hike in the second half of the year, while the probability of a fourth hike in December is around 65%.

The slow Fed balance sheet roll-off continued in the first half of the year, as over \$110 billion matured since the process began in October of 2017. The roll-off process is expected to hit \$50

INVESTMENT MANAGEMENT

billion a month as the Fed attempts to drawdown a balance sheet that still tops \$4.2 trillion.

Interest Rates

The dominant narrative concerning interest rates is the FOMC continuing the plan of gradually raising the federal funds rates as the economy gains steam and inflation arrives at the 2% target after years of underperformance. As the effects of last year's tax reform of corporate and individual rates continue to filter throughout the economy, economists continue to predict a boost to short-term growth. This could spur the Fed to increase the rate of tightening in order to avoid an overheated economy. Wage pressure remains muted, defying professional prognosticators that adhere to the Phillips curve model that anticipates increased wages, and thus inflation, once an economy reaches full employment. It is within this context that yields generally rose during the last half of the year.

Within this environment of short-term rising rates, long-term rates have not quite kept up and the yield curve continues to flatten. An inverted yield curve is thought to be a sign of a recession and the spread between 2-year U.S. Treasury Notes and 10-year Treasury Notes stood at 33 basis points on June 30th. The 10-year note finished the first half of the year at 2.86%.

While the overall trend in yields was higher, volatility was kept to a minimum with the 10-year trading within a 40 basis point range. As mentioned above, yields on the shorter end of the yield curve rose more rapidly, with the 3-month Treasury Bill settling at 1.91%, an increase of 52 basis points from the start of 2018. This trend continued with the 2-year

Treasury Note beginning the year at 1.91% and increasing 63 basis points to 2.54%. The five-year Treasury Note increased from 2.25% to 2.73%, a gain of 48 basis points. Meanwhile on the longer end, the 30-year Treasury Bond increased a modest 18 basis points, and finished June around 3%.

Equities

After posting an 11.4% return for the previous six months, the S&P 500 stumbled early in 2018 and never quite found its way in the first half of the year, increasing only 2.65%. This was due primarily to geopolitical tensions centering around trade policy. Trade concerns will continue to be a focus in the second half of 2018 as investors try to determine how trade policy will effect the economy.

Outlook

The pace of labor income alongside accumulating savings from the recent tax changes should keep consumer spending in the second half of the year close to a 3% pace.

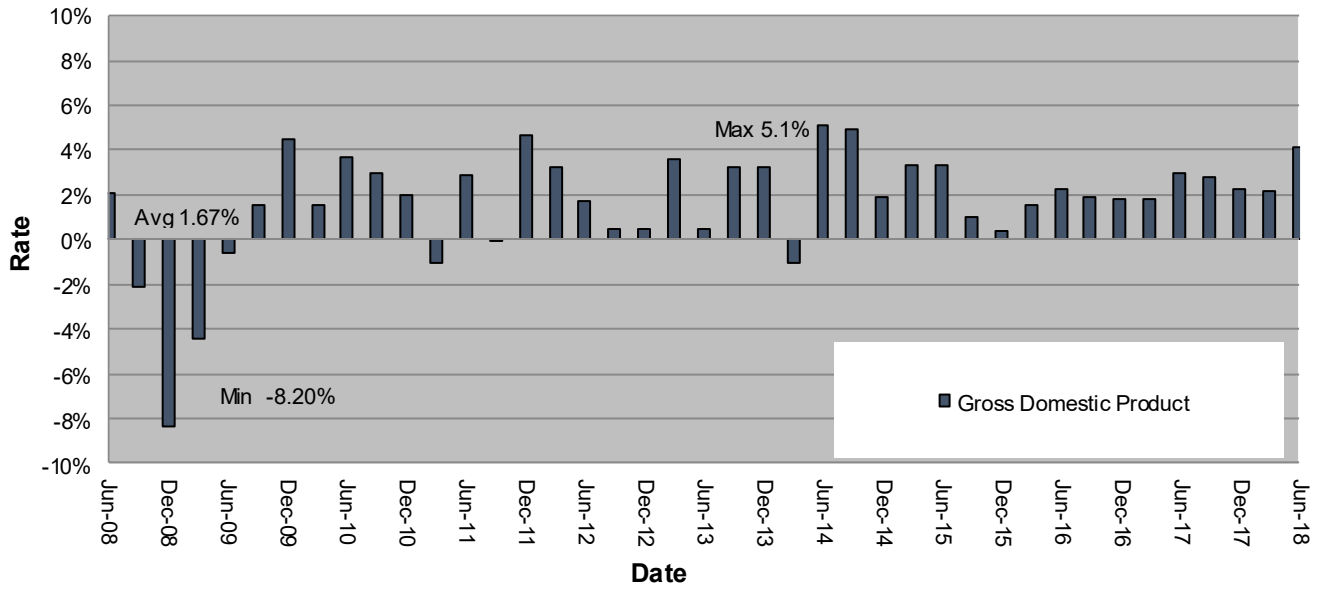
Escalating trade tensions, however, bring risks to the outlook. Capital spending is holding up and remains supportive of growth. Yet uncertainty surrounding U.S. and retaliatory tariffs has made pricing and sourcing more challenging, risking future investment and disruptions to already-tight supply chains.

Amid robust domestic demand, no signs of job growth slowing and core inflation back to 2%, the FOMC is expected to raise rates before year end. A flatter yield curve, however, and a Fed Funds rate close to "neutral" should lead to a slower pace of tightening heading into 2019.

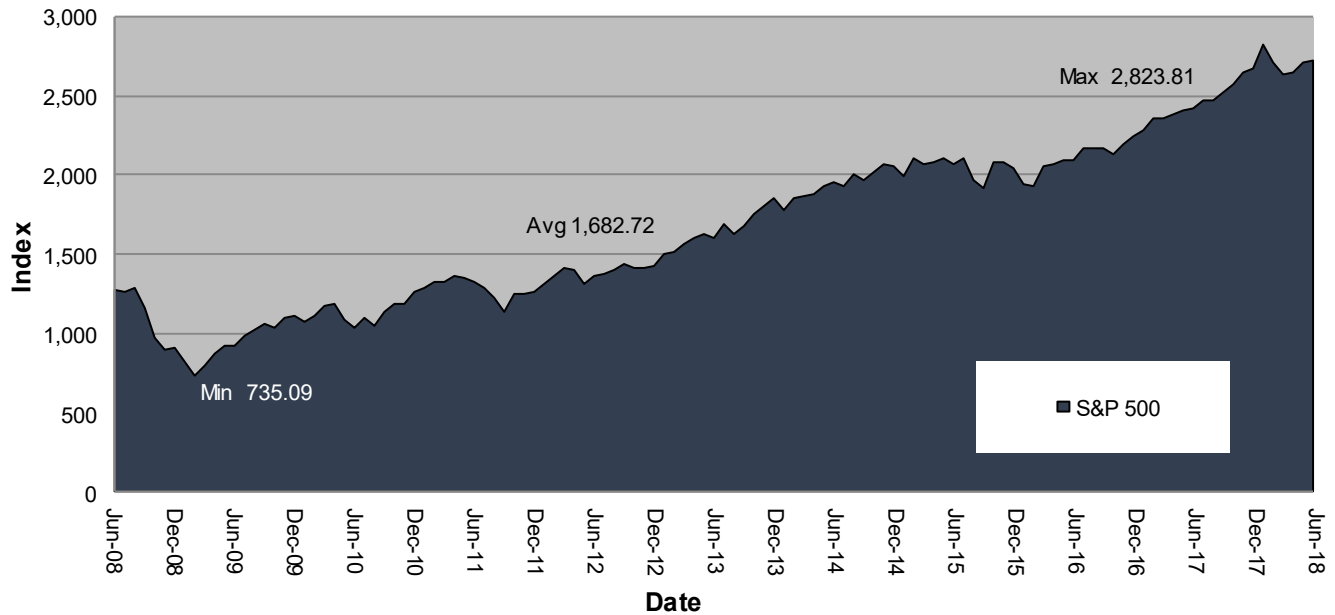
INVESTMENT MANAGEMENT

Real Gross Domestic Product & Standard & Poor's 500

Real Gross Domestic Product
 Quarter Over Quarter
 Range 07/01/2008-06/30/2018
 GDP CQOQ Index



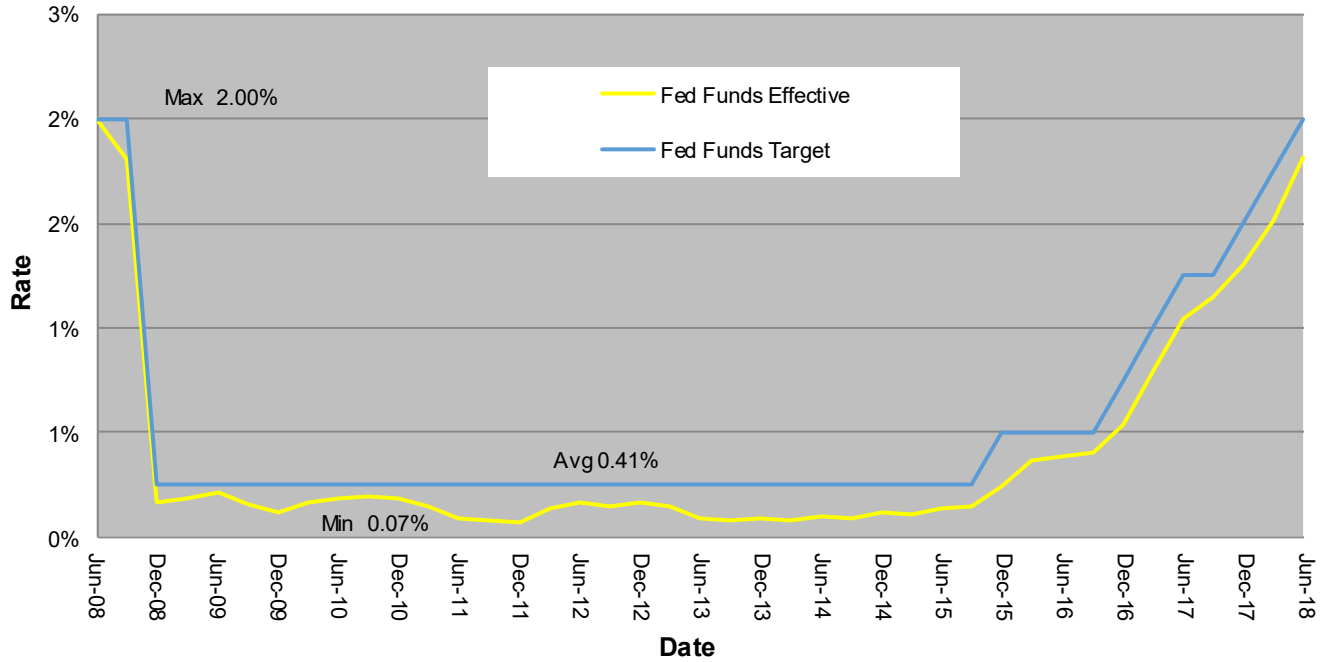
Standard & Poor's 500
 Range 07/01/2008-06/30/2018
 SPX Index



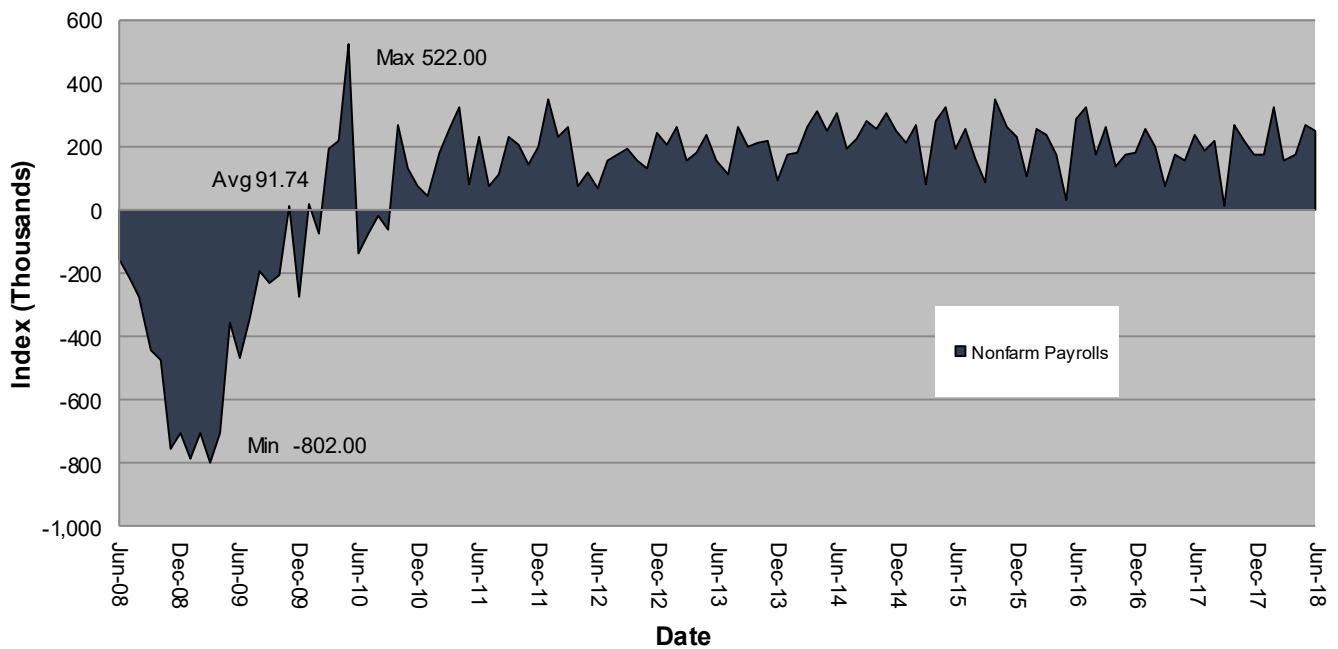
INVESTMENT MANAGEMENT

Federal Funds Target Rate & NonFarm Payrolls

Federal Funds Target Rate
Range 07/01/2008-06/30/2018
FEDL01 Index/FDTR Index



Nonfarm Payrolls
Range 07/01/2008-06/30/2018
NFPTCH Index



INVESTMENT MANAGEMENT

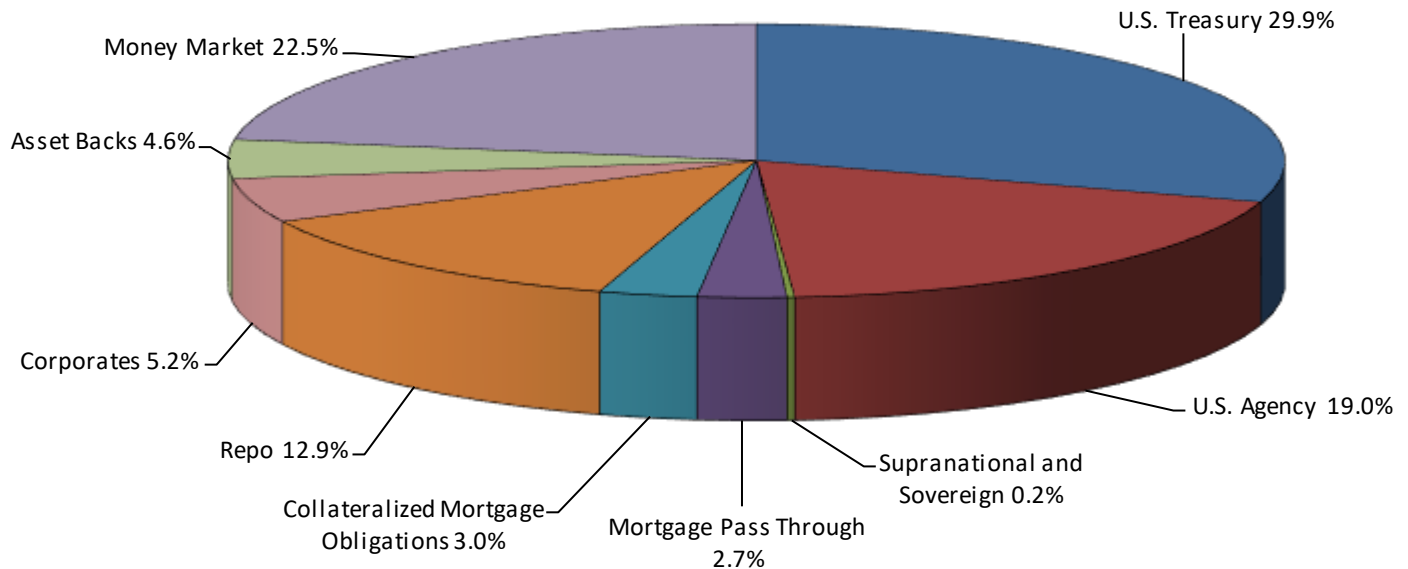
PORTFOLIO MANAGEMENT

For six months ended June 30, 2018, the Commonwealth’s investment portfolio was approximately \$4.2 billion. The portfolio was invested in U. S. Treasury Securities (29.9%), U. S. Agency Securities (19.0%), Supranational and Sovereign (0.2%), Mortgage Pass-Through Securities (2.7%), Collateralized Mortgage Obligations (3.0%), Repurchase Agreements (12.9%), Corporate Securities (5.2%), Asset-Backed Securities (4.6%), and Money Market

Securities (22.5%). The portfolio had a market yield of 1.99% and an effective duration of 0.44 years.

The total portfolio is broken down into three investment pools. The pool balances as of June 30, 2018 were \$242.3 million (Short Term Pool), \$1.6 billion (Limited Term Pool) and \$2.4 billion (Intermediate Term Pool).

Distribution of Investments as of June 30, 2018



INVESTMENT MANAGEMENT

Tax-Exempt Interest Rates and Relationships

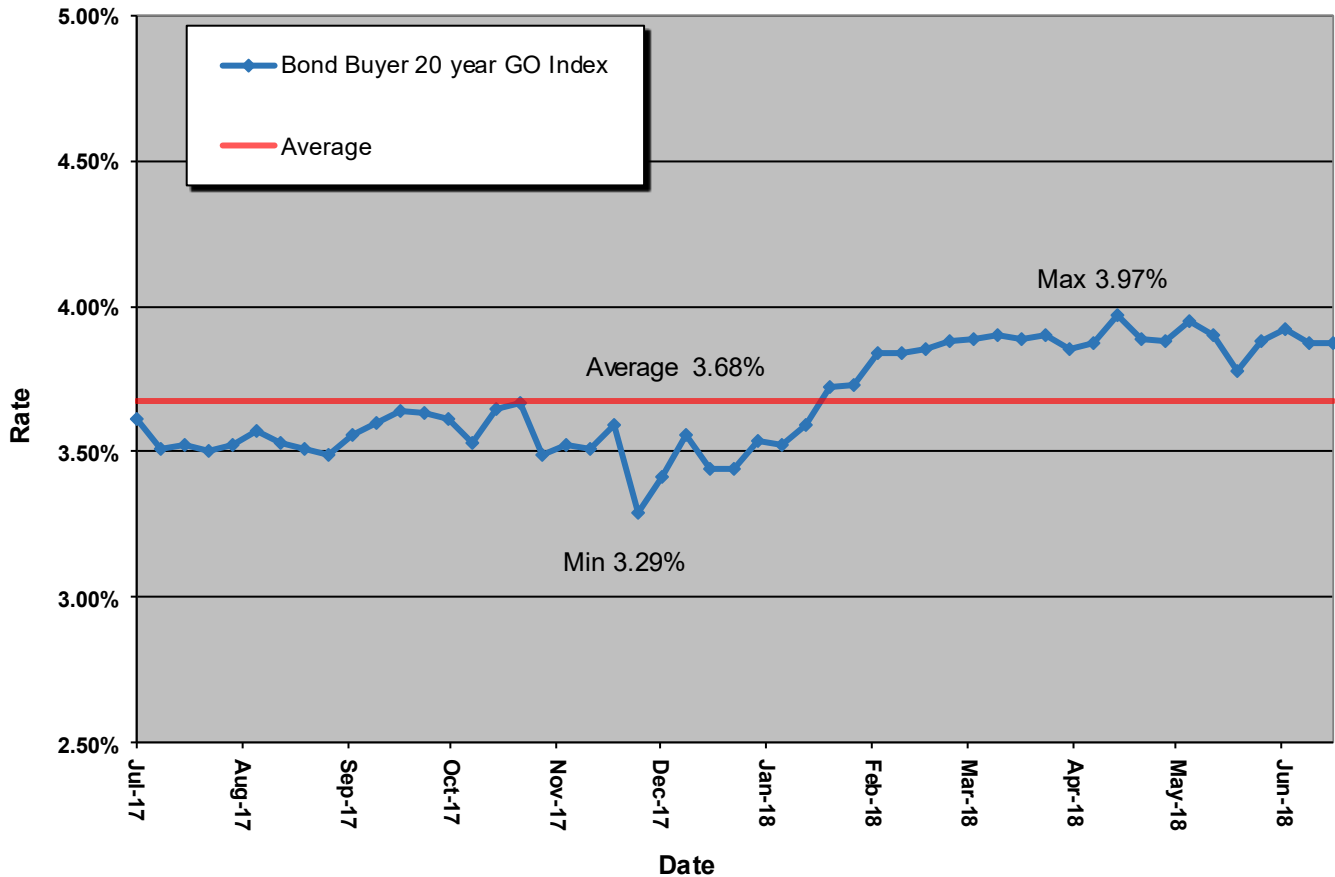
The Bond Buyer 20 General Obligation Index averaged 3.68% for Fiscal Year 2018. The high was 3.97% in April 2018 and the low was 3.29% in December 2017.

The Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index averaged 1.13% for Fiscal Year 2018. The high

was 1.81% in April 2018 and the low was 0.77% in August 2017. The 30-day USD London Interbank Offered Rate (LIBOR) averaged 1.56% for Fiscal Year 2018. The high was 2.10% in June 2018 and the low was 1.23% in July 2018. During the year, SIFMA traded at a high of 109.32% of the 30-day LIBOR in late December 2017, at a low of 51.32% in early June 2018, and at an average of 72.64% for the Fiscal Year.

Bond Buyer 20 General Obligation Index

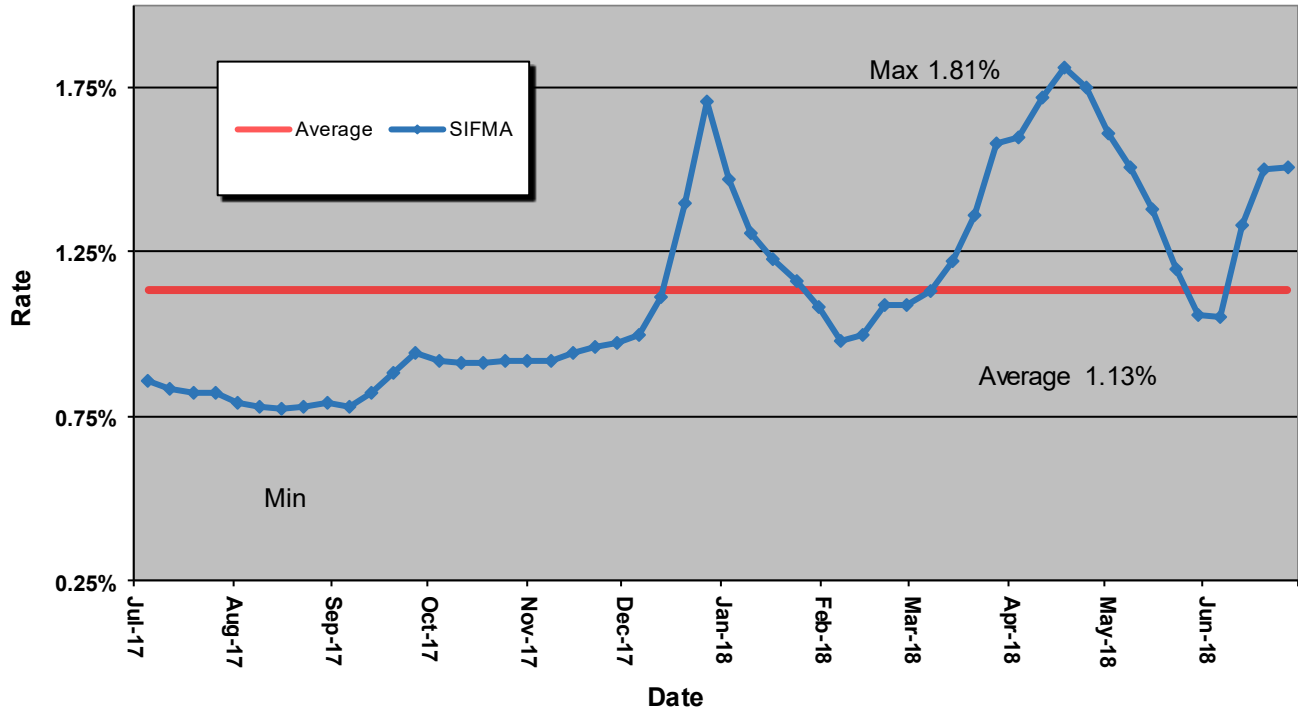
Range 07/01/2017 - 06/30/2018
BBWK20GO Index



SIFMA & SIFMA/LIBOR Ratio

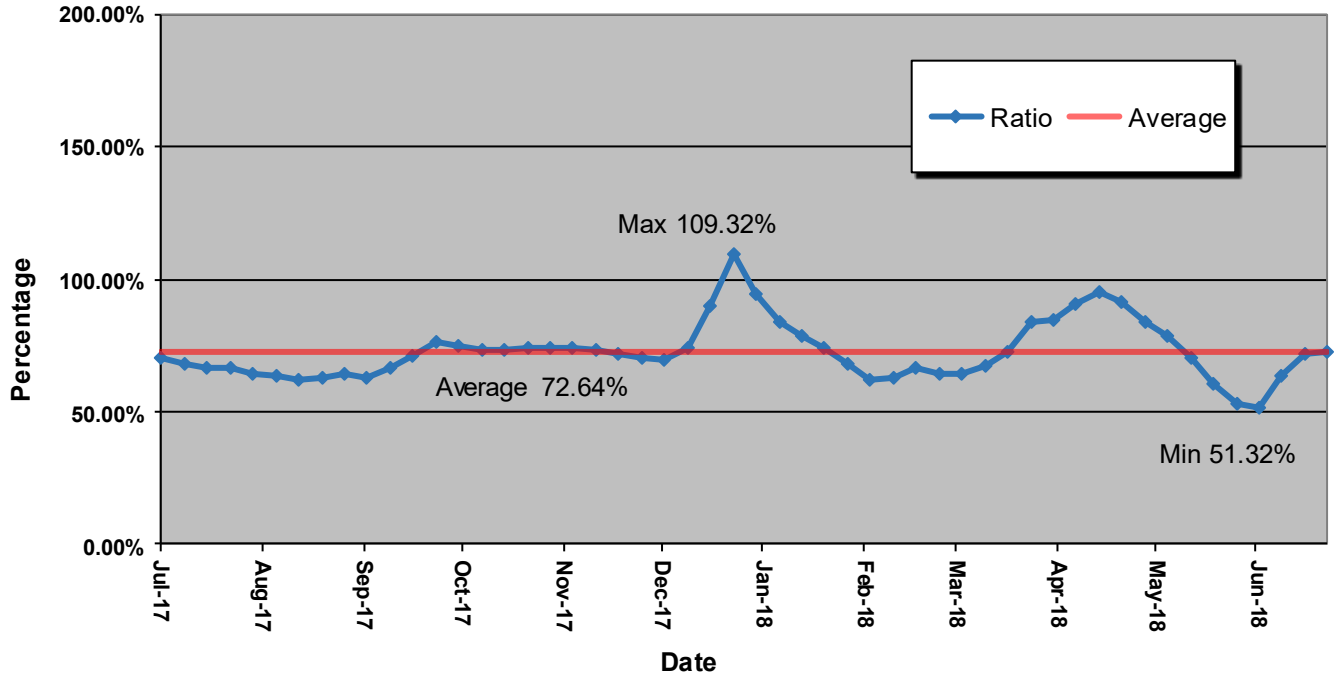
SIFMA Rate

Range 07/01/2017 - 06/30/2018
MUNIPSA Index



SIFMA / LIBOR Ratio

Range 07/01/2017 - 06/30/2018



CREDIT MANAGEMENT

MID-YEAR REFLECTION

The two-year period of tightening corporate credit spreads in the US bond market finally came to an end in early 2018 as the Investment Grade (IG) corporates Option Adjusted Spread (OAS) index ended at June 31 basis points (bps) wider than it started the beginning of the year. This reverses a trend that saw tightening of 40 bps and 29 bps in the previous two years. With rising bond yields came falling prices, resulting in total returns of negative 1.32% and underperforming Treasuries by 1.01%.

The first half of 2018 produced soaring company profits as the effects of the corporate tax cut began to take effect. Having extra cash, companies have turned to buying their own stock, with S&P 500 companies poised to break an all-time record for share buybacks this year. Despite steadily rising rates, companies continue to binge on the debt market and increase their leverage. The accelerating economy has business owners and executives feeling positive about their future prospects, giving them the confidence to borrow and expand.

After a typically weak first quarter of 2.2% annualized GDP growth, the U.S. economy posted a scintillating 4.1% growth rate in the second quarter. GDP forecasts for the entire year continue to rise, with many economists predicting 3% annual growth year over year for the first time since 2005, an astonishing achievement for what is currently the second-longest economic expansion on record. As the economy accelerates and inflation creeps upward, the Federal Reserve is expected to continue to raise rates to keep the economy from overheating. This could have a dramatic effect on corporate debt issuance as companies face significantly higher borrowing costs.

CREDIT PROCESS

Our credit strategy is to invest in creditworthy corporate issuers having a long-term rating of A3/A-/A- or better as rated by Moody's, S&P, or Fitch. The strategy focuses on adding value through a disciplined approach in the credit selection process. With independent research and prudent diversification with respect to industries and issuers, our goal is to deliver consistent longer term investment performance over U.S. Treasuries.

Default Monitoring

The Bloomberg credit risk model is our main tool for default monitoring. The default likelihood model is based on the Merton distance-to-default (DD) measure, along with additional economically and statistically relevant factors. Firms are assigned a default risk measure as a high-level summary of their credit health using an explicit mapping from default likelihood to default risk.

A daily report is generated using our approved list and their peers enabling us to track market activity in selected names including Credit Default Swaps (CDS).

Industry/Company Analysis

We use a combination top-down and bottom-up approach for investing. The top-down approach refers to understanding the current (and future) business cycle or the big picture of the economy and financial world in order to identify attractive industries. Once industries are identified, a bottom-up approach is implemented where we focus on specific company fundamentals, picking the strongest companies within a sector.

Fundamental analysis is then performed looking at competitive position, market share, operating history/trends, management

CREDIT MANAGEMENT

strategy/execution, and financial statement ratio analysis.

Approved List

Once analysis has been completed, the State Investment Commission approves the list of eligible corporate credits on a quarterly basis.

For the first half of 2018, there were no changes to the approved list. The Corporate Credits Approved list as of June 2018 is found in Appendix A.

DEBT MANAGEMENT

2010 Extraordinary (Special) Session

The 2010 Extraordinary (Special) Session of the General Assembly delivered House Bill 1 (Executive Branch Budget other than Transportation Cabinet) and House Bill 3 (Kentucky Transportation Cabinet Budget) to the Governor on May 29, 2010, establishing an Executive Branch Budget for the biennium ending June 30, 2012. The Governor took final action on the bills on June 4, 2010. Together, the bills authorized bond financing for projects totaling \$1,980.2 million to support various capital initiatives of the Commonwealth. Of the total authorization, \$507.4 million is General Fund supported, \$515.3 million is Agency Restricted Fund supported, \$522.5 million is supported by Road Fund appropriations and \$435 million is Federal Highway Trust Fund supported through Grant Anticipation Revenue Vehicle Bonds designated for the US-68/KY-80 Lake Barkley and Kentucky Lake Bridges Project and the Louisville-Southern Indiana Ohio River Bridges Project. A portion of the General Fund, Agency Restricted Fund, and Road Fund, and all of the Federal Highway Trust Fund authorizations have been permanently financed.

2012 Regular Session

The 2012 Regular Session of the General Assembly delivered House Bill 265 (Executive Branch Budget other than Transportation Cabinet) to the Governor on March 30, 2012 and House Bill 2 (Kentucky Transportation Cabinet Budget) to the Governor on April 20, 2012, establishing an Executive Branch Budget for the biennium ending June 30, 2014. The Governor took final action on House Bill 265 on April 13, 2012 and took final action on House Bill 2 on May 2, 2012. Together, the

bills authorized bond financing for projects totaling \$238.86 million to support various capital initiatives of the Commonwealth. Of the total authorization, \$182.86 million is General Fund supported, \$12.5 million is supported by Road Fund appropriations, and \$43.5 million is Agency Restricted Fund supported. A portion of the General Fund authorization and the total Agency Restricted Fund authorizations listed above have been permanently financed.

2014 Regular Session

The 2014 Regular Session of the General Assembly delivered House Bill 235 (Executive Branch Budget other than Transportation Cabinet) to the Governor on March 31, 2014 and House Bill 236 (Kentucky Transportation Cabinet Budget) to the Governor on April 15, 2014, establishing an Executive Branch Budget for the biennium ending June 30, 2016. The Governor took final action on House Bill 235 on April 11, 2014 and took final action on House Bill 236 on April 25, 2014. Together, the bills authorize bond financing for projects totaling a net amount of \$1,364.05 million to support various capital initiatives of the Commonwealth due to \$105 million in previously authorized debt that was de-authorized in House Bill 235. Of the total authorization, \$742.77 million is General Fund supported, \$721.28 million is supported by Agency Restricted Fund appropriations, and \$5.0 million is Road Fund supported. A portion of the General Fund and Agency Restricted Fund, and all of the Road Fund authorizations listed above have been permanently financed.

2016 Regular Session

The 2016 Regular Session of the General Assembly delivered House Bill 303 (Executive

DEBT MANAGEMENT

Branch Budget other than the Transportation Cabinet) and House Bill 304 (Kentucky Transportation Cabinet Budget) to the Governor on April 15, 2016, establishing an Executive Branch Budget for the biennium ending June 30, 2018. The Governor took final action on House Bill 303 and House Bill 304 on April 27, 2016. Together, the bills authorize bond financing for projects totaling a net amount of \$1,251.24 million to support various capital initiatives of the Commonwealth with \$9.0 million of previously authorized debt de-authorized in House Bill 303. Of the total authorization, \$582.99 million is General Fund supported and \$677.25 million is supported by Agency Restricted Fund appropriations. No additional Road Fund supported authorizations were appropriated. A portion of the General Fund and Agency Restricted Fund authorizations listed have been permanently financed.

2017 Regular Session

The 2017 Regular Session of the General Assembly delivered House Bill 13 and House Bill 482 to the Governor on March 30, 2017. House Bill 13 authorized a general fund bond supported project for the Kentucky Department of Veterans' Affairs for the financing of the Bowling Green Veterans Center totaling \$10.5 million. House Bill 482 authorized a general fund bond supported project for the Kentucky Economic Development Finance Authority Loan Pool to support programs administered by the Kentucky Economic Development Finance Authority for the sole purpose of facilitating a private sector investment of not less than \$1 billion in one or more locations in the Commonwealth. The Governor took final action on House Bill 13 and House Bill 482 on April 11, 2017. The total authorization under House Bill 482 has been permanently financed.

