



**FINANCE AND ADMINISTRATION CABINET  
OFFICE OF THE CONTROLLER  
OFFICE OF FINANCIAL MANAGEMENT**

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**Ryan Barrow**  
EXECUTIVE DIRECTOR

April 9, 2024

The Honorable Senator Rick Girdler, Co-Chair  
The Honorable Representative Deanna Frazier Gordon, Co-Chair  
Capital Projects and Bond Oversight Committee  
Legislative Research Commission  
Capitol Annex Building  
Frankfort, Kentucky 40601

Dear Senator Girdler and Representative Frazier Gordon:

Listed below is information regarding various projects and reports that will be presented to the Capital Projects and Bond Oversight (“CPBO”) Committee at the April meeting. Also, included pursuant to KRS 56.863(11) is the ALCo Semi-Annual Report as of December 31, 2023.

The Kentucky Infrastructure Authority (“KIA”) will present the following loans for the Committee’s approval:

<u>Fund A Loan</u>	
City of Hodgenville	\$947,529
<u>Fund F Loan</u>	
LaRue County Water District #1	\$1,692,500
City of Springfield f/b/o Springfield Water and Sewer Commission	\$4,227,500
Grayson County Water District	\$220,000
Rowan Water Association Inc.	\$100,000
City of Danville	\$214,000
Bath County Water District	\$100,000
City of Grayson f/b/o Grayson Utilities Commission	\$450,000
Western Pulaski County Water District	\$275,000
City of Owensboro f/b/o Owensboro Municipal Utilities	\$1,000,000
City of Maysville	\$227,500

The KIA will present Cleaner Water Program Grants for both water and sewer for approval. A detailed list of projects can be found starting on page 33.

The Cabinet for Economic Development will present three (3) Economic Development Fund (“EDF”) grants for the Committee’s approval:

EDF grant to the Breckinridge County Fiscal Court on behalf of the City of Hardinsburg	\$331,805
EDF grant to the City of Winchester on behalf of Washington Penn Plastic Co., Inc.	\$250,000
EDF grant to the One East Kentucky on behalf of the City of Pikeville	\$2,000,000

The Office of Financial Management (“OFM”) will present three (3) new bond issue reports for the Committee’s approval:

Kentucky Housing Corporation Multifamily Tax-Exempt Mortgage Backed Bonds (Briarwood of Lexington Apartments), Series 2024	\$16,500,000+
Kentucky Housing Corporation Single Family Mortgage Revenue Bonds, 2024 Series C and 2024 Series D	\$400,000,000+
Murray State University General Receipts Bonds, 2024 Series A	\$19,990,000*
Estimated*	
Not to Exceed+	

The Office of Financial Management will present two (2) informational items for the Committee’s review:

State Property and Buildings Commission Agency Fund Revenue Refunding Bonds, Project No. 129	\$10,575,000
Morehead State University General Receipts Bonds, 2024 Series A and General Receipts Refunding Bonds, 2024 Series B	\$43,670,000

The School Facilities Construction Commission is submitting the following additional information for the Committee’s approval:

Fleming County	\$16,545,000*
Marion County	\$3,610,000*
Wayne County	\$425,000*
Estimated*	

*Senator Girdler  
Representative Frazier Gordon  
April 9, 2024  
Page 3*

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,

A handwritten signature in black ink, appearing to read "Ryan Barrow". The signature is fluid and cursive, with a large initial "R" and "B".

Ryan Barrow,  
Executive Director

Attachment

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

*For the period ending December 31, 2023*

**54th Edition**



**KENTUCKY**  
**ALCo**  
**ASSET/LIABILITY**  
**COMMISSION**

**Andy Beshear, Governor of the Commonwealth of Kentucky**

Holly M. Johnson, Secretary of the Finance and Administration Cabinet

Ryan Barrow, Executive Director, Office of Financial Management

Prior copies of this report:

<https://finance.ky.gov/office-of-the-controller/office-of-statewide-accounting-services/financial-reporting-branch/Pages/annual-comprehensive-financial-reports.aspx>

The Commonwealth's Annual Comprehensive Financial Report (ACFR):

<https://finance.ky.gov/office-of-the-controller/office-of-statewide-accounting-services/financial-reporting-branch/Pages/annual-comprehensive-financial-reports.aspx>

The Municipal Securities Rulemaking Board (MSRB)

Electronic Municipal Market Access (EMMA):

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

Commonwealth of Kentucky Investor Relations:

<https://bonds.ky.gov/>

Office of Financial Management (OFM):

<https://ofm.ky.gov>



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## INTRODUCTION

The Kentucky Asset/Liability Commission (“ALCo” or the “Commission”) presents its 54th 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 July 1, 2023 through December 31, 2023.

Provided 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 financial agreements entered into during the reporting period.

Numerous factors on 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 raised the federal funds rate to a range of 5.25 percent to 5.50 percent during the second half of 2023.
- The unemployment rate rose to 3.7 percent in December 2023, from 3.6 percent in June 2023.
- The annual rate of economic growth as measured by the gross domestic product (“GDP”) rapidly accelerated in the second half of 2023. The seasonally adjusted rate for the third quarter was 4.9 percent and fourth quarter was 3.3 percent.
- Inflation continued to fall and ended the fourth quarter with the core consumer price index (“CPI”) rate (ex-energy and food) to 3.9 percent.

### **On the state level**

- General Fund receipts totaled \$7.744 billion for the first six months of Fiscal Year (“FY”) 2024, representing a 4.1 percent increase over the same period in FY 2023. The official revised General Fund revenue estimate for FY 2024 calls for revenue to grow 2.7 percent compared to FY 2023 actual receipts. Based on the first half of the FY, General Fund revenue receipts need to grow 1.3 percent for the remainder of the FY to meet the official revised estimate of \$15,554.5 billion.

- Road Fund receipts totaled \$916.6 million for the first six months of FY 2024, representing an 8.8 percent increase over the same period in FY 2023. The official revised Road Fund revenue estimate for FY 2024 calls for revenue to grow 7.3 percent compared to FY 2023 actual receipts. Based on the first half of the FY, Road Fund revenue receipts must increase 6.0 percent over the remainder of the fiscal year to meet the official revised estimate of \$1,881.7 billion.
- Kentucky non-farm employment rose by 2.1 percent in the second quarter of FY 2024 compared to the second quarter of FY 2023.
- Construction employment was the fastest growing employment sector in Kentucky in the second quarter of FY 2024, growing 4.7 percent over the second quarter of FY 2023.
- Kentucky personal income rose by 5.2 percent in the second quarter of FY 2024 compared to the second quarter of FY 2023.
- Kentucky wages and salaries income was the fastest growing income component in the second quarter of FY 2024, growing 7.8 percent compared to the second quarter of FY 2023.
- Large unfunded pension liabilities continue to put stress on the Commonwealth’s credit rating.

## INVESTMENT MANAGEMENT

### *State Investment Commission*

The State Investment Commission (“SIC”) is responsible for investment oversight with members of the Commission being State Treasurer (“Chair”), Finance and Administration Cabinet Secretary, State Controller and two Gubernatorial Appointees. The investment objectives are three-fold: preservation of principal, maintain liquidity to meet cash needs and maximization of returns. The Office of Financial Management is staff to the SIC and follows KRS 42.500, 200 KAR 14.011, 14.081, and 14.091 when making investment decisions.

### **Market Overview**

After an aggressive rate hiking campaign that lasted a year and a half, the Federal Open Market Committee (“FOMC”) finally succeeded in driving down inflation close enough to the long-term 2 percent goal that the timing on the first potential rate cut was being discussed by the end of 2023. Once seen as unlikely, a “soft landing” scenario in which rates are normalized without causing a recession now seems within reach. Evidence lending credibility to this viewpoint include a surprisingly resilient jobs market and robust GDP growth in the second half of the year, two outcomes that are normally difficult to achieve in a high rate environment meant to slow down an inflationary economy.

The expected final rate hike of the current economic cycle occurred in July when the FOMC raised the federal funds target rate to a range of 5.25 percent to 5.50 percent. After that point, the stated goal of the FOMC was to stand put and evaluate economic data as it came in before proceeding further. The fear is that cutting rates too soon could reignite inflation

that still hasn’t quite reached the 2 percent objective, while leaving rates too high for too long could depress economic activity to the point that a recession is inevitable. FOMC members have repeatedly said that rate cuts will occur only when they are confident that economic conditions warrant them and there is little risk of excessive inflation returning in response. The FOMC has continued to let securities roll off the balance sheet as part of a quantitative tightening (“QT”) strategy that began in 2022. While still significantly higher than where it was pre-2020, by the end of 2023 the balance sheet had shrunk over \$1 trillion from the nearly \$9 trillion high it carried before QT began.

### **Employment**

Complicating the decision to begin easing financial conditions is a labor market that continues to defy conventional thinking by remaining strong during a period of high interest rates. While slowing during the first half of the year, the economy still added an average of 215,000 jobs per month while the unemployment rate remained near historic lows at 3.7 percent in December. Nominal income gains have come down from a more accelerated pace in the first half, however when combined with a lower inflation rate, real income growth has remained steady.

After peaking over 12 million in 2022, job openings declined to around 9 million by the end of the year, a still strong number compared to the roughly 7 million openings that existed at the beginning of 2020. Continuing to signal a remarkable and lasting shift in the American economy, the Labor Force Participation Rate (“LFPR”) ended the year at 62.5 percent, nearly



## INVESTMENT MANAGEMENT

a full percentage point below where it was at the beginning of 2019 and almost 4 percent below where it was in 2008.

### **Inflation**

High interest rates continue due to inflation as the headline CPI ended the year at 3.4 percent. While this marks an increase from 3.0 percent in June, the rate overall remains stable after three years of extreme volatility. The FOMC's preferred inflation gauge, core personal consumption expenditures ("PCE"), strips out more volatile categories like food and energy to present a more accurate picture of price increases. Unlike the CPI, the PCE continued to see significant declines throughout the last two quarters and ended the year at 2.9 percent and within target 2 percent long-term objective. Expectations for longer-run inflation continued to fall as extreme price increase appear to have finally been reined in.

### **Economic Growth**

Strong real GDP growth was perhaps the biggest economic surprise of the third and fourth quarters. After averaging a respectable 2.2 percent in the first half of the year, GDP growth exceeded all expectations with a 4.9 percent rise in the third quarter followed by a 3.3 percent bump to end the year. This brings the full year average above three percent, a number not associated with an economy in recession. Personal consumption was the main driver of growth in both quarters with a large build in inventories also contributing to the third quarter result.

### **Interest Rates**

At the end of June, the federal funds rate sat at 5.00 percent to 5.25 percent. The hiking cycle

concluded in July with one final 25 basis point hike to make the upper bound 5.50 percent. After this, the rate remained unchanged for the remainder of the year as the FOMC waited to see what effect these rate hikes would have on the economic data. Inflation has continued to fall in the meantime, lending credence to the idea that a rate cut could be around the corner. While there is market consensus agreement that the first cut will happen in 2024, the timing is still up for debate. Specifically the latest FOMC dot plot shows a disparate view on where the federal funds rate will be at when the year ends. Most market participants foresee at least three-four cuts by the end of 2024, with additional cuts occurring in 2025.

Yields on treasury securities and corporate bonds endured a wild ride in the second half of 2023 as the market searched for the end of the hiking cycle. Yields peaked in October with the two-year treasury exceeding 5.2 percent and the ten-year treasury coming very close to 5.00 percent. From there the drop was swift with both ending December around 100 basis points lower than at the peak. Until the first rate cut actually happens, the yield curve will remain inverted as it has since the middle of 2022.

### **Equities**

2023 was a blowout year for stocks across the board as all major equity indices posted large gains for the year. The S&P 500 gained almost 25 percent while the tech-heavy NASDAQ did even better with an incredible 44.5 percent rise for the calendar year. This has elevated price-to-earnings ratios to what many analysts are calling unsustainable levels and it remains to be seen if the market can hold on to these gains in 2024.

## INVESTMENT MANAGEMENT

### Outlook

The FOMC is strongly committed to returning inflation to the 2 percent long-term objective. For now, the Committee will continue to monitor the implications of incoming information for the economic outlook. The Committee's assessments will take into account a wide range of information, including readings on inflation and inflation expectations, wages, other measures of labor market conditions and financial and international developments.

In conjunction with the FOMC meeting held on December 13, 2023, meeting participants submitted their projections of the most likely outcomes for GDP, the unemployment rate, and inflation for each year from 2024 to 2026 and over the long-run.

For 2024, the median forecast for GDP, unemployment rate and inflation is 1.4 percent,

4.1 percent and 2.4 percent, respectively. The expected Federal funds rate at the end of 2024 is 4.6 percent.

For 2025, the median forecast for GDP, unemployment rate and inflation is 1.8 percent, 4.1 percent and 2.1 percent, respectively. The expected Federal funds rate at the end of 2025 is 3.6 percent.

For 2026, the median forecast for GDP, unemployment rate and inflation is 1.9 percent, 4.1 percent and 2.0 percent, respectively. The expected Federal funds rate at the end of 2026 is 2.9 percent.

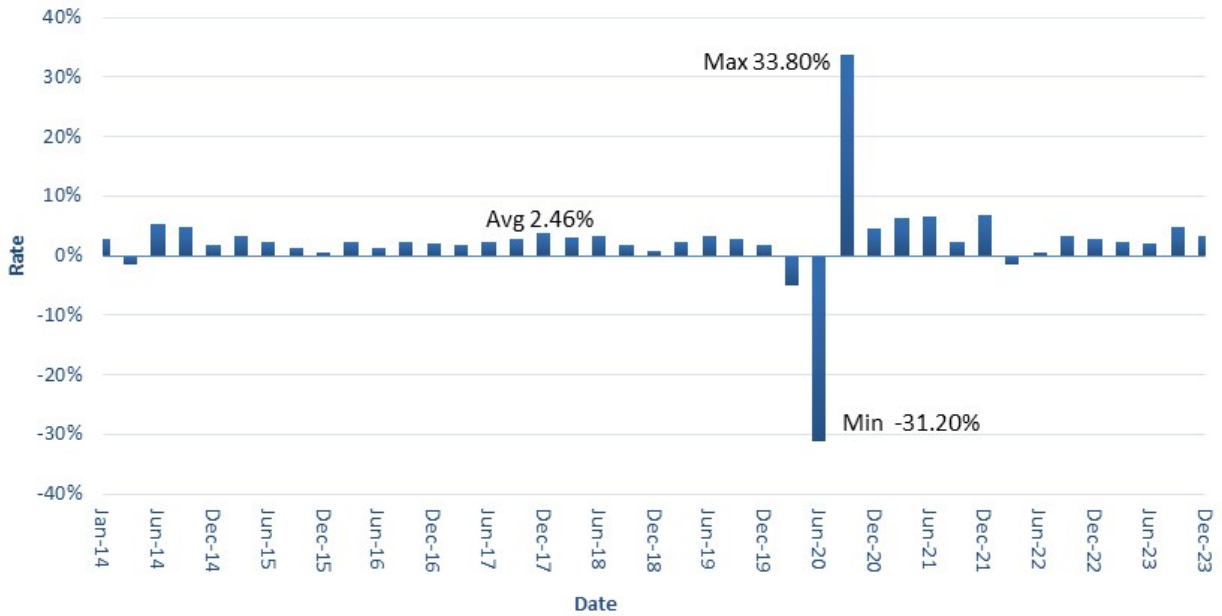
Additionally, longer run projections are 1.8 percent for GDP, 4.1 percent for unemployment and 2.0 percent inflation with an expected Federal funds rate of 2.5 percent.

# INVESTMENT MANAGEMENT

## Real Gross Domestic Product & Standard & Poor's 500

### Real Gross Domestic Product

Quarter Over Quarter  
01/01/2014-12/31/2023  
GDP CQOQ Index



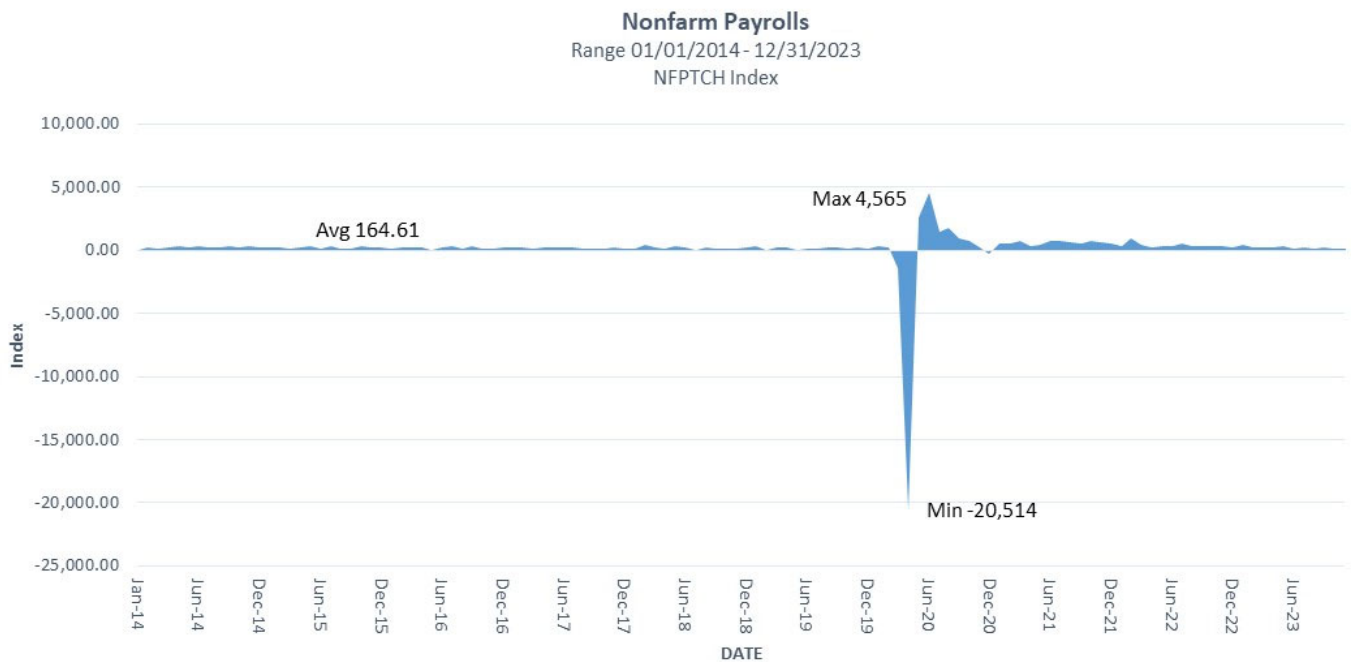
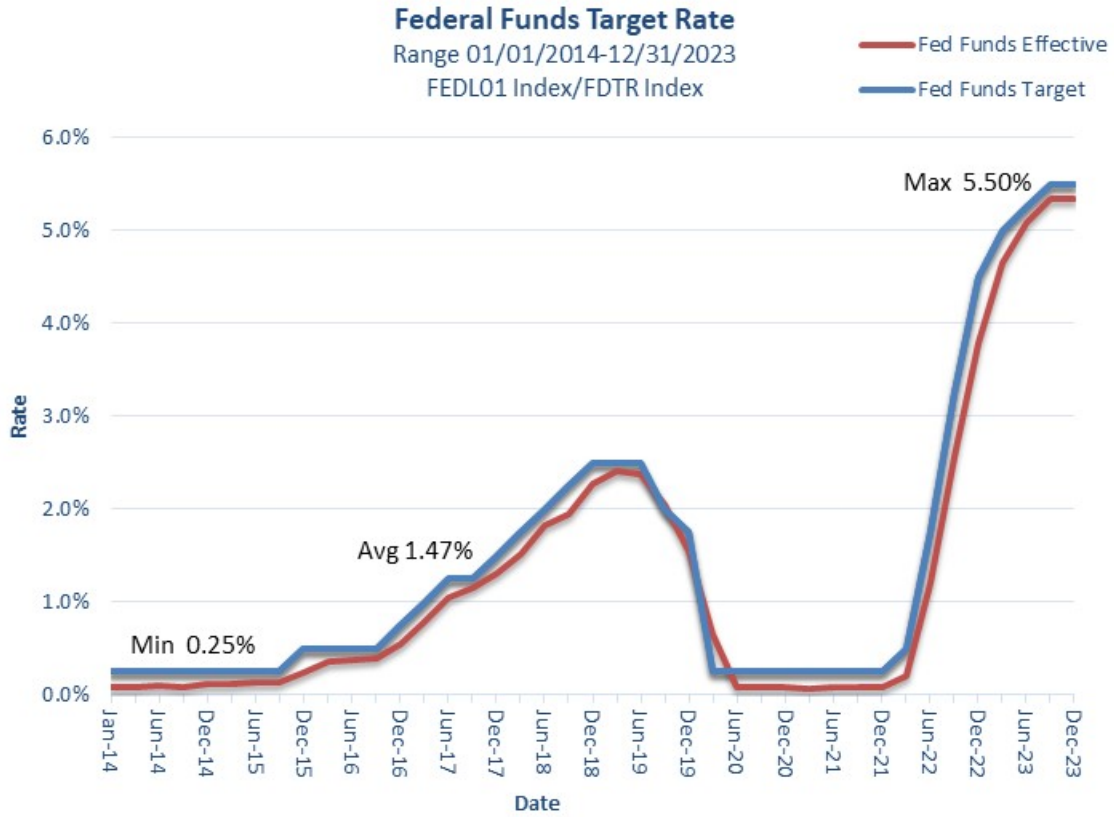
### Standard & Poor's 500

Range 01/01/2014-12/31/2023  
SPX Index



# INVESTMENT MANAGEMENT

## Federal funds Target Rate & NonFarm Payrolls



## INVESTMENT MANAGEMENT

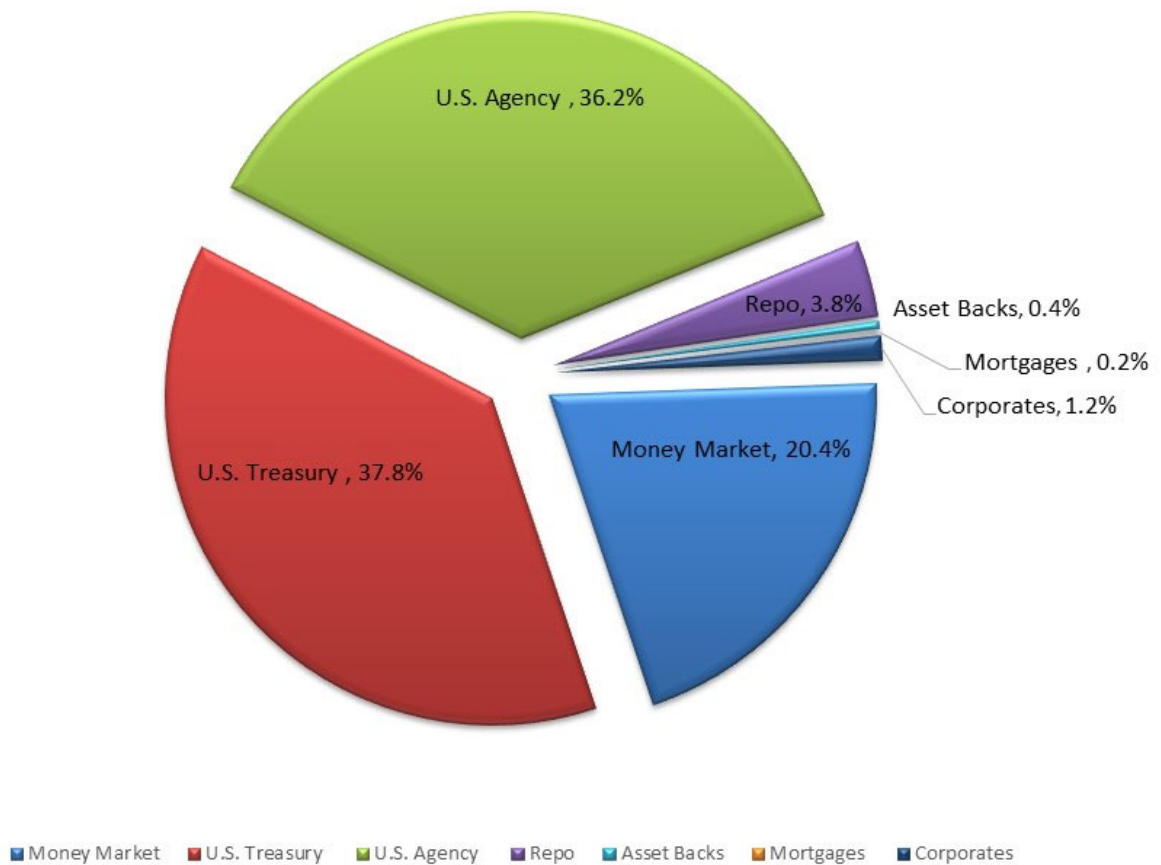
### *Portfolio Management*

For six months ended December 31, 2023, the Commonwealth’s investment portfolio was approximately \$13.2 billion. The portfolio was invested in U.S. Treasury Securities (37.8%), U.S. Agency Securities (36.2%), Mortgage-Backed Securities (0.2%), Repurchase Agreements (3.8%), Corporate Securities (1.2%), Asset-Backed Securities (0.4%), and Money Market

Securities (20.4%). The portfolio had a market yield of 5.26 percent and an effective duration of 0.44 of a year.

The total portfolio is invested in three investment pools. The pool balances as of December 31, 2023 were \$6.7 billion (Short Term Pool), \$2.7 billion (Limited Term Pool), and \$3.9 billion (Intermediate Term Pool).