2018 Regular Session

The 2018 Regular Session of the General Assembly delivered House Bill 200 (Executive Branch Budget other than Transportation Cabinet) to the Governor on April 2, 2018 and House Bill 201 (Kentucky Transportation Cabinet Budget) to the Governor on April 14, 2018, establishing an Executive Branch Budget for the biennium ending June 30, 2020. The Governor vetoed House Bill 200 on April 9, 2018 and on April 13, 2018 the General Assembly enacted House Bill 200 over the Governor's veto. On April 14, 2018, the General Assembly delivered House Bill 265 (amending the 2018-2020 Executive Branch Budget Bill) to the Governor. The Governor took final action on House Bill 201 on April 26, 2018. House Bill 265 became law without the Governor's signature on April 27, 2018. Together, the bills authorize bond financing for projects totaling a net amount of \$972.7 million to support various capital initiatives of the Commonwealth whereas \$26.62 million in previously authorized debt was de-authorized in House Bill 200 and House Bill 201. Of the total authorization, \$396.44 million is General Fund supported and \$602.89 million is supported by Agency Fund appropriations.

Authorized but Unissued

The balance of prior bond authorizations of the General Assembly dating from 2006 through 2018 totals \$1,285.64 million. Of these prior authorizations, \$560.41 million is General Fund supported, \$662.73 million is Agency Restricted Fund supported, and \$62.50 million is supported by Road Fund appropriations. HB 201 from the 2018 Regular Session de-authorized the remaining \$59.50 million which was authorized for the Federal Highway Trust Fund.

DEBT MANAGEMENT

The following table summarizes, in aggregate, the information in connection with authorized but unissued debt of the Commonwealth as described in this section including \$300 million of pooled bond proceeds from SPBC No. 119 issued on June 19, 2018.

Summary of Authorized but Unissued Debt by Fund Type As of June 30, 2018

Legislative Session (Year)	General Fund (millions)	Agency Fund (millions)	Road Fund (millions)	TOTAL (millions)
2010 and prior	40.88	17.50	50.00	108.38
2012	13.35	-	12.50	25.85
2014	163.54	9.01	-	172.55
2016	262.32	93.34	-	355.66
2017	10.50	-	-	10.50
2018	369.82	542.89	-	912.70
Bond Pool Proceeds	(300.00)	-	-	(300.00)
TOTAL	560.41	662.73	62.50	1,285.64

RATINGS UPDATE

The rating agencies continually monitor the Commonwealth's budgetary policies and actual performance in areas such as revenue, the economy, pensions, and debt management. Pension unfunded liabilities have continued to put downward pressure on the Commonwealth's credit ratings.

During the reporting period, the ratings from S&P were downgraded as follows: General Obligation Issuer Implied Rating from A+ to A, General Fund Appropriation Rating from A to A-.

The remaining ratings below were either affirmed or remained unchanged from the previous reporting period.

Ratings on June 30, 2018 were:

	Moody's	S & P	Fitch
General Obligation Issuer Rating (GO Implied)	Aa3	A	AA-
General Fund Appropriation Rating (GF)	A1	A-	A+
Road Fund Appropriation Rating (RF)	Aa3	AA-	A+
Federal Highway Trust Fund Appropriation Rating	A2	AA	A+

DEBT MANAGEMENT

CASH MANAGEMENT STRATEGIES

All cash management strategies are market and interest rate dependent. Strategies are listed below:

Tax and Revenue Anticipation Notes (TRAN)

There were no General Fund TRANs issued for Fiscal Year 2018. As in the previous eight fiscal years, current reinvestment yields on TRAN proceeds would not be significantly higher than the cost of funds for a TRAN.

Inter-Fund Borrowing

Under current interest rate structures, borrowing internally from the state investment pools continues to be the most efficient and cost-effective way to provide short-term liquidity to the General Fund.

As of June 30, 2018 the total available liquid resources available to the General Fund was \$4.103 billion.

Bond Anticipation Notes (BAN)

No BANs were issued during the reporting period.

The Commonwealth took advantage of low fixed rates mitigating long term interest rate risks. Because of the flattened yield curve, no significant savings relative to risk could be achieved by issuing BANs.

Commercial Paper

While utilized historically, commercial paper was not issued during the reporting period.

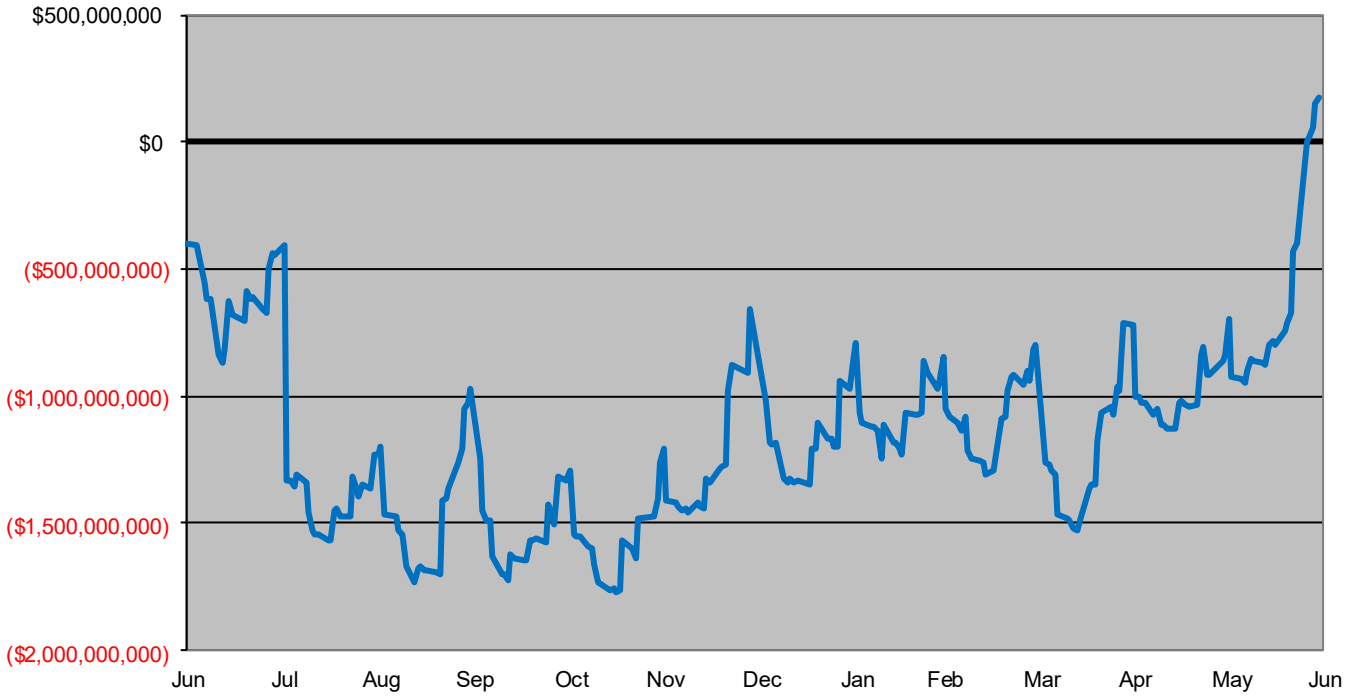
The Commonwealth took advantage of low fixed rates mitigating long term interest rate risks. Because of the flattened yield curve, no significant savings could be achieved by issuing commercial paper.

Project Notes

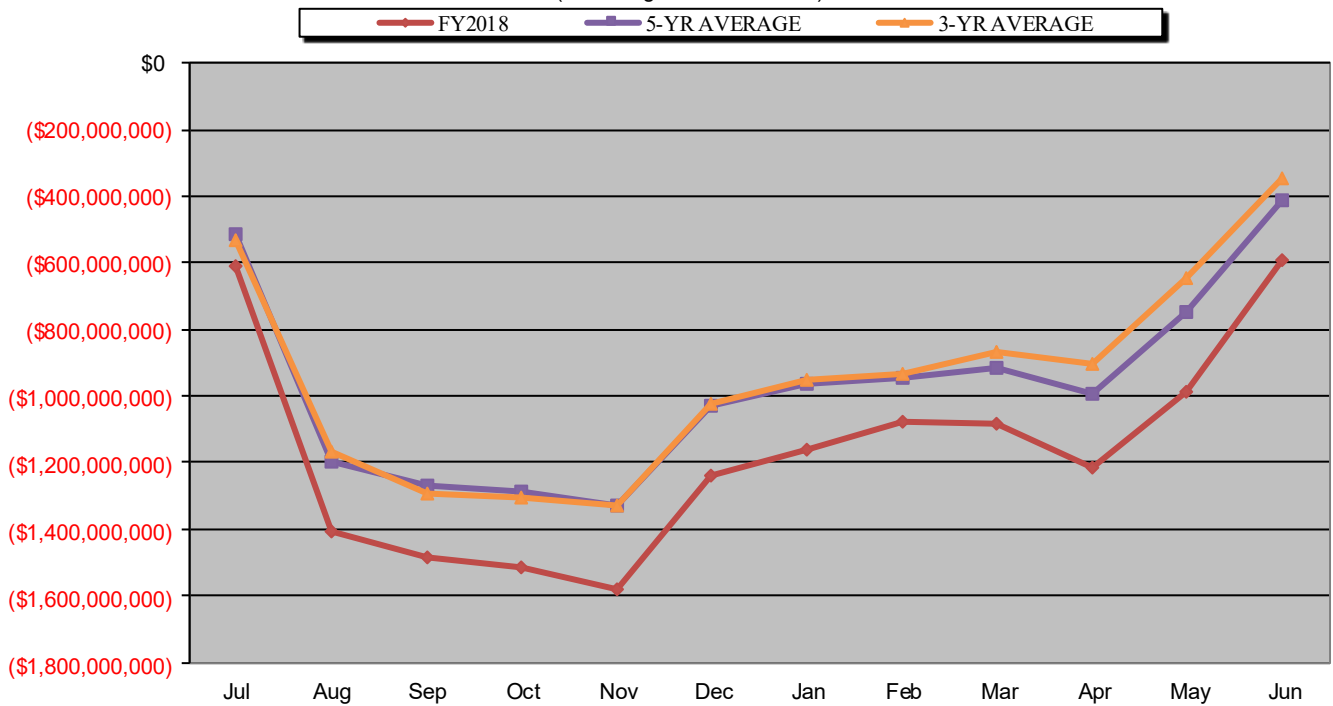
On June 20, 2018 ALCo closed the \$27,775,000 Asset/Liability Commission Agency Fund Direct Loan 2018 Project Note. This note provided funds to permanently finance the third and final phase of a capital project, commonly and collectively referred to as the BuildSmart Project. The financing provided a flexible repayment structure to coordinate with a variable revenue stream. The terms of the loan included an interest only, 5 year variable rate note indexed to 3-month LIBOR which allowed for annual principal prepayments.

DEBT MANAGEMENT

General Fund Cash Balance
Fiscal Year 2018



General Fund Monthly Average
(Excluding TRAN Proceeds)



DEBT MANAGEMENT

FINANCIAL AGREEMENTS

As of June 30, 2018, ALCo had three financial agreements outstanding, with a net notional exposure amount of \$166,965,000. These financial agreements are described in the section below and the terms of these transactions are detailed in Appendix B. No additional financial agreements were executed during the reporting period.

General Fund – Floating Rate Note Hedges

In May, 2007, ALCo issued \$243.08 million of Floating Rate Notes (FRNs) to permanently finance \$100 million of General Fund bond supported projects and to advance refund certain outstanding State Property and Buildings Commission (SPBC) bonds for present value savings. The transaction entailed ALCo issuing four FRNs, each paying a rate of interest indexed to 3-Month LIBOR plus a fixed spread. Integrated into the transaction were four separate interest rate swaps which perfectly hedge the floating rates on the FRNs and lock in a fixed rate payable by ALCo on the transaction. The terms of the four interest rate swaps exactly match the notional amount, interest rate, and amortization schedule of the four FRNs and allowed ALCo to elect “super-integrated” tax status on the transaction, whereby it receives similar tax treatment as a fixed rate bond issue under IRS rules.

Under the FRN transaction, the Notes and interest rate swaps were each insured under separate policies by FGIC, which maintained an Aaa/AAA credit rating at the time from Moody’s and S&P. Under the terms of the original interest rate swaps, the counterparty (Citibank) could optionally terminate the agreements if the insurer’s claims paying rating fell below an A3/A-level. Subsequent to the transaction, FGIC was downgraded multiple times by the credit rating agencies and currently are no longer rated. In December 2008, MBIA (rated A2 by Moody’s at

the time) reinsured FGIC’s municipal insurance portfolio providing additional coverage on the transaction. However, MBIA Insurance Corporation’s credit rating was also subsequently downgraded on multiple occasions and is currently rated Caa1 by Moody’s and is no longer rated by S&P. In February of 2009, MBIA established a new U.S. public finance financial guaranty insurance company known as National Guaranty Public Finance Corporation (National). National, at no additional charge, provided reinsurance on the FRNs and related swaps. However, on December 22, 2010, S&P downgraded National from A to BBB leaving both of National’s claims paying ratings below the required A3/A- level.

In early 2011, ALCo spent considerable time working with Citibank and other parties analyzing a variety of remedies that would prevent the potential early termination of the interest rate swaps. After much consideration, ALCo determined the preferred remedy was one offered by Citibank whereby the remaining notional amount of each interest rate swap would be assigned to a new counterparty under the existing financial terms and at no cost to ALCo or the Commonwealth. On February 14, 2011, ALCo, Citibank and the new counterparty, Deutsche Bank AG, executed the assignment of the remaining notional balances of each swap to Deutsche Bank. The terms of the new interest rate swaps with Deutsche Bank were identical to the original swaps, with two exceptions; 1) the new swaps were not insured and there were no insurer provisions contained in the new agreements, and 2) the credit rating triggers under the automatic termination provisions were now symmetrical for both counterparties (ALCo and Deutsche Bank) at A3/A-. Under the original swaps, ALCo’s credit rating triggers were Baa2/BBB, but rating recalibrations by the rating agencies caused municipal issuers to be rated on the same scale as corporations and other debt issuing entities, which facilitated the need for equal credit rating

DEBT MANAGEMENT

triggers for both parties. On July 10, 2014, the credit rating triggers were lowered to Baa3/BBB- for both counterparties. On January 25 2016, Moody's downgraded Deutsche Bank from A3 to Baa1 reflecting changes in Germany's insolvency legislation which took effect in January 2017. The changes resulted in protection from the subordination of certain senior unsecured debt obligations relative to other senior liabilities, including deposits. Moody's downgraded Deutsche Bank once

again on May 23, 2016 from Baa1 to Baa2 reflecting "the increased execution challenges Deutsche Bank faces in achieving its strategic plan." Even with two downgrades, Deutsche Bank continues to be in compliance with the swap agreement credit rating threshold of not falling below Baa3. ALCo continues to monitor the credit of our counterparty for compliance with terms of the agreement.

Details related to the interest rate swaps as of June 30, 2018 are presented in Appendix B.

ASSET/LIABILITY MODEL

General Fund

The total SPBC debt portfolio as of June 30, 2018 had \$3.857 billion of bonds outstanding with a weighted average coupon of 5.00% and a weighted average life of 6.82 years. The average coupon reflects an amount of taxable bonds issued under the Build America Bond Program during 2009 and 2010 as well as continued investor preference for tax-exempt callable premium bonds in the current market at a yield lower than par or discount coupon bonds. The \$1.203 billion callable portion had a weighted average coupon of 4.75%.

The SPBC debt structure has 44% of principal maturing in 5 years and 69% of principal maturing in 10 years, primarily influenced by debt restructuring and the minimal amount of long-term new money permanent financings within the last several years.

The General Fund had a maximum balance of \$271.931 million for Fiscal Year 2018 and a low of negative \$1.768 billion on November 15, 2017.

The average and median balances were a negative \$1.155 billion and a negative \$1.202 billion,

respectively. Since the General Fund continued to have a negative available cash balance for the fiscal year, there is little, if anything, that can be done from an asset management point of view beyond current actions.

From a liability management perspective, total General Fund debt service, net of credits was \$677.973 million for Fiscal Year 2018. In addition, General Fund debt service of \$11.261 million was provided for the Eastern State Hospital financing that was issued through the Lexington-Fayette Urban County Government in 2011. Net interest margin will continue to be negative due to low cash balances versus outstanding fixed rate debt, low level of interest rates, and the callability of the debt portfolio.

SPBC 119

On June 19, 2018, SPBC closed \$271,170,000 of Revenue Bonds, Project No. 119 which provided permanent financing for General Fund supported capital projects authorized by the Commonwealth of Kentucky General Assembly via various House Bills and Sessions. The transaction achieved an All-In True Interest Cost of 3.747% with an average life of 11.892 years. The transaction was sold on a tax-

DEBT MANAGEMENT

exempt basis via negotiated sale with Citigroup serving as senior managing underwriter and Dinsmore and Shohl LLP as bond counsel. The bonds received ratings of A1/A-/A+ from Moody's, S&P and Fitch, respectively.

Agency Fund

SPBC 118

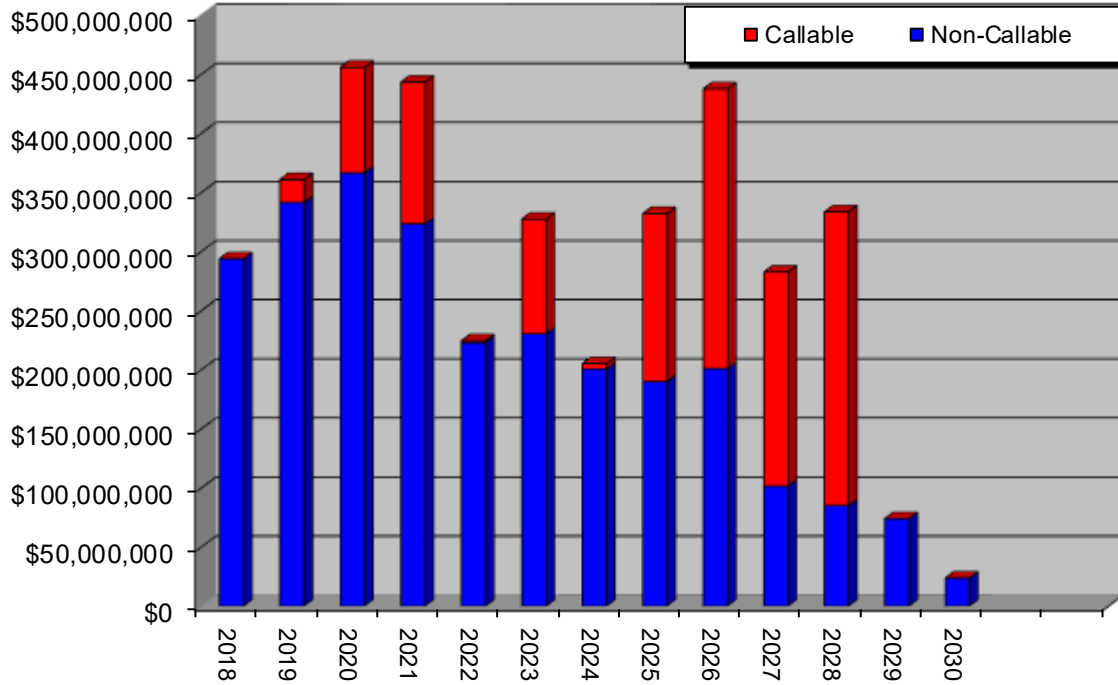
On May 24, 2018, SPBC closed \$28,945,000 of Agency Fund Revenue Bonds, Project No. 118 which provided permanent financing for the construction of Dam 10 on the Kentucky River. The transaction achieved an All-In True Interest Cost of 3.465% with an average life of 13.477 years. The transaction was sold to UBS Financial Services, Inc. as underwriter on a tax-exempt basis via competitive sale with Compass Municipal Advisors, LLC serving as financial advisor, and Dinsmore and Shohl LLP as bond counsel. The bonds received a rating of A2 from Moody's.

SPBC 120

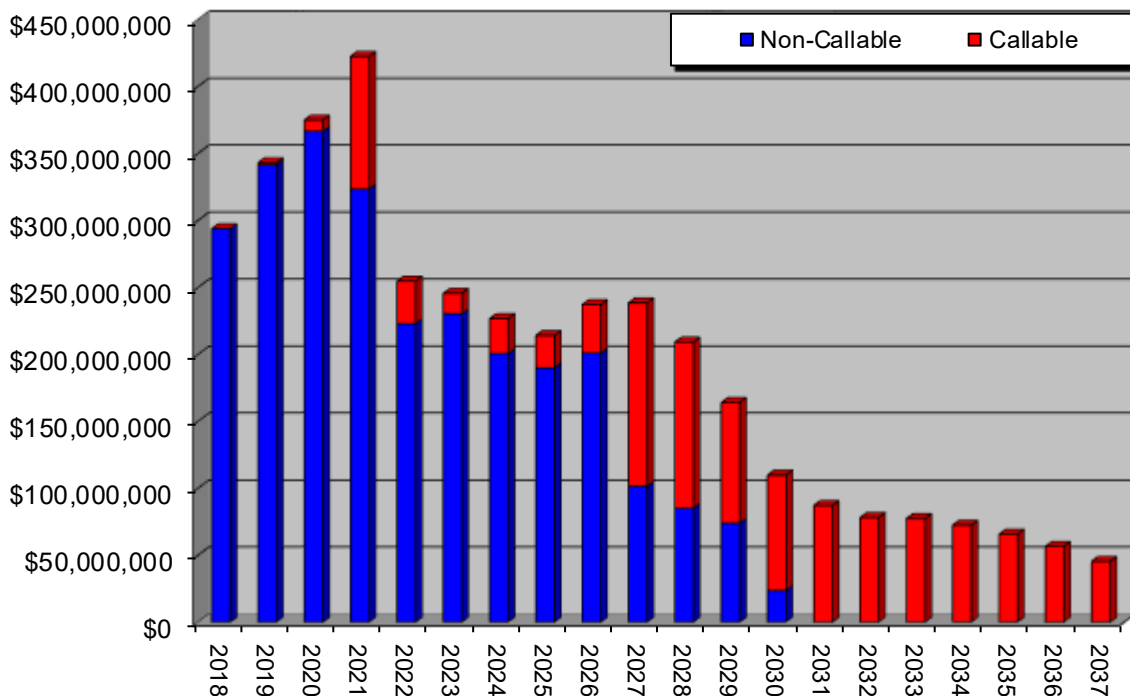
On June 19, 2018, SPBC closed \$9,580,000 of Agency Fund Revenue Refunding Bonds, Project No. 120. The Project No. 120 bond proceeds refunded certain outstanding taxable SPBC Bonds and taxable ALCo Project Notes on behalf of the Department of Military Affairs for present value savings. The transaction achieved an All-In True Interest Cost of 2.814% and a net present value savings of \$1,509,517.65 (or 14.23% savings from the refunded bonds). Because the SPBC No. 120 transaction sold in conjunction with the SPBC No. 119 transaction, both bond transactions were issued on a tax-exempt basis and achieved a greater NPV savings for the agency. The project 120 bonds were issued via negotiated sale with Citigroup serving as senior managing underwriter and Dinsmore and Shohl LLP as bond counsel. The bonds received ratings of A1/A-/A+ from Moody's, S&P and Fitch, respectively.

DEBT MANAGEMENT

Call Analysis by Call Date State Property and Buildings Commission Bonds



Call Analysis by Maturity Date State Property and Buildings Commission Bonds



DEBT MANAGEMENT

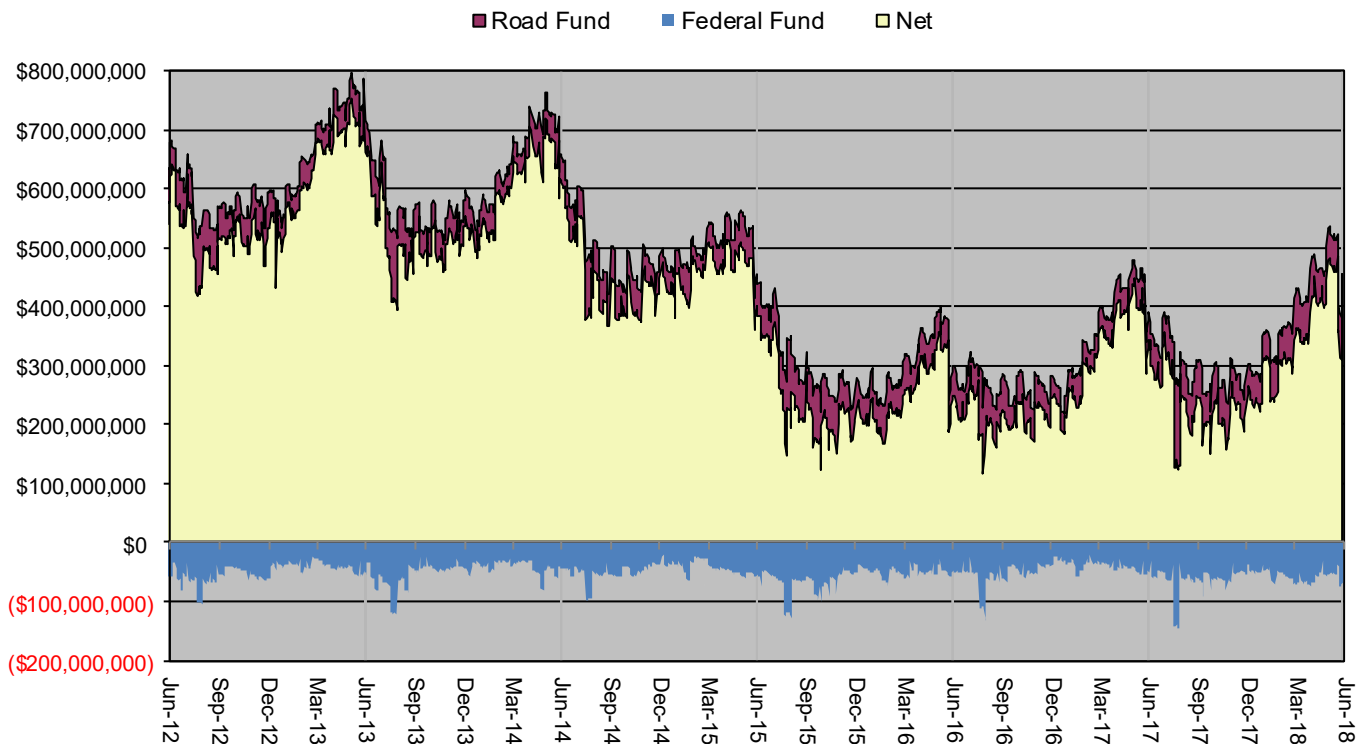
Road Fund

The Road Fund average daily cash balance for Fiscal Year 2018 was \$288 million compared to \$236 million for Fiscal Year 2017. The Road Fund cash was invested in the Intermediate Term Investment Pool which had a duration of 0.74 years as of June 30, 2018. The Road Fund earned a positive \$1.2 million on a cash basis for Fiscal Year 2018 versus a positive \$1.0 million for Fiscal Year 2017. The continued relatively low level of investable balances at certain times during the fiscal year limits the investment opportunities.

As of June 30, 2018, the Turnpike Authority of Kentucky (TAK) had \$1.204 billion of bonds outstanding with a weighted average coupon of 4.85 % and an average life of 7.14 years.

Road Fund debt service paid in Fiscal Year 2018 was \$166.9 million, resulting in a net interest margin (investment income earned year-to-date less debt service paid) of negative \$165.7 million. The negative amount stems from the level of investable balances and a general low level of interest rates on the investment side in addition to the limited callability of fixed rate obligations on the liability side.

Road Fund Available Balance
Fiscal Year 2011-2018 as of 6/30/2018



SUMMARY

ALCo's approach to managing the Commonwealth's interest-sensitive assets and interest-sensitive liabilities has provided tremendous flexibility and savings in financing the Commonwealth's capital construction program.

Over the past nine years, the high cost of acquiring credit/liquidity support for short-term borrowing programs when compared to the low cost of long-term financing generally favored long-term financing structures. However in situations where flexibility is required, such as KCTCS BuildSmart, variable rate ALCo Project Notes are preferred (page 17). ALCo does and will continue to analyze the cost effectiveness of potential interim financing options during near term.

Since its inception, ALCo has been instrumental in adding incremental returns on investment income to the Commonwealth's investment portfolio. In addition, ALCo's management approach to project funding has allowed the Commonwealth to take advantage of the yield curve and achieve millions of dollars in budgetary savings through debt service lapses.

As always, ALCo continues to analyze potential opportunities for savings and to evaluate new financing structures which offer the Commonwealth the ability to diversify risk within its portfolio while taking advantage of market demand for various new or unique products.

APPENDIX

APPENDIX A

Corporate Credits Approved For Purchase As Of June 30, 2018

Company <u>Name</u>	Repurchase			Company <u>Name</u>	Repurchase		
	<u>Agreements</u>	<u>Debt</u>	<u>Notes</u>		<u>Agreements</u>	<u>Debt</u>	<u>Notes</u>
Apple Inc		Yes	Yes	Merck & Co. Inc.		Yes	Yes
Bank of Montreal	Yes	Yes	Yes	Microsoft Corp		Yes	Yes
Bank of Nova Scotia	Yes	Yes	Yes	MFUG Securities	Yes	No	No
MUFG Bank LTD/NY *		Yes	Yes	Natixis SA/New York		Yes	Yes
Berkshire Hathaway Inc		Yes	Yes	Nestle Finance International		Yes	Yes
BNP Paribas Securities Corp	Yes	Yes	Yes	Oracle Corp		Yes	Yes
BNY Mellon NA		Yes	Yes	PepsiCo Inc		Yes	Yes
Boeing Co/The		Yes	Yes	Pfizer Inc		Yes	Yes
Canadian Imperial Bank of Comm		Yes	Yes	PNC Bank NA		Yes	Yes
Chevron Corp		Yes	Yes	Praxair Inc		Yes	Yes
Cisco Systems Inc		Yes	Yes	Procter & Gamble Co/The		Yes	Yes
Cooperatieve Rabobank		Yes	Yes	Royal Bank of Canada	Yes	Yes	Yes
Cornell University		Yes	No	Royal Dutch Shell PLC		Yes	Yes
Costco Wholesale Corp		Yes	Yes	Salvation Army		Yes	No
Deere & Co		Yes	Yes	State Street Corp		Yes	Yes
Exxon Mobil Corp		Yes	Yes	Sumitomo Mitsui Trust Bank		Yes	Yes
General Electric Co		Yes	Yes	Swedbank AB		Yes	Yes
Guggenheim Securities, LLC	Yes	No	No	Texas Instruments Inc.		Yes	Yes
Honda Motor Co Ltd		Yes	Yes	Toronto-Dominion Bank/The		Yes	Yes
Home Depot Inc		Yes	Yes	Total SA		Yes	Yes
HSBC Bank USA NA		Yes	Yes	Toyota Motor Corp		Yes	Yes
IBRD - World Bank		Yes	Yes	UBS AG (U.S.)		Yes	Yes
Intel Corp		Yes	Yes	US Bank NA		Yes	Yes
Intl Business Machines Corp		Yes	Yes	Wal-Mart Stores Inc		Yes	Yes
Johnson & Johnson		Yes	Yes	Walt Disney Co/The		Yes	Yes
Lloyds Bank PLC		Yes	Yes	Wells Fargo & Co		Yes	Yes

*Name Change:

Bank of Tokyo-Mitsubishi UFJ to MUFG Bank LTD/NY

APPENDIX A

Securities Lending Agent Approved Counterparties As of June 30, 2018

<u>Company Name</u>	<u>Securities Lending</u>	<u>REPO</u>
Alaska USA Federal Credit Union	Yes	Yes
Alaska USA Trust Company	Yes	Yes
BMO Capital Markets Corp	Yes	No
Bank of Nova Scotia	Yes	No
Barclays Capital, Inc	Yes	Yes
BNP Paribas Prime Brokerage, Inc.	Yes	No
BNP Paribas Securities Corp.	Yes	No
Cantor Fitzgerald & Co.	Yes	Yes
Citigroup Global Markets Inc	Yes	Yes
Credit Suisse Securities (USA) LLC	Yes	Yes
CYS Investments, Inc.	Yes	Yes
Daiwa Capital Markets America Inc	Yes	Yes
Deutsche Bank Securities Inc.	Yes	Yes
Dynex Capital Inc.	Yes	Yes
Goldman Sachs and Company	Yes	Yes
Hatteras Financial Corp	Yes	Yes
HSBC Securities (USA) Inc	Yes	Yes
ING Financial Markets LLC	Yes	Yes
Jefferies LLC	Yes	Yes
JP Morgan Securities LLC	Yes	No
Merrill Lynch Pierce Fenner & Smith Inc	Yes	Yes
Mizuho Securities USA, Inc	Yes	Yes
Morgan Stanley & Co. LLC	Yes	Yes
NatWest Markets Securities Inc.*	Yes	Yes
Nomura Securities International Inc	Yes	Yes
Pershing LLC	Yes	Yes
Redwood Trust	Yes	Yes
RBC Capital Markets LLC	Yes	No
SG Americas Securities LLC	Yes	Yes
Societe Generale	Yes	Yes
TD Securities (USA), Inc	Yes	Yes
Two Harbors Investment Corp	Yes	Yes
UBS Securities LLC	Yes	Yes
Wells Fargo Securities LLC	Yes	Yes

* RBS Securities Inc. name change to NatWest Markets Securities Inc.