**Distribution of Investments as of December 31, 2023**



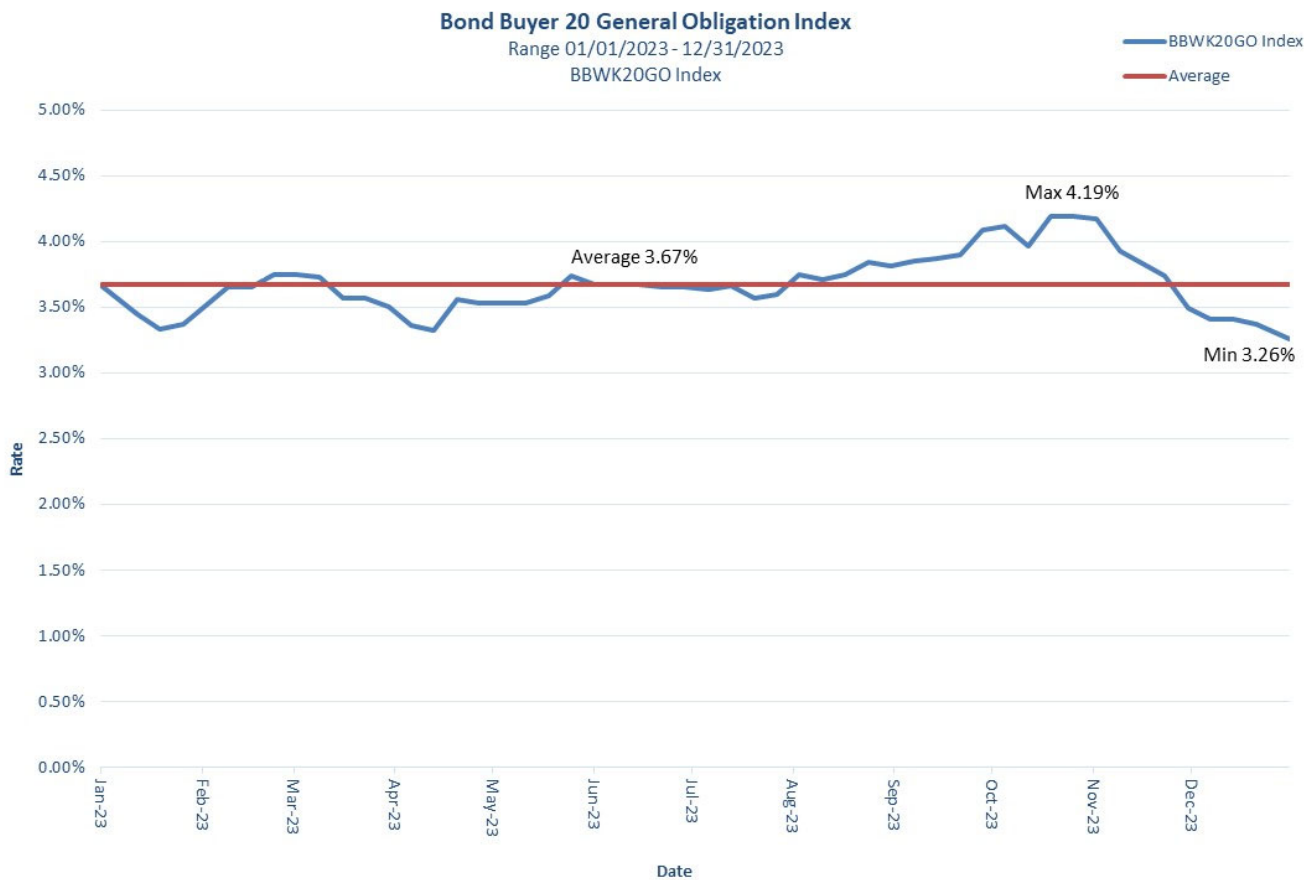
## INVESTMENT MANAGEMENT

### ***Tax-Exempt Interest Rates and Relationships***

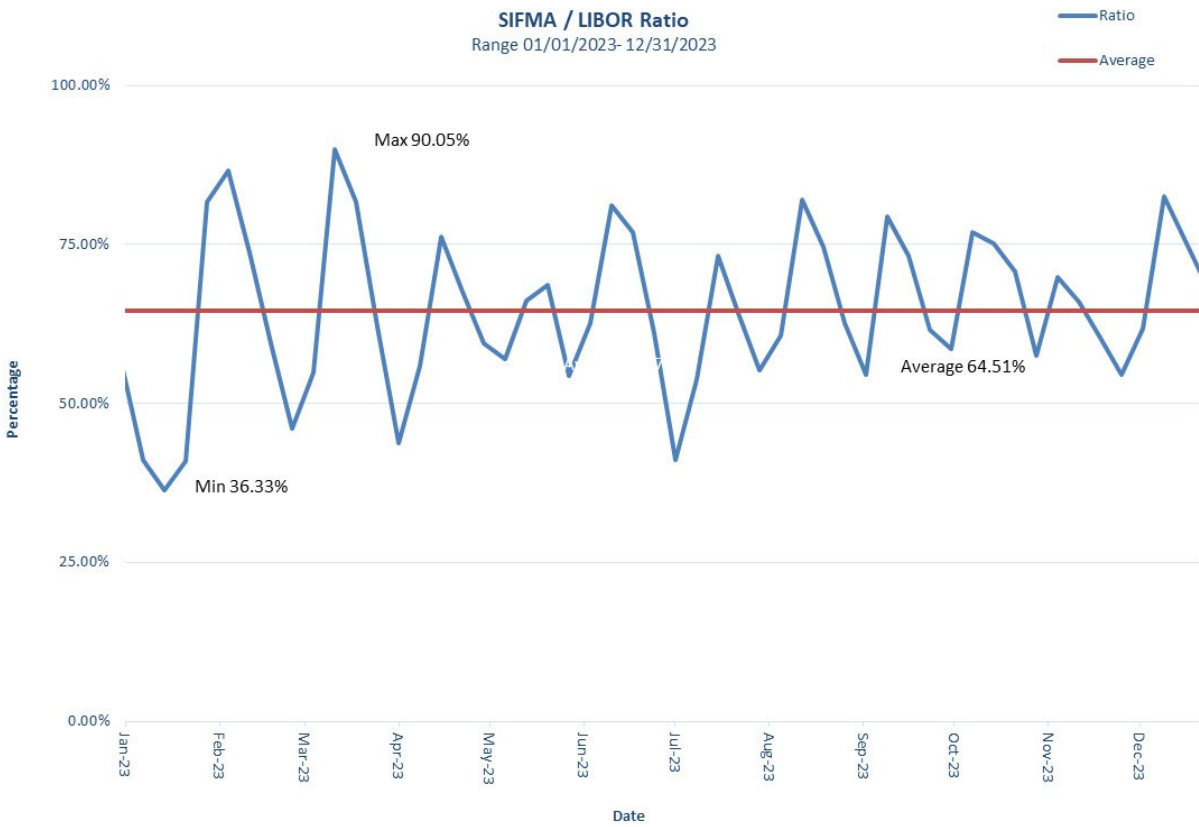
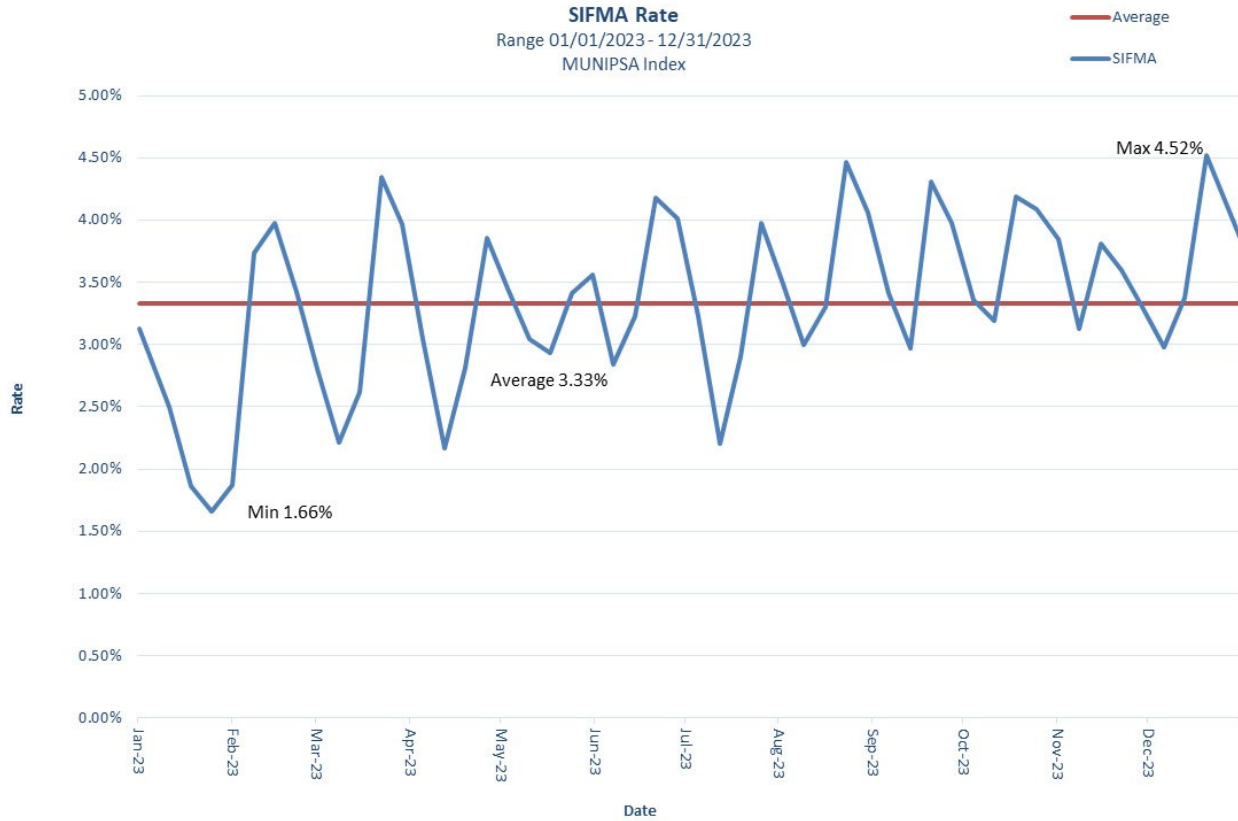
The Bond Buyer 20 General Obligation Index averaged 3.67 percent NTD above and below we just refer to the year for CY not we use CY. Fine with either but have to use one through full report) 2023. The high was 4.19 percent in October 2023 and the low was 3.26 percent in December 2023.

The Securities Industry and Financial Markets Association (“SIFMA”) Municipal Swap Index

averaged 3.33 percent for CY 2023. The high was 4.52 percent in December 2023, and the low was 1.66 percent in January 2023. The 30-day USD London Interbank Offered Rate (“LIBOR”) averaged 5.15 percent for Calendar Year 2023. The high was 5.47 percent in December 2023 and the low was 4.40 percent in January 2023. During the year, SIFMA traded at a high of 90.05 percent of the 30-day LIBOR in March 2023, at a low of 36.33 percent in January 2023, and at an average of 64.51 percent for the CY.



### SIFMA & SIFMA/LIBOR Ratio



## CREDIT MANAGEMENT

### *Mid-Year Reflection*

#### *Credit*

The second half of 2023 saw inflationary pressures easing in all aspects of the economy. As the headline inflation rate settled around 3.5 percent in the second half of the year, the Federal Reserve hiked the federal funds rate one final time in July to a range of 5.25 percent to 5.50 percent. At that point all eyes turned to when the first-rate cut would be, expected sometime in 2024. Producer prices paid rose around 1 percent year-over-year after peaking about 11 percent in 2022, signaling the end of supply chain restraints. Consumer spending finished the year strong, driving robust GDP growth for the final two quarters. While moderating some from the first half of the year, real personal incomes rose around 4.6 percent. In a worrying sign for the economy, household debt continued to expand to an excess of \$17.5 trillion. This was driven primarily by rapid gains in credit card debt, which reached an all-time high in 2023. While delinquencies of all types are on the rise, credit card defaults in particular have risen 50 percent over the past year, as borrowers face both higher balances and average annual percentage rates in excess of 20 percent.

Non-financial corporations were undeterred by higher borrowing rates in the second half of 2023 as they increased their debt load to \$21 trillion. Thanks to strong GDP growth, the ratio of corporate debt fell slightly. Investment grade debt remained the majority of new issuance even as the total amount of debt issued fell slightly in the second half of the year. Higher borrowing rates continued to negatively affect balance sheets as corporate

bankruptcies rose to a 13-year high in 2023. Spreads on investment grade bonds compared to U.S. Treasuries fell moderately in the second half of the year and finished the year at the tightest point since the first quarter of 2022. The Senior Loan Officer Opinion Survey on Bank Lending Practices, or (“SLOOS”), reported that credit standards tightened for nearly all categories of consumer and business loans while demand decreased, continuing the trend from the first half of the year.

#### *Credit Process*

Our credit strategy invests in creditworthy corporate issuers having a long-term rating of A3/A/A- or better as rated by Moody’s, S&P, or Fitch, where the lowest rating of the three is used to determine credit rating compliance. 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



## CREDIT MANAGEMENT

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 utilized where Portfolio Managers focus on specific company fundamentals, picking the strongest companies within a sector.

Fundamental analysis is then performed by looking at competitive position, market share, operating history/trends, management strategy/execution, and financial statement ratio analysis.

### **Approved List**

Once analysis has been completed, the State Investment Commission approves the list on a quarterly basis. During the second half of 2023, no names were removed from the Corporate Credits Approved list. The Corporate Credits Approved list as of December 2023 is located in Appendix A.

## DEBT MANAGEMENT

### Authorized but Unissued Debt Summary

As of December 31, 2023, the Commonwealth’s 2023-2024 budget includes authorized debt service for over \$3.8 billion of projects supported by the General Fund, Agency Fund, Road Fund, and Federal Fund, which were approved during prior sessions of the General Assembly. This pipeline of projects is anticipated to be financed over a number of future bond transactions. The speed at which this financing takes place is dependent upon factors managed by and between the project sponsors, the Office of the State Budget Director and the Office of Financial Management.

The balance of prior bond authorizations from 2010 through 2023 totals \$3,812.48 million. Of these prior authorizations, \$2,715.05 million is General Fund supported, \$934.93 million is Agency Fund supported, \$12.50 million is supported by Road Fund appropriations and \$150.00 million is supported through Grant Anticipation Revenue Vehicle Bonds designated for the Brent Spence Bridge project.

The following table summarizes, in aggregate, the information in connection with authorized but unissued debt of the Commission as described in this section.

**Summary of Authorized but Unissued Debt by Fund Type As of December 31, 2023:**

Legislative Session (Year)	General Fund (millions)	Agency Fund (millions)	Road Fund (millions)	Federal Fund (millions)	TOTAL (millions)
2010	\$ 22.05	\$ 17.50	-		\$ 39.55
2012	1.74	-	\$ 12.50		14.24
2014	6.58	-	-		6.58
2016	17.86	-	-		17.86
2018	167.25	6.53	-		173.78
2019	33.25	-	-		33.25
2020-2021	361.63	80.43	-		442.06
2022-2024	2,254.69	830.47	-	\$ 150.00	3,235.16
Bond Pool Proceeds	(150.00)				(150.00)
<b>TOTAL</b>	<b>\$ 2,715.05</b>	<b>\$ 934.93</b>	<b>\$ 12.50</b>	<b>\$ 150.00</b>	<b>\$ 3,812.48</b>

### Looking Forward

The Commission continues to monitor the municipal bond interest rate market and uses this information together with other relevant market

data to evaluate whether or not the interim or variable rate financing program would provide and economic advantage in conjunction with the fixed rate bonds.

## DEBT MANAGEMENT

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

### The Ratings Picture at December 31, 2023:

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

\*All outstanding bonds do not necessarily receive a rating from every rating agency

## DEBT MANAGEMENT

### ***Cash Management Strategies***

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

### **Tax and Revenue Anticipation Notes (“TRANS”)**

TRANS can provide liquidity or leverage the difference between taxable and tax-exempt interest rate markets to create economies that provide a financial benefit to the Commonwealth. No TRANS were issued during the reporting period.

### **Inter-Fund Borrowing**

Cash in one fund is loaned to another fund which is experiencing a short-term cash flow shortfall. Historically, funds are loaned to accounts in the short-term pool (General Fund Accounts) routinely.

As of December 31, 2023 the total available liquid resources available to the General Fund was \$13.235 billion.

### **Bond Anticipation Notes (“BANs”)**

A short-term interest-bearing security issued in advance of a larger, future bond issue. Bond anticipation notes are smaller short-term bonds that are issued to generate funds for upcoming projects.

No BANs were issued during the reporting period

### **Notes or Direct Loans (“Notes”)**

"Funding notes" means notes issued under the provisions of KRS 56.860 to 56.869 by the commission for the purpose of funding:

(a) Judgments, with a final maturity of not more than ten (10) years; and

(b) The finance or refinance of obligations owed under KRS 161.550(2) or 161.553(2)

"Project notes" means notes issued under the provisions of KRS 56.860 to 56.869 by the commission with a final maturity of not more than twenty (20) years for the purpose of funding authorized projects, which may include bond anticipation notes.

No Notes were issued during the reporting period

### **Variable Rate Demand Obligation and Fixed Rate Notes (“VRDO” and “FRNs”)**

Interests on the borrowed funds have a interest rate payments adjusted at specific intervals. Generally, SIFMA is used as an index to set the interest rate plus or minus a set percentage and spread to index.

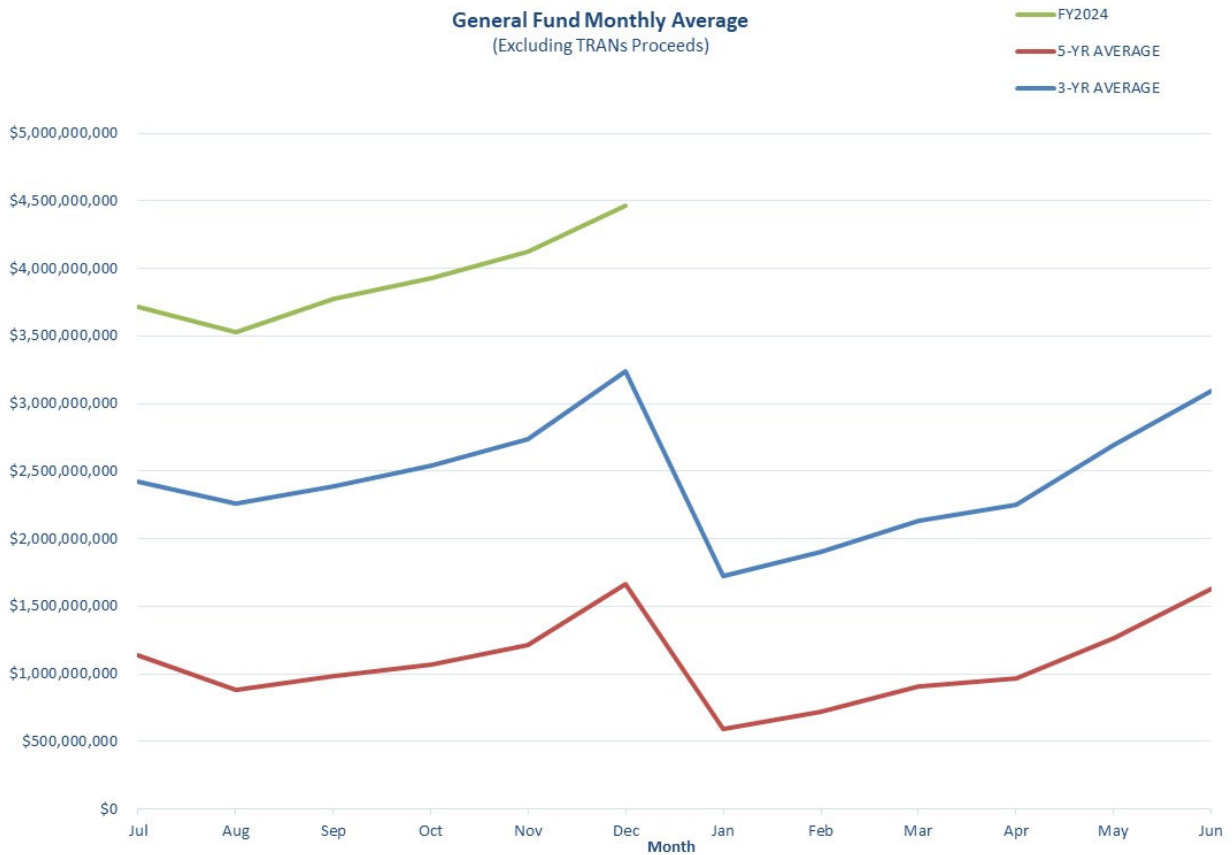
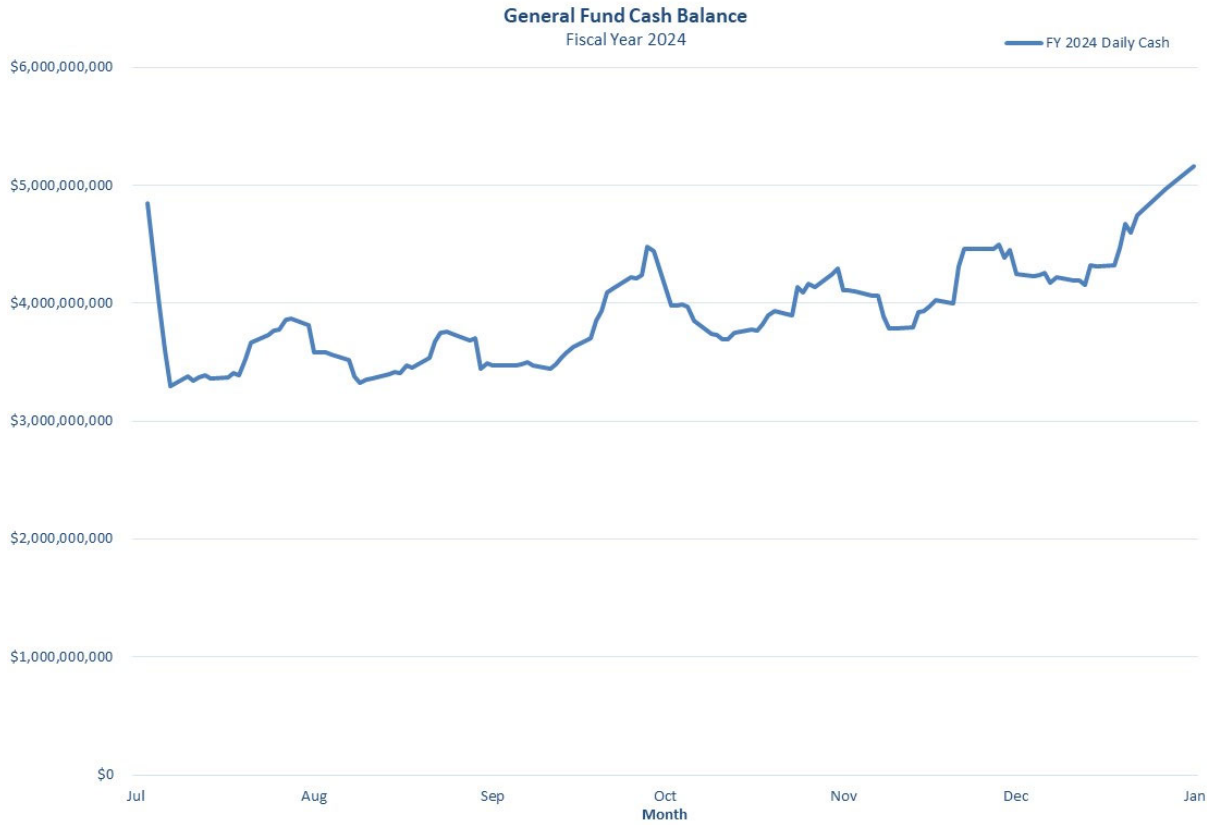
No VRDO or FRNs were issued during the reporting period.

### **Synthetic Fixed Rate**

Synthetic Fixed Rate is an alternative to traditional fixed rate borrowing in which funds are borrowed on a variable rate basis then an interest rate swap is used to fix the interest rate.

No Synthetic Fixed Rate obligations were issued during the reporting period.

## DEBT MANAGEMENT



## DEBT MANAGEMENT

### *ALCo Financial Agreements*

As of May 3, 2021, ALCo retired all remaining outstanding financial agreements.

### *Asset/Liability Model*

#### **General Fund**

The total State Property and Buildings Commission (“SPBC”) debt portfolio as of December 31, 2023 had \$2.654 billion of bonds outstanding with a weighted average coupon of 4.56 percent and a weighted average life of 5.96 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 \$1.335 billion callable portion had a weighted average coupon of 4.41 percent. The SPBC debt structure has 48.58 percent of principal maturing in 5-years and 74.70 percent of principal maturing in 10-years which is primarily influenced by the reduced amount of long-term new money permanent financings within the last several years.

The General Fund had a maximum balance of \$5.162 billion on December 28, 2023, and a low of \$3.298 billion on July 7, 2023. The average and median balances were \$3.891 billion and \$3.848 billion, respectively. Return on investable balances is impacted by investment earnings, fees and mark-to-market rules on the underlying investments.

From a liability management perspective, total Commonwealth General Fund debt service, net of credits is expected to be \$474.60 million for FY 2024. In addition to the Commonwealth

General Fund debt service, General Fund debt service of \$9.810 million will be provided for an Eastern State Hospital financing that was first issued through the Lexington-Fayette Urban County Government in 2011. Also, General Fund debt service of \$10.435 million will be provided for the 2015 and 2018 Certificates of Participation (related to the two Commonwealth State office Building projects). These projects are separately identified because they are not direct obligations of the Commonwealth, but they are General Fund supported.

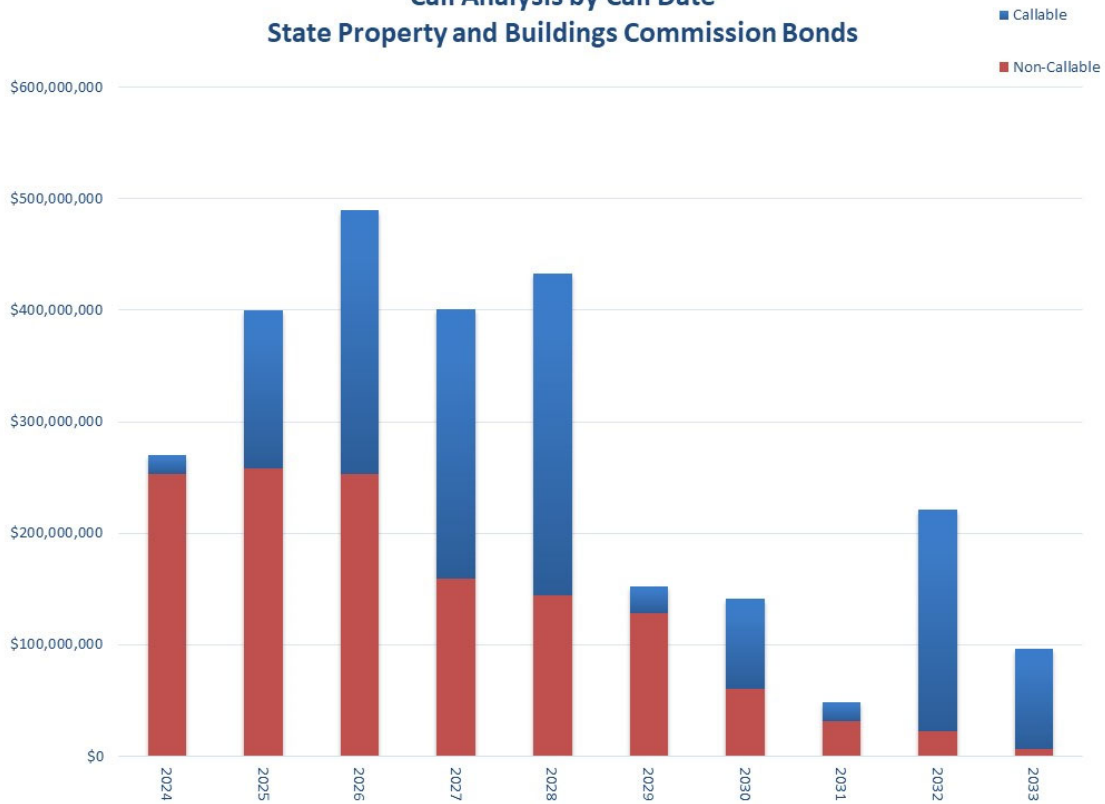
#### **SPBC 128**

On November 8, 2023, SPBC closed \$143,970,000 par of General Fund Revenue Bonds, Project No. 128, in a single series. The transaction provided permanent financing for approximately \$150 million of General Fund supported capital projects authorized over multiple budget sessions of the General Assembly.

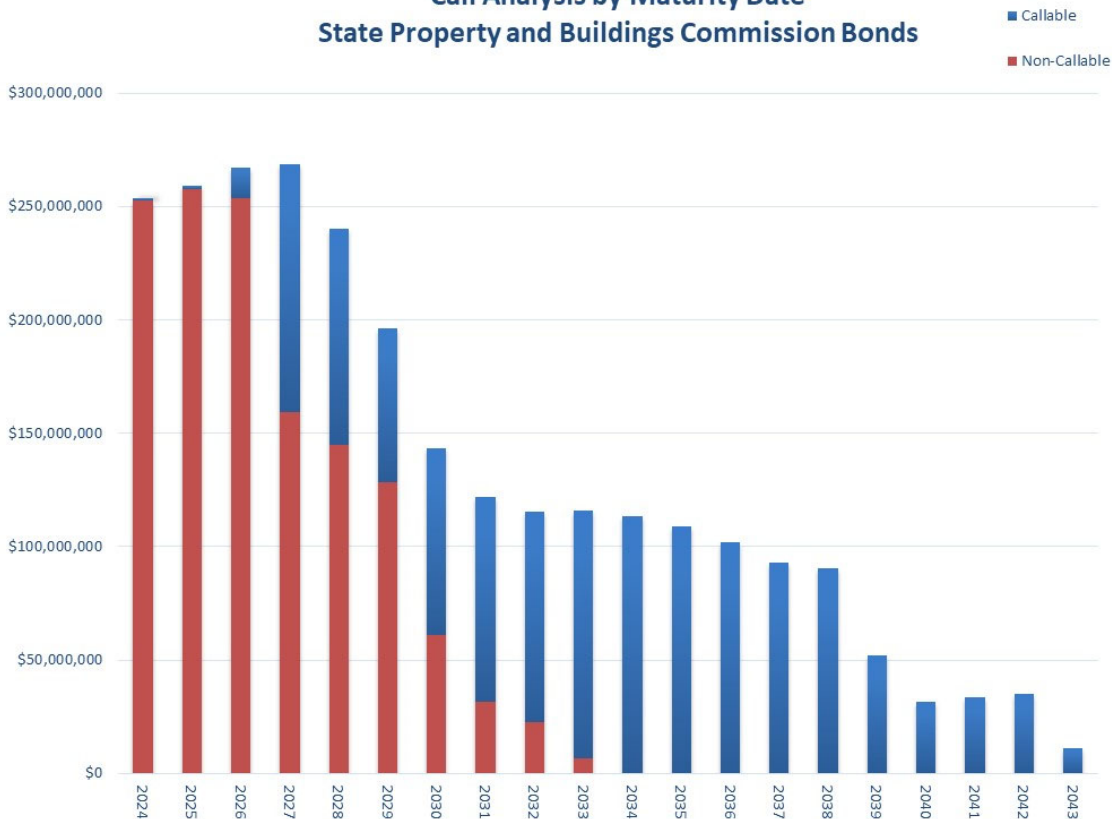
The SPBC Project No. 128 transaction achieved an All-In True Interest Cost of 4.6793 percent. The bonds were sold on a tax-exempt basis via negotiated sale with BofA Securities, Inc. serving as underwriter and Kutak Rock LLP as bond counsel. The bonds received ratings of A1/AA- from Moody’s Investors Service, Inc. and Fitch Ratings, 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

### Looking Forward

Since January 1, 2018, federal tax law has prohibited tax-exempt advanced refunding bonds. In response, the Commonwealth has added to the methods of evaluation for examining potential refunding candidates. The Commonwealth now gives consideration and has executed advance refunding its municipal bonds on a taxable basis through a forward delivery of tax-exempt bonds, convertible taxable to tax-exempt bonds, and through a tender and exchange. Additional diligence and financial modeling is necessary to ensure economic savings in these transactions.