APPENDIX B

ALCo Financial Agreements	ALCo FRN Series A Hedge	ALCo FRN Series A Hedge	ALCo FRN Series B Hedge	ALCo FRN Series B Hedge
Fund Source	General Fund	General Fund	General Fund	General Fund
Hedge	2017 FRN	2027 FRN	2021 FRN	2025 FRN
Counter-Party	Deutsche Bank AG	Deutsche Bank AG	Deutsche Bank AG	Deutsche Bank AG
Long-Term Senior Debt Ratings (Moody's / S&P / Fitch)		A3/A-/A-	A3/A-/A-	A3/A-/A-
Termination Trigger (Moody's / S&P)	Baa3/BBB-	Baa3/BBB-	Baa3/BBB-	Baa3/BBB-
Swap Type	Fixed Pay	Fixed Pay	Fixed Pay	Fixed Pay
Benchmark	67% 3M LIBOR + 40	67% 3M LIBOR + 53	67% 3M LIBOR + 52	67% 3M LIBOR + 55
Reset	Quarterly	Quarterly	Quarterly	Quarterly
Notional Amount	Expired 11/1/17	47,860,000	52,170,000	70,935,000
Amortize (yes/no)	yes	yes	yes	yes
Original Execution Date	5/16/2007	5/16/2007	5/16/2007	5/16/2007
Start Date	5/31/2007	5/31/2007	5/31/2007	5/31/2007
Assignment Date	2/14/2011	2/14/2011	2/14/2011	2/14/2011
Mandatory Early Termination				
End Date	11/1/2017	11/1/2027	11/1/2021	11/1/2025
Fixed Rate pay-(rec)	3.839%	4.066%	4.042%	4.125%
Day Count	30/360	30/360	30/360	30/360
Payment Dates		February 1, May 1, August 1, November 1		
Security Provisions		General Fund Debt Service Appropriations		
Current Market Valuation June 30, 2018	Expired 11/1/17	(3,503,828)	(1,769,379)	(6,489,271)
(negative indicates payment owed by ALCo if terminated)				
Interest Earnings (not applicable)				
Total	not applicable	not applicable	not applicable	not applicable

Swap Summary

As of June 30, 2018:

Total Notional Amount Executed

<u>General Fund</u>	<u>Road Fund</u>
243,080,000	0

Net Exposure Notional Amount

<u>General Fund</u>	<u>Road Fund</u>
166,995,000	0

Total Notional Amount Executed by Counter Party

Deutsche Bank (assigned from Citibank on 2/14/2011)

243,080,000

Debt

	<u>General Fund</u>	<u>Road Fund</u>	<u>General Fund</u>	<u>Road Fund</u>
Bonds Outstanding	4,014,220,000	1,247,450,000	401,422,000	124,745,500
<u>Authorized but Unissued</u>	<u>536,610,000</u>	<u>62,500,000</u>	<u>53,661,000</u>	<u>6,250,000</u>
Total	4,550,830,000	1,309,955,000	455,083,000	130,995,500

10 Percent Net Exposure

Investment Pool Balance

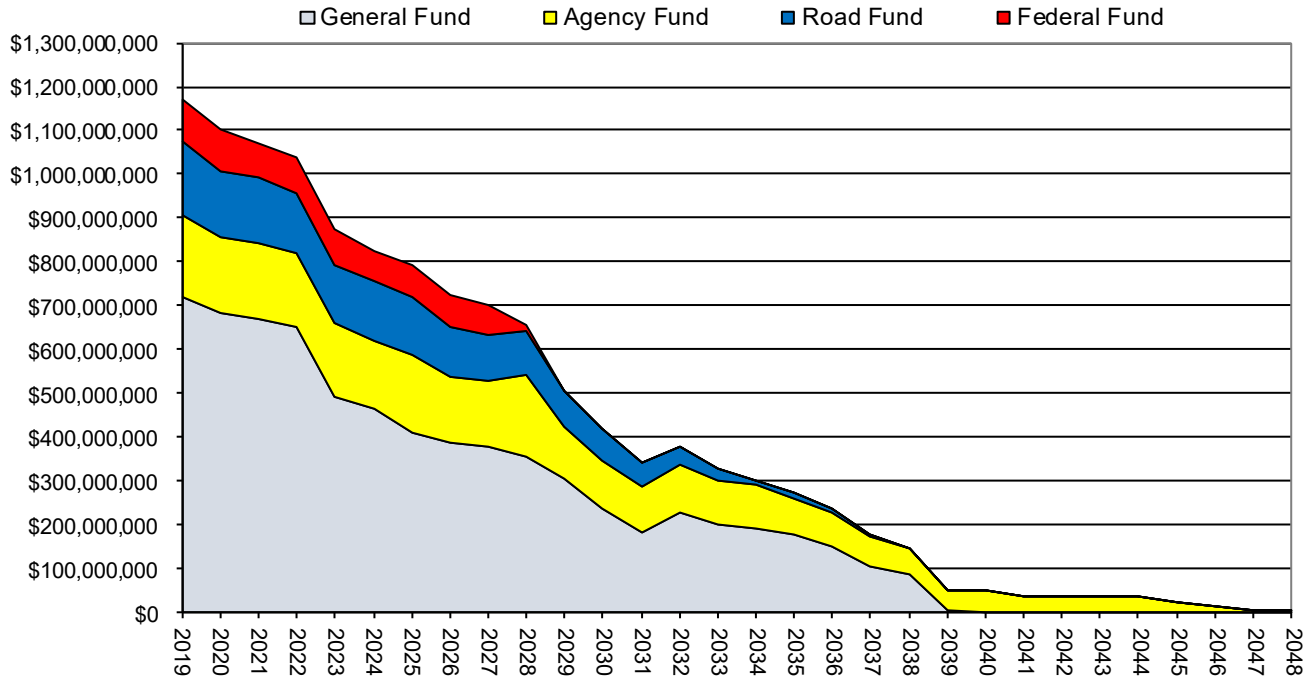
<u>Other Funds</u>	<u>Net Road Fund</u>
4,215,270,635	387,906,656

10 Percent Investment Portfolio

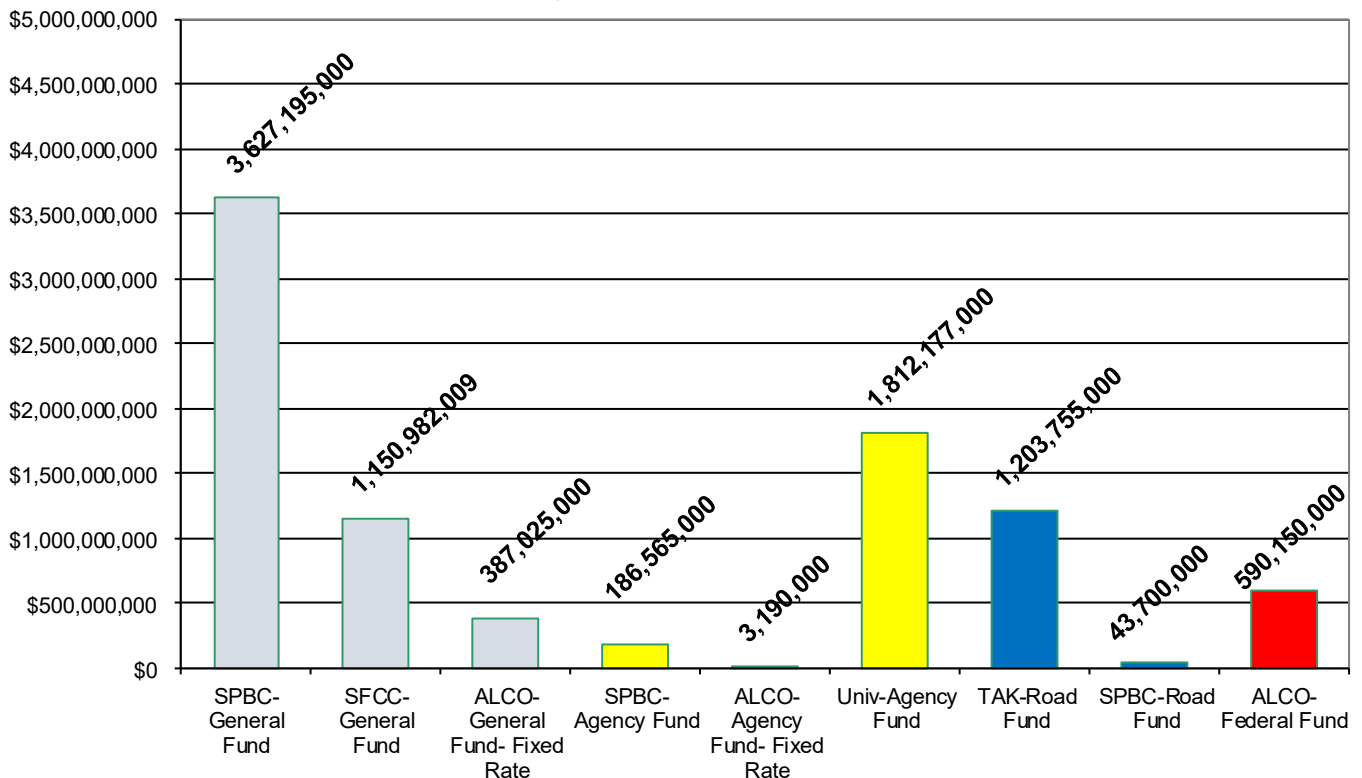
<u>Other Funds</u>	<u>Net Road Fund</u>
421,527,064	38,790,666

APPENDIX C

Appropriation Supported Debt Service by Fund Source as of 06/30/2018



Appropriation Debt Principal Outstanding by Fund Source as of 6/30/2018



*This data does not include debt issued for judicial center projects and paid for by the Administrative Office of the Courts in the Court of Justice or debt issued by the Lexington -Fayette Urban County Government for the Eastern State Hospital.

APPENDIX D

**COMMONWEALTH OF KENTUCKY
ASSET/LIABILITY COMMISSION
SCHEDULE OF NOTES OUTSTANDING
AS OF 06/30/2018**

FUND TYPE SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING
General Fund Project & Funding Notes				
2007 A, B Series	\$243,080,000	5/2007	11/2027	\$166,965,000
2010 1st Series-KTRS Funding Notes	\$467,555,000	8/2010	4/2020	\$34,350,000
2011 1st Series-KTRS Funding Notes	\$269,815,000	3/2011	4/2022	\$105,605,000
2013 1st Series-KTRS Funding Notes	\$153,290,000	2/2013	4/2023	\$80,105,000
FUND TOTAL	\$1,133,740,000			\$387,025,000
Agency Fund Project Notes				
2007 Series B-UK Gen Recpts	\$80,245,000	11/2007	10/2018	\$3,190,000
2018 Agency Fund Project Note (KCTCS)	\$27,775,000	6/2018	10/2023	\$27,775,000
FUND TOTAL	\$108,020,000			\$30,965,000
Federal Hwy Trust Fund Project Notes				
2007 1st Series	\$277,910,000	9/2007	9/2019	\$82,725,000
2010 1st Series	\$89,710,000	3/2010	9/2022	\$89,710,000
2013 1st Series	\$212,545,000	8/2013	9/2025	\$193,030,000
2014 1st Series	\$171,940,000	3/2014	9/2026	\$132,175,000
2015 1st Series	\$106,850,000	10/2015	9/2027	\$92,510,000
FUND TOTAL	\$858,955,000			\$590,150,000
ALCo NOTES TOTAL	\$2,100,715,000			\$1,008,140,000

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REPORT PREPARED BY:



OFFICE OF FINANCIAL
MANAGEMENT

Commonwealth of Kentucky

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Frankfort, KY 40601

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Creating Financial Value for the Commonwealth



PLACEHOLDER FOR
ANNUAL REPORT OF BONDS OUTSTANDING
FY2018

**Kentucky Infrastructure Authority
Projects for
October 2018 Capital Projects Meeting**

- **Fund A Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Loan Amount</u>	<u>County</u>
A15-094	City of Glasgow (Increase)	\$ 5,298,000	Barren

- **Fund B Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Loan Amount</u>	<u>County</u>
B19-001	City of Calvert City	\$ 542,900	Marshall
B19-004	City of Mount Washington	\$ 1,599,630	Bullitt

- **Fund F Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Loan Amount</u>	<u>County</u>
F18-005	Green-Taylor Water District (Increase)	\$ 1,963,390	Taylor

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND A, FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND		Reviewer Date KIA Loan Number WRIS Number	Meili Sun September 26, 2018 A15-094 (Increase) SX21009018	
BORROWER	CITY OF GLASGOW BARREN COUNTY			
BRIEF DESCRIPTION				
<p>This request is for a \$1,798,000 increase to a previously approved loan in the amount of \$3,500,000. The new loan total is \$5,298,000. The increase will substitute for funds that were originally committed by the Glasgow Water and Sewer Commission. The additional KIA funding will allow the Commission to use rate generated revenues for other capital projects.</p> <p>This project consists of relaying and upgrading a large portion of the southside interceptor to eliminate historical SSO's and provides additional capacity for future growth. This project will consist of upgrading 5,300 feet of existing 24 inch gravity line to 42 inch line from SSO #8 (old WWTP) to existing WWTP and upgrading 9,000 feet of existing 24 inch gravity line to 36 inch from SSO #13 (500' east of KY Hwy 249) to SSO #8 (old WWTP). The project would eliminate several SSO's and reduce ongoing maintenance on an aged interceptor.</p>				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$5,298,000	Administrative Expenses	\$0	
Local Fund	617	Legal Expenses	0	
		Eng - Design / Const	6.8% 4.9% 244,000	
		Eng - Insp	3.5% 1.8% 90,000	
		Construction	4,513,288	
		Contingency	451,329	
TOTAL	\$5,298,617	TOTAL	\$5,298,617	
REPAYMENT	Rate	0.75%	Est. Annual Payment \$195,780	
	Term	20 Years	1st Payment 6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer	Cannon & Cannon, Inc.		
	Bond Counsel	Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Apr-16		
	Construction Start	Jul-16		
	Construction Stop	Sep-17		
DEBT PER CUSTOMER	Existing	\$2,505		
	Proposed	\$2,513		
OTHER DEBT	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	6,098	\$19.60 (for 4,000 gallons)	
	Additional	0	\$19.60 (for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2015	3,184,971	1,101,411	2,083,560	2.9
Audited 2016	3,556,835	1,277,357	2,279,478	2.8
Audited 2017	3,689,672	1,163,031	2,526,641	3.2
Projected 2018	3,564,426	1,254,138	2,310,288	2.8
Projected 2019	3,432,180	1,382,437	2,049,744	2.5
Projected 2020	3,301,874	1,427,124	1,874,750	2.3
Projected 2021	3,168,962	1,435,875	1,733,087	2.2
Projected 2022	3,033,391	1,431,174	1,602,217	2.1

Reviewer: Meili Sun
Date: September 26, 2018
Loan Number: A15-094 Increase

**KENTUCKY INFRASTRUCTURE AUTHORITY
WASTEWATER REVOLVING LOAN FUND (FUND A)
CITY OF GLASGOW, BARREN COUNTY
PROJECT REVIEW
SX21009108**

I. PROJECT DESCRIPTION

This request is for a \$1,798,000 increase to a previously approved loan in the amount of \$3,500,000. The new loan total is \$5,298,000. This increase will substitute for funds that were originally committed by the Glasgow Water and Sewer Commission. The project is complete and currently in the repayment phase. The additional KIA funding will allow the Commission to use rate generated revenues for other projects. The Commission will continue to make monthly repayment on the initial loan amount. Once the loan is fully disbursed, the repayment will be increased by the additional debt service from the additional funding.

The project consisted of relaying and upgrading a large portion of the southside interceptor to eliminate historical SSO's and provide additional capacity for future growth. This project upgraded 5,300 feet of existing 24 inch gravity line to 42 inch line from SSO #8 (old WWTP) to existing WWTP and upgraded 9,000 feet of existing 24 inch gravity line to 36 inch from SSO #13 (500' east of KY Hwy 249) to SSO #8 (old WWTP). The project eliminated several SSO's and reduced ongoing maintenance on an aged interceptor.

II. PROJECT BUDGET

	<u>Total</u>
Engineering Fees - Design	\$ 244,000
Engineering Fees – Inspection	90,000
Construction	4,513,288
Contingency	451,329
Total	\$ 5,298,617

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 5,298,000	99.99%
Local Funds	617	0.01%
Total	\$ 5,298,617	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 5,298,000
Interest Rate	0.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 285,759
Administrative Fee (0.20%)	10,596
Total Estimated Annual Debt Service	\$ 296,355

V. PROJECT SCHEDULE

Bid Opening	April 18, 2016
Construction Start	July 29, 2016
Construction Stop	September 6, 2017

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current
Residential	5,190
Commercial	849
Industrial	59
Total	6,098

B) Rates

	Inside City Water		Outside City Water	
	Current	Prior	Current	Prior
Date of Last Rate Increase	08/01/16	10/01/12	08/01/16	10/01/12
First 2,000 Gallons	\$ 8.67	\$ 8.42	\$12.39	\$12.03
Next 18,000 Gallons	3.20	3.11	4.00	3.89
Cost for 4,000 gallons	\$15.07	\$14.64	\$20.39	\$19.81
Increase %	2.9%		2.9%	
Affordability Index (Rate/MHI)	0.6%		0.8%	

	Inside City Sewer		Outside City Sewer	
	Current	Prior	Current	Prior
Date of Last Rate Increase	08/01/16	10/01/12	08/01/16	10/01/12
First 2,000 Gallons	\$11.48	\$11.15	\$14.15	\$14.15
Over 2,000 Gallons	4.06	3.95	4.80	4.80
Cost for 4,000 gallons	\$19.60	\$19.05	\$23.75	\$23.75
Increase %	2.9%		0.0%	
Affordability Index (Rate/MHI)	0.8%		0.9%	

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2012-2016, the Utility's service area population was 15,071 with a Median Household Income (MHI) of \$30,064. The median household income for the Commonwealth is \$42,610 in 2015. The project will qualify for a 0.75% interest rate because the utility's service area MHI is below 80% of the State's MHI.

Year	Population		County		County Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	12,958		34,009		June 2005	5.2%
1990	12,351	-4.7%	34,001	0.0%	June 2010	10.8%
2000	13,019	5.4%	38,033	11.9%	June 2015	5.2%
2010	14,028	7.8%	42,173	10.9%	June 2018	4.8%
Current	14,338	2.2%	43,287	2.6%		
Cumulative %		10.6%		27.3%		

VIII. 2016 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - This project does not qualify for Green Project Reserve (GPR) funding.
- 2) Additional Subsidization – This project does not qualify for additional subsidization.

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2015 through June 30, 2017. The non-cash impact of GASB 68, Accounting and Financial Reporting for Pensions, has been removed from fiscal 2015 2016, and 2017 operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Combined water and sewer revenues went up 8.1% from \$9.2 million in 2015 to \$9.9 million in 2017 due to previously approved rate increases. Operating expenses increased 4.1% from \$6.0 million to \$6.3 million during the same period. Debt coverage ratio was 2.9, 2.8, and 3.2 in 2015, 2016, and 2017 respectively.

The balance sheet reflects a current ratio of 19.1, debt to equity ratio of 0.4, 21.1 days sales in accounts receivable, and 13.9 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues may go up as the Glasgow Water and Sewer Commission has the authority to raise rates not to exceed 3% annually through 2021 without approval from the Glasgow City Council.
- 2) Expenses will increase 2% annually for general inflation.
- 3) Debt coverage ratio is 2.3 in 2020 when full-year principal and interest repayments for the new loan total begin.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund A loan.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$264,000 total) of the final amount borrowed to be funded annually (\$13,200 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
Revenue Bonds Series 2003A	\$ 3,015,000	2023
Revenue Bonds Series 2013	5,960,000	2043
KIA Loan C14-002	2,803,229	2035
KIA Loan A15-094 Initial	3,500,000	2037
	<u>\$ 15,278,229</u>	

XI. CONTACTS

Legal Applicant	
Name	City of Glasgow
Address	126 E. Public Square, PO Box 819 Glasgow, KY 42141
County	Barren
Authorized Official	Dick Doty, Mayor
Phone	(270) 651-1777
Email	dickdoty@glasgow-ky.com

Project Contact/Administrator	
Name	Jeffrey Reed
Representing	Glasgow Water Company
Address	PO Box 819 Glasgow, KY 42142
Phone	(270) 651-3727
Email	jreed@glasgowh2o.com

Consulting Engineer	
Name	Timothy Tucker
Firm	Cannon & Cannon, Inc.
Address	8550 Kingston Pike Knoxville, TN 37919
Phone	(865) 670-8555
Email	ttucker@cannon-cannon.com

XII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions.

CITY OF GLASGOW
FINANCIAL SUMMARY (JUNE YEAR END)

	<u>Audited</u> <u>2015</u>	<u>Audited</u> <u>2016</u>	<u>Audited</u> <u>2017</u>	<u>Projected</u> <u>2018</u>	<u>Projected</u> <u>2019</u>	<u>Projected</u> <u>2020</u>	<u>Projected</u> <u>2021</u>	<u>Projected</u> <u>2022</u>
Balance Sheet								
Assets								
Current Assets	6,358,268	7,932,361	8,174,228	8,405,296	8,610,270	8,797,745	8,971,054	9,131,276
Other Assets	54,670,650	55,768,591	61,292,405	60,040,790	61,607,470	61,218,656	60,702,346	60,068,252
Total	61,028,918	63,700,952	69,466,633	68,446,086	70,217,741	70,016,402	69,673,400	69,199,528
Liabilities & Equity								
Current Liabilities	490,156	336,614	427,704	432,468	437,368	442,368	447,468	452,668
Long Term Liabilities	16,566,090	16,984,276	20,262,858	19,055,491	19,919,722	18,978,863	18,020,099	17,046,153
Total Liabilities	17,056,246	17,320,890	20,690,562	19,487,959	20,357,090	19,421,231	18,467,567	17,498,821
Net Assets	43,972,672	46,380,062	48,776,071	48,958,127	49,860,651	50,595,171	51,205,833	51,700,707
Cash Flow								
Revenues	9,174,418	9,588,623	9,918,064	9,918,064	9,918,064	9,918,064	9,918,064	9,918,064
Operating Expenses	6,011,558	6,059,491	6,262,311	6,387,557	6,519,803	6,650,109	6,783,021	6,918,592
Other Income	22,111	27,703	33,919	33,919	33,919	33,919	33,919	33,919
Cash Flow Before Debt Service	3,184,971	3,556,835	3,689,672	3,564,426	3,432,180	3,301,874	3,168,962	3,033,391
Debt Service								
Existing Debt Service	1,101,411	1,277,357	1,163,031	1,254,138	1,332,149	1,326,549	1,335,300	1,330,599
Proposed KIA Loan A15-094 Increase	0	0	0	0	50,288	100,575	100,575	100,575
Total Debt Service	1,101,411	1,277,357	1,163,031	1,254,138	1,382,437	1,427,124	1,435,875	1,431,174
Cash Flow After Debt Service	2,083,560	2,279,478	2,526,641	2,310,288	2,049,744	1,874,750	1,733,087	1,602,217
Ratios								
Current Ratio	13.0	23.6	19.1	19.4	19.7	19.9	20.0	20.2
Debt to Equity	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3
Days Sales in Accounts Receivable	20.9	21.1	21.1	21.1	21.1	21.1	21.1	21.1
Months Operating Expenses in Unrestricted Cash	11.2	13.7	13.9	14.0	14.1	14.2	14.2	14.2
Debt Coverage Ratio	2.9	2.8	3.2	2.8	2.5	2.3	2.2	2.1

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND B, INFRASTRUCTURE REVOLVING LOAN FUND		Reviewer Date KIA Loan Number WRIS Number	Melissa Rife September 26, 2018 B19-001 WX21035006
BORROWER		CITY OF CALVERT CITY MARSHALL COUNTY	
BRIEF DESCRIPTION This project will increase flows, improve pressure, allow accessibility, and reduce the maintenance burden of the system by replacing the aged and undersized CIP mains located along the rear of the properties in the project area with 4,350 linear feet of 6 inch and 8 inch PVC and DIP water mains.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
Fund B Loan	\$542,900	Administrative Expenses	\$25,000
Local Funds	67,900	Legal Expenses	2,500
		Land, Easements	4,000
		Planning	7,800
		Eng - Design / Const	10.3% 8.9% 43,800
		Eng - Insp	7.4% 6.0% 29,300
		Eng - Other	6,700
		Construction	447,000
		Contingency	44,700
TOTAL	\$610,800	TOTAL	\$610,800
REPAYMENT	Rate Term	2.00% 20 Years	Est. Annual Payment 1st Payment 6 Mo. after first draw \$34,154
PROFESSIONAL SERVICES	Engineer Bond Counsel	Rivercrest Engineering Incorporated Dinsmore & Shohl, LLP	
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	August 2018 October 2018 June 2019	
DEBT PER CUSTOMER	Existing Proposed	\$840 \$1,016	
OTHER DEBT	See Attached		
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached		
RESIDENTIAL RATES	Current Additional	Users 1,552 0	Avg Water Bill Avg Sewer Bill \$14.95 \$28.09 (for 4,000 gallons) \$14.95 \$28.09 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service Coverage Ratio
Audited 2015	606,775	143,840	462,935 4.2
Audited 2016	580,070	139,126	440,944 4.2
Audited 2017	427,648	156,966	270,682 2.7
Projected 2018	433,026	172,312	260,714 2.5
Projected 2019	438,511	182,437	256,074 2.4
Projected 2020	444,106	194,035	250,071 2.3
Projected 2021	448,413	225,249	223,164 2.0
Projected 2022	454,234	158,838	295,396 2.9

Reviewer: Melissa Rife
Date: September 26, 2018
Loan Number: B19-001

**KENTUCKY INFRASTRUCTURE AUTHORITY
INFRASTRUCTURE REVOLVING LOAN FUND (FUND B)
CITY OF CALVERT CITY, MARSHALL COUNTY
PROJECT REVIEW
WX21035006**

I. PROJECT DESCRIPTION

The City of Calvert City is requesting a Fund B loan in the amount of \$542,900 for the Heights Phase IV Water Main Replacement – Cherry & Cedar Streets project. This project will increase flows, improve pressure, allow accessibility, and reduce the maintenance burden of the system by replacing the aged and undersized CIP mains located along the rear of the properties in the project area with 4,350 linear feet of 6 inch and 8 inch PVC and DIP water mains.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 25,000
Legal Expenses	2,500
Land, Easements	4,000
Planning	7,800
Engineering Fees - Design	28,600
Engineering Fees - Construction	15,200
Engineering Fees - Inspection	29,300
Engineering Fees - Other	6,700
Construction	447,000
Contingency	44,700
Total	\$ 610,800

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund B Loan	\$ 542,900	89%
Local Funds	67,900	11%
Total	\$ 610,800	100%

IV. KIA DEBT SERVICE

Construction Loan	\$	542,900
Less: Principal Forgiveness		0
Amortized Loan Amount	\$	542,900
Interest Rate		2.00%
Loan Term (Years)		20
Estimated Annual Debt Service	\$	33,069
Administrative Fee (0.20%)		1,086
Total Estimated Annual Debt Service	\$	34,154

V. PROJECT SCHEDULE

Bid Opening	August 2018
Construction Start	October 2018
Construction Stop	June 2019

VI. RATE STRUCTURE

A. Customers

Customers	Current	Proposed	Total
Residential	1,290	0	1,290
Commercial	239	0	239
Industrial	23	0	23
Total	1,552	0	1,552

B. Rates

WATER

Date of Last Rate Increase

Current

1/1/2018

Prior

1/1/2017

City Water Rates

Rate per 4,000 Gallons

\$ 14.95

\$ 14.50

Increase %

3.1%

Affordability Index (Rate/MHI)

0.4%

0.4%

Out of City Water Rates

Rate per 4,000 Gallons

\$ 22.57

\$ 21.87

Increase %

3.2%

Affordability Index (Rate/MHI)

0.7%

0.6%

Rates will be adjusted annually on January 1 based on the percent change in CPI-U for Water and Sewer and Trash Collection Services.

SEWER	Current	Prior
Date of Last Rate Increase	1/1/2018	1/1/2017
City Sewer Rates		
Rate per 4,000 Gallons	\$ 28.09	\$ 27.23
Increase %	3.2%	
Affordability Index (Rate/MHI)	0.8%	0.8%
Out of City Sewer Rates		
Rate per 4,000 Gallons	\$ 42.19	\$ 40.88
Increase %	3.2%	
Affordability Index (Rate/MHI)	1.3%	1.2%

Rates will be adjusted annually on January 1 based on the percent change in CPI-U for Water and Sewer and Trash Collection Services.

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2012-2016, the Utility's service area population was 43,554 with a Median Household Income (MHI) of \$40,463. The median household income for the Commonwealth is \$44,811. The project will qualify for a 2.00% interest rate.

Year	Population				Unemployment	
	City	% Change	County	% Change	Date	Rate
1980	2,388		25,637		June 2005	6.5%
1990	2,531	6.0%	27,205	6.1%	June 2010	9.8%
2000	2,701	6.7%	30,125	10.7%	June 2015	5.3%
2010	2,566	-5.0%	31,448	4.4%	June 2017	6.5%
Current	2,544	-0.9%	31,213	-0.7%		
Cumulative %		6.5%		21.7%		

VIII. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2015 through June 30, 2017. The non-cash impact of GASB 68, Accounting and Financial Reporting for Pensions, has been removed from operating expenses for fiscal years 2015 (-\$4,824), 2016 (-\$14,656), and 2017 (-\$29,966).

Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented

HISTORY

Operating revenues decreased 4.0% from \$1.70 million in 2015 to \$1.63 million in 2017. Operating expenses increased 2.7% from \$1.27 million in 2015 to \$1.31 million in 2017. The debt coverage ratio was 4.2 in 2015, 4.2 in 2016, and 2.7 in 2017.

On January 1, 2017, the utility began adjusting rates for inflation using CPI-U for Water and Sewer and Trash Collection Services rather than CPI-U for South Urban. CPI-U for Water and Sewer and Trash Collection Services is generally higher than CPI-U for South Urban. The change in the index used will minimize future revenue decreases. The City's utility board is conscious of the system's finances and will recommend rate changes if needed to adequately fund the system's expenses. At this time, the system's expenses are adequately met and the debt coverage ratio exceeds KIA's requirements.

The 2017 balance sheet shows a debt coverage ratio of 2.7, current ratio of 6.1, debt to equity ratio of 0.2, 56.5 days of sales in accounts receivable, and 13.4 months of operating expenses in unrestricted cash.

AUDIT INFORMATION

Opinion:

2015: Unqualified
2016: Unqualified
2017: Unqualified

Internal Control Over Financial Reporting:

2015: Auditor did not identify any deficiencies in internal control considered to be a material weakness.
2016: Auditor did not identify any deficiencies in internal control considered to be a material weakness.
2017: Auditor did not identify any deficiencies in internal control considered to be a material weakness.

Compliance and Other Matters

2015: Auditor's tests did not disclose any instances of noncompliance or other matters required to be reported under Government Auditing Standards.
2016: Auditor's tests did not disclose any instances of noncompliance or other matters required to be reported under Government Auditing Standards.
2017: Auditor's tests did not disclose any instances of noncompliance or other matters required to be reported under Government Auditing Standards.

PROJECTIONS

Projections are based on the following assumptions:

1) Since water and sewer rates are adjusted each January 1 for inflation,

- revenues are projected to increase by the inflationary estimate of 2%.
- 2) Operating expenses are projected to increase 2% each year for inflation.
 - 3) Debt service coverage is 2.3 in 2020 when principal and interest payments are expected to begin.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund B loan.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$28,000 total) of the final amount borrowed to be funded annually (\$1,400 yearly) each December 1 for 20 years and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
KLC Capital Lease	\$ 480,000	2021
KIA A209-07	359,931	2031
KIA B17-004	463,537	2037
Total	\$ 1,303,468	

X. CONTACTS

Legal Applicant	
Name	City of Calvert City
Address	P.O. Box 36 Calvert City, KY 42029
County	Marshall
Authorized Official	Lynn Jones, Mayor
Phone	270-395-4124
Email	l.jones@calvertccc.com

Project Contact - Applicant	
Name	Roger Colburn
Representing	City of Calvert City
Address	P.O. Box 36 Calvert City, KY 42029
Phone	270-395-7138
Email	rcolburn@calvertcity.com

Project Administrator

Name	City of Calvert City
Address	P.O. Box 36 Calvert City, KY 42029
Contact	Roger Colburn
Phone	270-395-7138
Email	rcolburn@calvertcity.com

Consulting Engineer

Name	Charles D. McCann
Firm	Rivercrest Engineering Incorporated
Address	7020 US Highway 68 West Paducah, KY 42003
Phone	618-521-5421
Email	cmccann@rivercresteng.com

XI. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions.

**CITY OF CALVERT CITY
FINANCIAL SUMMARY (JUNE YEAR END)**

	<u>Audited 2015</u>	<u>Audited 2016</u>	<u>Audited 2017</u>	<u>Projected 2018</u>	<u>Projected 2019</u>	<u>Projected 2020</u>	<u>Projected 2021</u>	<u>Projected 2022</u>
Balance Sheet								
Assets								
Current Assets	2,540,815	1,798,519	1,780,426	1,791,368	1,847,583	1,902,697	1,952,530	2,016,909
Other Assets	11,388,917	12,231,345	12,568,460	12,130,942	12,466,967	12,172,120	11,855,747	11,597,160
Total	13,929,732	14,029,864	14,348,886	13,922,310	14,314,550	14,074,817	13,808,277	13,614,069
Liabilities & Equity								
Current Liabilities	298,928	230,163	293,602	304,891	307,739	330,626	273,545	216,599
Long Term Liabilities	1,739,381	1,572,671	1,879,744	1,728,902	2,131,082	1,969,175	1,866,049	1,821,669
Total Liabilities	2,038,309	1,802,834	2,173,346	2,033,793	2,438,821	2,299,801	2,139,594	2,038,268
Net Assets	11,891,423	12,227,030	12,175,540	11,888,517	11,875,729	11,775,016	11,668,683	11,575,801
Cash Flow								
Revenues	1,695,555	1,658,089	1,626,889	1,658,402	1,690,545	1,723,331	1,756,773	1,790,884
Operating Expenses	1,272,475	1,196,257	1,306,770	1,332,905	1,359,563	1,386,754	1,415,889	1,444,179
Other Income	183,695	118,238	107,529	107,529	107,529	107,529	107,529	107,529
Cash Flow Before Debt Service	606,775	580,070	427,648	433,026	438,511	444,106	448,413	454,234
Debt Service								
Existing Debt Service	143,840	139,126	156,966	172,312	182,437	176,958	191,095	124,684
Proposed KIA Loan	0	0	0	0	0	17,077	34,154	34,154
Total Debt Service	143,840	139,126	156,966	172,312	182,437	194,035	225,249	158,838
Cash Flow After Debt Service	462,935	440,944	270,682	260,714	256,074	250,071	223,164	295,396
Ratios								
Current Ratio	8.5	7.8	6.1	5.9	6.0	5.8	7.1	9.3
Debt to Equity	0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.2
Days Sales in Accounts Receivable	54.8	60.6	56.5	56.5	56.5	56.5	56.5	56.5
Months Operating Expenses in Unrestricted Cash	20.7	14.9	13.4	13.6	13.8	14.0	14.1	14.3
Debt Coverage Ratio	4.2	4.2	2.7	2.5	2.4	2.3	2.0	2.9

EXECUTIVE SUMMARY		Reviewer	Meili Sun	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	September 26, 2018	
FUND B, INFRASTRUCTURE		KIA Loan Number	B19-004	
REVOLVING LOAN FUND		WRIS Number	WX21029293	
BORROWER	CITY OF MOUNT WASHINGTON BULLITT COUNTY			
BRIEF DESCRIPTION				
The City of Mount Washington is requesting a Fund B loan in the amount of \$1,599,630 for the Bardstown Road Water Main Replacement project. This project will replace 6,625 feet of old 6-inch asbestos-cement water main with a new 12-inch PVC water main to improve flow for residential and commercial customers and for the public schools. It will help with fire hydrant flow for the fire department, which has been experiencing volume problems in this part of the City. The project will also replace 114 service connections, new valves, and replace 14 old fire hydrants.				
PROJECT FINANCING		PROJECT BUDGET		
Fund B Loan	\$1,599,630	Administrative Expenses	RD Fee %	Actual %
		Eng - Design / Const	8.3%	8.2%
		Eng - Insp	5.2%	3.3%
		Construction		
		Contingency		
TOTAL	\$1,599,630	TOTAL		\$1,599,630
REPAYMENT	Rate	3.00%	Est. Annual Payment	\$110,141
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Kentucky Engineering Group, PLLC		
	Bond Counsel	Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Nov-18		
	Construction Start	Nov-18		
	Construction Stop	Jul-19		
DEBT PER CUSTOMER	Existing	\$1,142		
	Proposed	\$1,364		
OTHER DEBT	See Attached			
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	9,855	\$29.88 (for 4,000 gallons)	
	Additional	0	\$29.88 (for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2015	2,166,275	1,049,642	1,116,633	2.1
Audited 2016	2,740,658	1,397,959	1,342,699	2.0
Audited 2017	2,641,961	1,226,542	1,415,419	2.2
Projected 2018	2,866,203	1,341,015	1,525,189	2.1
Projected 2019	3,102,453	1,216,556	1,885,898	2.6
Projected 2020	3,338,684	1,510,526	1,828,159	2.2
Projected 2021	3,600,672	1,563,118	2,037,554	2.3
Projected 2022	3,876,442	1,564,887	2,311,555	2.5

Reviewer: Meili Sun
 Date: September 26, 2018
 Loan Number: B19-004

**KENTUCKY INFRASTRUCTURE AUTHORITY
 INFRASTRUCTURE REVOLVING LOAN FUND (FUND B)
 CITY OF MOUNT WASHINGTON, BULLITT COUNTY
 PROJECT REVIEW
 WX21029293**

I. PROJECT DESCRIPTION

The City of Mount Washington is requesting a Fund B loan in the amount of \$1,599,630 for the Bardstown Road Water Main Replacement project. This project will replace 6,625 feet of old 6-inch asbestos-cement water main with a new 12-inch PVC water main to improve flow for residential and commercial customers and for the public schools. This will help with fire hydrant flow for the fire department, which has been experiencing volume problems in this part of the City. The project will also replace 114 service connections, new valves, and replace 14 old fire hydrants.

II. PROJECT BUDGET

	<u>Total</u>
Engineering Fees – Design	\$ 101,740
Engineering Fees – Construction	15,900
Engineering Fees – Inspection	48,000
Construction	1,303,590
Contingency	130,400
Total	\$ 1,599,630

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
KIA Fund B Loan	\$ 1,599,630	100
Total	\$ 1,599,630	100

IV. KIA DEBT SERVICE

Amortized Loan Amount	\$ 1,599,630
Interest Rate	3.00%
Loan Term	20
Estimated Annual Debt Service	\$ 106,942
Administrative Fee (0.20%)	3,199
Annual Debt Service	\$ 110,141

V. PROJECT SCHEDULE

Bid Opening	November 2018
Construction Start	November 2018
Construction Stop	July 2019

VI. RATE STRUCTURE

A. Customers

<u>Customers</u>	<u>Current</u>
Residential	9,349
Commercial	506
Total	9,855

B. Rates

	City Water		Rural Water		Sewer	
	Current	Prior	Current	Prior	Current	Prior
Date of Rate Increase	07/01/18	07/01/17	07/01/18	07/01/17	07/01/18	07/01/17
First 2,499 Gallons	\$21.60	\$20.71	24.17	23.17	\$21.60	\$20.71
Over 2,499 Gallons	5.52	5.20	6.87	6.59	5.52	5.20

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2012-2016, the Utility's service area population was 19,320 with a Median Household Income (MHI) of \$65,331. The median household income for the Commonwealth is \$44,881. The project will qualify for a 3.00% interest rate.

Year	Population		County Unemployment		Date	Rate
	City	% Change	County	% Change		
1980	3,997		43,346		June 2005	5.4%
1990	5,226	30.7%	47,567	9.7%	June 2010	14.4%
2000	8,485	62.4%	61,236	28.7%	June 2015	5.8%
2010	9,117	7.4%	74,319	21.4%	June 2018	5.1%
Current	14,088	54.5%	77,727	4.6%		
Cumulative %		252.5%		79.3%		

VIII. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2015 through June 30, 2017. The non-cash impact of GASB 68, Accounting and Financial Reporting for Pensions, has been removed from fiscal 2015, 2016, and 2017 operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Combined water and sewer revenues went up 21.0% from \$6.4 million in 2015 to \$7.7 million in 2017 due to previously approved rate increases and volume increase. Operating expenses increased 21.1% from \$4.2 million to \$5.1 million during the same period due to higher water purchase, personnel, and maintenance/repair costs. Debt coverage ratio was 2.1, 2.0, and 2.2 in 2015, 2016, and 2017 respectively.

The balance sheet reflects a current ratio of 7.6, debt to equity ratio of 0.8, 29.2 days sales in accounts receivable, and 22.7 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Combined revenues will go up automatically each year based on the Louisville Water Company's wholesale rate and the Consumer Pricing Index. The estimated increase is 4.3%.
- 2) The City purchases water exclusively from the Louisville Water Company. The history of wholesale rates indicates an average of 2.3% increase each year.
- 3) Operating expenses other than water purchase will increase 2% annually for general inflation.
- 4) In June, 2018, the City used available cash to pay off KIA B11-05 loan prior its 2034 maturity date. Debt coverage ratio is 2.3 in 2021 when full year principal and interest repayments begin. The calculation excluded B11-05 loan balance in the amount of \$121,108.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund B loan.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$80,000 total) of the final amount borrowed to be funded annually (\$4,000 yearly) each December 1 for 20 years and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
2012 Series Bonds	\$ 3,475,420	2023
KIA A09-03 Loan	7,653,638	2033
KIA B11-05 Loan i.a.o. \$121,108 paid off		2034
KIA C17-002 Loan i.a.o. \$3,437,500		TBD
	\$ 11,129,058	

X. CONTACTS

Legal Applicant	
Name	City of Mount Washington
Address	275 Snapp St, PO Box 285 Mount Washington, KY 40047
County	Bullitt
Authorized Official	Barry Armstrong, Mayor
Phone	(502) 538-4216
Email	barmstrong@mtwky.org

Project Contact - Applicant	
Name	Ronnie Fick
Representing	City of Mount Washington
Address	275 Snapp St, PO Box 285 Mount Washington, KY 40047
Phone	(502) 538-3771
Email	rfick@mtwky.org

Project Administrator	
Name	Kentucky Engineering Group, PLLC
Address	PO Box 1034 Versailles, KY 40383
Contact	Holly Nicholas
Phone	(859) 333-9742
Email	hnicholas@kyengr.com

Consulting Engineer

Name	Robert E Taylor, Jr
Firm	Kentucky Engineering Group, PLLC
Address	PO Box 1034 Versailles, KY 40383
Phone	(859) 251-4127
Email	rtaylor@kyengr.com

XI. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions.

**CITY OF MOUNT WASHINGTON
FINANCIAL SUMMARY (JUNE YEAR END)**

	<u>Audited</u> <u>2015</u>	<u>Audited</u> <u>2016</u>	<u>Audited</u> <u>2017</u>	<u>Projected</u> <u>2018</u>	<u>Projected</u> <u>2019</u>	<u>Projected</u> <u>2020</u>	<u>Projected</u> <u>2021</u>	<u>Projected</u> <u>2022</u>
Balance Sheet								
Assets								
Current Assets	8,066,443	9,284,018	10,356,823	11,908,495	13,821,992	15,678,951	17,746,605	20,089,560
Other Assets	25,369,821	24,754,780	24,725,206	24,478,620	28,590,338	30,924,534	31,728,436	32,778,939
Total	33,436,264	34,038,798	35,082,029	36,387,114	42,412,330	46,603,485	49,475,041	52,868,499
Liabilities & Equity								
Current Liabilities	1,660,776	1,438,418	1,355,094	1,371,282	1,401,260	1,427,269	1,458,170	1,485,126
Long Term Liabilities	14,379,695	14,126,290	14,031,148	13,087,537	15,437,228	16,166,280	15,150,781	14,113,526
Total Liabilities	16,040,471	15,564,708	15,386,242	14,458,819	16,838,488	17,593,549	16,608,951	15,598,652
Net Assets	17,395,793	18,474,090	19,695,787	21,928,295	25,573,842	29,009,936	32,866,090	37,269,847
Cash Flow								
Revenues	6,362,320	7,255,455	7,703,943	8,035,212	8,380,726	8,741,098	9,116,965	9,508,994
Operating Expenses	4,243,894	4,582,239	5,143,015	5,250,042	5,359,306	5,483,447	5,597,326	5,713,585
Other Income	47,849	67,442	81,033	81,033	81,033	81,033	81,033	81,033
Cash Flow Before Debt Service	2,166,275	2,740,658	2,641,961	2,866,203	3,102,453	3,338,684	3,600,672	3,876,442
Debt Service								
Existing Debt Service	1,049,642	1,397,959	1,226,542	1,341,015	1,216,556	1,455,455	1,452,977	1,454,746
Proposed KIA Loan	0	0	0	0	0	55,071	110,141	110,141
Total Debt Service	1,049,642	1,397,959	1,226,542	1,341,015	1,216,556	1,510,526	1,563,118	1,564,887
Cash Flow After Debt Service	1,116,633	1,342,699	1,415,419	1,525,189	1,885,898	1,828,159	2,037,554	2,311,555
Ratios								
Current Ratio	4.9	6.5	7.6	8.7	9.9	11.0	12.2	13.5
Debt to Equity	0.9	0.8	0.8	0.7	0.7	0.6	0.5	0.4
Days Sales in Accounts Receivable	22.0	38.5	29.2	29.2	29.2	29.2	29.2	29.2
Months Operating Expenses in Unrestricted Cash	21.7	22.3	22.7	25.7	29.4	32.9	36.6	40.7
Debt Coverage Ratio	2.1	2.0	2.2	2.1	2.6	2.2	2.3	2.5

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND F, FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND		Reviewer Date KIA Loan Number WRIS Number	Ashley Adams September 27, 2018 F18-005 (Increase) WX21217027	
BORROWER	GREEN-TAYLOR WATER DISTRICT TAYLOR COUNTY			
BRIEF DESCRIPTION The Green-Taylor Water District is requesting a Fund F loan increase in the amount of \$121,319 because bids were higher than expected in the original budget estimate. The total amount is \$1,963,390 for the System Improvements in the Taylor County project. Because the increase request is below 10% of the original loan amount, the increase has been approved by the Executive Director of KIA. Original Project Description: This project will replace problematic mains and utilize loops in order to allow for better water turnover and the elimination of disinfection byproducts. Two new loops will be created, one around HWY 323 and another around Bloyds Poplar Grove Road, and an existing loop will be updated on Old Greensburg Road. There will also be improvements in the Summersville community and the Shalawn subdivision where there have been line breaks and considerable water loss. This project as a whole will improve service to over 200 customers as well as provide service to around 42 new customers who have requested water service for several years.				
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %	
Fund F Loan	\$1,963,390	Administrative Expenses	\$10,000	
		Planning	75,000	
		Eng - Design / Const	8.0% 7.5% 124,701	
		Eng - Insp	4.9% 4.6% 76,972	
		Construction	1,515,197	
		Contingency	151,520	
TOTAL	\$1,963,390	TOTAL	\$1,963,390	
REPAYMENT	Rate Term	1.75% 20 Years	Est. Annual Payment 1st Payment 6 Mo. after first draw \$121,682	
PROFESSIONAL SERVICES	Engineer Bond Counsel	Cann-Tech, LLC Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Sep-18 Nov-18 May-19		
DEBT PER CUSTOMER	Existing Proposed	\$692 \$989		
OTHER DEBT	See Attached			
OTHER STATE-FUNDED PROJECTS LAST 5 YRS	See Attached			
RESIDENTIAL RATES	Current Additional	<u>Users</u> 4,945 42	<u>Avg. Bill</u> \$40.73 (for 4,000 gallons) \$40.73 (for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
CASHFLOW	Cash Flow Before Debt Service	Debt Service	Cash Flow After Debt Service	Coverage Ratio
Audited 2015	370,054	348,498	21,556	1.1
Audited 2016	457,813	352,823	104,990	1.3
Audited 2017	529,596	365,685	163,911	1.4
Projected 2018	491,753	371,351	120,402	1.3
Projected 2019	657,964	333,990	323,974	2.0
Projected 2020	613,692	457,722	155,970	1.3
Projected 2021	573,533	446,121	127,412	1.3
Projected 2022	532,571	446,121	86,450	1.2

Reviewer: Ashley Adams
Date: September 27, 2018
Loan Number: F18-005 (Increase)

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND F)
GREEN-TAYLOR WATER DISTRICT, TAYLOR COUNTY
PROJECT REVIEW
WX21217027**

I. PROJECT DESCRIPTION

The Green-Taylor Water District is requesting a Fund F loan increase in the amount of \$121,319 because bids were higher than expected in the original budget estimate. The total amount is \$1,963,390 for the System Improvements in the Taylor County project. Because the increase request is below 10% of the original loan amount, the increase has been approved by the Executive Director of KIA.

Original Project Description:

This project will replace problematic mains and utilize loops in an effort to improve service to existing customers, eliminate disinfection byproducts, and provide service to around 42 new customers. Two new loops will be created around HWY 323 and another around Bloyds Poplar Grove Road and an existing loop will be updated on Old Greensburg Road. A four inch water main will be replaced by six inch PVC line that serves the Summersville Community and the lines in the Shalawn subdivision will be replaced in order to address line breaks and substantial water loss in the area. A new line will be ran on Black Snake Creek Road in order to provide water service to citizens who have requested water service for several years. The District will also purchase two portable generators to be used in emergency situations. In addition, the District will create a Capital Improvement Plan in order to plan for future projects. This planning will utilize GPS to locate over 5,000 valves as well as meters and hydrants.

Green-Taylor Water District is a PSC regulated regional provider currently serving nearly 5,000 residents and businesses mainly in Green and Taylor counties. The District purchases approximately 350 MG of water from three providers including Campbellsville Municipal Water & Sewer System, Green River Valley Water District, and the Greensburg Water Department.

II. PROJECT BUDGET

	<u>Total</u>
Administrative Expenses	\$ 10,000
Planning	75,000
Engineering Fees - Design	87,291
Engineering Fees - Construction	37,410
Engineering Fees - Inspection	76,972
Construction	1,515,197
Contingency	151,520
Total	\$ 1,963,390

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 1,963,390	100%
Total	\$ 1,963,390	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 1,963,390
Less: Principal Forgiveness	0
Amortized Loan Amount	\$ 1,963,390
Interest Rate	1.75%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 116,774
Administrative Fee (0.25%)	4,908
Total Estimated Annual Debt Service	\$ 121,682

V. PROJECT SCHEDULE

Bid Opening	September 2018
Construction Start	November 2018
Construction Stop	May 2019

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

Customers	Current	Proposed	Total
Residential	4,878	42	4920
Commercial	67		67
Total	4,945	42	4,987

B) Rates

	Current	Prior
Date of Last Rate Increase	08/17/18	12/01/10
Minimum (2,000 Gallons)	\$22.21	\$20.40
Next 3,000 Gallons	9.26	8.50
Next 5,000 Gallons	7.40	6.80
Over 10,000 Gallons	4.71	4.33
Cost for 4,000 gallons	\$40.73	\$37.40
Increase %	9%	22%
Affordability Index (Rate/MHI)	1.3%	1.2%

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2012-2016, the Utility is located in Greensburg (Taylor County) which has a population of 2,298 with a Median Household Income (MHI) of \$35,496. The median household income for the Commonwealth is \$44,811. The project will qualify for a 1.75% interest rate based on their status as a regional provider and the project's intent to address an Agreed Order.

Year	Population		County Unemployment	
	County	% Change	Date	Rate
1980	21,178		June 2005	6.2%
1990	21,146	-0.2%	June 2010	12.0%
2000	22,927	8.4%	June 2015	7.2%
2010	24,512	6.9%	June 2018	4.9%
Current	25,315	2.0%		
Cumulative %		18.0%		

VIII. 2017 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project does not qualify for additional subsidization.

IX. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended December 31, 2015 through December 31, 2017. The non-cash impact of GASB 68, Accounting and Financial Reporting for Pensions, has been removed from fiscal 2015, 2016, and 2017 operating expenses. Percentage references in the History

section below are based on whole dollar amounts and not the rounded amounts presented

HISTORY

Revenues increased 3.3% from \$2.3 million in 2015 to \$2.4 million in 2017. Operating expenses decreased 4.1% from \$1.9 million to \$1.8 million during the same time period. The debt coverage ratio was 1.1 in 2015, 1.3 in 2016, and 1.4 in 2017.

The balance sheet reflects a current ratio of 5.1, a debt to equity ratio of 0.6, 69.1 days sales in accounts receivable, and 4.1 months operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Revenues will increase 9% in 2019 as a result of a rate increase approved by PSC on August 17, 2018.
- 2) Operating expenses will increase 2% for inflation.
- 3) Debt service coverage is 1.3 in 2020 when principal and interest repayments begin.

Based on the pro forma assumptions, the utility shows adequate cash flow to repay the KIA Fund F loan.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$98,000 total) of the final amount borrowed (prior to principal forgiveness, if any) to be funded annually (\$4,900 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
1979 Revenue Bond	\$ 75,000	2019
1994 Revenue Bond	312,000	2034
1995 Revenue Bond	473,000	2035
2001 Revenue Bond	205,000	2041
2004 Series A Revenue Bond	568,000	2044
2004 Series B Revenue Bond	248,000	2044
2004 Refinance Bonds	1,487,000	2027
Bank Loan (Capital Purchases)	53,619	2021
Total	\$ 3,421,619	

XI. CONTACTS

Legal Applicant

Entity Name	Green-Taylor Water District
Authorized Official	Ken Ferguson (Chairman)
County	Taylor
Email	josh.pedigo.greentaylorwater@hotmail.com
Phone	270-932-1834
Address	PO Box 168 Greensburg, KY 42743

Applicant Contact

Name	Josh Pedigo
Organization	Green-Taylor Water District
Email	josh.pedigo.greentaylorwater@hotmail.com
Phone	270-932-4947
Address	250 Industrial Park Rd Greensburg, KY 42743

Project Administrator

Name	Adam Scott
Organization	Cann-Tech, LLC
Email	ascott@kih.net
Phone	502-859-0907
Address	1100 Glensboro Rd Lawrenceburg, KY 40342

Consulting Engineer

PE Name	Matthew Aaron Baker
Firm Name	Cann-Tech, LLC
Email	mbaker@kih.net
Phone	502-859-0907
Address	1100 Glensboro Rd Lawrenceburg, KY 40342

XII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions.

**GREEN-TAYLOR WATER DISTRICT
FINANCIAL SUMMARY (DECEMBER YEAR END)**

	<u>Audited</u> <u>2015</u>	<u>Audited</u> <u>2016</u>	<u>Audited</u> <u>2017</u>	<u>Projected</u> <u>2018</u>	<u>Projected</u> <u>2019</u>	<u>Projected</u> <u>2020</u>	<u>Projected</u> <u>2021</u>	<u>Projected</u> <u>2022</u>
Balance Sheet								
Assets								
Current Assets	1,062,218	1,343,863	1,224,494	1,236,513	1,340,108	1,371,302	1,396,785	1,483,235
Other Assets	11,858,101	11,782,360	12,223,681	13,400,174	13,284,352	13,034,127	12,761,055	12,386,054
Total	12,920,319	13,126,223	13,448,175	14,636,687	14,624,460	14,405,429	14,157,840	13,869,289
Liabilities & Equity								
Current Liabilities	227,206	252,075	242,302	244,195	246,540	248,993	251,411	239,705
Long Term Liabilities	4,664,472	4,631,262	4,585,113	5,691,137	5,460,402	5,257,814	5,044,408	5,055,908
Total Liabilities	4,891,678	4,883,337	4,827,415	5,935,332	5,706,942	5,506,807	5,295,819	5,295,613
Net Assets	8,028,641	8,242,886	8,620,760	8,701,355	8,917,518	8,898,622	8,862,021	8,573,676
Cash Flow								
Revenues	2,313,573	2,349,976	2,389,718	2,389,718	2,594,529	2,594,529	2,594,529	2,594,529
Operating Expenses	1,973,527	1,928,351	1,892,138	1,929,981	1,968,581	2,012,853	2,053,012	2,093,974
Other Income	30,008	36,188	32,016	32,016	32,016	32,016	32,016	32,016
Cash Flow Before Debt Service	370,054	457,813	529,596	491,753	657,964	613,692	573,533	532,571
Debt Service								
Existing Debt Service	348,498	352,823	365,685	371,351	333,990	336,040	324,439	324,439
Proposed KIA Loan	0	0	0	0	0	121,682	121,682	121,682
Total Debt Service	348,498	352,823	365,685	371,351	333,990	457,722	446,121	446,121
Cash Flow After Debt Service	21,556	104,990	163,911	120,402	323,974	155,970	127,412	86,450
Ratios								
Current Ratio	4.7	5.3	5.1	5.1	5.4	5.5	5.6	6.2
Debt to Equity	0.6	0.6	0.6	0.7	0.6	0.6	0.6	0.6
Days Sales in Accounts Receivable	57.7	70.5	69.1	69.1	69.1	69.1	69.1	69.1
Months Operating Expenses in Unrestricted Cash	3.6	4.9	4.1	4.2	4.5	4.6	4.6	5.1
Debt Coverage Ratio	1.1	1.3	1.4	1.3	2.0	1.3	1.3	1.2

NEW BOND ISSUE REPORT

Name of Bond Issue: Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Notes (The Puritan Apartments), Series 2018

Purpose of Issue: The proceeds will be used to finance the acquisition, rehabilitation and equipping of the Puritan House Apartments Project, a 247 unit property located at 1244 South 4th Street, Louisville, Kentucky, 40203. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on September 18, 2018 following the delivery of notice to the public on September 1, 2018.

Name of Project: The Puritan Apartments

Proposed Date of Sale: November 2018

Proposed Date of Issuance: November 2018

Ratings: Private Placement

Net Proceeds: \$24,000,000

Cost of Issuance: See Exhibit A, attached (Costs of issuance above 2% will be paid from owner equity)

Insurance Premium: N/A

Total Project Cost: \$43,116,786

Net Interest Rate: 5.75%

Term: 30 years

Average Debt Service: \$734,697

Gross Debt Service: \$22,040,910

First Call Date: September 1, 2021

Premium at First Call: No premium

Method of Sale: Private Placement

Bond Counsel: Stites & Harbison PLLC

Financial Advisor: The Housing Partnership, Inc.

Underwriter Counsel: N/A

Trustee: N/A

Developer: SOCAYR, Inc.

EXHIBIT A

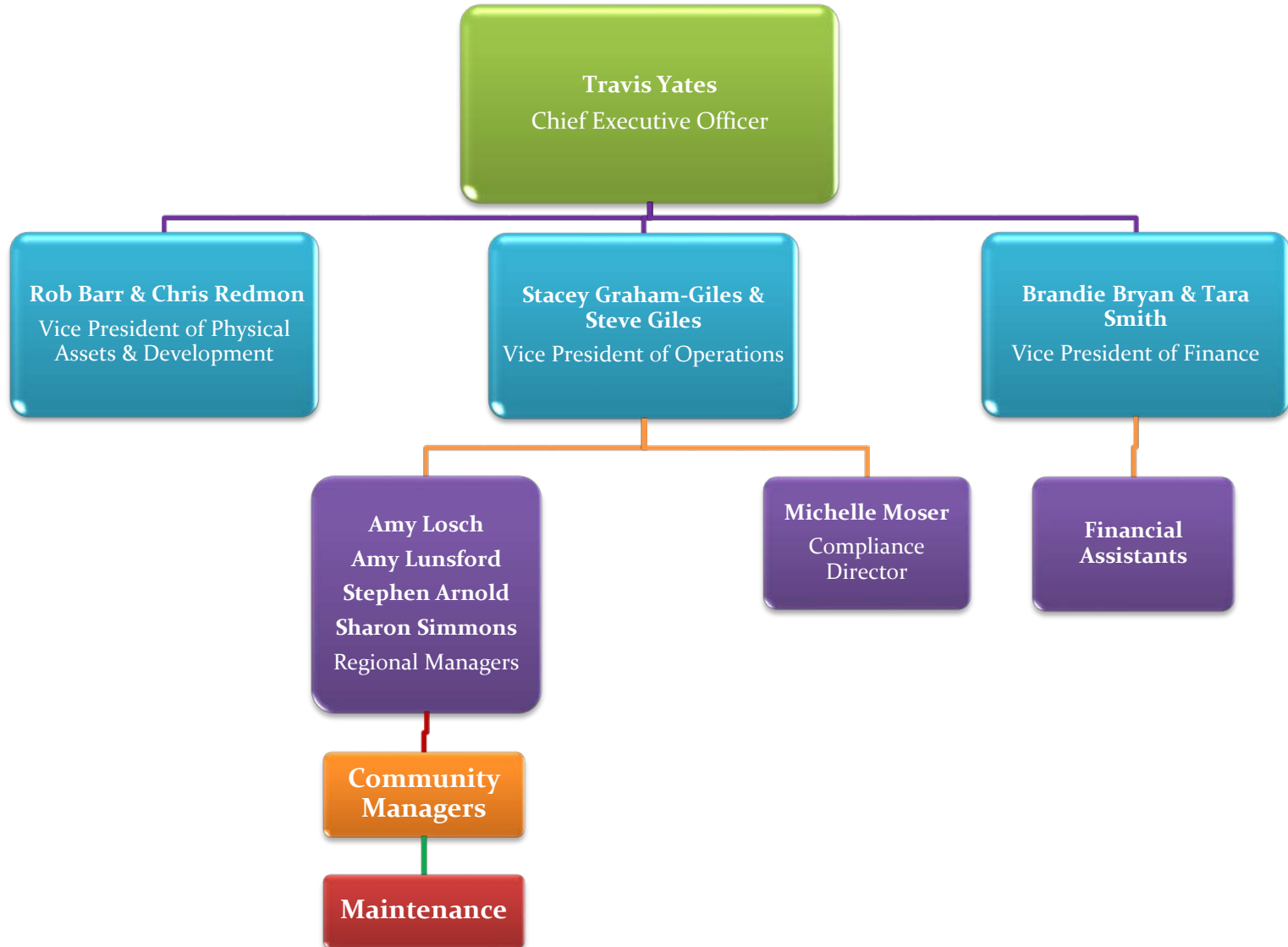
Project Funding Sources:

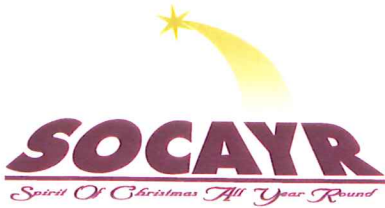
LIHTC Equity	\$ 16,650,346
Tax-Exempt Bond Financing	10,491,370
Seller Note	11,349,170
Existing Reserves	92,202
Cash Flow from Operations	697,858
Deferred Developer Fee	<u>3,835,840</u>
TOTAL	\$ 43,116,786

Costs of Issuance:

KHC Issuer Fee	\$ 120,000
KHC Reservation Fee	119,844
KHC Application Fee	5,500
KHC Admin Fee	5,000
Issuer Counsel	15,000
Bond Counsel	60,000
Borrower Counsel	<u>170,000</u>
TOTAL	\$ 495,344

SOCAYR Inc. Organizational Chart





1244 South Fourth Street Louisville, Kentucky 40203 • Phone (502) 634-9830 Fax (502) 634-4737 • www.socayr.com

9/11/18

Subject: Project Narrative Puritan Apartments

SOCAYR, Inc. is proposing a development project that will renovate and rehab the Puritan Apartments located at 1244 S. 4th St., Louisville, KY. Puritan is a 249 unit Section 202/8 property that has been serving elderly 62 and over since 1978. However, the Puritan is a historical building that was originally constructed in 1910. Unfortunately, while the asset is extremely well maintained, it is in need of a substantial renovation.

This will be SOCAYR's tenth substantial rehab development on a HUD-Assisted community. This project will be funded utilizing Tax-Exempt Bonds with 4% Low Income Housing Tax Credits (LIHTC). Another funding source will be both national and state Historic Tax Credits. This renovation will have hard construction costs of \$17,469,075 (\$70,725/unit).

The rehab will include, but not limited to, all new mechanical systems, including the elimination of window A/C units and radiators inside the apartment homes. We will move to a centralized system with individual thermostats. We will install all new plumbing throughout the building. All of the appliances and cabinets will be replaced, and we will add dishwashers plus over-the-stove microwaves. In the bathrooms, all of the water closets, medicine cabinets, sink, fixtures, and tub surround (mostly with walk-in showers) will be replaced. The roof of the building needs replacing. There's quite a bit of masonry and terracotta work that needs to be secured on the exterior of the building. Plus all of the windows are getting an interior storm window for energy efficiency without jeopardizing the historical look of the original windows.

SOCAYR, Inc. is a 501(c)3 non-profit. Our mission is to create, acquire, and preserve Affordable Housing. SOCAYR has developed over 1300 units. SOCAYR has an ownership interest in over 2000 units. SOCAYR's for-profit parent company, Beacon Property Management, manages over 3200 Affordable Housing Units throughout the state of Kentucky.

The existing owner will continue to be 50% of the new controlling ownership entity along with SOCAYR, Inc. All of the existing HUD Debt will be retired at the sale of the project; with a projected closing in mid-November. The new entity is applying for the current HUD Section 8 Contract be assigned and assumed post-closing, and would look to enter into a new 20 year contract. Please feel free to contact me directly, if you should have any additional thoughts or concerns. Thank you in advance for your prompt attention to helping preserve the Puritan Apartments as a means for Affordable Housing long into the future.

Kindest Regards,

Travis E. Yates, CPM

Beacon/SOCAYR

502.640.4159

tyates@beaconproperty.com



NEW BOND ISSUE REPORT

Name of Bond Issue: Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (Westminster Village), Series 2018

Purpose of Issue: The bonds will be used to finance the acquisition, rehabilitation and equipping of the Westminster Village Project, a one hundred and thirty-two unit property located at 1510 Versailles Road, Lexington, Kentucky 40504. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on October 11, 2018 following the delivery of notice to the public on September 26, 2018.

Name of Project: Westminster Village Apartments

Date of Sale: November 8, 2018

Date of Issuance: November 15, 2018

Anticipated Ratings: Standard & Poor's (AA-)

Anticipated Net Proceeds: \$9,500,000

Cost of Issuance: See Exhibit A attached (costs of issuance paid from owner equity)

Debt Service Reserve Fund: \$0, but a \$632,809 operating reserve will be funded from equity.

Insurance Premium: N/A

Total Project Cost: \$17,859,224

Term: 2 years

Net Interest Rate: 2.00%

Average Debt Service: \$190,000

Gross Debt Service: \$9,880,000

First Call Date: November 2022

Premium at First Call: No premium

Method of Sale: Public Offering

Bond Counsel: Dinsmore & Shohl LLP

Underwriter Counsel: Norris George & Ostrow PLLC

Financial Advisor: N/A

Underwriter: Citigroup Global Markets, Inc.

Trustee: U.S. Bank National Association

Developer: Allied Real Estate Partners, LLC

EXHIBIT A

Project Funding Sources:

Permanent Mortgage Loan	\$ 7,061,000
Tax Credit Equity	5,399,511
Seller Carryback Note	3,082,167
Resubordinated HUD Note	1,718,413
Cash Flow During Construction	200,000
Lexington AHTF	200,000
Lexington HOME Funds	138,479
Deferred Developer Fee	<u>59,653</u>
TOTAL	\$ 17,859,223

Costs of Issuance:

Origination Fee	\$ 51,377
KHC Counsel	12,500
KHC Financing Fee	56,634
KHC Application Fee	3,500
KHC Admin Fee	5,000
Bond Counsel	63,500
Lender Counsel	35,000
Borrowers Counsel	12,000
TEFRA/Publication/Print	<u>5,000</u>
TOTAL	\$ 244,511

OUR MISSION IS TO CREATE VALUE FOR ALL STAKEHOLDERS BY DEVELOPING SUSTAINABLE AFFORDABLE HOUSING

AlliedArgenta

Allied Argenta, LLC and its affiliates (“Allied”) specialize in the acquisition, financing, development, construction and management of affordable multifamily properties – this is our pathway to creating authentic, balanced communities where individuals and families thrive. Collectively, the Allied leadership team holds decades of national experience in the affordable housing industry. Building on this experience, we collaborate with public and private sector partners to enrich communities, provide our residents with the high-quality homes, services, and amenities everyone deserves, and inspire our neighbors to employ their own potential to effect change.

With a sharp focus on understanding the unique needs and assets of every project we undertake, Allied implements a careful selection process that ensures our acquisitions and partnerships allow us to further our goals and deliver what we promise. Our strategy includes the utilization of existing resources, identifying and fostering relationships with residents, businesses, and government agencies, extensive neighborhood research, and developing a resident services plan in tandem with local providers. In the last four years, Allied completed the acquisition and substantial rehabilitation of over 1,000 units across six existing affordable properties. Allied secured financing for these deals through the combination of tax-exempt bonds, FHA loan proceeds (under HUD’s 221(d)(4) and HUD 223(f) programs), and 4% low income housing tax credits.

For Allied, an investment in a property is a commitment to continuous improvement and obligation to operate with loyalty and respect.

The Allied Companies

Allied Real Estate Partners, LLC works closely with clients, partners and service providers to develop value-add solutions that match the unique characteristics and intended housing goals of each project.

Allied Affordable Housing, LLC has extensive experience with LIHTC properties and is focused on the acquisition and renovation of existing multifamily properties to create affordable housing communities where people of modest resources can form a home.

Argenta Property Management Group, LLC ensures properties are managed in an efficient, professional and profitable manner. These foundational elements ensure tenant satisfaction, excellent apartment conditions and rents that prove valuable for tenants and investors alike.

Argenta Construction Group, LLC executes superior quality construction, producing a competitive market position for properties by delivering in-demand upgrades, premium amenities, and durable asset improvements.

The Allied Properties

Property Name & State	Number of Units	Acquisition Date	Acquisition Price	Year Built	Hard Costs	Completion Date	Allied Role
Meadowlark, Indiana	360	December, 2012	\$15,000,000	1969	\$11,000,000	January, 2014	Developer General Contractor (JV) Managing Member
Ashwood Downs, Washington	96	January, 2013	\$6,344,000	1995	\$2,012,708	December, 2013	Developer Construction Manager Property Manager (JV) Managing Member
Atherton Woods, Washington	102	January, 2013	\$6,656,000	1994	\$2,116,414	December, 2013	Developer Construction Manager Property Manager (JV) Managing Member
Covered Bridge, Indiana	252	May, 2013	\$12,500,000	1981	\$7,226,492	March, 2014	Developer General Contractor (JV) Managing Member
Summerhill Apartments, Nevada	221	April, 2015	\$9,500,000	1997	\$6,895,133	April, 2016	Developer General Contractor Property Manager Managing Member
Fircrest Manor, Oregon	59	February, 2017	\$5,200,000	1972	\$2,969,54	Construction in Progress	Developer General Contractor Property Manager Managing Member

The Allied Leadership Team

The Leadership Team for Argenta has extensive backgrounds in multifamily acquisitions, construction, rehabilitation, finance, and operations. Our leadership team has:

- ❖ Completed transaction in 22 states
- ❖ Financed over \$200 million in multifamily properties
- ❖ Managed 10,000 units in 6 states
- ❖ In the last 36 months, completed 5 HUD-financed LIHTC multifamily renovation projects totaling over \$25 million in renovations
- ❖ Coordinated resident relocation and transition logistics for four LIHTC rehab projects, meeting differing project construction needs

Chuck O’Neal, CEO/Principal, is the majority owner of Allied Argenta’s group of companies and serves as its CEO. Since 2001, Chuck has been a Principal with Bridge Ventures and Bridge Equity Partners which own and manage a portfolio of companies and real estate assets ranging from light manufacturing to specialty trades to mechanical and electrical engineering as well as commercial and multifamily real estate. Chuck also led the efforts in the rehabilitation of a historic property. He currently serves on the Board of Salas O’Brien Engineers, Inc., which provides engineering and consulting services for energy, technology and infrastructure projects with an emphasis on energy efficiency and sustainable design. Following successful ventures in the financial services industry, Chuck founded and managed a consulting and project management company that performs site acquisition, planning, architecture and engineering, in addition to both construction and property management for thousands of cellular sites for wireless carriers. Chuck holds an MBA with a concentration in finance from the University of Notre Dame where he graduated with High Honors and was presented with the Dean’s Award. He holds a B.A. in business economics from the University of California, Riverside and has his California Real Estate Broker’s license.