### Road Fund

The net Road Fund average daily cash balance for the first half of Fiscal Year 2024 was \$278 million compared to \$426 million for the first half of Fiscal Year 2023. The Road Fund cash was invested in the Intermediate Term Investment Pool which had a duration of 0.97 of a year as of December 31, 2023. The Road Fund earned \$6.9 million on a cash basis for the first half of Fiscal Year 2024 versus negative \$325 thousand for the first half of Fiscal Year 2023. The Road Fund earnings increased year over year because of higher short term rates. The continued relatively low level of investable balances at certain times during the fiscal year limits the investment opportunities.

As of December 31, 2023, the Turnpike Authority of Kentucky ("TAK") had \$765.19 million of bonds outstanding with a weighted average coupon of 4.62 percent<sup>%</sup> and an average life of 4.66 years.

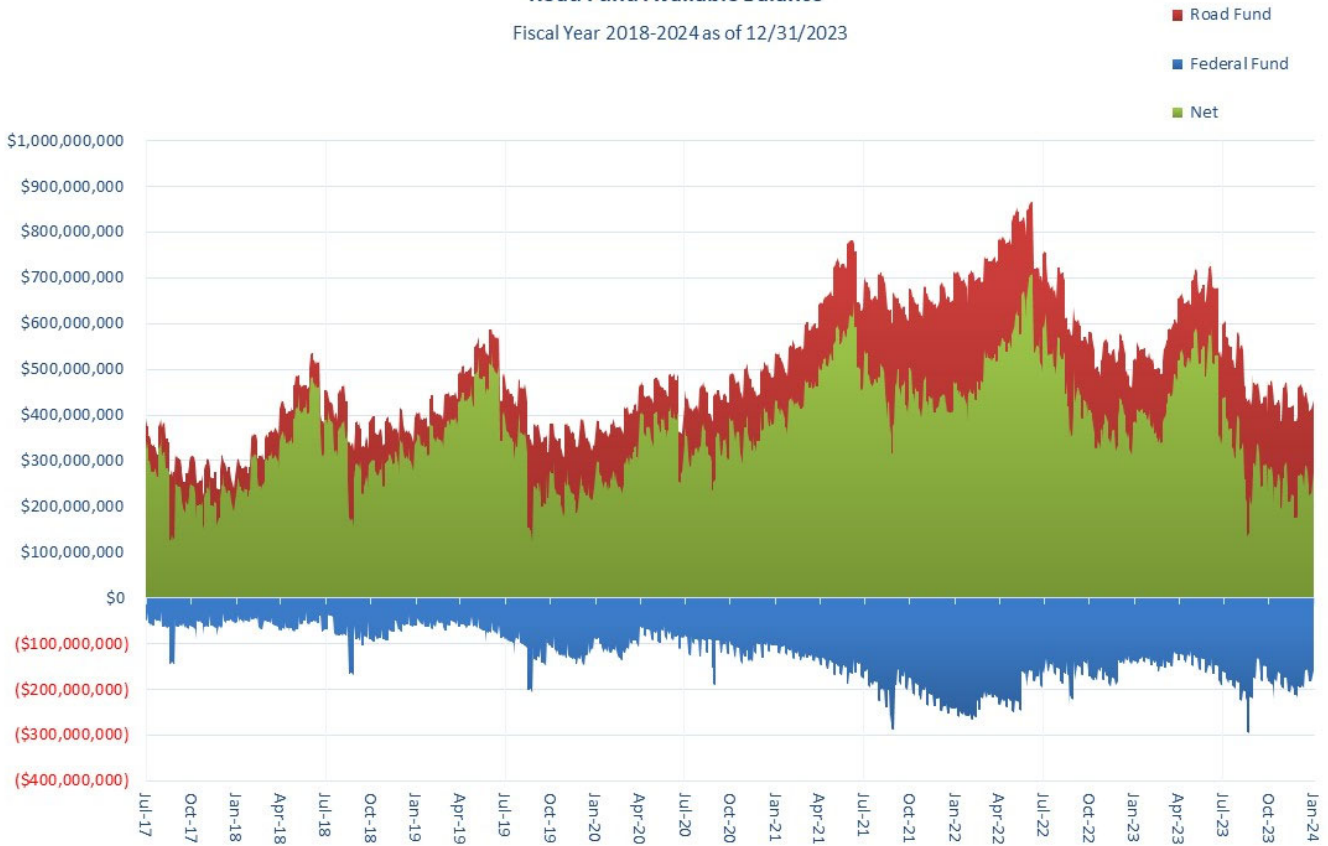
Road Fund debt service expected to be paid in Fiscal Year 2024 is \$134.34 million, resulting in a net interest margin (investment income earned year-to-date less debt service paid) of negative \$127.44 million. The negative amount stems from the level of investable balances in addition to the limited callability of fixed rate obligations on the liability side.



# DEBT MANAGEMENT

## Road Fund Available Balance

Fiscal Year 2018-2024 as of 12/31/2023



## SUMMARY

During the reporting period for the 54th semi-annual report, the FOMC succeeded in driving down inflation close enough to the long-term 2 percent goal that the timing of the first potential rate cut was being discussed by the end of 2023. The interest rate hiking cycle concluded in July with one final 25 basis point hike and then remained unchanged for the remainder of the year. Yields on treasury securities and corporate bonds endured a wild ride as the market searched for the end of the hiking cycle. Until the first rate cut happens, the yield curve will remain inverted as it has since the middle of 2022. This contributed to a higher cost of capital across the Commonwealth but provided debt issuers numerous opportunities for investment income from banking deposits.

ALCo's approach to managing the Commonwealth's interest-sensitive assets and interest-sensitive liabilities has provided flexibility and savings in financing the Commonwealth's capital construction program. 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. The Commission continues to monitor the municipal bond interest rate market and uses this information together with other relevant market data to evaluate whether or not the interim financing program would provide an economic advantage in conjunction with the fixed-rate bonds.

The balance of prior bond authorizations of the General Assembly from 2010 to 2023 totals over \$3.81 billion with existing debt for SPBC of \$2.65 billion, SFCC \$932.18 million, ALCo GARVEEs \$205.22 million, ALCo bonds \$49.44 million and Turnpike bonds \$765.19 million. Finally, all bonds are monitored for potential refunding savings.

# APPENDIX

## APPENDIX A

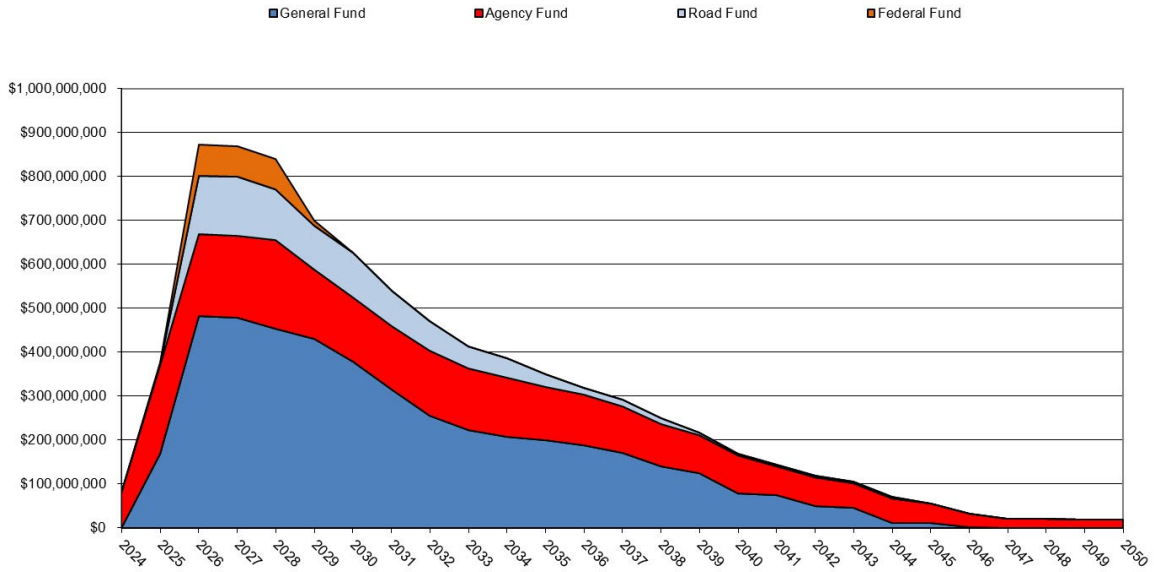
### Corporate Credits Approved For Purchase

12/13/2023

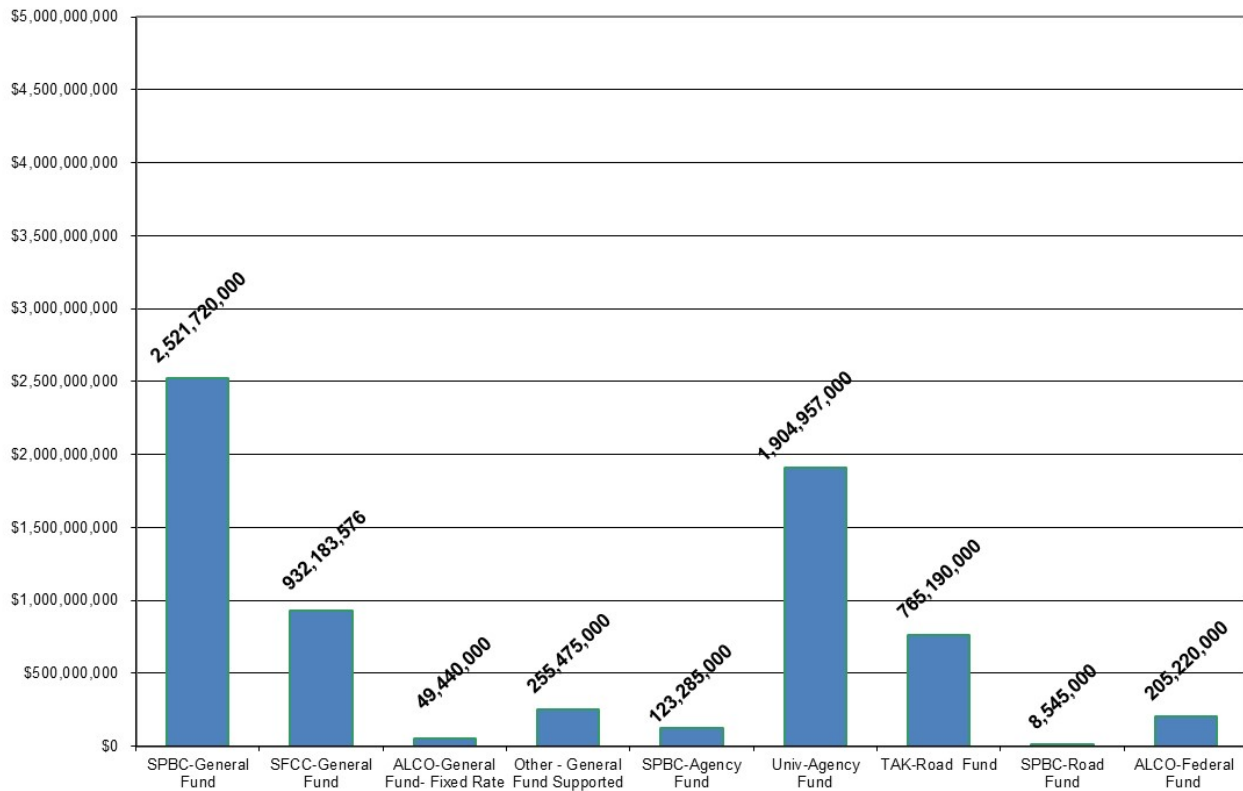
<u>Company Name</u>	<u>Repurchase Agreements</u>	<u>Commercial Paper</u>	<u>Bonds</u>
Apple Inc		Yes	Yes
Bank of Montreal	Yes	Yes	Yes
Bank of Nova Scotia	Yes	Yes	Yes
Bank of Tokyo-Mitsubishi UFJ		Yes	Yes
Berkshire Hathaway Inc		Yes	Yes
BNP Paribas Securities Corp	Yes	Yes	Yes
BNY Mellon NA		Yes	Yes
Canadian Imperial Bank of Comm		Yes	Yes
Chevron Corp		Yes	Yes
Cisco Systems Inc		Yes	Yes
Cooperatieve Rabobank		Yes	Yes
Cornell University		Yes	No
Costco Wholesale Corp		Yes	Yes
Deere & Co		Yes	Yes
Exxon Mobil Corp		Yes	Yes
Guggenheim Securities, LLC	Yes	No	No
Home Depot Inc		Yes	Yes
IBRD - World Bank		Yes	Yes
Johnson & Johnson		Yes	Yes
Linde PLC		Yes	Yes
Merck and Co Inc		Yes	Yes
Microsoft Corp		Yes	Yes
MUFG Securities Americas Inc	Yes	No	No
Natixis SA/New York		Yes	Yes
Nestle Finance International		Yes	Yes
PepsiCo Inc		Yes	Yes
Pfizer Inc		Yes	Yes
Procter & Gamble Co/The		Yes	Yes
Royal Bank of Canada	Yes	Yes	Yes
Royal Dutch Shell PLC		Yes	Yes
Salvation Army		Yes	No
State Street Corp		Yes	Yes
Sumitomo Mitsui Trust Bank		Yes	Yes
Swedbank AB		Yes	Yes
Texas Instruments Inc.		Yes	Yes
Toronto-Dominion Bank/The		Yes	Yes
Total Energies		Yes	Yes
Toyota Motor Corp		Yes	Yes
Wal-Mart Stores Inc		Yes	Yes