James Angelica, CFO/Principal, brings 15+ years of investment banking and real estate-related experience to the Allied team and is responsible for overseeing the underwriting of acquisitions, arranging for debt financing and equity capital for new projects, and managing all real estate assets post-closing. James began his real estate career working as an associate for a London-based, \$5 billion private equity fund targeting large, European property portfolios. He subsequently went on to become the Finance Director of a non-profit affordable housing developer where he helped acquire, finance, and manage, approximately 1,000 apartment units. Later, as a Vice President with a major equity syndicator and leading sponsor of affordable housing tax credit partnerships, James supervised the acquisition and early stage development of multi-family 4% and 9% tax credit properties throughout the United States and helped manage several key investor relationships. Immediately prior to joining Allied, James worked in the fixed-income group of a prominent Wall Street investment bank where he assisted municipal issuers structure and bring to market a variety of tax-exempt obligations and worked extensively with affordable housing developers to arrange for debt financing – typically private activity bonds or 501(c)(3) bonds – and alternative forms of equity capital, such as 4% tax credits. James holds an MBA from London Business School as well as an AB in economics and history from Stanford University where he graduated with honors.

Anthony Jowid, COO/Principal, affords more than 20 years of operations, management, sales and marketing experience to the Allied team. Prior to joining Allied Argenta, he was an Officer for the Rabine Group, a \$200 Million group of companies focused on construction services and fuel distribution. He was charged with designing, implementing and managing all sales and marketing efforts for the group's 15 different companies. The Rabine Group was ranked as one of the 50 fastest growing private companies in Illinois for 2009, 2010, 2011, 2012 and listed in Inc. Magazine's 500/5000 fastest-growing companies in North America for 2009, 2010, 2011, 2012. He was on the Board of the Schaumburg Business Association, as well as a member of the Executives' Club of Chicago where he was on the Real Estate and Professional Services committees. Prior to Rabine, Mr. Jowid was a Regional Vice President and equity partner with CertaPro Painters, North America's largest painting company. During his nine years at CertaPro, he was an integral member of the executive team, which grew annual revenue from \$60 Million to \$200 Million in four years. His focus was on building and supporting operational, marketing, sales and financial systems. Anthony also co-founded and was a Vice President of Operations for Marathon Development Group, a real estate development company focused on developing residential communities. He was part of Marathon Homes, a subsidiary of Marathon Development Group, which built and sold over \$40 million of single-family homes. Anthony holds an M.B.A. with a concentration in International Business and a B.B.A. in Marketing from the University of Notre Dame Mendoza College of Business.

Scott Montague, Vice President of Construction, brings a strong background in construction project management, facilities management, and construction contracting. In his role as Vice President, Scott works with subcontractors, architects and property managers to define the scope and budgets for Allied's LIHTC renovation projects, and manages the construction process to completion. He also assists with property inspections and analysis for acquisitions. After receiving his MBA from the University of Texas, Austin, Scott attained two CA contractor licenses, and established a relationship with a leading big-box home improvement outlet. He founded and managed a contracting company to serve this client, specializing in the trades of flooring and custom stone and tile installations. His company established a reputation for outstanding craftsmanship and professionalism. Scott's prior experience includes Construction Project Manager at a wireless telecom consulting firm, leading a team of project managers, architects and support staff to put over 100 high- capacity transceiver sites on-air in one of the toughest markets in the nation (Los Angeles area). Projects ranged from raw land construction with substantial geo-tech surveying and structural embedment's, to urban rooftop installations requiring extensive engineering and logistics. Scott's team consistently completed project deliverables based on aggressive client timelines, including contractor bidding, utilities interconnect, and oversight/direction through integration of sites into the network. He also helped develop a system-integrated database for tracking and reporting construction process milestones.

Brian Corbell, Vice President of Acquisitions, brings an extensive experience in acquisitions and asset management. Having worked for several institutional real estate developers and investors over his 20 year career, Brian has completed acquisitions of over \$400mn in multifamily and other product types, asset managed \$1.5bn loan and hard asset portfolios, developed property as a principal, and monetized historic tax credits. Brian previously served as Head of Asset Management for Legg Mason Real Estate Investors where he asset managed \$1.5bn of loan and hard asset portfolios across the U.S. and as Vice President at ING Realty Partners investing joint venture equity with developers in the western U.S. Brian also spent 10 years in Japan where he acquired multiple property types throughout the country and became fluent in Japanese. Brian holds a B.A. in Business Economics from UC Santa Barbara and is a California Real Estate Broker.

Yvonne Delgadillo, Vice President of Community Development, brings with her extensive experience in nonprofit management, business development and grant writing. Her responsibilities include identifying and securing project grants and soft loans, developing housing models for developmentally disabled adults, research and project development as well as asset management. Prior to her joining Allied, she worked as the Executive Director of a community development corporation along the US-Mexican border. As the Executive Director she incorporated innovative business practices to develop and grow the opportunities available to the organization. In six years, she increased the annual operating budget almost tenfold, and developed fee-for-service and revenue development opportunities for the organization's long-term sustainability. During this time the organization also secured and managed a grant portfolio exceeding \$15 million. Yvonne has a Master's of Nonprofit Administration Degree from the University of Notre Dame, a Bachelor's Degree in Business Administration from the University of Arizona and is a Certified Economic Development Professional (CEcD) through the International Economic Development Council.

Hart Comess-Daniels, Financial Analyst, brings nearly a decade of experience in the LIHTC industry. His responsibilities include underwriting potential acquisitions, conducting market and additional research related to acquisition opportunities, aiding in the new deal closing process, and engaging in ongoing financial analysis and research related to asset management. Prior to joining Allied, Hart was an Account Manager with Boston Financial Investment Management. As Account Manager, he underwrote LIHTC transactions in over 25 states and closed more than \$300 million in investor equity. Prior to his time at Boston Financial, he began his career as a project manager for two Southern California based LIHTC developers where he gained valuable experience in site acquisition, finance, government agency negotiations, planning, design and construction. Hart received his bachelor's degree in American Studies from Brandeis University.

Jeff McMullen, Asset Manager, is a seasoned, hands-on property and asset manager who brings 10+ years multifamily sector knowledge and experience to the HGI Property Services team. Prior to joining HGIPS, Jeff was an Asset Manager for Empire USA and managed 26 multifamily properties totaling over 2,600 units throughout California, Oregon, Nevada and Hawaii. He directed and oversaw all daily operations, collaborated with project management teams and contractors for repositioning of aged and underperforming assets. Mr. McMullen was also a General Manager for Silton Group where he managed a private real estate trust consisting of 9 multifamily communities totaling 320 units. At Silton, he led a team of 21 property management professionals in the daily operations of the portfolio as well as oversaw the refinancing and repositioning of properties resulting in significant loan proceeds and rental growth, respectively. Jeff held other positions of responsibility at Rockdyne Enterprises as a Property Manager as well as at the City of Long Beach. Jeff received his Juris Doctorate from Tulane University Law School and is a member of the State Bar of California. Jeff also received his B.A. in History from California State University – Fresno. He is a veteran of the United States Navy where he worked on F-18 Hornet fighter jets and received several awards and recognitions including the Commander, Strike Fighter Wing, United States Pacific Fleet Standout Warrior Award and nomination to the Seaman to Admiral Program.



MATTHEW G. BEVIN
Governor

Commonwealth of Kentucky
FINANCE AND ADMINISTRATION CABINET
Office of Financial Management
702 Capital Avenue
Suite 76
Frankfort, Kentucky 40601
(502) 564-2924
(502) 564-7416 Facsimile

WILLIAM M. LANDRUM III
Secretary

RYAN BARROW
Executive Director

September 21, 2018

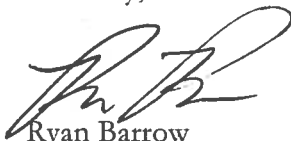
William E. Summers, V
Chairman
Kentucky Housing Corporation
1231 Louisville Road
Frankfort, KY 40601-6191

Dear Chairman Summers:

This letter will advise that the Office of Financial Management ("OFM") of the Finance and Administration Cabinet has reviewed and is hereby approving the issuance of the Kentucky Housing Corporation Multifamily Housing Revenue Bonds (Jefferson Green Apartments Project), Series 2018 in a principal amount of \$30,000,000 (the "Bonds"). The Bonds, by its terms, provide that payment of principal and interest thereon are not an obligation of the Commonwealth of Kentucky or its departments or agencies.

Pursuant to OAG 83-453, OFM has restricted its review and approval process to reviewing certain documents incidental to the issue and to obtaining assurance that the documents include language which provides that the Notes and interest thereon shall not be deemed to constitute a debt, liability or obligation of the Kentucky Housing Corporation ("KHC") or the Commonwealth of Kentucky or any political subdivision thereof. OFM notes that the approval of this issue by the Capital Projects and Bond Oversight Committee ("CPBOC") occurred on December 19, 2017. The attached includes a finalized listing of costs related to the issuance of the Notes pursuant to KRS 45.816.

Sincerely,


Ryan Barrow
Executive Director

Attachments

FINAL BOND ISSUE REPORT

Name of Bond Issue: Kentucky Housing Corporation Tax-Exempt Conduit Multifamily Housing Revenue Bonds (Jefferson Green Apartments Project), Series 2018

Purpose of Issue: The bonds will be used to finance the acquisition, rehabilitation and equipping of the Jefferson Green Apartments Project, a three hundred and twelve unit property located at 3010 Jefferson Green Drive, Louisville, Kentucky 40219. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on June 14, 2017 following the delivery of notice to the public on May 26, 2017.

Name of Project: Jefferson Green Apartments

Date of Sale: September 10, 2018

Date of Issuance: September 14, 2018

Ratings: Standard & Poor's (A-1+)

Net Proceeds: \$30,000,000

Cost of Issuance: See Exhibit A attached (costs of issuance paid from owner equity)

Debt Service Reserve Fund: \$0, but a \$1,519,882 operating reserve will be funded from equity

Insurance Premium: N/A

Total Project Cost: \$56,279,592

Term: 48 months, September 2022

Net Interest Rate: 2.205%

Average Debt Service: \$660,000

Gross Debt Service: \$2,640,000

First Call Date: September 1, 2022

Premium at First Call: No premium

Method of Sale: Public Offering

Bond Counsel: Dinsmore & Shohl LLP

Underwriter: Stifel, Nicolaus & Company, Inc.

Underwriter Counsel: Butler Snow LLP

Financial Advisor: N/A

Trustee: The Huntington National Bank

Exhibit A

Project Funding Sources:

Tax-Exempt Bond Financing	\$ 29,230,000
Louisville AHTF	2,310,000
LP Equity	20,064,435
GP Equity	100
Deferred Developer Fee	<u>4,675,057</u>
TOTAL	\$ 56,279,592

Costs of Issuance:

Bond Counsel	\$ 102,000
Trustee Fee	6,500
Underwriter Fee	165,500
Underwriter Counsel	35,000
Issuer Fee	104,094
Issuer Counsel	22,500
Transcript	<u>2,500</u>
TOTAL	\$ 438,094



School Facilities Construction Commission

Finance and Administration Cabinet

700 Louisville Rd

Carriage House

Frankfort, Kentucky 40601

(502) 564-5582

(888) 979-6152 Fax

www.sfcc.ky.gov

MATT BEVIN

Governor

MR. WILLIAM LANDRUM III

Secretary

DAVID PRATER

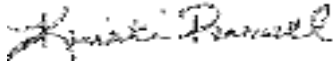
Chairman

CHELSEY BIZZLE

Executive Director

MEMORANDUM

TO: Ryan Barrow
Office of Financial Management

FROM: Kristi Russell, SFCC 

DATE: October 1, 2018

SUBJECT: Capital Projects and Bond Oversight Committee (CPBO)

The following information is submitted for consideration by CPBO at their next meeting tentatively scheduled for October 16, 2018:

Anderson County- \$6,215,000 estimated – Middle & High School HVAC upgrades are planned. State estimated annual debt service is \$65,294 and local is \$411,327. No tax increase is necessary to finance this project.

Boyle County- \$2,770,000 estimated – Old Middle School renovation is planned. State estimated annual debt service is \$13,952 and local is \$218,724. No tax increase is necessary to finance this project.

Christian County- \$2,275,000 estimated – Renovations to the Gateway Academy is planned. A work ready skills grant is also included in funding for this project. State estimated annual debt service is \$151,308 and local is \$0. No tax increase is necessary to finance this project.

Hazard Independent- \$3,215,000 estimated – Middle School renovation is planned. State estimated annual debt service is \$52,384 and local is \$205,305. No tax increase is necessary to finance this project.

Mason County- \$5,385,000 estimated – District wide improvements are planned. State estimated annual debt service is \$68,454 and local is \$336,244. No tax increase is necessary to finance this project.

McCreary County- \$3,515,000 estimated – Elementary & High School Roof Replacements are planned. State estimated annual debt service is \$29,274 and local is \$228,830. No tax increase is necessary to finance this project.

Menifee County- \$14,770,000 estimated – Urgent Needs construction new K-8 facility is planned. State estimated annual debt service is \$600,534 and local is \$438,464. No tax increase is necessary to finance this project.



Nicholas County - \$5,880,000 estimated – Refunding of the April 1, 2009 bonds is planned. State estimated annual debt service is \$83,151, and local is \$535,420. No tax increase is necessary to finance this project.

Paris Independent- \$275,000 estimated – High School Roof Replacement is planned. State estimated annual debt service is \$13,518 and local is \$5,822. No tax increase is necessary to finance this project.

Southgate Independent- \$570,000 estimated – District wide renovation is planned. State estimated annual debt service is \$35,881 and local is \$3,562. No tax increase is necessary to finance this project.

Walton Verona Independent- \$3,100,000 estimated – Middle School Renovation is planned. State estimated annual debt service is \$17,451 and local is \$209,519. No tax increase is necessary to finance this project.

If you or the Committee needs any additional information please feel free to contact me.



An Equal Opportunity Employer M/F/D



September 18, 2018

Ms. Chelsey Bizzle
Schools Facilities Construction Commission
700 Louisville Rd
Frankfort, Kentucky 40601

Re: Reporting of Bond Issuance Costs to the Capital Projects and Bond Oversight
Committee ("Bond Oversight Committee")

Dear Ms. Bizzle:

Enclosed please find a Bond Payee Disclosure form for the following bond issue:

\$6,215,000 (est.)
Anderson County
School District Finance Corporation
School Building Revenue Bonds,
Series 2018

Please be advised that the enclosed costs are estimated. Actual costs will not be known until the bonds are sold. Please be advised that no tax increases are necessary to support this financing.

We hereby request that the above bond issue be considered by the Bond Oversight Committee at its next meeting.

If you need any additional information, please do not hesitate to call me at 502.588.1783.

Sincerely,

/s/ Logan Clevenger

Logan Clevenger
Analyst

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$6,215,000
Issue Name:	Anderson County School District Finance Corporation School Building Revenue Bonds, Series 2018
Purpose:	High School and Middle School HVAC Upgrades
Projected Sale Date of Bonds:	November 2018
First Call Date:	2026
Method of Sale:	Competitive
Place/Time of Sale:	TBD
Bond Rating:	Expected "A1" – Moody's
Bond Counsel:	Steptoe & Johnson
Fiscal Agent:	J.J.B. Hilliard, W.L. Lyons, LLC
Construction Manager/General Contractor:	Alliance Corp
Architect/Engineer:	Ross Tarrant Architects

Date Received by SFCC:

/ /

To be filled in by SFCC
 Date Scheduled for Committee Review:

/ /

To be filled in by SFCC

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	916,223	5,298,777	\$6,215,000
% Share of total Bonds:	15%	85%	100%
Estimated average annual debt service:	65,294	411,327	476,621
Estimated debt service reserve:	-0-	-0-	-0-
Estimated Costs of Issuance (1):			
Fiscal Agent, Bond Counsel, Advertisements, Printing, etc.	5,581	32,279	37,860
Special Tax Counsel	-0-	-0-	-0-
Number Verifications	-0-	-0-	-0-
Bond Rating	1,769	10,231	12,000
Underwriter's Discount	18,324	105,976	124,300
Paying Agent/Escrow Agent Bank	590	3,410	4,000
Total Cost of Issuance:	26,264	151,896	178,160

Anticipated Interest Rates: 5 Years: 2.620% 10 Years: 3.330%
 15 Years: 3.700% 20 Years: 3.950%

(1) Actual costs will not be known until the bonds are sold.

SOURCES AND USES OF FUNDS

Anderson County School District Finance Corporation
 High School and Middle School HVAC Upgrades
 Inclusive of New SFCC Offer; \$417 Equalization Rate

Dated Date 11/15/2018
 Delivery Date 11/15/2018

Sources:	SFCC Portion	District Portion	Total
Bond Proceeds:			
Par Amount	916,223.00	5,298,777.00	6,215,000.00
	916,223.00	5,298,777.00	6,215,000.00
Uses:	SFCC Portion	District Portion	Total
Project Fund Deposits:			
Project Fund	737,106.19	4,262,893.81	5,000,000.00
Contingency	36,855.31	213,144.69	250,000.00
Architect/Engineer Fee	52,058.13	301,066.87	353,125.00
Construction Manager Fee	47,174.80	272,825.20	320,000.00
Other	16,400.61	94,849.39	111,250.00
	889,595.04	5,144,779.96	6,034,375.00
Cost of Issuance:			
FA/BC	5,581.37	32,278.63	37,860.00
Rating Fee	1,769.05	10,230.95	12,000.00
Paying Agent	589.68	3,410.32	4,000.00
	7,940.10	45,919.90	53,860.00
Underwriter's Discount:			
Underwriter's Discount	18,324.46	105,975.54	124,300.00
Other Uses of Funds:			
Additional Proceeds	363.40	2,101.60	2,465.00
	916,223.00	5,298,777.00	6,215,000.00

BOND DEBT SERVICE

Anderson County School District Finance Corporation
 High School and Middle School HVAC Upgrades
 Inclusive of New SFCC Offer; \$417 Equalization Rate

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/01/2019			103,201.74	103,201.74	
06/30/2019					103,201.74
11/01/2019	85,000	2.050%	111,905.50	196,905.50	
05/01/2020			111,034.25	111,034.25	
06/30/2020					307,939.75
11/01/2020	85,000	2.220%	111,034.25	196,034.25	
05/01/2021			110,090.75	110,090.75	
06/30/2021					306,125.00
11/01/2021	85,000	2.360%	110,090.75	195,090.75	
05/01/2022			109,087.75	109,087.75	
06/30/2022					304,178.50
11/01/2022	85,000	2.510%	109,087.75	194,087.75	
05/01/2023			108,021.00	108,021.00	
06/30/2023					302,108.75
11/01/2023	90,000	2.620%	108,021.00	198,021.00	
05/01/2024			106,842.00	106,842.00	
06/30/2024					304,863.00
11/01/2024	90,000	2.760%	106,842.00	196,842.00	
05/01/2025			105,600.00	105,600.00	
06/30/2025					302,442.00
11/01/2025	90,000	2.960%	105,600.00	195,600.00	
05/01/2026			104,268.00	104,268.00	
06/30/2026					299,868.00
11/01/2026	90,000	3.100%	104,268.00	194,268.00	
05/01/2027			102,873.00	102,873.00	
06/30/2027					297,141.00
11/01/2027	90,000	3.240%	102,873.00	192,873.00	
05/01/2028			101,415.00	101,415.00	
06/30/2028					294,288.00
11/01/2028	95,000	3.330%	101,415.00	196,415.00	
05/01/2029			99,833.25	99,833.25	
06/30/2029					296,248.25
11/01/2029	445,000	3.430%	99,833.25	544,833.25	
05/01/2030			92,201.50	92,201.50	
06/30/2030					637,034.75
11/01/2030	475,000	3.490%	92,201.50	567,201.50	
05/01/2031			83,912.75	83,912.75	
06/30/2031					651,114.25
11/01/2031	480,000	3.600%	83,912.75	563,912.75	
05/01/2032			75,272.75	75,272.75	
06/30/2032					639,185.50
11/01/2032	500,000	3.650%	75,272.75	575,272.75	
05/01/2033			66,147.75	66,147.75	
06/30/2033					641,420.50
11/01/2033	520,000	3.700%	66,147.75	586,147.75	
05/01/2034			56,527.75	56,527.75	
06/30/2034					642,675.50
11/01/2034	540,000	3.760%	56,527.75	596,527.75	
05/01/2035			46,375.75	46,375.75	
06/30/2035					642,903.50
11/01/2035	565,000	3.860%	46,375.75	611,375.75	
05/01/2036			35,471.25	35,471.25	
06/30/2036					646,847.00
11/01/2036	585,000	3.910%	35,471.25	620,471.25	
05/01/2037			24,034.50	24,034.50	
06/30/2037					644,505.75
11/01/2037	605,000	3.930%	24,034.50	629,034.50	
05/01/2038			12,146.25	12,146.25	
06/30/2038					641,180.75
11/01/2038	615,000	3.950%	12,146.25	627,146.25	
06/30/2039					627,146.25
	6,215,000		3,317,417.74	9,532,417.74	9,532,417.74

BOND SUMMARY STATISTICS

Anderson County School District Finance Corporation
 High School and Middle School HVAC Upgrades
 Inclusive of New SFCC Offer; \$417 Equalization Rate

Dated Date	11/15/2018
Delivery Date	11/15/2018
Last Maturity	11/01/2038
Arbitrage Yield	3.715710%
True Interest Cost (TIC)	3.903001%
Net Interest Cost (NIC)	3.870869%
All-In TIC	3.985730%
Average Coupon	3.731070%
Average Life (years)	14.306
Duration of Issue (years)	10.962
Par Amount	6,215,000.00
Bond Proceeds	6,215,000.00
Total Interest	3,317,417.74
Net Interest	3,441,717.74
Total Debt Service	9,532,417.74
Maximum Annual Debt Service	651,114.25
Average Annual Debt Service	477,549.46
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	6,215,000.00	100.000	3.731%	14.306
	6,215,000.00			14.306

	TIC	All-In TIC	Arbitrage Yield
Par Value	6,215,000.00	6,215,000.00	6,215,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-124,300.00	-124,300.00	
- Cost of Issuance Expense		-53,860.00	
- Other Amounts			
Target Value	6,090,700.00	6,036,840.00	6,215,000.00
Target Date	11/15/2018	11/15/2018	11/15/2018
Yield	3.903001%	3.985730%	3.715710%



BOND PRICING

Anderson County School District Finance Corporation
 High School and Middle School HVAC Upgrades
 Inclusive of New SFCC Offer; \$417 Equalization Rate

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	11/01/2019	85,000	2.050%	2.050%	100.000
	11/01/2020	85,000	2.220%	2.220%	100.000
	11/01/2021	85,000	2.360%	2.360%	100.000
	11/01/2022	85,000	2.510%	2.510%	100.000
	11/01/2023	90,000	2.620%	2.620%	100.000
	11/01/2024	90,000	2.760%	2.760%	100.000
	11/01/2025	90,000	2.960%	2.960%	100.000
	11/01/2026	90,000	3.100%	3.100%	100.000
	11/01/2027	90,000	3.240%	3.240%	100.000
	11/01/2028	95,000	3.330%	3.330%	100.000
	11/01/2029	445,000	3.430%	3.430%	100.000
	11/01/2030	475,000	3.490%	3.490%	100.000
	11/01/2031	480,000	3.600%	3.600%	100.000
	11/01/2032	500,000	3.650%	3.650%	100.000
	11/01/2033	520,000	3.700%	3.700%	100.000
	11/01/2034	540,000	3.760%	3.760%	100.000
	11/01/2035	565,000	3.860%	3.860%	100.000
	11/01/2036	585,000	3.910%	3.910%	100.000
	11/01/2037	605,000	3.930%	3.930%	100.000
	11/01/2038	615,000	3.950%	3.950%	100.000
		6,215,000			

Dated Date	11/15/2018	
Delivery Date	11/15/2018	
First Coupon	05/01/2019	
Par Amount	6,215,000.00	
Original Issue Discount		
Production	6,215,000.00	100.000000%
Underwriter's Discount	-124,300.00	-2.000000%
Purchase Price	6,090,700.00	98.000000%
Accrued Interest		
Net Proceeds	6,090,700.00	

BOND SOLUTION

Anderson County School District Finance Corporation
SFCC Portion

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
06/30/2019		14,159	14,159	14,159	1	100.00410%
06/30/2020	32,185	62,561	62,561	62,561	0	100.00045%
06/30/2021	32,881	62,562	62,562	62,562	0	100.00021%
06/30/2022	33,643	62,562	62,562	62,563	0	100.00069%
06/30/2023	34,471	62,561	62,561	62,561	1	100.00121%
06/30/2024	35,368	62,562	62,562	62,562	0	100.00037%
06/30/2025	36,333	62,562	62,562	62,562	0	100.00077%
06/30/2026	37,387	62,561	62,561	62,562	1	100.00088%
06/30/2027	38,538	62,561	62,561	62,562	1	100.00086%
06/30/2028	35,755	58,602	58,602	58,602	0	100.00022%
06/30/2029	40,976	62,561	62,561	62,562	1	100.00133%
06/30/2030	42,385	62,561	62,561	62,562	1	100.00112%
06/30/2031	55,935	74,408	74,408	74,409	0	100.00044%
06/30/2032	50,629	67,215	67,215	67,216	1	100.00125%
06/30/2033	54,200	68,885	68,885	68,886	0	100.00065%
06/30/2034	58,137	70,758	70,758	70,758	0	100.00035%
06/30/2035	57,281	67,749	67,749	67,750	1	100.00131%
06/30/2036	62,043	70,237	70,237	70,238	1	100.00132%
06/30/2037	62,285	68,064	68,064	68,064	1	100.00082%
06/30/2038	62,433	65,767	65,767	65,768	0	100.00024%
06/30/2039	53,358	54,412	54,412	54,413	1	100.00132%
	916,223	1,305,871	1,305,871	1,305,882	11	

BOND SOLUTION

Anderson County School District Finance Corporation
District Portion

Period Ending	Proposed Principal	Proposed Debt Service	Existing Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
06/30/2019		89,043	3,440,601	3,529,644	3,904,416	374,772	110.61785%
06/30/2020	52,815	245,379	3,439,524	3,684,903	3,904,416	219,513	105.95710%
06/30/2021	52,119	243,563	3,438,096	3,681,658	3,904,416	222,758	106.05047%
06/30/2022	51,357	241,616	3,473,476	3,715,093	3,904,416	189,323	105.09606%
06/30/2023	50,529	239,548	3,473,803	3,713,352	3,904,416	191,064	105.14534%
06/30/2024	54,632	242,301	3,466,027	3,708,328	3,904,416	196,088	105.28776%
06/30/2025	53,667	239,880	3,480,062	3,719,942	3,904,416	184,474	104.95905%
06/30/2026	52,613	237,307	3,471,566	3,708,873	3,904,416	195,543	105.27231%
06/30/2027	51,462	234,580	3,461,729	3,696,308	3,904,416	208,108	105.63015%
06/30/2028	54,245	235,686	3,523,809	3,759,495	3,904,416	144,921	103.85479%
06/30/2029	54,024	233,687	3,511,550	3,745,237	3,904,416	159,179	104.25017%
06/30/2030	402,615	574,473		574,473	3,904,416	3,329,943	679.65123%
06/30/2031	419,065	576,706		576,706	3,904,416	3,327,710	677.02025%
06/30/2032	429,371	571,971		571,971	3,904,416	3,332,445	682.62532%
06/30/2033	445,800	572,535		572,535	3,904,416	3,331,881	681.95231%
06/30/2034	461,863	571,918		571,918	3,904,416	3,332,498	682.68839%
06/30/2035	482,719	575,154		575,154	3,904,416	3,329,262	678.84687%
06/30/2036	502,957	576,610		576,610	3,904,416	3,327,806	677.13293%
06/30/2037	522,715	576,442		576,442	3,904,416	3,327,974	677.33045%
06/30/2038	542,567	575,413		575,413	3,904,416	3,329,003	678.54115%
06/30/2039	561,642	572,734		572,734	3,904,416	3,331,682	681.71491%
	5,298,777	8,226,547	38,180,243	46,406,790	81,992,736	35,585,946	



September 19, 2018

Ms. Chelsey Bizzle
Schools Facilities Construction Commission
700 Louisville Rd
Frankfort, Kentucky 40601

Re: Reporting of Bond Issuance Costs to the Capital Projects and Bond Oversight
Committee ("Bond Oversight Committee")

Dear Ms. Bizzle:

Enclosed please find a Bond Payee Disclosure form for the following bond issue:

\$2,770,000 (est.)
Boyle County
School District Finance Corporation
School Building Revenue Bonds,
Series of 2019

Please be advised that the enclosed costs are estimated. Actual costs will not be known until the bonds are sold. Please be advised that no tax increases are necessary to support this financing.

We hereby request that the above bond issue be considered by the Bond Oversight Committee at its next meeting.

If you need any additional information, please do not hesitate to call me at 502.588.8695.

Sincerely,

/s/ Bobby Koch

Bobby Koch
Analyst

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$2,770,000
Issue Name:	Boyle County School District Finance Corporation School Building Revenue Bonds, Series of 2019
Purpose:	Old Boyle County Middle School Renovation
Projected Sale Date of Bonds:	February 2019
First Call Date:	2027
Method of Sale:	Competitive
Place/Time of Sale:	TBD
Bond Rating:	Expected "A1" – Moody's
Bond Counsel:	Steptoe & Johnson
Fiscal Agent:	J.J.B. Hilliard, W.L. Lyons, LLC
Construction Manager/General Contractor:	N/A
Architect/Engineer:	Clotfelter Samokar

Date Received by SFCC:

/ /

To be filled in by SFCC

Date Scheduled for Committee Review:

/ /

To be filled in by SFCC

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	199,158	2,570,842	\$2,770,000
% Share of total Bonds:	7%	93%	100%
Estimated average annual debt service:	13,952	218,724	232,676
Estimated debt service reserve:	-0-	-0-	-0-
Estimated Costs of Issuance (1):			
Fiscal Agent, Bond Counsel, Advertisements, Printing, etc.	1,731	22,349	24,080
Special Tax Counsel	-0-	-0-	-0-
Number Verifications	-0-	-0-	-0-
Bond Rating	899	11,601	12,500
Underwriter's Discount	3,983	51,417	55,400
Paying Agent/Escrow Agent Bank	288	3,712	4,000
Total Cost of Issuance:	6,901	151,896	95,980

Anticipated Interest Rates: 5 Years: 2.520% 10 Years: 3.180%
 15 Years: 3.670% 20 Years: 3.890%

(1) Actual costs will not be known until the bonds are sold.

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SOURCES AND USES OF FUNDS

Boyle County School District Finance Corporation
 Old Boyle County Middle School Renovation

Dated Date 02/15/2019
 Delivery Date 02/15/2019

Sources:	SFCC Portion	District Portion	Total
Bond Proceeds:			
Par Amount	199,158.00	2,570,842.00	2,770,000.00
Other Sources of Funds:			
GF Cash Contribution		300,000.00	300,000.00
	199,158.00	2,870,842.00	3,070,000.00

Uses:	SFCC Portion	District Portion	Total
Project Fund Deposits:			
Project Fund	189,092.25	2,440,907.75	2,630,000.00
Architect/Engineer Fee	14,418.25	186,118.75	200,537.00
Construction Contingencies	9,454.61	122,045.39	131,500.00
Other	503.29	6,496.71	7,000.00
	213,468.40	2,755,568.60	2,969,037.00
Cost of Issuance:			
FA/BC	1,731.31	22,348.69	24,080.00
Rating Fee	898.73	11,601.27	12,500.00
Paying Agent	287.59	3,712.41	4,000.00
	2,917.63	37,662.37	40,580.00
Underwriter's Discount:			
Underwriter's Discount	3,983.16	51,416.84	55,400.00
Other Uses of Funds:			
Additional Proceeds	-21,211.19	26,194.19	4,983.00
	199,158.00	2,870,842.00	3,070,000.00

BOND DEBT SERVICE

Boyle County School District Finance Corporation
 Old Boyle County Middle School Renovation

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/01/2019			47,437.73	47,437.73	
02/01/2020	30,000	1.970%	51,438.50	81,438.50	
06/30/2020					128,876.23
08/01/2020			51,143.00	51,143.00	
02/01/2021	25,000	2.110%	51,143.00	76,143.00	
06/30/2021					127,286.00
08/01/2021			50,879.25	50,879.25	
02/01/2022	25,000	2.230%	50,879.25	75,879.25	
06/30/2022					126,758.50
08/01/2022			50,600.50	50,600.50	
02/01/2023	30,000	2.380%	50,600.50	80,600.50	
06/30/2023					131,201.00
08/01/2023			50,243.50	50,243.50	
02/01/2024	30,000	2.520%	50,243.50	80,243.50	
06/30/2024					130,487.00
08/01/2024			49,865.50	49,865.50	
02/01/2025	30,000	2.670%	49,865.50	79,865.50	
06/30/2025					129,731.00
08/01/2025			49,465.00	49,465.00	
02/01/2026	35,000	2.750%	49,465.00	84,465.00	
06/30/2026					133,930.00
08/01/2026			48,983.75	48,983.75	
02/01/2027	35,000	2.880%	48,983.75	83,983.75	
06/30/2027					132,967.50
08/01/2027			48,479.75	48,479.75	
02/01/2028	30,000	3.080%	48,479.75	78,479.75	
06/30/2028					126,959.50
08/01/2028			48,017.75	48,017.75	
02/01/2029	30,000	3.180%	48,017.75	78,017.75	
06/30/2029					126,035.50
08/01/2029			47,540.75	47,540.75	
02/01/2030	35,000	3.280%	47,540.75	82,540.75	
06/30/2030					130,081.50
08/01/2030			46,966.75	46,966.75	
02/01/2031	35,000	3.380%	46,966.75	81,966.75	
06/30/2031					128,933.50
08/01/2031			46,375.25	46,375.25	
02/01/2032	40,000	3.470%	46,375.25	86,375.25	
06/30/2032					132,750.50
08/01/2032			45,681.25	45,681.25	
02/01/2033	40,000	3.570%	45,681.25	85,681.25	
06/30/2033					131,362.50
08/01/2033			44,967.25	44,967.25	
02/01/2034	40,000	3.670%	44,967.25	84,967.25	
06/30/2034					129,934.50
08/01/2034			44,233.25	44,233.25	
02/01/2035	40,000	3.720%	44,233.25	84,233.25	
06/30/2035					128,466.50
08/01/2035			43,489.25	43,489.25	
02/01/2036	45,000	3.720%	43,489.25	88,489.25	
06/30/2036					131,978.50
08/01/2036			42,652.25	42,652.25	
02/01/2037	45,000	3.770%	42,652.25	87,652.25	
06/30/2037					130,304.50
08/01/2037			41,804.00	41,804.00	
02/01/2038	45,000	3.830%	41,804.00	86,804.00	
06/30/2038					128,608.00
08/01/2038			40,942.25	40,942.25	
02/01/2039	2,105,000	3.890%	40,942.25	2,145,942.25	
06/30/2039					2,186,884.50
	2,770,000		1,883,536.73	4,653,536.73	4,653,536.73

BOND SUMMARY STATISTICS

Boyle County School District Finance Corporation
Old Boyle County Middle School Renovation

Dated Date	02/15/2019
Delivery Date	02/15/2019
Last Maturity	02/01/2039
Arbitrage Yield	3.813050%
True Interest Cost (TIC)	3.973673%
Net Interest Cost (NIC)	3.937145%
All-In TIC	4.094130%
Average Coupon	3.824651%
Average Life (years)	17.779
Duration of Issue (years)	12.785
Par Amount	2,770,000.00
Bond Proceeds	2,770,000.00
Total Interest	1,883,536.73
Net Interest	1,938,936.73
Total Debt Service	4,653,536.73
Maximum Annual Debt Service	2,186,884.50
Average Annual Debt Service	233,130.15
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	2,770,000.00	100.000	3.825%	17.779
	2,770,000.00			17.779

	TIC	All-In TIC	Arbitrage Yield
Par Value	2,770,000.00	2,770,000.00	2,770,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-55,400.00	-55,400.00	
- Cost of Issuance Expense		-40,580.00	
- Other Amounts			
Target Value	2,714,600.00	2,674,020.00	2,770,000.00
Target Date	02/15/2019	02/15/2019	02/15/2019
Yield	3.973673%	4.094130%	3.813050%

BOND PRICING

Boyle County School District Finance Corporation
 Old Boyle County Middle School Renovation

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	02/01/2020	30,000	1.970%	1.970%	100.000
	02/01/2021	25,000	2.110%	2.110%	100.000
	02/01/2022	25,000	2.230%	2.230%	100.000
	02/01/2023	30,000	2.380%	2.380%	100.000
	02/01/2024	30,000	2.520%	2.520%	100.000
	02/01/2025	30,000	2.670%	2.670%	100.000
	02/01/2026	35,000	2.750%	2.750%	100.000
	02/01/2027	35,000	2.880%	2.880%	100.000
	02/01/2028	30,000	3.080%	3.080%	100.000
	02/01/2029	30,000	3.180%	3.180%	100.000
	02/01/2030	35,000	3.280%	3.280%	100.000
	02/01/2031	35,000	3.380%	3.380%	100.000
	02/01/2032	40,000	3.470%	3.470%	100.000
	02/01/2033	40,000	3.570%	3.570%	100.000
	02/01/2034	40,000	3.670%	3.670%	100.000
	02/01/2035	40,000	3.720%	3.720%	100.000
	02/01/2036	45,000	3.720%	3.720%	100.000
	02/01/2037	45,000	3.770%	3.770%	100.000
	02/01/2038	45,000	3.830%	3.830%	100.000
	02/01/2039	2,105,000	3.890%	3.890%	100.000
		2,770,000			

Dated Date	02/15/2019	
Delivery Date	02/15/2019	
First Coupon	08/01/2019	
Par Amount	2,770,000.00	
Original Issue Discount		
Production	2,770,000.00	100.000000%
Underwriter's Discount	-55,400.00	-2.000000%
Purchase Price	2,714,600.00	98.000000%
Accrued Interest		
Net Proceeds	2,714,600.00	

BOND SOLUTION

Boyle County School District Finance Corporation
SFCC Portion

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
06/30/2019						
06/30/2020	7,818	13,953	13,953	13,953	0	100.00072%
06/30/2021	7,723	13,952	13,952	13,953	1	100.00638%
06/30/2022	7,886	13,952	13,952	13,953	1	100.00609%
06/30/2023	8,062	13,952	13,952	13,953	1	100.00495%
06/30/2024	8,254	13,952	13,952	13,953	1	100.00409%
06/30/2025	8,462	13,952	13,952	13,953	1	100.00409%
06/30/2026	8,688	13,952	13,952	13,953	1	100.00366%
06/30/2027	8,927	13,953	13,953	13,953	0	100.00308%
06/30/2028	9,184	13,952	13,952	13,953	1	100.00380%
06/30/2029	9,467	13,953	13,953	13,953	0	100.00280%
06/30/2030	9,768	13,953	13,953	13,953	0	100.00323%
06/30/2031	10,088	13,952	13,952	13,953	1	100.00595%
06/30/2032	10,429	13,952	13,952	13,953	1	100.00581%
06/30/2033	10,791	13,952	13,952	13,953	1	100.00495%
06/30/2034	11,176	13,952	13,952	13,953	1	100.00667%
06/30/2035	11,587	13,953	13,953	13,953	0	100.00065%
06/30/2036	12,018	13,953	13,953	13,953	0	100.00093%
06/30/2037	12,465	13,953	13,953	13,953	0	100.00151%
06/30/2038	12,935	13,953	13,953	13,953	0	100.00093%
06/30/2039	13,430	13,952	13,952	13,953	1	100.00394%
	199,158	279,049	279,049	279,059	10	

BOND SOLUTION

Boyle County School District Finance Corporation
District Portion

Period Ending	Proposed Principal	Proposed Debt Service	Existing Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
06/30/2019							
06/30/2020	22,182	114,923	2,059,207	2,174,131	2,182,632	8,501	100.39102%
06/30/2021	17,277	113,334	2,057,353	2,170,687	2,182,632	11,945	100.55029%
06/30/2022	17,114	112,806	2,059,034	2,171,840	2,182,632	10,792	100.49690%
06/30/2023	21,938	117,249	2,057,865	2,175,114	2,182,632	7,518	100.34564%
06/30/2024	21,746	116,535	2,054,547	2,171,081	2,182,632	11,551	100.53202%
06/30/2025	21,538	115,779	2,054,925	2,170,703	2,182,632	11,929	100.54953%
06/30/2026	26,312	119,978	2,054,444	2,174,421	2,182,632	8,211	100.37760%
06/30/2027	26,073	119,015	2,055,885	2,174,900	2,182,632	7,733	100.35553%
06/30/2028	20,816	113,007	2,058,351	2,171,358	2,182,632	11,274	100.51921%
06/30/2029	20,533	112,083	2,059,103	2,171,185	2,182,632	11,447	100.52720%
06/30/2030	25,232	116,129	2,058,004	2,174,133	2,182,632	8,499	100.39093%
06/30/2031	24,912	114,981	2,054,976	2,169,958	2,182,632	12,674	100.58408%
06/30/2032	29,571	118,798	2,054,135	2,172,933	2,182,632	9,699	100.44634%
06/30/2033	29,209	117,410	2,054,145	2,171,555	2,182,632	11,077	100.51009%
06/30/2034	28,824	115,982	2,054,175	2,170,157	2,182,632	12,475	100.57483%
06/30/2035	28,413	114,514	2,058,411	2,172,925	2,182,632	9,707	100.44673%
06/30/2036	32,982	118,026	2,054,181	2,172,206	2,182,632	10,426	100.47996%
06/30/2037	32,535	116,352	2,055,177	2,171,529	2,182,632	11,103	100.51130%
06/30/2038	32,065	114,655	2,056,522	2,171,177	2,182,632	11,455	100.52761%
06/30/2039	2,091,570	2,172,932		2,172,932	2,182,632	9,700	100.44640%
	2,570,842	4,374,488	39,070,438	43,444,926	43,652,640	207,714	

DISCLOSURE REPORT

Boyle County School District Finance Corporation
Old Boyle County Middle School Renovation

SEC REQUIRED DISCLOSURES as a potential Municipal Advisor

Hilliard Lyons may seek the position of Municipal Advisor with you. (The activities to be discussed herein will meet the SEC's definition of Municipal Advisor activities.) Therefore, we are legally required to make certain disclosures at the very beginning of this process.

- Our compensation may be contingent on the closing of a transaction
- We may be advising other clients who could seek to go to market at the same time as you, if a public offering is planned
- Our firm is also a broker-dealer and provides advisory services to clients who may buy or sell your securities; we have duties to them as well
- As a broker-dealer, we may participate in principal transactions (we trade on our own behalf) in your securities. [If you were to select an underwriting firm via a negotiated process, we might be involved in a syndicate with that underwriting firm for an unrelated transaction during the time we serve as your Municipal Advisor.]

We also disclose relevant and material regulatory or legal matters that involve our firm.

Please review the complete statement containing our disclosures.



September 27, 2018

Ms. Chelsey Bizzle
Schools Facilities Construction Commission
700 Louisville Road
Carriage House
Frankfort, KY 40601

Re: Reporting of Bond Issuance Costs to the Capital Projects and Bond Oversight
Committee ("Bond Oversight Committee")

Dear Ms. Bizzle:

Enclosed please find a Bond Payee Disclosure form for the following bond issue:

\$2,275,000 (est.)
Christian County
School District Finance Corporation
School Building Revenue Bonds,
Series 2018

Please be advised that the enclosed costs are estimated. Actual costs will not be known until the bonds are sold. Please be advised that no tax increases are necessary to support this financing. Additionally, the District has received a Work Ready Skills Initiative Grant of \$1,568,880 that will be applied to this project

We hereby request that the above bond issue be considered by the Bond Oversight Committee at its next meeting.

If you need any additional information, please do not hesitate to call me at 502.588.8695.

Sincerely,

/s/ Bobby Koch

Bobby Koch
Analyst, Public Finance

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$2,275,000
Issue Name:	Christian County School District Finance Corporation School Building Revenue Bonds, Series 2018
Purpose:	Renovations to Gateway Academy and the Gateway Academy – Breathitt Academy
Projected Sale Date of Bonds:	November 2018
First Call Date:	2026
Method of Sale:	Competitive
Place/Time of Sale:	TBD
Bond Rating:	Expected “A1” – Moody’s
Bond Counsel:	Rubin & Hays
Fiscal Agent:	J.J.B. Hilliard, W.L. Lyons, LLC
Construction Manager/General Contractor:	N/A
Architect/Engineer:	JKS Architects

Date Received by SFCC:

/ /

To be filled in by SFCC

Date Scheduled for Committee Review:

/ /

To be filled in by SFCC

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$2,275,000	-0-	\$2,275,000
% Share of total Bonds:	100%	-0-	100%
Estimated average annual debt service:	151,308	-0-	151,308
Estimated debt service reserve:	-0-	-0-	-0-
Estimated Costs of Issuance (1):			
Fiscal Agent, Bond Counsel, Advertisements, Printing, etc.	22,100	-0-	22,100
Special Tax Counsel	-0-	-0-	-0-
Number Verifications	-0-	-0-	-0-
Bond Rating	12,500	-0-	12,500
Underwriter's Discount	45,500	-0-	45,500
Paying Agent/Escrow Agent Bank	4,000	-0-	4,000
Total Cost of Issuance:	84,100	-0-	84,100

Anticipated Interest Rates: 5 Years: 2.740% 10 Years: 3.250%
 15 Years: 3.610% 20 Years: 3.870%

(1) Actual costs will not be known until the bonds are sold.

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SOURCES AND USES OF FUNDS

Christian County Schools
BG-1 2018

Dated Date 11/15/2018
Delivery Date 11/15/2018

Sources:	SFCC Portion
<hr/>	
Bond Proceeds:	
Par Amount	2,275,000.00
Other Sources of Funds:	
Work Ready Skills Initiative	1,568,880.00
Cash Requirements	31,986.00
	<hr/>
	1,600,866.00
	<hr/>
	3,875,866.00
	<hr/> <hr/>

Uses:	SFCC Portion
<hr/>	
Project Fund Deposits:	
Construction Cost	3,137,760.00
Construction Contingency	156,880.00
Architect and Engineer Fee	274,131.80
Equipment/Furnishings	75,000.00
Technology Network System	100,000.00
Site Survey	5,000.00
Geotechnical	7,500.00
Special Inspections	10,000.00
Commissioning	15,000.00
Advertising	1,500.00
Printing	5,000.00
	<hr/>
	3,787,771.80
Cost of Issuance:	
FA/BC	22,100.00
Rating Fee	12,500.00
Paying Agent	4,000.00
	<hr/>
	38,600.00
Underwriter's Discount:	
Underwriter's Discount	45,500.00
Other Uses of Funds:	
Additional Proceeds	3,994.20
	<hr/>
	3,875,866.00
	<hr/> <hr/>

BOND DEBT SERVICE

Christian County Schools
BG-1 2018

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/01/2019			34,304.36	34,304.36	
06/30/2019					34,304.36
11/01/2019	90,000	2.100%	37,197.50	127,197.50	
05/01/2020			36,252.50	36,252.50	
06/30/2020					163,450.00
11/01/2020	90,000	2.250%	36,252.50	126,252.50	
05/01/2021			35,240.00	35,240.00	
06/30/2021					161,492.50
11/01/2021	95,000	2.420%	35,240.00	130,240.00	
05/01/2022			34,090.50	34,090.50	
06/30/2022					164,330.50
11/01/2022	90,000	2.580%	34,090.50	124,090.50	
05/01/2023			32,929.50	32,929.50	
06/30/2023					157,020.00
11/01/2023	95,000	2.740%	32,929.50	127,929.50	
05/01/2024			31,628.00	31,628.00	
06/30/2024					159,557.50
11/01/2024	100,000	2.880%	31,628.00	131,628.00	
05/01/2025			30,188.00	30,188.00	
06/30/2025					161,816.00
11/01/2025	100,000	3.020%	30,188.00	130,188.00	
05/01/2026			28,678.00	28,678.00	
06/30/2026					158,866.00
11/01/2026	105,000	3.130%	28,678.00	133,678.00	
05/01/2027			27,034.75	27,034.75	
06/30/2027					160,712.75
11/01/2027	110,000	3.190%	27,034.75	137,034.75	
05/01/2028			25,280.25	25,280.25	
06/30/2028					162,315.00
11/01/2028	110,000	3.250%	25,280.25	135,280.25	
05/01/2029			23,492.75	23,492.75	
06/30/2029					158,773.00
11/01/2029	115,000	3.300%	23,492.75	138,492.75	
05/01/2030			21,595.25	21,595.25	
06/30/2030					160,088.00
11/01/2030	120,000	3.400%	21,595.25	141,595.25	
05/01/2031			19,555.25	19,555.25	
06/30/2031					161,150.50
11/01/2031	125,000	3.500%	19,555.25	144,555.25	
05/01/2032			17,367.75	17,367.75	
06/30/2032					161,923.00
11/01/2032	125,000	3.560%	17,367.75	142,367.75	
05/01/2033			15,142.75	15,142.75	
06/30/2033					157,510.50
11/01/2033	130,000	3.610%	15,142.75	145,142.75	
05/01/2034			12,796.25	12,796.25	
06/30/2034					157,939.00
11/01/2034	140,000	3.710%	12,796.25	152,796.25	
05/01/2035			10,199.25	10,199.25	
06/30/2035					162,995.50
11/01/2035	140,000	3.760%	10,199.25	150,199.25	
05/01/2036			7,567.25	7,567.25	
06/30/2036					157,766.50
11/01/2036	150,000	3.810%	7,567.25	157,567.25	
05/01/2037			4,709.75	4,709.75	
06/30/2037					162,277.00
11/01/2037	155,000	3.830%	4,709.75	159,709.75	
05/01/2038			1,741.50	1,741.50	
06/30/2038					161,451.25
11/01/2038	90,000	3.870%	1,741.50	91,741.50	
06/30/2039					91,741.50
	2,275,000		902,480.36	3,177,480.36	3,177,480.36

BOND SUMMARY STATISTICS

Christian County Schools
BG-1 2018

Dated Date	11/15/2018
Delivery Date	11/15/2018
Last Maturity	11/01/2038
Arbitrage Yield	3.495703%
True Interest Cost (TIC)	3.722944%
Net Interest Cost (NIC)	3.699215%
All-In TIC	3.921038%
Average Coupon	3.521665%
Average Life (years)	11.264
Duration of Issue (years)	9.016
Par Amount	2,275,000.00
Bond Proceeds	2,275,000.00
Total Interest	902,480.36
Net Interest	947,980.36
Total Debt Service	3,177,480.36
Maximum Annual Debt Service	164,330.50
Average Annual Debt Service	159,183.54
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	20.000000
Total Underwriter's Discount	20.000000
Bid Price	98.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	2,275,000.00	100.000	3.522%	11.264
	2,275,000.00			11.264

	TIC	All-In TIC	Arbitrage Yield
Par Value	2,275,000.00	2,275,000.00	2,275,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-45,500.00	-45,500.00	
- Cost of Issuance Expense		-38,600.00	
- Other Amounts			
Target Value	2,229,500.00	2,190,900.00	2,275,000.00
Target Date	11/15/2018	11/15/2018	11/15/2018
Yield	3.722944%	3.921038%	3.495703%

BOND PRICING

Christian County Schools
BG-1 2018

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Bond Component:					
	11/01/2019	90,000	2.100%	2.100%	100.000
	11/01/2020	90,000	2.250%	2.250%	100.000
	11/01/2021	95,000	2.420%	2.420%	100.000
	11/01/2022	90,000	2.580%	2.580%	100.000
	11/01/2023	95,000	2.740%	2.740%	100.000
	11/01/2024	100,000	2.880%	2.880%	100.000
	11/01/2025	100,000	3.020%	3.020%	100.000
	11/01/2026	105,000	3.130%	3.130%	100.000
	11/01/2027	110,000	3.190%	3.190%	100.000
	11/01/2028	110,000	3.250%	3.250%	100.000
	11/01/2029	115,000	3.300%	3.300%	100.000
	11/01/2030	120,000	3.400%	3.400%	100.000
	11/01/2031	125,000	3.500%	3.500%	100.000
	11/01/2032	125,000	3.560%	3.560%	100.000
	11/01/2033	130,000	3.610%	3.610%	100.000
	11/01/2034	140,000	3.710%	3.710%	100.000
	11/01/2035	140,000	3.760%	3.760%	100.000
	11/01/2036	150,000	3.810%	3.810%	100.000
	11/01/2037	155,000	3.830%	3.830%	100.000
	11/01/2038	90,000	3.870%	3.870%	100.000
		2,275,000			

Dated Date	11/15/2018	
Delivery Date	11/15/2018	
First Coupon	05/01/2019	
Par Amount	2,275,000.00	
Original Issue Discount		
Production	2,275,000.00	100.000000%
Underwriter's Discount	-45,500.00	-2.000000%
Purchase Price	2,229,500.00	98.000000%
Accrued Interest		
Net Proceeds	2,229,500.00	

BOND SOLUTION

Christian County Schools
SFCC Portion

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
06/30/2019		34,304	34,304	70,078	35,774	204.28307%
06/30/2020	90,000	163,450	163,450	301,061	137,611	184.19128%
06/30/2021	90,000	161,493	161,493	301,561	140,069	186.73379%
06/30/2022	95,000	164,331	164,331	302,061	137,730	183.81287%
06/30/2023	90,000	157,020	157,020	297,561	140,541	189.50543%
06/30/2024	95,000	159,558	159,558	298,186	138,629	186.88337%
06/30/2025	100,000	161,816	161,816	298,811	136,995	184.66082%
06/30/2026	100,000	158,866	158,866	299,811	140,945	188.71941%
06/30/2027	105,000	160,713	160,713	300,811	140,098	187.17286%
06/30/2028	110,000	162,315	162,315	301,811	139,496	185.94174%
06/30/2029	110,000	158,773	158,773	297,811	139,038	187.57059%
06/30/2030	115,000	160,088	160,088	299,012	138,924	186.77951%
06/30/2031	120,000	161,151	161,151	300,211	139,061	186.29257%
06/30/2032	125,000	161,923	161,923	301,411	139,488	186.14438%
06/30/2033	125,000	157,511	157,511	297,611	140,101	188.94691%
06/30/2034	130,000	157,939	157,939	299,011	141,072	189.32048%
06/30/2035	140,000	162,996	162,996	300,472	137,477	184.34377%
06/30/2036	140,000	157,767	157,767	299,621	141,854	189.91418%
06/30/2037	150,000	162,277	162,277	299,981	137,704	184.85716%
06/30/2038	155,000	161,451	161,451	300,341	138,890	186.02599%
06/30/2039	90,000	91,742	91,742	230,623	138,882	251.38381%
	2,275,000	3,177,480	3,177,480	5,997,857	2,820,377	

DISCLOSURE REPORT

Christian County Schools
SFCC Portion

SEC REQUIRED DISCLOSURES as a potential Municipal Advisor

Hilliard Lyons may seek the position of Municipal Advisor with you. (The activities to be discussed herein will meet the SEC's definition of Municipal Advisor activities.) Therefore, we are legally required to make certain disclosures at the very beginning of this process.

- Our compensation may be contingent on the closing of a transaction
- We may be advising other clients who could seek to go to market at the same time as you, if a public offering is planned
- Our firm is also a broker-dealer and provides advisory services to clients who may buy or sell your securities; we have duties to them as well
- As a broker-dealer, we may participate in principal transactions (we trade on our own behalf) in your securities. [If you were to select an underwriting firm via a negotiated process, we might be involved in a syndicate with that underwriting firm for an unrelated transaction during the time we serve as your Municipal Advisor.]

We also disclose relevant and material regulatory or legal matters that involve our firm.

Please review the complete statement containing our disclosures.



One Riverfront Plaza
401 West Main Street,
Suite 2110
Louisville, KY
40202

September 14, 2018

502/491-3939
fax: 502/491-9979

INVESTMENT
BANKING

FINANCIAL
ADVISORY

PUBLIC
FINANCE

BROKERAGE
SERVICES

School Facilities Construction Commission
Attn: Chelsey Bizzle
700 Louisville Road
Carriage House
Frankfort, KY 40601

RE: \$3,215,000 Hazard Independent School District Finance
Corporation Revenue Bonds, Series 2018

Dear Ms. Bizzle:

Please find enclosed a Bond Payee Disclosure Form and Plan of Financing related to the above-referenced series of Bonds. The Bonds are being issued to finance renovations to Hazard Middle School.

We would like to go ahead and submit the plan to Bond Oversight so that we will be ready to proceed with the bond sale in the coming months. The Bonds will be funded with Local and SFCC funds.

Please process this bond disclosure form for review by the Bond Oversight Committee at their next meeting. Should you have any questions or require any additional information, please contact our office.

Sincerely,

Dwight G. Salsbury

Enclosures

Cincinnati, OH
Lexington, KY
Owensboro, KY
Columbus, OH
Indianapolis, IN
Columbia, SC
Brentwood, TN
Pittsburgh, PA
St. Petersburg, FL
Alameda, CA



BOND PAYEE DISCLOSURE FORM

Par Amount:	\$3,215,000
Issue Name:	Hazard Independent SDFC School Building Revenue Bonds, Series of 2018
Purpose:	Renovations to Hazard Middle School
Projected Sale Date of Bond:	November 2018
First Call Date:	10 Years at Par
Method of Sale:	Competitive Bids
Place/time of sale:	Parity / SFCC, 229 West Main Street, Suite 102, Frankfort, Ky. / TBD
Bond Rating:	Moody's: "A1"
Bond Counsel:	Steptoe and Johnson, Louisville, KY
Fiscal Agent:	Ross, Sinclaire & Associates, Louisville, Kentucky
Date received by SFCC:	/ / <i>To be filled in by SFCC</i>
Date scheduled for Committee review:	/ / <i>To be filled in by SFCC</i>

Month Day Year

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$780,000	\$2,435,000	\$3,215,000
% Share of total Bonds:	24.26%	75.74%	100.00%
Estimated average annual debt service:	\$52,384	\$205,305	\$257,689
Estimated debt service reserve:	\$0	\$0	\$0

Estimated Cost of Issuance:

Fiscal Agent, Bond Counsel, Advertisements, Printing,	\$6,274	\$19,586	\$25,860
Special Tax Counsel	\$0	\$0	\$0
Number verifications	\$0	\$0	\$0
Bond Rating & Bank Fee	\$3,176	\$9,914	\$13,090
Underwriter's Discount	\$15,600	\$48,700	\$64,300
Credit Enhancement	\$0	\$0	\$0
Total Cost of Issuance:	\$25,050	\$78,200	\$103,250

Anticipated Interest Rates:

5 Years: 2.75% 10 Years: 3.30% 15 Years: 3.70%
20 Years: 3.80%

Note: DOES NOT INVOLVE A TAX INCREASE

Hazard Independent School District Plan of Financing -- Projected Series 2018

Date of Report: September 14, 2018

Local Bond Payments Outstanding	1
Summary of Funds for Bond Payments	2
Projected Series 2018.....	3
Summary of Maximum Bonding Potential.....	4
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HAZARD INDEPENDENT SCHOOL DISTRICT LOCAL BOND DEBT

<u>Year Ending 30-Jun</u>	<u>Series 2012</u>	<u>Energy Savings Series 2012</u>	<u>KISTA Series 2014</u>	<u>Series 2014</u>	<u>Series 2015-REF</u>	<u>Series 2016</u>	<u>Total Local Bond Payments</u>
2017	\$66,336	\$20,133	\$45,552	\$36,438	\$267,150	\$216,243	\$651,852
2018	\$65,242	\$16,393	\$43,451	\$90,913	\$262,450	\$171,128	\$649,577
2019	\$64,005	\$17,340	\$46,668	\$90,113	\$262,700	\$164,328	\$645,154
2020	\$64,416	\$22,894	\$49,252	\$79,363	\$267,800	\$162,528	\$646,254
2021	\$63,530	\$23,159	\$46,853	\$87,814	\$262,800	\$160,629	\$644,784
2022	\$66,462	\$27,958	\$44,452	\$80,489	\$262,750	\$163,628	\$645,739
2023	\$65,091	\$27,269	\$47,052	\$78,239	\$262,600	\$166,428	\$646,679
2024	\$240,893	\$26,126	\$44,504	\$110,464		\$219,029	\$641,015
2025	\$250,536	\$49,237	\$42,108	\$82,539		\$220,428	\$644,848
2026	\$263,415	\$46,726	\$44,858	\$70,140		\$216,629	\$641,767
2027	\$271,488	\$48,804	\$42,259	\$62,963		\$217,728	\$643,242
2028	\$272,825	\$50,405	\$44,659	\$55,858		\$223,628	\$647,375
2029	\$269,522	\$51,215	\$46,683	\$58,664		\$214,228	\$640,311
2030	\$278,372	\$56,133	\$43,535	\$46,552		\$218,065	\$642,657
2031	\$288,162	\$55,430	\$45,385	\$34,701		\$216,547	\$640,225
2032	\$295,663	\$59,086	\$44,589	\$23,127		\$224,172	\$646,636
2033	\$286,631	\$62,022	\$47,314	\$31,672		\$226,297	\$653,936
2034			\$44,865	\$231,212		\$381,722	\$657,800
2035				\$278,314		\$382,472	\$660,786
2036						\$660,872	\$660,872
TOTALS:	\$3,172,588	\$660,331	\$814,039	\$1,629,574	\$1,848,250	\$4,826,727	\$12,951,509

**HAZARD INDEPENDENT SCHOOL DISTRICT
SUMMARY OF FUNDS AVAILABLE**

FYE	LOCAL NICKEL	RECALLABLE NICKEL	CAPITAL OUTLAY @ 80%	FSPK	ADD'L FSPK	TOTAL LOCAL FUNDS	LESS CURRENT PAYMENTS	LOCAL FUNDS AVAILABLE	SFCC OFFERS	TOTAL FUNDS AVAILABLE
2019	115,408	115,408	69,920	249,050	249,050	798,836	(645,154)	153,682	13,096	166,778
2020	115,408	115,408	69,920	249,050	249,050	798,836	(646,254)	152,582	52,384	204,966
2021	115,408	115,408	69,920	249,050	249,050	798,836	(644,784)	154,052	52,384	206,436
2022	115,408	115,408	69,920	249,050	249,050	798,836	(645,739)	153,097	52,384	205,481
2023	115,408	115,408	69,920	249,050	249,050	798,836	(646,679)	152,157	52,384	204,541
2024	115,408	115,408	69,920	249,050	249,050	798,836	(641,015)	157,821	52,384	210,205
2025	115,408	115,408	69,920	249,050	249,050	798,836	(644,848)	153,988	52,384	206,372
2026	115,408	115,408	69,920	249,050	249,050	798,836	(641,767)	157,069	52,384	209,453
2027	115,408	115,408	69,920	249,050	249,050	798,836	(643,242)	155,594	52,384	207,978
2028	115,408	115,408	69,920	249,050	249,050	798,836	(647,375)	151,461	52,384	203,845
2029	115,408	115,408	69,920	249,050	249,050	798,836	(640,311)	158,525	52,384	210,909
2030	115,408	115,408	69,920	249,050	249,050	798,836	(642,657)	156,179	52,384	208,563
2031	115,408	115,408	69,920	249,050	249,050	798,836	(640,225)	158,611	52,384	210,995
2032	115,408	115,408	69,920	249,050	249,050	798,836	(646,636)	152,200	52,384	204,584
2033	115,408	115,408	69,920	249,050	249,050	798,836	(653,936)	144,900	52,384	197,284
2034	115,408	115,408	69,920	249,050	249,050	798,836	(657,800)	141,036	52,384	193,420
2035	115,408	115,408	69,920	249,050	249,050	798,836	(660,786)	138,050	52,384	190,434
2036	115,408	115,408	69,920	249,050	249,050	798,836	(660,872)	137,964	52,384	190,348
2037	115,408	115,408	69,920	249,050	249,050	798,836	0	798,836	52,384	851,220
2038	115,408	115,408	69,920	249,050	249,050	798,836	0	798,836	52,384	851,220
2039	115,408	115,408	69,920	249,050	249,050	798,836	0	798,836	39,288	838,124

NOTES: Assessment / ADA information per KDE SEEK Final 2018-2019 Forecast Data

**HAZARD INDEPENDENT SCHOOL DISTRICT
PROJECTED SERIES 2018**

FY June 30	Principal Payment	Coupon	Interest Payments	Total Payments	SFCC Portion	Local Portion	Current Payments	Projected All Local Payments Outstanding	Local Funds Available	Funds Available For Future Projects
2019			57,719	57,719	13,096	44,623	645,154	689,776	798,836	109,060
2020	45,000	1.850%	115,021	160,021	52,384	107,637	646,254	753,891	798,836	44,945
2021	45,000	2.000%	114,155	159,155	52,384	106,771	644,784	751,555	798,836	47,281
2022	45,000	2.250%	113,199	158,199	52,384	105,815	645,739	751,554	798,836	47,282
2023	45,000	2.500%	112,130	157,130	52,384	104,746	646,679	751,425	798,836	47,411
2024	55,000	2.750%	110,811	165,811	52,384	113,427	641,015	754,442	798,836	44,394
2025	50,000	2.950%	109,318	159,318	52,384	106,934	644,848	751,782	798,836	47,054
2026	55,000	3.000%	107,755	162,755	52,384	110,371	641,767	752,138	798,836	46,698
2027	55,000	3.000%	106,105	161,105	52,384	108,721	643,242	751,963	798,836	46,873
2028	55,000	3.200%	104,400	159,400	52,384	107,016	647,375	754,391	798,836	44,445
2029	65,000	3.300%	102,448	167,448	52,384	115,064	640,311	755,375	798,836	43,461
2030	65,000	3.400%	100,270	165,270	52,384	112,886	642,657	755,543	798,836	43,293
2031	70,000	3.500%	97,940	167,940	52,384	115,556	640,225	755,781	798,836	43,055
2032	65,000	3.600%	95,545	160,545	52,384	108,161	646,636	754,797	798,836	44,039
2033	60,000	3.600%	93,295	153,295	52,384	100,911	653,936	754,847	798,836	43,989
2034	55,000	3.700%	91,198	146,198	52,384	93,814	657,800	751,613	798,836	47,223
2035	55,000	3.700%	89,163	144,163	52,384	91,779	660,786	752,564	798,836	46,272
2036	55,000	3.750%	87,114	142,114	52,384	89,730	660,872	750,601	798,836	48,235
2037	735,000	3.750%	72,301	807,301	52,384	754,917	0	754,917	798,836	43,919
2038	760,000	3.800%	44,080	804,080	52,384	751,696	0	751,696	798,836	47,140
2039	780,000	3.800%	14,820	794,820	39,288	755,532	0	755,532	798,836	43,304
Totals	3,215,000		1,938,785	5,153,785	1,047,680	4,106,105	11,650,080	15,756,185		1,019,371

NOTE: Information based on issue dated 11/1/18 with interest payments 5/1 & 11/1 and principal on 11/1

Funds Available	
Nickels	230,816
Capital Outlay	69,920
FSPK	498,100
Total	798,836

Hazard Independent School District Summary of Bonding Potential & Available Cash

-----SUMMARY OF FUNDS AVAILABLE-----

❖ Local Portion of Bonds	\$2,481,624
❖ SFCC Portion of Bonds	<u>\$733,376</u>
❖ Maximum Bonding Potential	\$3,215,000

Municipal Advisor Disclosure of Conflicts of Interest and Other Information

Ross, Sinclair and Associates, LLC (“RSA”)

Introduction

RSA is a registered municipal advisory firm registered with the Securities and Exchange Commission (the “SEC”) and the Municipal Securities Rulemaking Board (the “MSRB”). In accordance with MSRB rules, this disclosure statement is provided by RSA to each client prior to the execution of its advisory agreement with written disclosures of any material conflicts of interest and legal or disciplinary events that are required to be disclosed with respect to providing financial advisory services pursuant to MSRB Rule G-42(b) and (c) (ii).

RSA employs a number of resources, which we have outlined below to identify and subsequently manage actual or potential conflicts of interest in addition to disclosing actual and potential conflicts of interest.

- Code of Ethics
- Policies and Procedures
- Supervisory Structure
- Disclosure

General Conflict of Interest Disclosures

As a registered municipal advisory firm registered with the “SEC” and the “MSRB”, our disciplinary events are required to be disclosed on our forms MA and MA-I filed with the SEC. To review the disclosures on these forms, you may access them electronically via the SEC’s Electronic Data Gathering, Analysis, and Retrieval System (EDGAR) at:

<https://www.sec.gov/cgi-bin/browse-edgar?company=ROSS%2C+SINCLAIRE+%26+ASSOCIATES%2C+LLC&owner=exclude&action=getcompany>

RSA is a registered Broker Dealer with the Financial Industry Regulatory Authority (“FINRA”) and a registered Investment Advisory Firm with the Securities and Exchange Commission (the “SEC”) that engages in other securities related activities to service its clients. Such securities related activities, which may include but are not limited to the buying and selling of new issue and secondary market securities, may include the securities offering of the client to which RSA is serving as Municipal Advisor.

Upon request, RSA may provide sponsorships and donations to various municipal organizations to which you may be a member.

To our knowledge, following reasonable inquiry, we are not aware of any actual or potential conflicts of interest that could reasonably be anticipated to impair our ability to provide advice to or on behalf of the client in accordance with the applicable standards of conduct of MSRB Rule G-42.

Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –Mason County School District Series 2018
Date: September 28, 2018
cc: File

Please find enclosed a Bond Payee Disclosure Form and Plan of Financing for the Mason County School District. Please process this issue at the next meeting of the Capital Projects and Bond Oversight Committee.

If you should have any questions or require any additional information, please do not hesitate to contact our office.