## APPENDIX B

Appropriation Supported Debt Service  
by Fund Source as of 12/31/2023



Appropriation Debt Principal Outstanding  
by Fund Source as of 12/31/2023



\*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 C

COMMONWEALTH OF KENTUCKY  
ASSET/LIABILITY COMMISSION  
SCHEDULE OF NOTES OUTSTANDING  
AS OF 12/31/2023

FUND TYPE SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING
<b>General Fund Project &amp; Funding Notes</b>				
2021 General Fund Refunding Project Notes	\$113,940,000	5/2021	11/2027	\$49,440,000
<b>FUND TOTAL</b>	<b>\$113,940,000</b>			<b>\$49,440,000</b>
<b>Federal Hwy Trust Fund Project Notes</b>				
2014 1st Series	\$171,940,000	3/2014	9/2026	\$108,350,000
2015 1st Series	\$106,850,000	10/2015	9/2027	\$42,030,000
2023 Refunding Notes FHTF	\$54,840,000	6/2023	9/2025	\$54,840,000
<b>FUND TOTAL</b>	<b>\$333,630,000</b>			<b>\$205,220,000</b>
<b>ALCo NOTES TOTAL</b>	<b>\$447,570,000</b>			<b>\$254,660,000</b>

REPORT PREPARED BY:



Office of Financial  
Management

Commonwealth of Kentucky  
200 Mero Street, 5th Floor  
Frankfort, KY 40622  
<https://ofm.ky.gov>

*Creating Financial Value for the Commonwealth*

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**TEAM**   
**KENTUCKY**

**Kentucky Infrastructure Authority  
Projects for April 2024  
Capital Projects and Bond Oversight Committee**

▪ **Fund A Loan**

<b>Loan #</b>	<b>Borrower</b>	<b>Amount Requested</b>	<b>Amount Loan Total</b>	<b>County</b>
A24-122	City of Hodgenville	\$ 947,529	\$ 947,529	Larue

▪ **Fund F Loan**

<b>Loan #</b>	<b>Borrower</b>	<b>Requested</b>	<b>Loan Total</b>	<b>County</b>
F24-006	Larue County Water District #1	\$ 1,692,500	\$ 1,692,500	Larue
F24-013S	City of Springfield f/b/o Springfield Water & Sewer Commission	\$ 4,227,500	\$ 4,227,500	Washington
F24-014L	Grayson County Water District	\$ 220,000	\$ 220,000	Grayson
F24-019L	Rowan Water Association Inc.	\$ 100,000	\$ 100,000	Rowan
F24-027L	City of Danville	\$ 214,000	\$ 214,000	Boyle
F24-033L	Bath County Water District	\$ 100,000	\$ 100,000	Bath
F24-041L	City of Grayson f/b/o Grayson Utilities Commission	\$ 450,000	\$ 450,000	Carter
F24-042L	Western Pulaski County Water District	\$ 275,000	\$ 275,000	Pulaski
F24-055L	City of Owensboro f/b/o Owensboro Municipal Utilities	\$ 1,000,000	\$ 1,000,000	Daviess
F24-065L	City of Maysville	\$ 227,500	\$ 227,500	Mason



**2021 Cleaner Water Program Grants - Sewer**

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
21CWS144	Hardin County Water District #1	Beverly's MHP Lift Station Elimination	\$ 48,000.00	Hardin	County - R

**2021 Cleaner Water Program Grants - Water**

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
21CWW027	Carroll County Fiscal Court	HWY 36 HDPE Replacement	\$ 20,390.00	Carroll	County - R
21CWW292	Morgan County Water District	County Wide Water Line Extensions	\$ 298,800.00	Morgan	Supplemental
21CWW350	Greenville Utilities Commission	Greenville - Country Club Water Line Replacement Project	\$ 187,437.00	Muhlenberg	County - R

**2022 Cleaner Water Program Grants - Sewer**

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
22CWS073	Louisville and Jefferson County MSD	California Neighborhood Odor Improvements	\$ 34,000.00	Jefferson	Supplemental
22CWS089	City of Burkesville	Burkesville Potter Home Lift Station Improvements	\$ 111,350.00	Cumberland	Supplemental
22CWS093	City of Campbellsville	Campbellsville WWTP Grit Removal System	\$ 158,075.00	Taylor	Supplemental
22CWS111	City of White Plains	White Plains - Sewer Manhole Rehabilitation Project	\$ 90,000.00	Hopkins	County - R
22CWS170	Hardin County Water District #1	Beverly's MHP Lift Station Elimination	\$ 77,087.00	Hardin	County - R
22CWS171	Lexington-Fayette Urban County Government	Ultra Violet (UV) Radiation WWTP Disinfection Retrofit	\$ 1,165,178.00	Fayette	County - R

**2022 Cleaner Water Program Grants - Water**

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
22CWW004	North Mercer Water District	North Mercer WD - 2019 Water System Improvements	\$ 75,534.00	Mercer	Supplemental
22CWW064	Allen County Water District	Walkers Chapel Water Tank Project	\$ 100,000.00	Allen	Supplemental
22CWW076	Buffalo Trail Water Association Inc	KY 596 Interconnect & Sardis Upgrade	\$ 32,373.00	Mason	Supplemental
22CWW201	Springfield Water and Sewer Commission	Purchase of New Residential Meters and Signal Sending Units	\$ 27,712.00	Washington	Supplemental
22CWW270	Graves County Water District	Fancy Farm Water Tanks	\$ 166,126.60	Graves	County - R
22CWW304	Rockcastle County Fiscal Court	Bloss Road Waterline Extension	\$ 200,436.00	Rockcastle	Supplemental
22CWW329	City of Frenchburg	Big Woods Tank Rehab and Line Upgrade Project	\$ 30,593.00	Menifee	Supplemental
22CWW366	Muhlenberg County Water District #3	MCWD #3 - SCADA System Upgrades	\$ 313,118.00	Muhlenberg	County - R
22CWW367	Madisonville Municipal Utilities	Madisonville - Peewee Lake Raw Water Intake Rehabilitation	\$ 629,603.00	Hopkins	County - R
22CWW368	Greenville Utilities Commission	Greenville - Country Club Water Line Replacement Project	\$ 313,118.00	Muhlenberg	County - R
22CWW369	Henderson Water Utility	Washington/Vine Water Main	\$ 2,067,242.00	Henderson	County - R

**2022 HB1 RS Line Item Grants (State) - Water**

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
58C-2007	City of Greenup	Greenup Rt. 1 Line Upgrade	\$ 177,000.00	Greenup	2006 Reauthorization & Reallocation

<b>EXECUTIVE SUMMARY</b>		Reviewer	John Brady	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	April 11, 2024	
<b>FUND A, FEDERALLY ASSISTED WASTEWATER</b>		KIA Loan Number	A24-122	
<b>REVOLVING LOAN FUND</b>		WRIS Number	SX21123007	
BORROWER	CITY OF HODGENVILLE LARUE COUNTY			
BRIEF DESCRIPTION				
<p>The City of Hodgenville is requesting a Fund A loan in the amount of \$947,529 for the WWTP Upgrade and Modifications project. Funding from a previous planning and design loan was used to evaluate wastewater flows, existing facilities, permit compliance, make recommendations, and provide probable costs based on the findings. Recommendations were broken out into two phases that will re-rate and modify the Wastewater Treatment Plant (WWTP) and replace aging equipment. This loan will finance Phase 1, which will increase the average daily flow capacity from 0.78 MGD to 1.0 MGD and complete necessary modifications. These modifications that will be made at the WWTP include additional aeration to the existing oxidation ditch, adding a sludge press, and phosphorus removal equipment. The project will maximize the available treatment capacity of the existing infrastructure and yield high quality discharge to the receiving stream, resulting in improved water quality.</p>				
PROJECT FINANCING		PROJECT BUDGET		
Fund A Loan	\$897,529	Administrative Expenses	\$15,000	
P&D Loan	50,000	Planning	50,000	
		Eng - Design / Const	95,000	
		Eng - Insp	52,500	
		Eng - Other	46,000	
		Construction	626,390	
		Contingency	62,639	
TOTAL	\$947,529	TOTAL	\$947,529	
REPAYMENT	Rate	1.25%	Est. Annual Payment	\$41,476
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	GRW Engineers, Inc.		
	Bond Counsel	Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Jul-24		
	Construction Start	Sep-24		
	Construction Stop	Feb-25		
DEBT PER CUSTOMER	Existing	\$1,560		
	Proposed	\$1,351		
OTHER DEBT	See Attached			
RESIDENTIAL RATES	Current	<u>Users</u>	<u>Avg. Bill</u>	
		1,832	\$33.43	(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 2020	570,874	413,125	157,749	1.4
Audited 2021	435,773	411,053	24,720	1.1
Audited 2022	697,184	594,215	102,969	1.2
Projected 2023	686,546	588,531	98,015	1.2
Projected 2024	682,827	595,417	87,410	1.1
Projected 2025	679,255	591,917	87,338	1.1
Projected 2026	649,868	604,802	45,066	1.1
Projected 2027	622,341	498,381	123,960	1.2

Reviewer: John Brady  
Date: April 11, 2024  
Loan Number: A24-122

**KENTUCKY INFRASTRUCTURE AUTHORITY  
WASTEWATER REVOLVING LOAN FUND (FUND A)  
CITY OF HODGENVILLE, LARUE COUNTY  
PROJECT REVIEW  
SX21123007**

**I. PROJECT DESCRIPTION**

The City of Hodgenville is requesting a Fund A loan in the amount of \$947,529 for the WWTP Upgrade and Modifications project. Funding from a previous planning and design loan was used to evaluate wastewater flows, existing facilities, permit compliance, make recommendations, and provide probable costs based on the findings. Recommendations were broken out into two phases that will re-rate and modify the Wastewater Treatment Plant (WWTP) and replace aging equipment. This loan will finance Phase 1, which will increase the average daily flow capacity from 0.78 MGD to 1.0 MGD and complete necessary modifications. These modifications that will be made at the WWTP include additional aeration to the existing oxidation ditch, adding a sludge press, and phosphorus removal equipment. The project will maximize the available treatment capacity of the existing infrastructure and yield high quality discharge to the receiving stream, resulting in improved water quality.

The City currently serves 1,604 residential customers and 228 commercial and industrial customers.

**II. PROJECT BUDGET**

	<b>Total</b>
Administrative Expenses	\$ 15,000
Planning	50,000
Engineering Fees - Design	70,000
Engineering Fees - Construction	25,000
Engineering Fees - Inspection	52,500
Engineering Fees - Other	46,000
Construction	626,390
Contingency	62,639
<b>Total</b>	<b>\$ 947,529</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 897,529	95%
P&D Loan	50,000	5%
<b>Total</b>	<b>\$ 947,529</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Construction Loan	\$ 947,529
Less: Principal Forgiveness	<u>246,511</u>
Amortized Loan Amount	\$ 701,018
Interest Rate	1.25%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 39,723
Administrative Fee (0.25%)	<u>1,753</u>
<b>Total Estimated Annual Debt Service</b>	<b>\$ 41,476</b>

**V. PROJECT SCHEDULE**

Bid Opening:	July 2024
Construction Start:	September 2024
Construction Stop:	February 2025

**VI. CUSTOMER COMPOSITION AND RATE STRUCTURE**

**A) Customers**

<u>Customers</u>	<u>Current</u>
Residential	1,604
Commercial	228
Industrial	<u>0</u>
<b>Total</b>	<b>1,832</b>

**B) Rates**

<b>Sewer - Inside City</b>	Proposed	Current	Prior
Date of Last Increase	07/01/24	07/01/23	07/01/22
Minimum Bill (3,000 Gallons)	\$26.37	\$25.61	\$24.87
Next 7,000 Gallons (Per 1,000)	8.84	7.82	7.60
Cost for 4,000 Gallons	\$35.21	\$33.43	\$32.47
Increase %	5.3%	3.0%	3.0%
Affordability Index (Rate/MHI)	0.8%	0.7%	0.7%

<b>Sewer - Outside City</b>	Proposed	Current	Prior
Date of Last Increase	07/01/24	07/01/23	07/01/22
Minimum Bill (3,000 Gallons)	\$39.51	\$38.36	\$37.25
Next 7,000 Gallons (Per 1,000)	12.09	11.74	11.40
Cost for 4,000 Gallons	\$51.60	\$50.10	\$48.65
Increase %	3.0%	3.0%	3.0%
Affordability Index (Rate/MHI)	1.1%	1.1%	1.1%

<b>Water - Inside City</b>	Current	Prior
Date of Last Increase	07/01/20	07/01/19
Minimum Bill (3,000 Gallons)	\$26.69	\$25.91
Next 7,000 Gallons (Per 1,000)	7.20	6.99
Cost for 4,000 Gallons	\$33.89	\$32.90
Increase %	3.0%	
Affordability Index (Rate/MHI)	0.8%	0.7%

<b>Water - Outside City</b>	Current	Prior
Date of Last Increase	07/01/20	07/01/19
Minimum Bill (3,000 Gallons)	\$40.79	\$39.60
Next 7,000 Gallons (Per 1,000)	11.02	10.70
Cost for 4,000 Gallons	\$51.81	\$50.30
Increase %	3.0%	
Affordability Index (Rate/MHI)	1.2%	1.1%

**VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility’s service area population was 3,598 with a Median Household Income (MHI) of \$53,868. The MHI for the Commonwealth is \$55,454. The project will qualify for a 1.25% interest rate.

## **VIII. 2023 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - This project does not qualify for Green Project Reserve funding.
- 2) Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness of 26% of the assistance amount, not to exceed \$246,511, will be credited to the loan balance.

## **IX. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended June 30, 2020 through June 30, 2022. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

### **HISTORY**

Total revenues increased 10.3% from \$1.76 million in 2020 to \$1.96 million in 2022 due to rate increases. Operating expenses increased 3.3% from \$1.23 million to \$1.27 million during the same period. The debt coverage ratio was 1.4, 1.1, and 1.2 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 1.1, a debt-to-equity ratio of 1.2, 28.1 days of sales in accounts receivable, and 4.2 months of operating expenses in unrestricted cash.

### **PROJECTIONS**

Projections are based on the following assumptions:

- 1) Sewer revenues will increase 3% in 2023, 2024, and 2025 due to existing rate increases while water revenues will remain flat.
- 2) Operating expenses will increase 2% annually due to inflation.
- 3) Debt service coverage is 1.1 in 2026 when principal and interest repayments 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% (\$48,000 total) of the final amount borrowed (prior to principal forgiveness) to be funded annually (\$2,400 yearly) each December 1 for 20 years and maintained for the life of the loan.