BOND PAYEE DISCLOSURE FORM

Par Amount: **\$ 5,385,000**
 Issue Name: Mason County School District Finance Corporation School Building Revenue Bonds, Series 2018
 Purpose: Improvements at Straub Elementary, Mason Co. Middle, Mason Co. High and ATC
 Projected Sale Date of Bond: 28-Nov-18
 First Call Date: 11/1/25 @ 100
 Method of Sale: Competitive Bids
 Place/time of sale: SFCC, 267 Capitol Annex, Frankfort, Ky. / 11:00 A.M.
 Bond Rating: Moodys: "A1"
 Bond Counsel: Steptoe & Johnson, Louisville, KY
 Fiscal Agent: Ross, Sinclair & Associates, Lexington, Kentucky
 Date received by SFCC: *To be filled in by SFCC*
 Date scheduled for Committee review: *To be filled in by SFCC*
Month Day Year

Estimated par amount of Bonds:
 % Share of total Bonds:
 Estimated average annual debt service:
 Estimated debt service reserve:

SFCC Portion	Local Portion	Total
\$ 910,864	\$ 4,474,136	\$ 5,385,000
16.91%	83.09%	
\$ 68,454	\$ 336,244	\$ 404,698
\$ 0	\$ 0	\$ 0

Estimated Cost of Issuance:

Fiscal Agent, Bond Counsel, Advertisements, Printing, Etc.
 Special Tax Counsel
 Number verifications
 Bond Rating
 Underwriter's Discount
 Bank Fee
 Total Cost of Issuance:

\$ 5,842	\$ 28,698	\$ 34,540
\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0
\$ 1,522	\$ 7,478	\$ 9,000
\$ 18,217	\$ 89,483	\$ 107,700
\$ 592	\$ 2,908	\$ 3,500
\$ 26,174	\$ 128,566	\$ 154,740

Anticipated Interest Rates:

5 Years: 3.250% 10 Years: 3.500% 15 Years: 3.750
 20 Years: 3.950%

Note: No Local Tax increase is required.

MASON COUNTY SCHOOL DISTRICT

Plan of Financing

Date of Report: 9/25/2018

Local Bond Payments Outstanding	1
Summary of Funds for Bond Payments	2
Projected Bonding Potential	3

**MASON COUNTY SCHOOL DISTRICT
OUTSTANDING NET LOCAL DEBT SERVICE**

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>
	100% SFCC						
	Series 2004	Series 2009-REF	Series 2012-REF	Series 2013	Series 2014	Series 2016	Total
FYE							
2018			\$765,122		\$100,327	\$46,556	\$912,006
2019			\$764,120		\$102,125	\$46,356	\$912,601
2020			\$766,382		\$98,876	\$46,156	\$911,414
2021			\$768,119		\$100,577	\$40,956	\$909,653
2022			\$767,917		\$97,200	\$45,856	\$910,973
2023			\$765,722		\$103,434	\$40,656	\$909,813
2024			\$766,476		\$99,188	\$45,556	\$911,221
2025					\$340,472	\$130,356	\$470,828
2026					\$332,209	\$138,456	\$470,665
2027					\$333,491	\$136,225	\$469,716
2028					\$334,153	\$133,994	\$468,146
2029					\$334,178	\$136,763	\$470,941
2030					\$333,559	\$134,425	\$467,984
2031					\$337,204	\$136,675	\$473,879
2032					\$340,028	\$128,800	\$468,828
2033					\$332,354	\$141,050	\$473,404
2034					\$337,287	\$132,300	\$469,587
2035					\$315,130	\$153,700	\$468,830
2036						\$149,350	\$149,350
Totals:	\$0	\$0	\$5,363,859	\$0	\$4,371,793	\$1,964,188	\$11,699,840

MASON COUNTY SCHOOL DISTRICT SUMMARY OF FUNDS AVAILABLE

A	B	C	D	E	F	G	H	I	J	K	L
FYE	Local Nickel	Additional Nickel	Capital Outlay @ 80%	FSPK	Addtl. FSPK	Total Local Funds	Less Current Payments	Local Funds Available	2014 SFCC Offer	2016 SFCC Offer	Total Funds Available
2018	\$693,015	\$0	\$244,252	\$263,230	\$0	\$1,200,496	(\$912,006)	\$288,491			\$288,491
2019	\$695,856	\$695,856	\$193,752	\$314,077	\$78,519	\$1,978,060	(\$912,601)	\$1,065,459	\$9,866	\$5,194	\$1,080,519
2020	\$695,856	\$695,856	\$193,752	\$314,077	\$78,519	\$1,978,060	(\$911,414)	\$1,066,646	\$44,846	\$23,608	\$1,135,100
2021	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$909,653)	\$1,303,965	\$44,846	\$23,608	\$1,372,419
2022	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$910,973)	\$1,302,645	\$44,846	\$23,608	\$1,371,099
2023	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$909,813)	\$1,303,805	\$44,846	\$23,608	\$1,372,259
2024	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$911,221)	\$1,302,397	\$44,846	\$23,608	\$1,370,851
2025	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$470,828)	\$1,742,790	\$44,846	\$23,608	\$1,811,244
2026	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$470,665)	\$1,742,953	\$44,846	\$23,608	\$1,811,407
2027	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$469,716)	\$1,743,902	\$44,846	\$23,608	\$1,812,356
2028	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$468,146)	\$1,745,472	\$44,846	\$23,608	\$1,813,926
2029	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$470,941)	\$1,742,677	\$44,846	\$23,608	\$1,811,131
2030	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$467,984)	\$1,745,634	\$44,846	\$23,608	\$1,814,088
2031	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$473,879)	\$1,739,739	\$44,846	\$23,608	\$1,808,193
2032	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$468,828)	\$1,744,790	\$44,846	\$23,608	\$1,813,244
2033	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$473,404)	\$1,740,214	\$44,846	\$23,608	\$1,808,668
2034	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$469,587)	\$1,744,031	\$44,846	\$23,608	\$1,812,485
2035	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$468,830)	\$1,744,788	\$44,846	\$23,608	\$1,813,242
2036	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	(\$149,350)	\$2,064,268	\$44,846	\$23,608	\$2,132,722
2037	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	\$0	\$2,213,618	\$44,846	\$23,608	\$2,282,072
2038	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618	\$0	\$2,213,618	\$44,846	\$23,608	\$2,282,072
2039	\$695,856	\$695,856	\$193,752	\$314,077	\$314,077	\$2,213,618		\$2,213,618	\$34,980	\$18,414	\$2,267,012
Totals:	\$15,305,991	\$14,612,976	\$4,313,044	\$6,858,847	\$6,124,502	\$47,215,359	(\$11,699,840)	\$35,515,519	\$896,920	\$472,160	\$36,884,599

NOTES: Data based on assessments of \$1,386,029,932 and ADA of 2,442.515 per KDE SEEK Website (FY 2017-18)
Data based on assessments of \$1,391,711,462 and ADA of 2,421.9 per KDE SEEK Website(FY 2018-19)

MASON COUNTY SCHOOL DISTRICT PROJECTED NOVEMBER 2019 BOND ISSUE

A	B	C	D	E	F	G	H	I	J	K
Current Payments	FY June 30	Principal Payment	Coupon	Interest Payments	Total Payments	SFCC Portion	Local Portion	Projected All Local Payments Outstanding	Local Funds Available	Funds Available For Future Projects
----- Estimated New Bond Issue -----										
\$912,601	2019			\$102,615	\$102,615	\$15,060	\$87,555	\$1,000,156	\$1,978,060	\$977,904
\$911,414	2020	\$80,000	3.000%	\$204,030	\$284,030	\$68,454	\$215,576	\$1,126,990	\$1,978,060	\$851,070
\$909,653	2021	\$85,000	3.000%	\$201,555	\$286,555	\$68,454	\$218,101	\$1,127,754	\$2,213,618	\$1,085,864
\$910,973	2022	\$85,000	3.000%	\$199,005	\$284,005	\$68,454	\$215,551	\$1,126,524	\$2,213,618	\$1,087,094
\$909,813	2023	\$90,000	3.000%	\$196,380	\$286,380	\$68,454	\$217,926	\$1,127,739	\$2,213,618	\$1,085,879
\$911,221	2024	\$90,000	3.250%	\$193,680	\$283,680	\$68,454	\$215,226	\$1,126,447	\$2,213,618	\$1,087,171
\$470,828	2025	\$280,000	3.250%	\$187,780	\$467,780	\$68,454	\$399,326	\$870,154	\$2,213,618	\$1,343,464
\$470,665	2026	\$290,000	3.250%	\$178,518	\$468,518	\$68,454	\$400,064	\$870,729	\$2,213,618	\$1,342,889
\$469,716	2027	\$300,000	3.250%	\$168,930	\$468,930	\$68,454	\$400,476	\$870,192	\$2,213,618	\$1,343,426
\$468,146	2028	\$310,000	3.250%	\$159,018	\$469,018	\$68,454	\$400,564	\$868,710	\$2,213,618	\$1,344,908
\$470,941	2029	\$320,000	3.500%	\$148,780	\$468,780	\$68,454	\$400,326	\$871,267	\$2,213,618	\$1,342,351
\$467,984	2030	\$330,000	3.500%	\$137,805	\$467,805	\$68,454	\$399,351	\$867,335	\$2,213,618	\$1,346,283
\$473,879	2031	\$345,000	3.500%	\$125,993	\$470,993	\$68,454	\$402,539	\$876,417	\$2,213,618	\$1,337,201
\$468,828	2032	\$355,000	3.500%	\$113,743	\$468,743	\$68,454	\$400,289	\$869,117	\$2,213,618	\$1,344,501
\$473,404	2033	\$370,000	3.500%	\$101,055	\$471,055	\$68,454	\$402,601	\$876,005	\$2,213,618	\$1,337,613
\$469,587	2034	\$380,000	3.750%	\$87,930	\$467,930	\$68,454	\$399,476	\$869,063	\$2,213,618	\$1,344,555
\$468,830	2035	\$395,000	3.750%	\$73,874	\$468,874	\$68,454	\$400,420	\$869,250	\$2,213,618	\$1,344,368
\$149,350	2036	\$410,000	3.750%	\$58,780	\$468,780	\$68,454	\$400,326	\$549,676	\$2,213,618	\$1,663,942
\$0	2037	\$425,000	3.950%	\$43,124	\$468,124	\$68,454	\$399,670	\$399,670	\$2,213,618	\$1,813,948
\$0	2038	\$445,000	3.950%	\$26,366	\$471,366	\$68,454	\$402,912	\$402,912	\$2,213,618	\$1,810,706
	2039	\$445,000	3.950%	\$8,789	\$453,789	\$53,394	\$400,395	\$400,395	\$2,213,618	\$1,813,223
\$10,787,834	Totals:	\$5,385,000		\$2,708,959	\$8,093,959	\$1,315,686	\$6,778,273	\$17,566,107	\$43,801,245	\$26,235,138

Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –McCreary County School District Series 2018
Date: September 28, 2018
cc: File

Please find enclosed a Bond Payee Disclosure Form and Plan of Financing for the McCreary County School District. Please process this issue at the next meeting of the Capital Projects and Bond Oversight Committee.

If you should have any questions or require any additional information, please do not hesitate to contact our office.

BOND PAYEE DISCLOSURE FORM

Par Amount: **\$ 3,515,000**
 Issue Name: McCreary County School District Finance Corporation School Building Revenue Bonds, Series 2018
 Purpose: Roof Replacements at Pine Knott Elementary & McCreary Central High School
 Projected Sale Date of Bond: 28-Nov-18
 First Call Date: 11/1/25 @ 100
 Method of Sale: Competitive Bids
 Place/time of sale: SFCC, 267 Capitol Annex, Frankfort, Ky. / 11:00 A.M.
 Bond Rating: Moodys: "A1"
 Bond Counsel: Steptoe & Johnson, Louisville, KY
 Fiscal Agent: Ross, Sinclair & Associates, Lexington, Kentucky

Date received by SFCC: *To be filled in by SFCC*

Date scheduled for Committee review: *To be filled in by SFCC*
 Month Day Year

Estimated par amount of Bonds:
 % Share of total Bonds:
 Estimated average annual debt service:
 Estimated debt service reserve:

SFCC Portion	Local Portion	Total
\$ 398,669	\$ 3,116,331	\$ 3,515,000
11.34%	88.66%	
\$ 29,274	\$ 228,830	\$ 258,104
\$ 0	\$ 0	\$ 0

Estimated Cost of Issuance:

Fiscal Agent, Bond Counsel, Advertisements, Printing, Etc.
 Special Tax Counsel
 Number verifications
 Bond Rating
 Underwriter's Discount
 Bank Fee
 Total Cost of Issuance:

\$ 3,069	\$ 23,991	\$ 27,060
\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0
\$ 1,021	\$ 7,979	\$ 9,000
\$ 7,973	\$ 62,327	\$ 70,300
\$ 397	\$ 3,103	\$ 3,500
\$ 12,460	\$ 97,400	\$ 109,860

Anticipated Interest Rates:

5 Years: 3.000% 10 Years: 3.500% 15 Years: 3.750
 20 Years: 3.950%

Note: No Local Tax increase is required.

McCreary County School District

Plan of Financing

Date of Report: 9/25/2018

Local Bond Payments Outstanding	1
Summary of Funds for Bond Payments	2
Projected Bonding Potential	3

MCCREARY COUNTY SCHOOL DISTRICT
 OUTSTANDING NET LOCAL DEBT SERVICE

	A	B	C	D	E	F	G	H
	100% SFCC							
FYE	Series 2003-REF	Series 2008	Series 2012-REF*	Series 2015	Series 2016-REF*	Series 2016 Energy**	Series 2016***	Total
2018		\$242,694	\$661,137		\$99,197	\$9,411	\$21,401	\$1,033,841
2019			\$654,536		\$352,093	\$8,329	\$19,801	\$1,034,759
2020			\$652,736		\$353,093	\$6,061	\$23,202	\$1,035,092
2021			\$655,636		\$348,793	\$7,572	\$21,501	\$1,033,503
2022			\$655,949		\$354,293	\$7,722	\$19,801	\$1,037,765
2023			\$658,573		\$344,393	\$6,474	\$23,045	\$1,032,485
2024					\$449,369	\$18,784	\$56,233	\$524,386
2025					\$444,818	\$19,311	\$58,720	\$522,849
2026					\$448,800	\$13,207	\$61,107	\$523,115
2027					\$451,049	\$14,551	\$57,901	\$523,502
2028					\$442,998	\$13,449	\$64,115	\$520,562
2029						\$19,761	\$64,664	\$84,425
2030						\$21,190	\$60,064	\$81,253
2031						\$14,976	\$65,377	\$80,353
2032						\$21,212	\$60,451	\$81,664
2033						\$19,384	\$65,439	\$84,822
2034						\$19,576	\$65,189	\$84,766
2035						\$21,570	\$64,789	\$86,359
2036						\$25,144	\$57,641	\$82,785
Totals:	\$0	\$242,694	\$3,938,566	\$0	\$4,088,897	\$287,687	\$930,441	\$9,488,285

MCCREARY COUNTY SCHOOL DISTRICT SUMMARY OF FUNDS AVAILABLE

A FYE	B Local Nickel	C Additional Nickel	D Capital Outlay @ 80%	E FSPK	F Additional FSPK	G Total Local	H Less		I Local Funds Available	J 2014 SFCC Offer	K 2016 SFCC Offer	L Total Funds Available
							Current Payments	Payments				
2018	\$262,952	\$0	\$198,590	\$708,897	\$0	\$1,170,439	(\$1,033,841)		\$136,598			\$136,598
2019	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$1,034,759)		\$190,399			\$190,399
2020	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$1,035,092)		\$190,066	\$25,657	\$3,617	\$219,340
2021	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$1,033,503)		\$191,655	\$25,657	\$3,617	\$220,929
2022	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$1,037,765)		\$187,393	\$25,657	\$3,617	\$216,667
2023	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$1,032,485)		\$192,672	\$25,657	\$3,617	\$221,946
2024	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$524,386)		\$700,772	\$25,657	\$3,617	\$730,046
2025	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$522,849)		\$702,309	\$25,657	\$3,617	\$731,583
2026	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$523,115)		\$702,043	\$25,657	\$3,617	\$731,317
2027	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$523,502)		\$701,656	\$25,657	\$3,617	\$730,930
2028	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$520,562)		\$704,596	\$25,657	\$3,617	\$733,870
2029	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$84,425)		\$1,140,732	\$25,657	\$3,617	\$1,170,006
2030	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$81,253)		\$1,143,904	\$25,657	\$3,617	\$1,173,178
2031	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$80,353)		\$1,144,805	\$25,657	\$3,617	\$1,174,079
2032	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$81,664)		\$1,143,494	\$25,657	\$3,617	\$1,172,768
2033	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$84,822)		\$1,140,336	\$25,657	\$3,617	\$1,169,610
2034	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$84,766)		\$1,140,392	\$25,657	\$3,617	\$1,169,666
2035	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$86,359)		\$1,138,798	\$25,657	\$3,617	\$1,188,072
2036	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	(\$82,785)		\$1,142,372	\$25,657	\$3,617	\$1,171,646
2037	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	\$0		\$1,225,158	\$25,657	\$3,617	\$1,254,432
2038	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	\$0		\$1,225,158	\$25,657	\$3,617	\$1,254,432
2039	\$255,100	\$0	\$197,208	\$772,849	\$0	\$1,225,158	\$0		\$1,225,158	\$25,657	\$3,617	\$1,254,432
Totals:	\$5,620,052	\$0	\$4,339,968	\$16,938,730	\$0	\$26,898,750	(\$9,488,285)		\$17,410,465	\$513,140	\$72,340	\$17,995,945

NOTES: Data based on assessments of \$525,903,483 and ADA of 2,482.371 per KDE SEEK Website (FY 2017-18)
Data based on assessments of \$510,200,000 and ADA of 2,465.106 per KDE SEEK Website (FY 2018-19)

MCCREARY COUNTY SCHOOL DISTRICT PROJECTED OCTOBER 2018 BOND ISSUE

A	B	C	D	E	F	G	H	I	J	K
Current Payments	FY June 30	Principal Payment	Coupon	Interest Payments	Total Payments	SFCC Portion	Local Portion	Projected All Local Payments Outstanding	Local Funds Available	Funds Available For Future Projects
\$1,034,759	2019			\$61,920	\$61,920	\$6,440	\$55,480	\$1,090,239	\$1,225,158	\$134,919
\$1,035,092	2020	\$25,000	3.000%	\$123,465	\$148,465	\$29,274	\$119,191	\$1,154,283	\$1,225,158	\$70,875
\$1,033,503	2021	\$25,000	3.000%	\$122,715	\$147,715	\$29,274	\$118,441	\$1,151,944	\$1,225,158	\$73,214
\$1,037,765	2022	\$20,000	3.000%	\$122,040	\$142,040	\$29,274	\$112,766	\$1,150,531	\$1,225,158	\$74,627
\$1,032,485	2023	\$25,000	3.000%	\$121,365	\$146,365	\$29,274	\$117,091	\$1,149,576	\$1,225,158	\$75,581
\$524,386	2024	\$165,000	3.000%	\$118,515	\$283,515	\$29,274	\$254,241	\$778,627	\$1,225,158	\$446,531
\$522,849	2025	\$170,000	3.000%	\$113,490	\$283,490	\$29,274	\$254,216	\$777,065	\$1,225,158	\$448,093
\$523,115	2026	\$175,000	3.250%	\$108,096	\$283,096	\$29,274	\$253,822	\$776,937	\$1,225,158	\$448,221
\$523,502	2027	\$180,000	3.250%	\$102,328	\$282,328	\$29,274	\$253,054	\$776,555	\$1,225,158	\$448,603
\$520,562	2028	\$185,000	3.250%	\$96,396	\$281,396	\$29,274	\$252,122	\$772,684	\$1,225,158	\$452,473
\$84,425	2029	\$195,000	3.500%	\$89,978	\$284,978	\$29,274	\$255,704	\$340,129	\$1,225,158	\$885,029
\$81,253	2030	\$200,000	3.500%	\$83,065	\$283,065	\$29,274	\$253,791	\$335,044	\$1,225,158	\$890,113
\$80,353	2031	\$205,000	3.500%	\$75,978	\$280,978	\$29,274	\$251,704	\$332,056	\$1,225,158	\$893,102
\$81,664	2032	\$215,000	3.500%	\$68,628	\$283,628	\$29,274	\$254,354	\$336,017	\$1,225,158	\$889,141
\$84,822	2033	\$220,000	3.500%	\$61,015	\$281,015	\$29,274	\$251,741	\$336,563	\$1,225,158	\$888,595
\$84,766	2034	\$230,000	3.750%	\$52,853	\$282,853	\$29,274	\$253,579	\$338,344	\$1,225,158	\$886,813
\$86,359	2035	\$240,000	3.750%	\$44,040	\$284,040	\$29,274	\$254,766	\$341,125	\$1,225,158	\$884,032
\$82,785	2036	\$250,000	3.750%	\$34,853	\$284,853	\$29,274	\$255,579	\$338,364	\$1,225,158	\$886,794
\$0	2037	\$255,000	3.750%	\$25,384	\$280,384	\$29,274	\$251,110	\$251,110	\$1,225,158	\$974,048
\$0	2038	\$265,000	3.750%	\$15,634	\$280,634	\$29,274	\$251,360	\$251,360	\$1,225,158	\$973,798
	2039	\$270,000	3.950%	\$5,333	\$275,333	\$22,834	\$252,499	\$252,499	\$1,225,158	\$972,659
\$8,371,659	Totals:	\$3,515,000		\$1,647,088	\$5,162,088	\$585,480	\$4,576,607	\$13,031,052	\$25,728,311	\$12,697,260

Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –Meniffee County School District Series 2018
Date: September 28, 2018
cc: File

Please find enclosed a Bond Payee Disclosure Form and Plan of Financing for the Meniffee County School District. Please process this issue at the next meeting of the Capital Projects and Bond Oversight Committee.

If you should have any questions or require any additional information, please do not hesitate to contact our office.

BOND PAYEE DISCLOSURE FORM

Par Amount: **\$ 14,770,000**
 Issue Name: Menifee County School District Finance Corporation School Building Revenue Bonds, Series 2018
 Purpose: Construct New K-8 Classroom Facility
 Projected Sale Date of Bonds: 28-Nov-18
 First Call Date: 11/1/25 @ 100
 Method of Sale: Competitive Bids
 Place/time of sale: SFCC, 267 Capitol Annex, Frankfort, Ky. / 11:00 A.M.
 Bond Rating: Moodys: "A1"
 Bond Counsel: Steptoe & Johnson, Louisville, KY
 Fiscal Agent: Ross, Sinclair & Associates, Lexington, Kentucky
 Date received by SFCC: To be filled in by SFCC
 Date scheduled for Committee review: To be filled in by SFCC

Month Day Year

Estimated par amount of Bonds:
 % Share of total Bonds:
 Estimated average annual debt service:
 Estimated debt service reserve:

SFCC Portion	SFCC Special Appropriation	Local Portion	Total
\$ 886,124	\$ 7,650,300	\$ 6,233,576	\$ 14,770,000
6.00%	51.80%	42.20%	
\$ 62,335	\$ 538,199	\$ 438,464	\$ 1,038,998
\$ 0		\$ 0	\$ 0

Estimated Cost of Issuance:

Fiscal Agent, Bond Counsel, Advertisements, Printing, Etc.
 Special Tax Counsel
 Number verifications
 Bond Rating
 Underwriter's Discount
 Bank Fee
 Total Cost of Issuance:

\$ 4,324	\$ 37,337	\$ 30,418	\$ 72,080
\$ 0	\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0	\$ 0
\$ 1,440	\$ 12,432	\$ 10,128	\$ 24,000
\$ 17,722	\$ 153,017	\$ 124,661	\$ 295,400
\$ 210	\$ 1,813	\$ 1,477	\$ 3,500
\$ 23,697	\$ 204,599	\$ 166,684	\$ 394,980

Anticipated Interest Rates:

5 Years: 2.500% 10 Years: 3.250' 15 Years: 3.500
 20 Years: 3.950%

Note: No Local Tax increase is required.

MENIFEE COUNTY SCHOOL DISTRICT

Plan of Financing

Date of Report: 9/25/2018

Local Bond Payments Outstanding	1
Summary of Funds for Bond Payments	2
Projected Bonding Potential	3

**MENIFEE COUNTY SCHOOL DISTRICT
OUTSTANDING LOCAL DEBT SERVICE**

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>
	Series	Series	Series	Series	Series	Series	Series	Series
	2008-R	2009-R	2011	2012-R	2015	2015	2015	Total
FYE								
2018	\$97,687	\$38,207	\$112,701	\$190,053				\$438,648
2019		\$43,495	\$186,569	\$216,253				\$446,317
2020			\$225,419	\$216,854				\$442,273
2021			\$222,667	\$217,353				\$440,020
2022			\$223,999	\$217,754				\$441,753
2023			\$219,722	\$212,759				\$432,481
2024			\$300,273					\$300,273
2025			\$301,775					\$301,775
2026			\$301,774					\$301,774
2027			\$300,785					\$300,785
2028			\$299,179					\$299,179
2029			\$301,329					\$301,329
2030			\$294,263					\$294,263
2031			\$294,047					\$294,047
2032								\$0
2033								\$0
2034								\$0
Totals:	\$97,687	\$81,702	\$3,584,503	\$1,271,026	\$0	\$0	\$0	\$5,034,918

MENIFEE COUNTY SCHOOL DISTRICT SUMMARY OF FUNDS AVAILABLE

A FYE	B Local Nickel	C Recallable Nickel	D Capital Outlay @ 80%	E FSPK	F Addtl. FSPK	G Total Local Funds	H Less Current Payments	I Local Funds Available	J SFCC Balance	K 2014 SFCC Offer	L 2016 SFCC Offer	M SFCC Special Appropriation	N Total Funds Available
2018	\$97,820	\$97,820	\$75,928	\$273,751		\$545,319	(\$438,648)	\$106,670					\$106,670
2019	\$100,159	\$100,159	\$73,857	\$284,822	\$71,205	\$630,202	(\$446,317)	\$183,885	\$8,840	\$37,903	\$17,899	\$538,200	\$183,885
2020	\$100,159	\$100,159	\$73,857	\$284,822	\$71,205	\$630,202	(\$442,273)	\$187,929	\$4,790	\$37,903	\$17,899	\$538,199	\$790,771
2021	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	(\$440,020)	\$403,798	\$5,790	\$37,903	\$17,899	\$538,200	\$1,002,589
2022	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	(\$441,753)	\$402,066	\$6,790	\$37,903	\$17,899	\$538,200	\$1,001,858
2023	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	(\$432,481)	\$411,337	\$8,040	\$37,903	\$17,899	\$538,199	\$1,012,128
2024	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	(\$300,273)	\$543,546	\$8,040	\$37,903	\$17,899	\$538,199	\$1,145,587
2025	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	(\$301,775)	\$542,044	\$4,615	\$37,903	\$17,899	\$538,200	\$1,140,661
2026	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	(\$301,774)	\$542,044	\$6,265	\$37,903	\$17,899	\$538,199	\$1,142,311
2027	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	(\$300,785)	\$543,034	\$7,915	\$37,903	\$17,899	\$538,199	\$1,144,950
2028	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	(\$299,179)	\$544,639	\$4,640	\$37,903	\$17,899	\$538,199	\$1,143,280
2029	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	(\$301,329)	\$542,489	\$6,440	\$37,903	\$17,899	\$538,200	\$1,142,931
2030	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	(\$294,263)	\$549,556	\$8,240	\$37,903	\$17,899	\$538,199	\$1,151,797
2031	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	(\$294,047)	\$549,771	\$5,115	\$37,903	\$17,899	\$538,200	\$1,148,888
2032	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	\$0	\$843,819	\$7,065	\$37,903	\$17,899	\$538,200	\$1,444,885
2033	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	\$0	\$843,819	\$4,178	\$37,903	\$17,899	\$538,200	\$1,441,998
2034	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	\$0	\$843,819	\$6,453	\$37,903	\$17,899	\$538,200	\$1,444,273
2035	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	\$0	\$843,819	\$8,728	\$37,903	\$17,899	\$538,199	\$1,446,547
2036	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	\$0	\$843,819	\$6,084	\$37,903	\$17,899	\$538,200	\$1,443,904
2037	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	\$0	\$843,819	\$5,685	\$37,903	\$17,899	\$538,200	\$1,443,505
2038	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	\$0	\$843,819	\$7,040	\$37,903	\$17,899	\$538,199	\$1,444,859
2039	\$100,159	\$100,159	\$73,857	\$284,822	\$284,822	\$843,819	\$0	\$843,819	\$7,940	\$37,903	\$17,899	\$538,199	\$1,445,760
Totals:	\$2,201,159	\$2,201,159	\$1,626,929	\$6,255,006	\$5,554,022	\$17,838,275	(\$5,034,918)	\$12,803,357	\$130,651	\$758,060	\$357,980	\$10,763,989	\$24,814,037

NOTES: Data based on assessments of \$195,640,179 and ADA of 949.096 per KDE Website (FY 2017-18)

Data based on assessments of \$200,317,755 and ADA of 923.215 per (FY 2018-19)

MENIFEE COUNTY SCHOOL DISTRICT PROJECTED JANUARY 2019 BONDING POTENTIAL

A Current Payments	B FY June 30	C Principal Payment	E Estimated New Bond Issue				F Total Payments	G SFCC		I Local Portion	J Projected All Local Payments Outstanding	K Local Funds Available	L Funds Available For Future Projects
			D Coupon	D Interest Payments	D Special Appropriation	D SFCC Portion							
\$442,273	2020	\$300,000	2.500%	\$487,248	\$787,248	\$538,200	\$64,642	\$184,406	\$626,679	\$630,202	\$3,523		
\$440,020	2021	\$510,000	2.500%	\$479,748	\$989,748	\$538,199	\$60,592	\$390,956	\$830,977	\$843,819	\$12,842		
\$441,753	2022	\$520,000	2.500%	\$466,998	\$986,998	\$538,200	\$61,592	\$387,206	\$828,958	\$843,819	\$14,860		
\$432,481	2023	\$545,000	2.500%	\$453,998	\$998,998	\$538,199	\$62,592	\$398,206	\$830,688	\$843,819	\$13,131		
\$300,273	2024	\$690,000	2.500%	\$440,373	\$1,130,373	\$538,199	\$63,842	\$528,331	\$828,604	\$843,819	\$15,215		
\$301,775	2025	\$705,000	3.000%	\$423,123	\$1,128,123	\$538,200	\$60,417	\$529,506	\$831,280	\$843,819	\$12,538		
\$301,774	2026	\$725,000	3.000%	\$401,973	\$1,126,973	\$538,199	\$62,067	\$526,706	\$828,480	\$843,819	\$15,338		
\$300,785	2027	\$745,000	3.000%	\$380,223	\$1,125,223	\$538,199	\$63,717	\$523,306	\$824,091	\$843,819	\$19,728		
\$299,179	2028	\$775,000	3.250%	\$357,873	\$1,132,873	\$538,199	\$60,442	\$534,231	\$833,411	\$843,819	\$10,408		
\$301,329	2029	\$795,000	3.250%	\$332,685	\$1,127,685	\$538,200	\$62,242	\$527,243	\$828,573	\$843,819	\$15,246		
\$294,263	2030	\$830,000	3.250%	\$306,848	\$1,136,848	\$538,199	\$64,042	\$534,606	\$828,869	\$843,819	\$14,949		
\$294,047	2031	\$850,000	3.500%	\$279,873	\$1,129,873	\$538,200	\$60,917	\$530,756	\$824,803	\$843,819	\$19,016		
\$0	2032	\$750,000	3.500%	\$250,123	\$1,000,123	\$538,200	\$62,867	\$399,056	\$399,056	\$843,819	\$444,763		
\$0	2033	\$775,000	3.500%	\$223,873	\$998,873	\$538,200	\$59,980	\$400,693	\$400,693	\$843,819	\$443,125		
\$0	2034	\$800,000	3.500%	\$196,748	\$996,748	\$538,200	\$62,255	\$396,293	\$396,293	\$843,819	\$447,525		
\$0	2035	\$830,000	3.500%	\$168,748	\$998,748	\$538,199	\$64,530	\$396,019	\$396,019	\$843,819	\$447,800		
\$0	2036	\$855,000	3.750%	\$139,698	\$994,698	\$538,200	\$61,886	\$394,612	\$394,612	\$843,819	\$449,206		
	2037	\$890,000	3.750%	\$107,635	\$997,635	\$538,200	\$61,487	\$397,949	\$397,949	\$843,819	\$445,870		
	2038	\$920,000	3.950%	\$74,260	\$994,260	\$538,199	\$62,842	\$393,219	\$393,219	\$843,819	\$450,599		
	2039	\$960,000	3.950%	\$37,920	\$997,920	\$538,199	\$63,742	\$395,979	\$395,979	\$843,819	\$447,840		
\$4,149,953	Totals:	\$14,770,000		\$6,009,960	\$20,779,960	\$10,763,989	\$1,246,691	\$8,769,280	\$12,919,233	\$16,662,754	\$3,743,521		

Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –Nicholas County School District Series
2018
Date: September 28, 2018
cc: File

Please find enclosed a Bond Payee Disclosure Form and Plan Refinancing for the Nicholas County School District. Please process this issue at the next meeting of the Capital Projects and Bond Oversight Committee.

If you should have any questions or require any additional information, please do not hesitate to contact our office.

BOND PAYEE DISCLOSURE FORM

Par Amount:

\$ 5,880,000

Issue Name:

Nicholas County Schools District Finance Corporation School Building Refunding Revenue Bonds, Series 2019

Purpose:

Refinance Series 2009

Projected Sale Date of Bond:

3-Jan-19

First Call Date:

4/1/19 @ 100

Method of Sale:

Competitive Bids

Place/time of sale:

SFCC, 267 Capitol Annex, Frankfort, Ky. / 11:00 A.M.

Bond Rating:

Moodys: "A1"

Bond Counsel:

Step toe & Johnson, Louisville, KY

Fiscal Agent:

Ross, Sinclair & Associates, Lexington, Kentucky

Date received by SFCC:

To be filled in by SFCC

Date scheduled for Committee review:

Month Day Year

To be filled in by SFCC

Estimated par amount of Bonds:

% Share of total Bonds:

Estimated average annual debt service:

Estimated debt service reserve:

SFCC Portion	Local Portion	Total
\$ 790,417	\$ 5,089,583	\$ 5,880,000
13.44%	86.56%	
\$ 83,151	\$ 535,420	\$ 618,571
\$ 0	\$ 0	\$ 0

Estimated Cost of Issuance:

Fiscal Agent, Bond Counsel, Advertisements, Printing, Etc.

Special Tax Counsel

Number verifications

Bond Rating

Underwriter's Discount

Bank Fee

Total Cost of Issuance:

\$ 4,909	\$ 31,611	\$ 36,520
\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0
\$ 1,613	\$ 10,387	\$ 12,000
\$ 7,904	\$ 50,896	\$ 58,800
\$ 538	\$ 3,462	\$ 4,000
\$ 14,964	\$ 96,356	\$ 111,320

Anticipated Interest Rates:

5 Years 2.350% 10 Years 3.100 15 Years:

20 Years:

Note: No Local Tax increase is required.

Nicholas County School District

Projected Plan of Refinancing

Date of Report: September 28, 2018

Prior Bonds Call Reports	
2009 Call Report.....	1
2019 Series Refunding Bonds	
Total Savings Report.....	2

NICHOLAS COUNTY SCHOOL DISTRICT FINANCE CORPORATION

SCHOOL BUILDING REVENUE BONDS, SERIES 2009

FINAL: SOLD TO RSA ON 4/28/9 (DELIVER 5/19/9)

Debt Service To Maturity And To Call

Part 1 of 2

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
01/01/2019	-	-	-	-	-	-	-
04/01/2019	5,695,000.00	109,776.25	5,804,776.25	355,000.00	3.300%	109,776.25	464,776.25
10/01/2019	-	-	-	-	-	103,918.75	103,918.75
04/01/2020	-	-	-	450,000.00	3.500%	103,918.75	553,918.75
10/01/2020	-	-	-	-	-	96,043.75	96,043.75
04/01/2021	-	-	-	465,000.00	3.600%	96,043.75	561,043.75
10/01/2021	-	-	-	-	-	87,673.75	87,673.75
04/01/2022	-	-	-	480,000.00	3.700%	87,673.75	567,673.75
10/01/2022	-	-	-	-	-	78,793.75	78,793.75
04/01/2023	-	-	-	500,000.00	3.800%	78,793.75	578,793.75
10/01/2023	-	-	-	-	-	69,293.75	69,293.75
04/01/2024	-	-	-	520,000.00	4.000%	69,293.75	589,293.75
10/01/2024	-	-	-	-	-	58,893.75	58,893.75
04/01/2025	-	-	-	540,000.00	4.000%	58,893.75	598,893.75
10/01/2025	-	-	-	-	-	48,093.75	48,093.75
04/01/2026	-	-	-	560,000.00	4.000%	48,093.75	608,093.75
10/01/2026	-	-	-	-	-	36,893.75	36,893.75
04/01/2027	-	-	-	585,000.00	4.000%	36,893.75	621,893.75
10/01/2027	-	-	-	-	-	25,193.75	25,193.75
04/01/2028	-	-	-	610,000.00	4.000%	25,193.75	635,193.75
10/01/2028	-	-	-	-	-	12,993.75	12,993.75
04/01/2029	-	-	-	630,000.00	4.125%	12,993.75	642,993.75
Total	\$5,695,000.00	\$109,776.25	\$5,804,776.25	\$5,695,000.00	-	\$1,345,361.25	\$7,040,361.25

NICHOLAS COUNTY SCHOOL DISTRICT FINANCE CORPORATION
SCHOOL BUILDING REFUNDING REVENUE BONDS, SERIES 2019
PROJECTED REFINANCING OF SERIES 2009

Debt Service Comparison

Date	Total P+i	Net New D/S	Old Net D/S	Savings
06/30/2019	442,765.00	442,765.00	464,776.25	22,011.25
06/30/2020	638,972.50	638,972.50	657,837.50	18,865.00
06/30/2021	634,320.00	634,320.00	657,087.50	22,767.50
06/30/2022	633,820.00	633,820.00	655,347.50	21,527.50
06/30/2023	637,345.00	637,345.00	657,587.50	20,242.50
06/30/2024	635,007.50	635,007.50	658,587.50	23,580.00
06/30/2025	636,632.50	636,632.50	657,787.50	21,155.00
06/30/2026	636,782.50	636,782.50	656,187.50	19,405.00
06/30/2027	635,680.00	635,680.00	658,787.50	23,107.50
06/30/2028	638,280.00	638,280.00	660,387.50	22,107.50
06/30/2029	634,680.00	634,680.00	655,987.50	21,307.50
Total	\$6,804,285.00	\$6,804,285.00	\$7,040,361.25	\$236,076.25

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings	206,675.67
Net PV Cashflow Savings @ 2.814%(Bond Yield)	206,675.67
Contingency or Rounding Amount	393.10
Net Present Value Benefit	\$207,068.77
Net PV Benefit / \$5,695,000 Refunded Principal	3.636%
Net PV Benefit / \$5,880,000 Refunding Principal	3.522%
Refunding Bond Information	
Refunding Dated Date	1/01/2019
Refunding Delivery Date	1/01/2019

Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –Paris Independent School District Series 2018
Date: September 24, 2018
cc: File

Please find enclosed a Bond Payee Disclosure Form and Plan of Financing for the Paris Independent School District. Please process this issue at the next meeting of the Capital Projects and Bond Oversight Committee.

If you should have any questions or require any additional information, please do not hesitate to contact our office.

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$ 275,000
Issue Name:	Paris Independent School District Finance Corporation School Building Revenue Bonds, Series 2018
Purpose:	High School Roof Replacement
Projected Sale Date of Bond:	28-Nov-18
First Call Date:	11/1/25 @ 100
Method of Sale:	Competitive Bids
Place/time of sale:	SFCC, 267 Capitol Annex, Frankfort, Ky. / 11:00 A.M.
Bond Rating:	Moody's: "A1"
Bond Counsel:	Steptoe & Johnson, Louisville, KY
Fiscal Agent:	Ross, Sinclaire & Associates, Lexington, Kentucky

Date received by SFCC: To be filled in by SFCC

Date scheduled for Committee review: To be filled in by SFCC

Month Day Year

Estimated par amount of Bonds:
 % Share of total Bonds:
 Estimated average annual debt service:
 Estimated debt service reserve:

SFCC Portion	Local Portion	Total
\$ 192,214	\$ 82,786	\$ 275,000
69.90%	30.10%	
\$ 13,518	\$ 5,822	\$ 19,340
\$ 0	\$ 0	\$ 0

Estimated Cost of Issuance:

Fiscal Agent, Bond Counsel, Advertisements, Printing, Etc.
 Special Tax Counsel
 Number verifications
 Bond Rating
 Underwriter's Discount
 Bank Fee
 Total Cost of Issuance:

\$ 3,495	\$ 1,505	\$ 5,000
\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0
\$ 2,796	\$ 1,204	\$ 4,000
\$ 3,844	\$ 1,656	\$ 5,500
\$ 2,446	\$ 1,054	\$ 3,500
\$ 12,581	\$ 5,419	\$ 18,000

Anticipated Interest Rates:

5 Years 2.000% 10 Years 3.000% 15 Years: 3.600
 20 Years: 4.000%

Note: No Local Tax increase is required.

PARIS IND. SCHOOL DISTRICT

Plan of Financing

Date of Report: 9/24/2018

Local Bond Payments Outstanding	1
Summary of Funds for Bond Payments	2
Projected Bonding Potential	3

**PARIS IND. SCHOOL DISTRICT
OUTSTANDING NET LOCAL DEBT SERVICE**

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>
	Series	Series	Fed Rebate	100% SFCC	BF Portion	Series	Total
FYE	2004-REF	2012 QZAB	2012 QZAB	2016-REF	2016-Energy	2016	
2019		\$53,373	\$9,298		\$105,848	\$50,228	\$218,747
2020		\$63,581	\$9,298		\$110,000	\$35,869	\$218,748
2021		\$62,793	\$9,298		\$114,413	\$32,244	\$218,747
2022		\$56,495	\$9,298		\$109,311	\$43,643	\$218,747
2023		\$54,373	\$9,298		\$105,254	\$49,821	\$218,746
2024		\$61,747	\$9,298		\$106,570	\$41,133	\$218,747
2025		\$56,203	\$9,298		\$100,216	\$53,030	\$218,747
2026		\$63,345	\$9,298		\$103,423	\$42,681	\$218,747
2027		\$61,411	\$9,298		\$100,160	\$47,878	\$218,746
2028		\$57,589	\$9,298		\$100,492	\$51,368	\$218,747
2029		\$56,665	\$9,298		\$93,681	\$59,103	\$218,746
2030		\$53,930	\$9,298		\$94,513	\$61,006	\$218,747
2031		\$52,428	\$9,298		\$94,400	\$62,621	\$218,747
2032		\$58,927	\$9,298		\$91,525	\$58,997	\$218,746
2033					\$135,600	\$84,796	\$220,396
2034					\$130,671	\$89,725	\$220,396
2035					\$131,297	\$89,099	\$220,396
2036					\$132,072	\$88,324	\$220,396
2037						\$92,416	\$92,416
Totals:	\$0	\$812,862	\$130,165	\$0	\$1,959,444	\$1,133,983	\$4,036,454

PARIS IND. SCHOOL DISTRICT SUMMARY OF FUNDS AVAILABLE

A FYE	B Local Nickel	C Additional Nickel	D Capital Outlay @ 80%	E FSPK	F Addtl. FSPK	G Total Local Funds	H Less Current Payments	I Local Funds Available	J SFCC Balance	K Total Funds Available
2018	\$123,259	\$0	\$48,992	\$116,493	\$0	\$288,744	(\$219,346)	\$69,398		\$69,398
2019	\$124,442	\$0	\$60,591	\$128,224	\$0	\$313,257	(\$218,747)	\$94,511	\$3,380	\$97,890
2020	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,748)	\$82,391	\$13,518	\$95,909
2021	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,747)	\$82,392	\$13,518	\$95,910
2022	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,747)	\$82,392	\$13,518	\$95,910
2023	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,746)	\$82,393	\$13,518	\$95,911
2024	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,747)	\$82,392	\$13,518	\$95,910
2025	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,747)	\$82,392	\$13,518	\$95,910
2026	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,747)	\$82,392	\$13,518	\$95,910
2027	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,746)	\$82,393	\$13,518	\$95,911
2028	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,747)	\$82,392	\$13,518	\$95,910
2029	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,746)	\$82,392	\$13,518	\$95,910
2030	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,747)	\$82,392	\$13,518	\$95,910
2031	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,747)	\$82,392	\$13,518	\$95,910
2032	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$218,746)	\$82,393	\$13,518	\$95,911
2033	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$220,396)	\$80,743	\$13,518	\$94,261
2034	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$220,396)	\$80,743	\$13,518	\$94,261
2035	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$220,396)	\$80,742	\$13,518	\$94,260
2036	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$220,396)	\$80,743	\$13,518	\$94,261
2037	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	(\$92,416)	\$208,723	\$13,518	\$222,241
2038	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	\$0	\$301,139	\$13,518	\$314,657
2039	\$124,442	\$0	\$48,473	\$128,224	\$0	\$301,139	\$0	\$301,139	\$10,139	\$311,277
Totals:	\$2,736,541	\$0	\$1,079,039	\$2,809,196	\$0	\$6,624,775	(\$4,255,800)	\$2,368,975	\$270,360	\$2,639,335

NOTES: Data based on assessments of \$246,517,550 and ADA of 612.394 per KDE SEEK Website (2017-18)
 Data based on assessments of \$248,883,981 per KDE SEEK Website (2018-19) and ADA of 605.9135 per SAARS

PARIS IND. SCHOOL DISTRICT PROJECTED BONDING POTENTIAL

A	B	C	D	E	F	G	H	I	J	K
Current Payments	FY June 30	Principal Payment	Coupon	Interest Payments	Estimated New Bond Issue -----			Projected		Funds
					Total Payments	SFCC Portion	Local Portion	All Local Payments Outstanding	Local Funds Available	Available For Future Projects
\$218,747	2019	\$10,000	2.000%	\$4,344	\$4,343.75	\$3,380	\$964	\$219,711	\$313,257	\$93,546
\$218,748	2020	\$10,000	2.000%	\$8,588	\$18,587.50	\$3,518	\$5,070	\$223,817	\$301,139	\$77,322
\$218,747	2021	\$10,000	2.000%	\$8,388	\$18,387.50	\$3,518	\$4,870	\$223,617	\$301,139	\$77,522
\$218,747	2022	\$10,000	2.000%	\$8,188	\$18,187.50	\$3,518	\$4,670	\$223,417	\$301,139	\$77,722
\$218,746	2023	\$10,000	2.000%	\$7,988	\$17,987.50	\$3,518	\$4,470	\$223,216	\$301,139	\$77,923
\$218,747	2024	\$10,000	2.000%	\$7,788	\$17,787.50	\$3,518	\$4,270	\$223,017	\$301,139	\$78,122
\$218,747	2025	\$10,000	2.500%	\$7,563	\$17,562.50	\$3,518	\$4,045	\$222,791	\$301,139	\$78,348
\$218,747	2026	\$10,000	2.500%	\$7,313	\$17,312.50	\$3,518	\$3,795	\$222,542	\$301,139	\$78,597
\$218,746	2027	\$15,000	2.750%	\$6,981	\$21,981.25	\$3,518	\$8,463	\$227,209	\$301,139	\$73,929
\$218,747	2028	\$15,000	3.000%	\$6,550	\$21,550.00	\$3,518	\$8,032	\$226,779	\$301,139	\$74,360
\$218,746	2029	\$15,000	3.000%	\$6,100	\$21,100.00	\$3,518	\$7,582	\$226,328	\$301,139	\$74,810
\$218,747	2030	\$15,000	3.000%	\$5,650	\$20,650.00	\$3,518	\$7,132	\$225,879	\$301,139	\$75,260
\$218,747	2031	\$15,000	3.250%	\$5,181	\$20,181.25	\$3,518	\$6,663	\$225,410	\$301,139	\$75,729
\$218,746	2032	\$15,000	3.350%	\$4,686	\$19,686.25	\$3,518	\$6,168	\$224,914	\$301,139	\$76,224
\$220,396	2033	\$15,000	3.500%	\$4,173	\$19,172.50	\$3,518	\$5,655	\$226,050	\$301,139	\$75,088
\$220,396	2034	\$15,000	3.600%	\$3,640	\$18,640.00	\$3,518	\$5,122	\$225,518	\$301,139	\$75,621
\$220,396	2035	\$15,000	3.800%	\$3,085	\$18,085.00	\$3,518	\$4,567	\$224,963	\$301,139	\$76,175
\$220,396	2036	\$15,000	4.000%	\$2,500	\$17,500.00	\$3,518	\$3,982	\$224,378	\$301,139	\$76,761
\$92,416	2037	\$20,000	4.000%	\$1,800	\$21,800.00	\$3,518	\$8,282	\$100,698	\$301,139	\$200,441
\$0	2038	\$20,000	4.000%	\$1,000	\$21,000.00	\$3,518	\$7,482	\$7,482	\$301,139	\$293,657
	2039	\$15,000	4.000%	\$300	\$15,300.00	\$10,139	\$5,162	\$5,162	\$301,139	\$295,977
\$3,944,038	Totals:	\$275,000		\$111,803	\$386,803	\$270,360	\$116,443	\$4,152,897	\$6,336,032	\$2,183,135

Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –Southgate Independent School District Series 2018
Date: September 24, 2018
cc: File

Please find enclosed a Bond Payee Disclosure Form and Plan of Financing for the Southgate Independent School District. Please process this issue at the next meeting of the Capital Projects and Bond Oversight Committee.

If you should have any questions or require any additional information, please do not hesitate to contact our office.

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$ 570,000
Issue Name:	Southgate Independent School District Finance Corporation School Building Revenue Bonds, Series 2018
Purpose:	Southgate Public School Renovations
Projected Sale Date of Bond:	28-Nov-18
First Call Date:	11/1/25 @ 100
Method of Sale:	Competitive Bids
Place/time of sale:	SFCC, 267 Capitol Annex, Frankfort, Ky. / 11:00 A.M.
Bond Rating:	Moody's: "A1"
Bond Counsel:	Steptoe & Johnson, Louisville, KY
Fiscal Agent:	Ross, Sinclaire & Associates, Lexington, Kentucky
Date received by SFCC:	<input style="width: 100px; height: 20px;" type="text"/> <i>To be filled in by SFCC</i>
Date scheduled for Committee review:	<input style="width: 100px; height: 20px;" type="text"/> <i>To be filled in by SFCC</i>

Month Day Year

Estimated par amount of Bonds:
 % Share of total Bonds:
 Estimated average annual debt service:
 Estimated debt service reserve:

SFCC Portion	Local Portion	Total
\$ 518,521	\$ 51,479	\$ 570,000
90.97%	9.03%	
\$ 35,881	\$ 3,562	\$ 39,443
\$ 0	\$ 0	\$ 0

Estimated Cost of Issuance:

Fiscal Agent, Bond Counsel, Advertisements, Printing, Etc.
 Special Tax Counsel
 Number verifications
 Bond Rating
 Underwriter's Discount
 Bank Fee
 Total Cost of Issuance:

\$ 5,704	\$ 566	\$ 6,270
\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0
\$ 3,639	\$ 361	\$ 4,000
\$ 10,370	\$ 1,030	\$ 11,400
\$ 3,184	\$ 316	\$ 3,500
\$ 22,897	\$ 2,273	\$ 25,170

Anticipated Interest Rates:

5 Years: 2.300% 10 Years: 3.000% 15 Years: 3.500%
 20 Years: 3.750%

Note: No Local Tax increase is required.

**Southgate Independent School District
Plan of Financing -- Projected Bonding Potential**

Date of Report: September 24, 2018

Local Bond Payments Outstanding 1

Summary of Funds for Bond Payments 2

Projected Bond Issue..... 3

SOUTHGATE INDEPENDENT SCHOOL DISTRICT
OUTSTANDING LOCAL PAYMENTS

A	B	C	D	E
FISCAL YEAR END	Series 2011*	Series	Series	TOTALS
2018	\$79,069			\$79,069
2019	\$77,320			\$77,320
2020	\$75,570			\$75,570
2021	\$73,820			\$73,820
2022	\$71,019			\$71,019
2023	\$73,219			\$73,219
2024	\$75,219			\$75,219
2025	\$77,020			\$77,020
2026	\$73,619			\$73,619
2027	\$70,007			\$70,007
2028	\$71,394			\$71,394
2029	\$67,570			\$67,570
2030	\$68,519			\$68,519
2031	\$69,245			\$69,245
<i>Totals</i>				\$1,022,609

**SOUTHGATE INDEPENDENT SCHOOL DISTRICT
SUMMARY OF FUNDS AVAILABLE**

A	B	C	D	E	F	G	H	I	J	K	L	M
FYE	Local Nickel	Capital Outlay @ 80%	FSPK	General Fund	Total Local Funds	Less Current Payments	Local Funds Available	2010 SFCC Offer	2012 SFCC Offer	2014 SFCC Offer	2016 SFCC Offer	Total Funds Available
2018	\$55,706	\$12,350	\$4,732	\$7,000	\$72,788	(\$79,069)	(\$6,281)	\$2,778	\$2,047	\$2,147	\$1,281	(\$6,281)
2019	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$77,320)	\$5,572	\$12,077	\$8,901	\$9,335	\$5,568	\$13,825
2020	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$75,570)	\$7,322	\$12,077	\$8,901	\$9,335	\$5,568	\$43,203
2021	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$73,820)	\$9,073	\$12,077	\$8,901	\$9,335	\$5,568	\$44,954
2022	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$71,019)	\$11,873	\$12,077	\$8,901	\$9,335	\$5,568	\$47,754
2023	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$73,219)	\$9,673	\$12,077	\$8,901	\$9,335	\$5,568	\$45,554
2024	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$75,219)	\$7,673	\$12,077	\$8,901	\$9,335	\$5,568	\$43,554
2025	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$77,020)	\$5,873	\$12,077	\$8,901	\$9,335	\$5,568	\$41,754
2026	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$73,619)	\$9,273	\$12,077	\$8,901	\$9,335	\$5,568	\$45,154
2027	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$70,007)	\$12,885	\$12,077	\$8,901	\$9,335	\$5,568	\$48,766
2028	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$71,394)	\$11,498	\$12,077	\$8,901	\$9,335	\$5,568	\$47,379
2029	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$67,570)	\$15,322	\$12,077	\$8,901	\$9,335	\$5,568	\$51,203
2030	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$68,519)	\$14,373	\$12,077	\$8,901	\$9,335	\$5,568	\$50,254
2031	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	(\$69,245)	\$13,647	\$12,077	\$8,901	\$9,335	\$5,568	\$49,528
2032	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	\$0	\$82,892	\$12,077	\$8,901	\$9,335	\$5,568	\$118,773
2033	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	\$0	\$82,892	\$12,077	\$8,901	\$9,335	\$5,568	\$118,773
2034	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	\$0	\$82,892	\$12,077	\$8,901	\$9,335	\$5,568	\$118,773
2035	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	\$0	\$82,892	\$12,077	\$8,901	\$9,335	\$5,568	\$118,773
2036	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	\$0	\$82,892	\$12,077	\$8,901	\$9,335	\$5,568	\$118,773
2037	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	\$0	\$82,892	\$12,077	\$8,901	\$9,335	\$5,568	\$118,773
2038	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	\$0	\$82,892	\$12,077	\$8,901	\$9,335	\$5,568	\$118,773
2039	\$56,548	\$12,302	\$7,042	\$7,000	\$82,892	\$0	\$82,892	\$12,077	\$8,901	\$9,335	\$5,568	\$118,773
Totals:	\$1,243,214	\$270,694	\$152,614	\$147,000	\$1,813,522	(\$1,022,609)	\$790,912	\$241,540	\$178,020	\$186,700	\$111,360	\$1,508,532

NOTE: Information based assessments of \$111,412,966 and ADA of 154.376 per DOE SEEK Information (FY 2017-18)
Information based assessments of \$112,915,791 and ADA of 152.279 per DOE SEEK Information (FY 2018-19)

SOUTHGATE INDEPENDENT SCHOOL DISTRICT PROJECTED BOND ISSUE

A B C D E F G H I J K

Current Payments	FY June 30	Principal Payment	Coupon	Interest Payments	Total Payments	----- Estimated new Bond Issue -----			Projected All Local Payments Outstanding	Local Funds Available	Funds Available For Future Projects
						Local Portion	SFCC Portion	Local Portion			
\$77,320	2019			\$8,941	\$8,941	\$689	\$8,253	\$78,008	\$82,892	\$4,884	
\$75,570	2020	\$20,000	2.000%	\$17,683	\$37,683	\$1,802	\$35,881	\$77,371	\$82,892	\$5,521	
\$73,820	2021	\$25,000	2.000%	\$17,233	\$42,233	\$6,352	\$35,881	\$80,171	\$82,892	\$2,721	
\$71,019	2022	\$25,000	2.300%	\$16,695	\$41,695	\$5,814	\$35,881	\$76,833	\$82,892	\$6,059	
\$73,219	2023	\$25,000	2.300%	\$16,120	\$41,120	\$5,239	\$35,881	\$78,458	\$82,892	\$4,434	
\$75,219	2024	\$25,000	2.300%	\$15,545	\$40,545	\$4,664	\$35,881	\$79,883	\$82,892	\$3,009	
\$77,020	2025	\$25,000	3.000%	\$14,883	\$39,883	\$4,002	\$35,881	\$81,021	\$82,892	\$1,871	
\$73,619	2026	\$25,000	3.000%	\$14,133	\$39,133	\$3,252	\$35,881	\$76,871	\$82,892	\$6,021	
\$70,007	2027	\$25,000	3.000%	\$13,383	\$38,383	\$2,502	\$35,881	\$72,508	\$82,892	\$10,384	
\$71,394	2028	\$25,000	3.000%	\$12,633	\$37,633	\$1,752	\$35,881	\$73,146	\$82,892	\$9,746	
\$67,570	2029	\$30,000	3.000%	\$11,808	\$41,808	\$5,927	\$35,881	\$73,496	\$82,892	\$9,396	
\$68,519	2030	\$30,000	3.300%	\$10,863	\$40,863	\$4,982	\$35,881	\$73,501	\$82,892	\$9,392	
\$69,245	2031	\$30,000	3.300%	\$9,873	\$39,873	\$3,992	\$35,881	\$73,236	\$82,892	\$9,656	
	2032	\$30,000	3.300%	\$8,883	\$38,883	\$3,002	\$35,881	\$3,002	\$82,892	\$79,891	
	2033	\$30,000	3.500%	\$7,863	\$37,863	\$1,982	\$35,881	\$1,982	\$82,892	\$80,911	
	2034	\$30,000	3.500%	\$6,813	\$36,813	\$932	\$35,881	\$932	\$82,892	\$81,961	
	2035	\$35,000	3.500%	\$5,675	\$40,675	\$4,794	\$35,881	\$4,794	\$82,892	\$78,098	
	2036	\$35,000	3.750%	\$4,406	\$39,406	\$3,525	\$35,881	\$3,525	\$82,892	\$79,367	
	2037	\$35,000	3.750%	\$3,094	\$38,094	\$2,213	\$35,881	\$2,213	\$82,892	\$80,679	
	2038	\$35,000	3.750%	\$1,781	\$36,781	\$900	\$35,881	\$900	\$82,892	\$81,992	
	2039	\$30,000	3.750%	\$563	\$30,563	\$2,935	\$27,628	\$2,935	\$82,892	\$79,958	
\$943,540	Totals	\$570,000		\$218,865	\$788,865	\$71,245	\$717,620	\$1,014,785	\$1,740,734	\$725,948	

Memo

To: KSFCC
From: Lincoln Theinert
Subject: Bond Payee Disclosure Form –Walton-Verona Independent School District Series 2018
Date: September 28, 2018
cc: File

Please find enclosed a Bond Payee Disclosure Form and Plan of Financing for the Walton-Verona Independent School District. Please process this issue at the next meeting of the Capital Projects and Bond Oversight Committee.

If you should have any questions or require any additional information, please do not hesitate to contact our office.

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$ 3,100,000
Issue Name:	Walton-Verona Independent School District Finance Corporation School Building Revenue Bonds, Series 2018
Purpose:	Renovations at Walton-Verona Middle School
Projected Sale Date of Bond:	28-Nov-18
First Call Date:	11/1/25 @ 100
Method of Sale:	Competitive Bids
Place/time of sale:	SFCC, 267 Capitol Annex, Frankfort, Ky. / 11:00 A.M.
Bond Rating:	Moody's: "A1"
Bond Counsel:	Steptoe & Johnson, Louisville, KY
Fiscal Agent:	Ross, Sinclaire & Associates, Lexington, Kentucky
Date received by SFCC:	<input type="text"/> To be filled in by SFCC
Date scheduled for Committee review:	<input type="text"/> To be filled in by SFCC

Month Day Year

Estimated par amount of Bonds:
 % Share of total Bonds:
 Estimated average annual debt service:
 Estimated debt service reserve:

SFCC Portion	Local Portion	Total
\$ 238,349	\$ 2,861,651	\$ 3,100,000
7.69%	92.31%	
\$ 17,451	\$ 209,519	\$ 226,970
\$ 0	\$ 0	\$ 0

Estimated Cost of Issuance:

Fiscal Agent, Bond Counsel, Advertisements, Printing, Etc.
 Special Tax Counsel
 Number verifications
 Bond Rating
 Underwriter's Discount
 Bank Fee
 Total Cost of Issuance:

\$ 1,953	\$ 23,447	\$ 25,400
\$ 0	\$ 0	\$ 0
\$ 0	\$ 0	\$ 0
\$ 692	\$ 8,308	\$ 9,000
\$ 4,767	\$ 57,233	\$ 62,000
\$ 269	\$ 3,231	\$ 3,500
\$ 7,681	\$ 92,219	\$ 99,900

Anticipated Interest Rates:

5 Years: 2.000% 10 Years: 2.800% 15 Years: 3.650%
 20 Years: 4.000%

Note: No Local Tax increase is required.

Walton Verona Ind. School District

Plan of Financing

Date of Report: 9/26/2018

Local Bond Payments Outstanding	1
Summary of Funds for Bond Payments (Extra 6.5 Cents).....	2
Projected Bond Issue	3

WALTON VERONA INDEPENDENT SCHOOL DISTRICT
OUTSTANDING NET LOCAL DEBT SERVICE

FYE	A Series 2006	B Series 2007	C Series 2008-REF	D Series 2009	E Series 2010-REF	F Series 2011	G Series 2012-REF	H Series 2014	I Series 2015-REF	J Series 2016-REF	K Series 2016	L Series 2018	M Total
2017	\$430,596	\$114,345	\$73,381	\$191,956	\$66,180	\$66,415	\$87,831	\$119,289	\$214,140	\$41,698	\$89,191		\$1,495,023
2018			\$62,934	\$185,726	\$74,830	\$64,952	\$86,483	\$123,574	\$648,284	\$159,175	\$101,259		\$1,507,218
2019			\$643	\$186,515	\$118,210	\$68,326	\$90,132	\$117,805	\$671,135	\$156,575	\$100,958	\$164,216	\$1,674,516
2020				\$186,738	\$120,165	\$66,403	\$88,706	\$117,089	\$673,486	\$158,975	\$100,614	\$168,071	\$1,680,246
2021				\$186,563	\$116,975	\$64,302	\$87,281	\$120,660	\$675,535	\$156,275	\$100,222	\$172,020	\$1,679,834
2022				\$186,075	\$118,565	\$67,203	\$85,858	\$119,119	\$677,284	\$158,575	\$94,788	\$170,796	\$1,678,263
2023				\$185,256		\$64,672	\$91,624	\$117,580	\$784,635	\$160,775	\$104,287	\$169,570	\$1,678,399
2024				\$189,047		\$62,141	\$86,275	\$120,690	\$791,536	\$157,875	\$103,588	\$163,345	\$1,674,496
2025				\$231,173		\$64,420		\$113,666	\$833,541	\$159,975	\$87,888	\$167,295	\$1,677,958
2026				\$27,028		\$26,521		\$96,774	\$842,384	\$161,975	\$87,088	\$166,071	\$1,407,842
2027				\$41,232		\$34,721		\$95,124	\$821,626	\$158,488	\$86,588	\$164,845	\$1,402,623
2028				\$191,036		\$107,520		\$243,475			\$386,088	\$373,620	\$1,301,739
2029				\$183,793		\$112,159		\$247,069			\$388,088	\$370,045	\$1,301,154
2030				\$188,870		\$111,383		\$245,351			\$379,012	\$376,295	\$1,300,912
2031						\$110,221		\$247,651			\$374,937	\$472,021	\$1,204,830
2032								\$249,600			\$375,725	\$474,070	\$1,099,396
2033								\$251,200			\$380,375	\$470,595	\$1,102,170
2034								\$252,451			\$379,574	\$471,771	\$1,103,796
2035											\$383,475	\$472,421	\$855,896
2036											\$386,443	\$477,121	\$863,565
2037												\$475,989	\$475,989
2038												\$478,968	\$478,968
Totals:	\$430,596	\$114,345	\$136,959	\$2,361,007	\$614,925	\$1,091,360	\$704,190	\$2,998,168	\$7,633,588	\$1,630,361	\$4,510,187	\$6,419,145	\$28,644,831

WALTON-VERONA IND. SCHOOL DISTRICT SUMMARY OF FUNDS AVAILABLE

A	B	C	D	E	F	G	H	I	J	K	L
FYE	Local Nickel	Original Growth Nickel	Additional 6.5 CENTS	Capital Outlay @ 80%	FSPK	Addtl. FSPK	Total Local Funds	Less Current Payments	Local Funds Available	2016 SFCC Offier	Total Funds Available
2019	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,674,516)	\$137,494	\$0	\$137,494
2020	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,680,246)	\$131,764	\$17,451	\$149,215
2021	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,679,834)	\$132,176	\$17,451	\$149,628
2022	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,678,263)	\$133,747	\$17,451	\$151,198
2023	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,678,399)	\$133,611	\$17,451	\$151,062
2024	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,674,496)	\$137,514	\$17,451	\$154,965
2025	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,677,958)	\$134,052	\$17,451	\$151,503
2026	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,407,842)	\$404,168	\$17,451	\$421,619
2027	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,402,623)	\$409,387	\$17,451	\$426,838
2028	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,301,739)	\$510,271	\$17,451	\$527,722
2029	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,301,154)	\$510,856	\$17,451	\$528,308
2030	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,300,912)	\$511,098	\$17,451	\$528,549
2031	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,204,830)	\$607,180	\$17,451	\$624,631
2032	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,099,396)	\$712,614	\$17,451	\$730,066
2033	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,102,170)	\$709,840	\$17,451	\$727,291
2034	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$1,103,796)	\$708,214	\$17,451	\$725,665
2035	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$855,896)	\$956,114	\$17,451	\$973,565
2036	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$863,565)	\$948,446	\$17,451	\$965,897
2037	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$475,989)	\$1,336,021	\$17,451	\$1,353,473
2038	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,812,010	(\$478,968)	\$1,333,042	\$17,451	\$1,350,493
2039	\$312,500	\$312,500	\$406,250	\$123,200	\$328,780	\$328,780	\$1,483,230	\$0	\$1,483,230	\$17,451	\$1,500,681
Totals:	\$6,562,500	\$6,562,500	\$8,531,250	\$2,587,200	\$6,904,380	\$6,575,600	\$37,723,430	(\$25,642,591)	\$12,080,839	\$349,024	\$12,429,863

NOTES: Data based on assessments of \$625,000,000 and ADA of 1,537.84 per KDE SEEK Website (FY 2018-19) and SAAR's Report

Walton Verona Ind. School District PROJECTED BOND ISSUE

A	B	C	D	E	F	G	H	I	J	K
Current Payments	FY June 30	Principal Payment	Coupon	Interest Payments	Total Payments	SFCC Portion	Local Portion	Projected All Local Payments Outstanding	Local Funds Available	Funds Available For Future Projects
----- Estimated New Bond Issue -----										
\$1,680,246	2020	\$45,000	2.000%	\$103,165	\$147,940	\$17,451	\$130,489	\$1,810,735	\$1,812,010	\$1,275
\$1,679,834	2021	\$45,000	2.000%	\$102,265	\$147,040	\$17,451	\$129,589	\$1,809,423	\$1,812,010	\$2,588
\$1,678,263	2022	\$50,000	2.000%	\$101,365	\$151,140	\$17,451	\$133,689	\$1,811,952	\$1,812,010	\$58
\$1,678,399	2023	\$50,000	2.000%	\$100,365	\$150,140	\$17,451	\$132,689	\$1,811,088	\$1,812,010	\$922
\$1,674,496	2024	\$55,000	2.000%	\$99,365	\$154,140	\$17,451	\$136,689	\$1,811,185	\$1,812,010	\$825
\$1,677,958	2025	\$50,000	2.500%	\$98,265	\$148,040	\$17,451	\$130,589	\$1,808,547	\$1,812,010	\$3,463
\$1,407,842	2026	\$165,000	2.500%	\$97,015	\$261,790	\$17,451	\$244,339	\$1,652,181	\$1,812,010	\$159,829
\$1,402,623	2027	\$170,000	2.600%	\$92,890	\$262,665	\$17,451	\$245,214	\$1,647,837	\$1,812,010	\$164,173
\$1,301,739	2028	\$170,000	2.700%	\$88,470	\$258,245	\$17,451	\$240,794	\$1,542,533	\$1,812,010	\$269,477
\$1,301,154	2029	\$175,000	2.800%	\$83,880	\$258,655	\$17,451	\$241,204	\$1,542,358	\$1,812,010	\$269,653
\$1,300,912	2030	\$180,000	3.000%	\$78,980	\$258,755	\$17,451	\$241,304	\$1,542,216	\$1,812,010	\$269,794
\$1,204,830	2031	\$185,000	3.250%	\$73,580	\$258,355	\$17,451	\$240,904	\$1,445,734	\$1,812,010	\$366,276
\$1,099,396	2032	\$195,000	3.550%	\$67,568	\$262,343	\$17,451	\$244,891	\$1,344,287	\$1,812,010	\$467,723
\$1,102,170	2033	\$200,000	3.650%	\$60,645	\$260,420	\$17,451	\$242,969	\$1,345,139	\$1,812,010	\$466,871
\$1,103,796	2034	\$205,000	3.650%	\$53,345	\$258,120	\$17,451	\$240,669	\$1,344,465	\$1,812,010	\$467,545
\$855,896	2035	\$215,000	3.750%	\$45,863	\$260,638	\$17,451	\$243,186	\$1,099,082	\$1,812,010	\$712,928
\$863,565	2036	\$225,000	4.000%	\$37,800	\$262,575	\$17,451	\$245,124	\$1,108,688	\$1,812,010	\$703,322
\$475,989	2037	\$230,000	4.000%	\$28,800	\$258,800	\$17,451	\$241,349	\$717,337	\$1,812,010	\$1,094,673
\$478,968	2038	\$240,000	4.000%	\$19,600	\$259,600	\$17,451	\$242,149	\$721,117	\$1,812,010	\$1,090,893
\$0	2039	\$250,000	4.000%	\$10,000	\$260,000	\$17,451	\$242,549	\$242,549	\$1,483,230	\$1,240,681
\$23,968,075	Totals:	\$3,100,000		\$1,443,225	\$4,539,400	\$349,024	\$4,190,376	\$28,158,451	\$35,911,420	\$7,752,969