## X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
Series 2009 Bonds	\$ 805,000	2039
Series 2013B Bonds	270,000	2043
KIA Loan A04-10	209,728	2026
KIA Loan A11-17	1,057,812	2034
KIA Loan F11-13	589,678	2037
KIA Loan F16-008	541,795	2038
KIA Loan F16-042	361,042	2038
GCM Lease	<u>1,184,276</u>	2031
<b>Total</b>	<b>\$ 5,019,331</b>	

## XI. CONTACTS

<b>Legal Applicant</b>	
Entity Name	City of Hodgenville
Authorized Official	James Phelps (Mayor)
County	Larue
Email	mayor@cityofhodgenvilleky.com
Phone	(270) 268-1603
Address	200 S Lincoln Blvd Hodgenville, KY 42748

<b>Applicant Contact</b>	
Name	Beth Sadler
Organization	City of Hodgenville
Email	bsadler@cityofhodgenvilleky.com
Phone	(270) 358-3832
Address	200 S Lincoln Blvd Hodgenville, KY 42748

**Project Engineer/Administrator**

Name	Nick Gunselman
Organization	GRW Engineers, Inc.
Email	ngunselman@grwinc.com
Phone	(502) 489-8484
Address	10320 Ormsby Park Place, Ste 101 Louisville, KY 40223

**XII. RECOMMENDATIONS**

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



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

	<u>Audited</u> <u>2020</u>	<u>Audited</u> <u>2021</u>	<u>Audited</u> <u>2022</u>	<u>Projected</u> <u>2023</u>	<u>Projected</u> <u>2024</u>	<u>Projected</u> <u>2025</u>	<u>Projected</u> <u>2026</u>	<u>Projected</u> <u>2027</u>
<b>Balance Sheet</b>								
<b>Assets</b>								
Current Assets	522,957	523,726	604,903	704,579	793,689	882,827	927,894	1,051,854
Other Assets	13,271,846	13,098,413	14,206,398	13,697,536	13,188,674	13,627,341	13,094,791	12,562,241
<b>Total</b>	<b>13,794,803</b>	<b>13,622,139</b>	<b>14,811,301</b>	<b>14,402,115</b>	<b>13,982,363</b>	<b>14,510,168</b>	<b>14,022,684</b>	<b>13,614,094</b>
<b>Liabilities &amp; Equity</b>								
Current Liabilities	424,065	501,046	565,326	582,739	590,338	608,147	512,313	462,913
Long Term Liabilities	6,726,057	6,601,823	7,477,676	6,969,522	6,469,287	6,652,861	6,231,851	5,860,841
<b>Total Liabilities</b>	<b>7,150,122</b>	<b>7,102,869</b>	<b>8,043,002</b>	<b>7,552,261</b>	<b>7,059,625</b>	<b>7,261,008</b>	<b>6,744,164</b>	<b>6,323,754</b>
<b>Net Assets</b>	<b>6,644,681</b>	<b>6,519,270</b>	<b>6,768,299</b>	<b>6,849,854</b>	<b>6,922,738</b>	<b>7,249,160</b>	<b>7,278,520</b>	<b>7,290,340</b>
<b>Cash Flow</b>								
Revenues	1,775,151	1,716,375	1,958,875	1,980,447	2,002,667	2,025,553	2,025,553	2,025,553
Operating Expenses	1,231,229	1,295,052	1,271,515	1,310,976	1,336,915	1,363,373	1,392,760	1,420,287
Other Income	26,952	14,450	9,824	17,075	17,075	17,075	17,075	17,075
<b>Cash Flow Before Debt Service</b>	<b>570,874</b>	<b>435,773</b>	<b>697,184</b>	<b>686,546</b>	<b>682,827</b>	<b>679,255</b>	<b>649,868</b>	<b>622,341</b>
<b>Debt Service</b>								
Existing Debt Service	413,125	411,053	594,215	588,531	595,417	591,917	563,326	456,905
Proposed KIA Loan	0	0	0	0	0	0	41,476	41,476
<b>Total Debt Service</b>	<b>413,125</b>	<b>411,053</b>	<b>594,215</b>	<b>588,531</b>	<b>595,417</b>	<b>591,917</b>	<b>604,802</b>	<b>498,381</b>
<b>Cash Flow After Debt Service</b>	<b>157,749</b>	<b>24,720</b>	<b>102,969</b>	<b>98,015</b>	<b>87,410</b>	<b>87,338</b>	<b>45,066</b>	<b>123,960</b>
<b>Ratios</b>								
Current Ratio	1.2	1.0	1.1	1.2	1.3	1.5	1.8	2.3
Debt to Equity	1.1	1.1	1.2	1.1	1.0	1.0	0.9	0.9
Days Sales in Accounts Receivable	34.0	29.6	28.1	28.1	28.0	28.1	28.1	28.1
Months Operating Expenses in Unrestricted Cash	3.3	3.5	4.2	5.1	5.8	6.4	6.7	7.6
Debt Coverage Ratio	1.4	1.1	1.2	1.2	1.1	1.1	1.1	1.2

<b>EXECUTIVE SUMMARY</b>		Reviewer	Sandy Sanders	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	April 11, 2024	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F24-006	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21123030	
BORROWER	LARUE COUNTY WATER DISTRICT #1 LARUE COUNTY			
BRIEF DESCRIPTION				
The LaRue County Water District #1 is requesting a Fund F loan in the amount of \$1,692,500 for the planning and design phase of the New Treatment Plant project. The district proposes to construct a new 4.0 MGD water treatment plant, raw water intake and new pumping facility. LCWD currently purchases from 8 different wholesale suppliers to resale to its customers. Divergent treatment processes among the suppliers causes difficulties in managing adequate distribution and movement with the system. A new water treatment facility will help insure a more reliable and standard supply of finished water allowing the LCWD to better meet water quality standards and enhance supply based upon usage and need as opposed to availability.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$1,692,500	Planning	\$42,500	
		Eng - Design / Const	1,650,000	
TOTAL	<u>\$1,692,500</u>	TOTAL	<u>\$1,692,500</u>	
REPAYMENT	Rate	2.25%	Est. Annual Payment	\$173,997
	Term	5 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Dinsmore & Shohl, LLP		
	Bond Counsel			
PROJECT SCHEDULE	Bid Opening	Aug-24		
	Construction Start	Oct-24		
	Construction Stop	Dec-26		
DEBT PER CUSTOMER	Existing	\$1,276		
	Proposed	\$1,080		
OTHER DEBT	See Attached			
RESIDENTIAL RATES	Current	<u>Users</u> 3,573	<u>Avg. Bill</u> \$44.73	(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 2020	561,883	191,374	370,509	2.9
Audited 2021	676,879	488,936	187,943	1.4
Audited 2022	748,838	272,221	476,617	2.8
Projected 2023	727,631	277,913	449,718	2.6
Projected 2024	700,072	279,207	420,865	2.5
Projected 2025	671,961	280,828	391,133	2.4
Projected 2026	643,288	280,905	362,383	2.3
Projected 2027	614,042	367,628	246,414	1.7

Reviewer: Sandy Sanders  
Date: April 11, 2024  
Loan Number: F24-006

**KENTUCKY INFRASTRUCTURE AUTHORITY  
DRINKING WATER STATE REVOLVING FUND (FUND F)  
LARUE COUNTY WATER DISTRICT #1, LARUE COUNTY  
PROJECT REVIEW  
WX21123030**

**I. PROJECT DESCRIPTION**

The LaRue County Water District #1 is requesting a Fund F loan in the amount of \$1,692,500 for the planning and design phase of the New Treatment Plant project. The district proposes to construct a new 4.0 MGD water treatment plant, raw water intake and new pumping facility. LCWD currently purchases from 8 different wholesale suppliers to resale to its customers. Divergent treatment processes among the suppliers causes difficulties in managing adequate distribution and movement with the system. A new water treatment facility will help insure a more reliable and standard supply of finished water allowing the LCWD to better meet water quality standards and enhance supply based upon usage and need as opposed to availability.

The LCWD currently serves approximately 3,505 residential and 68 commercial and industrial customers. They purchase water from 8 different wholesale suppliers.

**II. PROJECT BUDGET**

	<u>Total</u>
Planning	\$ 42,500
Engineering Fees - Design	1,650,000
<b>Total</b>	<b>\$ 1,692,500</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 1,692,500	100%
<b>Total</b>	<b>\$ 1,692,500</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Construction Loan	\$ 1,692,500
Less: Principal Forgiveness	885,397
Amortized Loan Amount	<u>\$ 807,103</u>
Interest Rate	2.25%
Loan Term (Years)	<u>5</u>
Estimated Annual Debt Service	\$ 171,576
Administrative Fee (0.30%)	<u>2,421</u>
<b>Total Estimated Annual Debt Service</b>	<b>\$ 173,997</b>

**V. PROJECT SCHEDULE**

Bid Opening:	August 2024
Construction Start:	October 2024
Construction Stop:	December 2026

**VI. CUSTOMER COMPOSITION AND RATE STRUCTURE**

**A) Customers**

Customers	Current
Residential	3,505
Commercial	68
Industrial	<u>0</u>
Total	3,573

**B) Rates**

	Current	Prior	Prior
Date of Last Rate Increase	07/01/23	09/28/22	7/1/2022
Minimum, includes first 1,000 Gallons	\$18.66	\$18.63	\$18.59
Next 4,000 Gallons	0.00869	0.00866	0.00862
Cost for 4,000 gallons	<u>\$44.73</u>	<u>\$44.61</u>	<u>\$44.45</u>
Increase %	0.3%	0.4%	
Affordability Index (Rate/MHI)	1.0%	1.0%	

**VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility’s service area population was 10,663 with a Median Household Income (MHI) of \$55,374. The MHI for the Commonwealth is \$55,454. The project will qualify for a 2.25% interest rate.

## **VIII. 2023 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a “green” requirement.
- 2) Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness \$885,397 will be credited to the loan balance.

## **IX. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended December 31, 2020, through December 31, 2022. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

### **HISTORY**

Total water revenues increased 22.3% from \$1.7 million in 2020 to \$2.1 million in 2022 due to rate adjustments for water services. Operating expenses increased 17.5% from \$1.5 million to \$1.7 million during the same period mostly due to higher costs associated with utilities and general and administrative expenses. The debt coverage ratio was 2.9, 1.4, and 2.8 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 2.8, a debt-to-equity ratio of 0.6, 26.1 days of sales in accounts receivable, and 2.7 months of operating expenses in unrestricted cash.

### **PROJECTIONS**

Projections are based on the following assumptions:

- 1) Water revenues will increase 0.3% in 2023 due to existing rate adjustments.
- 2) Purchased water and operating expenses will increase 2.0% annually due to inflation.
- 3) Debt service coverage is 1.7 in 2027 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.

The LCWD is regulated by the Public Service Commission (PSC) and will need to apply to the PSC, pursuant to KRS 278.300, for debt authorization for the \$1,692,500 loan and must receive a Certificate of Public Convenience and Necessity, pursuant to KRS 278.020.

**X. DEBT OBLIGATIONS**

	<u>Outstanding</u>	<u>Maturity</u>
2012 Note Series F	\$ 1,798,751	2040
2020 Revenue Bonds	2,751,000	2061
Unamortized Premium	8,370	0
KIA Loan F24-006 (i.a.o. \$1,692,500)	0	TBD
<b>Total</b>	<b>\$ 4,558,121</b>	

**XI. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	LaRue County Water District #1
Authorized Official	John Detre (Chairperson)
County	Larue
Email	jmd42748@yahoo.com
Phone	270-491-5248
Address	421 Strange Road Hodgenville, KY 42748

<b>Applicant Contact</b>	
Name	Tim Bartley
Organization	LaRue County Water District #1
Email	tim@laruecountywater.com
Phone	270-325-3242
Address	421 Strange Road Hodgenville, KY 42748

<b>Project Administrator</b>	
Name	Tim Bartley
Organization	LaRue County Water District #1
Email	tim@laruecountywater.com
Phone	270-325-3242
Address	421 Strange Road Hodgenville, KY 42748

## **XII. RECOMMENDATIONS**

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

**LARUE COUNTY WATER DISTRICT #1  
FINANCIAL SUMMARY (DECEMBER YEAR END)**

	<u>Audited</u> <u>2020</u>	<u>Audited</u> <u>2021</u>	<u>Audited</u> <u>2022</u>	<u>Projected</u> <u>2023</u>	<u>Projected</u> <u>2024</u>	<u>Projected</u> <u>2025</u>	<u>Projected</u> <u>2026</u>	<u>Projected</u> <u>2027</u>
<b>Balance Sheet</b>								
<b>Assets</b>								
Current Assets	833,413	906,569	875,438	921,083	1,005,256	1,083,483	1,155,960	1,205,243
Other Assets	11,483,630	13,119,084	14,287,995	14,261,008	14,210,939	14,137,084	14,040,229	15,543,099
<b>Total</b>	<b>12,317,043</b>	<b>14,025,653</b>	<b>15,163,433</b>	<b>15,182,091</b>	<b>15,216,195</b>	<b>15,220,567</b>	<b>15,196,189</b>	<b>16,748,342</b>
<b>Liabilities &amp; Equity</b>								
Current Liabilities	439,188	280,689	307,341	313,782	320,682	327,582	334,582	507,587
Long Term Liabilities	4,019,346	5,732,080	5,561,579	5,396,496	5,225,413	5,048,330	4,865,247	4,845,577
<b>Total Liabilities</b>	<b>4,458,534</b>	<b>6,012,769</b>	<b>5,868,920</b>	<b>5,710,278</b>	<b>5,546,095</b>	<b>5,375,912</b>	<b>5,199,829</b>	<b>5,353,164</b>
<b>Net Assets</b>	<b>7,858,509</b>	<b>8,012,884</b>	<b>9,294,513</b>	<b>9,471,813</b>	<b>9,670,100</b>	<b>9,844,655</b>	<b>9,996,360</b>	<b>11,395,178</b>
<b>Cash Flow</b>								
Revenues	1,708,759	1,946,839	2,090,559	2,096,371	2,096,371	2,096,371	2,096,371	2,096,371
Operating Expenses	1,172,985	1,279,312	1,350,944	1,377,963	1,405,522	1,433,633	1,462,306	1,491,552
Other Income	26,109	9,352	9,223	9,223	9,223	9,223	9,223	9,223
<b>Cash Flow Before Debt Service</b>	<b>561,883</b>	<b>676,879</b>	<b>748,838</b>	<b>727,631</b>	<b>700,072</b>	<b>671,961</b>	<b>643,288</b>	<b>614,042</b>
<b>Debt Service</b>								
Existing Debt Service	191,374	488,936	272,221	277,913	279,207	280,828	280,905	280,629
Proposed KIA Loan	0	0	0	0	0	0	0	86,999
<b>Total Debt Service</b>	<b>191,374</b>	<b>488,936</b>	<b>272,221</b>	<b>277,913</b>	<b>279,207</b>	<b>280,828</b>	<b>280,905</b>	<b>367,628</b>
<b>Cash Flow After Debt Service</b>	<b>370,509</b>	<b>187,943</b>	<b>476,617</b>	<b>449,718</b>	<b>420,865</b>	<b>391,133</b>	<b>362,383</b>	<b>246,414</b>
<b>Ratios</b>								
Current Ratio	1.9	3.2	2.8	2.9	3.1	3.3	3.5	2.4
Debt to Equity	0.6	0.8	0.6	0.6	0.6	0.5	0.5	0.5
Days Sales in Accounts Receivable	27.3	24.1	26.1	26.1	26.1	26.1	26.1	26.1
Months Operating Expenses in Unrestricted Cash	3.7	4.0	2.7	3.5	4.1	4.7	5.2	5.5
Debt Coverage Ratio	2.9	1.4	2.8	2.6	2.5	2.4	2.3	1.7



<b>EXECUTIVE SUMMARY</b>		Reviewer	Sandy Sanders	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	April 11, 2024	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F24-013S	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21229026	
BORROWER	CITY OF SPRINGFIELD FBO SPRINGFIELD WATER & SEWER COMMISSION WASHINGTON COUNTY			
BRIEF DESCRIPTION				
The Springfield Water & Sewer Commission is requesting a Fund F loan in the amount of \$4,277,500 for the Water Main Assessment, Replacement Planning & Design - WTP & Priority Area 2 project. This project includes an assessment of the aging system, design, and construction components of replacing aging facilities in Priority Area 2 as well as replacing any lead service lines that are identified, including the private side of the meter. Upgrades to the WTP include installation of covers over the settling basins to reduce debris from entering and algae growth. The project also includes the rehabilitation of one of the two clearwell tanks.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$4,277,500	Administrative Expenses	\$120,000	
		Legal Expenses	30,000	
		Land, Easements	20,000	
		Planning	88,000	
		Eng - Design / Const	230,000	
		Eng - Insp	127,000	
		Eng - Other	72,500	
		Construction	3,250,000	
		Contingency	325,000	
		Other	15,000	
TOTAL	\$4,277,500	TOTAL	\$4,277,500	
REPAYMENT	Rate	1.25%	Est. Annual Payment	\$121,739
	Term	20 Years	1st Payment	6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer	Bell Engineering		
	Bond Counsel	Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening	Dec-24		
	Construction Start	Feb-25		
	Construction Stop	Dec-25		
DEBT PER CUSTOMER	Existing	\$3,384		
	Proposed	\$4,107		
OTHER DEBT	See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	4,982	\$50.94	(for 4,000 gallons)
	Additional	0	\$50.94	(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 2021	1,302,150	3,806,799	(2,504,649)	0.3
Audited 2022	1,431,689	9,903,538	(8,471,849)	0.1
Audited 2023	1,223,023	968,061	254,962	1.3
Projected 2024	1,161,487	1,068,202	93,285	1.1
Projected 2025	1,371,939	1,071,149	300,790	1.3
Projected 2026	1,709,839	1,070,594	639,245	1.6
Projected 2027	1,674,472	1,335,642	338,830	1.3
Projected 2028	1,664,408	1,353,176	311,232	1.2

Reviewer: Sandy Sanders  
 Date: April 11, 2024  
 Loan Number: F24-013S

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND F)  
 CITY OF SPRINGFIELD FBO SPRINGFIELD WATER & SEWER COMMISSION,  
 WASHINGTON COUNTY  
 PROJECT REVIEW  
 WX21229026**

**I. PROJECT DESCRIPTION**

The Springfield Water & Sewer Commission is requesting a Fund F loan in the amount of \$4,277,500 for the Water Main Assessment, Replacement Planning & Design - WTP & Priority Area 2 project. This project includes an assessment of the aging system, design, and construction components of replacing aging facilities in Priority Area 2 as well as replacing any lead service lines that are identified, including the private side of the meter. Upgrades to the WTP include installation of covers over the settling basins to reduce debris from entering and algae growth. The project also includes the rehabilitation of one of the two clearwell tanks.

The Commission currently serves 4,685 residential customers and 297 commercial and industrial customers.

**II. PROJECT BUDGET**

	<b>Total</b>
Administrative Expenses	\$ 120,000
Legal Expenses	30,000
Land, Easements	20,000
Planning	88,000
Engineering Fees - Design	161,000
Engineering Fees - Construction	69,000
Engineering Fees - Inspection	127,000
Engineering Fees - Other	72,500
Construction	3,250,000
Contingency	325,000
Other	15,000
<b>Total</b>	<b>\$ 4,277,500</b>

**III. PROJECT FUNDING**

	<b>Amount</b>	<b>%</b>
Fund F Loan	\$ 4,277,500	100%
<b>Total</b>	<b>\$ 4,277,500</b>	<b>100%</b>

**IV. KIA DEBT SERVICE**

Construction Loan	\$ 4,277,500
Less: Principal Forgiveness	<u>2,237,133</u>
Amortized Loan Amount	\$ 2,040,367
Interest Rate	1.25%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 115,618
Administrative Fee (0.30%)	<u>6,121</u>
<b>Total Estimated Annual Debt Service</b>	<b>\$ 121,739</b>

**V. PROJECT SCHEDULE**

Bid Opening: December 2024  
 Construction Start: February 2025  
 Construction Stop: December 2025

**VI. CUSTOMER COMPOSITION AND RATE STRUCTURE**

**A) Customers**

Customers	Current	Proposed	Total
Residential	4,685	0	4,685
Commercial	291	0	291
Industrial	6	0	6
<b>Total</b>	<u>4,982</u>	<u>0</u>	<u>4,982</u>

**B) Rates**

<b>SEWER</b>	Current	Prior	Prior
Date of Last Rate Increase	07/01/23	07/01/22	07/01/21
Minimum - First 1,500 Gallons	\$24.96	\$24.47	\$23.99
Next 8,500 Gallons, per 1,000 Gallons	10.39	10.19	9.99
Next 15,000 Gallons, per 1,000 Gallons	9.50	9.31	9.13
Cost for 4,000 gallons	<u>\$50.94</u>	<u>\$49.95</u>	<u>\$48.97</u>
Increase %	2.0%	2.0%	
Affordability Index (Rate/MHI)	1.1%	1.1%	

<b>WATER - Inside</b>	Current	Prior	Prior
Date of Last Rate Increase	07/01/23	07/01/22	07/01/21
Minimum - First 1,500 Gallons	\$12.11	\$11.87	\$11.64
Next 3,500 Gallons, per 1,000 Gallons	4.54	4.45	4.36
Next 5,000 Gallons, per 1,000 Gallons	3.58	3.51	3.44
Cost for 4,000 gallons	\$23.46	\$23.00	\$22.54
Increase %	2.0%	2.0%	
Affordability Index (Rate/MHI)	0.5%	0.5%	

<b>WATER - Outside</b>	Current	Prior	Prior
Date of Last Rate Increase	07/01/23	07/01/22	07/01/21
Minimum - First 1,500 Gallons	\$19.82	\$19.43	\$19.05
Next 3,500 Gallons, per 1,000 Gallons	11.04	10.82	10.61
Next 5,000 Gallons, per 1,000 Gallons	6.56	6.43	6.30
Cost for 4,000 gallons	\$47.42	\$46.48	\$45.58
Increase %	2.0%	2.0%	
Affordability Index (Rate/MHI)	1.0%	1.0%	

**VII. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility’s service area population was 10,757 with a Median Household Income (MHI) of \$55,273. The MHI for the Commonwealth is \$55,454. The project will qualify for a 1.25% interest rate.

**VIII. 2023 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a “green” requirement.
- 2) Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness of \$2,237,133 will be credited to the loan balance.

## **IX. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended June 30, 2021, through June 30, 2023. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

### **HISTORY**

Total sewer and water revenues increased 26% from \$3.64 million in 2021 to \$4.59 million in 2023 due to rate increases. Operating expenses increased 41.3% from \$3.67 million to \$5.03 million during the same period. The debt coverage ratio was 0.3, 0.1, and 1.3 in 2021, 2022, and 2023.

The balance sheet reflects a current ratio of 1.1, a debt-to-equity ratio of 1.2, 49.0 days of sales in accounts receivable, and 3.8 months of operating expenses in unrestricted cash.

### **PROJECTIONS**

Projections are based on the following assumptions:

- 1) Sewer revenues will increase 2% each year due to COL increases.
- 2) Water revenues will increase 2% each year due to COL increases.
- 3) Expenses for sewer and water will increase 3% each year due to inflation.
- 4) Debt service coverage is 1.3 in FY2027 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% (\$214,000 total) of the final amount borrowed (prior to principal forgiveness, if any) to be funded annually (\$10,700 yearly) each December 1 for 20 years and maintained for the life of the loan.

**X. DEBT OBLIGATIONS**

	<u>Outstanding</u>	<u>Maturity</u>
Series 2020A Revenue Bonds	\$8,657,000	2061
Series 2020B Revenue Bonds	3,087,000	2061
Series 2013 Revenue Bonds	1,634,500	2052
Series 2016A Revenue Bonds	1,219,500	2056
Series 2016B Revenue Bonds	632,500	2056
Series 2015 Revenue Bonds	599,000	2055
Series 2012C Revenue Bonds	1,757,500	2039
Series 2015E Revenue Bonds	1,440,417	2043
Series 2020C Revenue Bonds	1,275,000	2046
KIA Loan F209-01	173,427	2030
Series 2023A - Interim Loan	1,141,277	2025
Bank Loan	85,166	2027
KIA Loan A24-016S (i.a.o. \$2,623,000)	0	TBD
KIA Loan F24-005 (i.a.o. \$2,894,924)	0	TBD
KIA Loan B23-002 (i.a.o. \$635,000)	0	TBD
KIA Loan F24-030L (i.a.o. \$855,000)	0	TBD
<b>Total</b>	<b>\$21,702,287</b>	

**XI. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	City of Springfield fbo Springfield Water and Sewer Commission
Authorized Official	Chris Essex (Mayor)
County	Washington
Email	chris.essex@springfieldky.org
Phone	859-336-5440
Address	PO Box 307, 603 W Main Street Springfield, KY 40069

<b>Applicant Contact</b>	
Name	Daren Thompson
Organization	Springfield Water & Sewer Commission
Email	daren.thompson@lebanonwaterworks.com
Phone	859-336-5454
Address	PO Box 307 Springfield, KY 40069

**Project Administrator**

Name	Angela Culver
Organization	Springfield Water & Sewer Commission
Email	angela.culver@springfieldwater.org
Phone	859-336-5454
Address	PO Box 307 Springfield, KY 40069

**Consulting Engineer**

PE Name	Jonathan Stephen Rehner
Firm Name	Bell Engineering
Email	jrehner@hkbell.com
Phone	859-278-5412
Address	2480 Fortune Drive Suite 350 Lexington, KY 40509

**XII. RECOMMENDATIONS**

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

**CITY OF SPRINGFIELD FBO SPRINGFIELD WATER AND SEWER COMMISSION  
FINANCIAL SUMMARY (JUNE YEAR END)**

	<u>Audited</u> <u>2021</u>	<u>Audited</u> <u>2022</u>	<u>Audited</u> <u>2023</u>	<u>Projected</u> <u>2024</u>	<u>Projected</u> <u>2025</u>	<u>Projected</u> <u>2026</u>	<u>Projected</u> <u>2027</u>	<u>Projected</u> <u>2028</u>
<b>Balance Sheet</b>								
<b>Assets</b>								
Current Assets	1,989,576	1,875,679	2,011,490	2,036,177	2,138,835	2,326,685	2,408,350	2,484,796
Other Assets	43,266,848	45,792,479	46,944,567	46,806,589	45,101,664	43,601,927	52,512,283	50,750,137
<b>Total</b>	<b>45,256,424</b>	<b>47,668,158</b>	<b>48,956,057</b>	<b>48,842,766</b>	<b>47,240,499</b>	<b>45,928,612</b>	<b>54,920,633</b>	<b>53,234,933</b>
<b>Liabilities &amp; Equity</b>								
Current Liabilities	9,263,008	952,606	1,820,783	1,901,621	1,939,298	1,980,473	2,254,973	2,260,632
Long Term Liabilities	16,580,740	24,416,803	24,944,481	25,813,388	25,141,418	24,452,473	29,238,659	28,319,455
<b>Total Liabilities</b>	<b>25,843,748</b>	<b>25,369,409</b>	<b>26,765,264</b>	<b>27,715,009</b>	<b>27,080,716</b>	<b>26,432,946</b>	<b>31,493,632</b>	<b>30,580,087</b>
<b>Net Assets</b>	<b>19,412,676</b>	<b>22,298,749</b>	<b>22,190,793</b>	<b>21,127,757</b>	<b>20,159,783</b>	<b>19,495,666</b>	<b>23,427,001</b>	<b>22,654,846</b>
<b>Cash Flow</b>								
Revenues	3,644,502	4,016,762	4,591,062	4,636,144	4,952,293	5,399,061	5,502,428	5,607,862
Operating Expenses	2,420,284	2,614,582	3,420,611	3,527,229	3,632,926	3,741,794	3,880,528	3,996,026
Other Income	77,932	29,509	52,572	52,572	52,572	52,572	52,572	52,572
<b>Cash Flow Before Debt Service</b>	<b>1,302,150</b>	<b>1,431,689</b>	<b>1,223,023</b>	<b>1,161,487</b>	<b>1,371,939</b>	<b>1,709,839</b>	<b>1,674,472</b>	<b>1,664,408</b>
<b>Debt Service</b>								
Existing Debt Service	3,806,799	9,903,538	968,061	1,068,202	1,071,149	1,070,594	1,213,903	1,231,437
Proposed KIA Loan	0	0	0	0	0	0	121,739	121,739
<b>Total Debt Service</b>	<b>3,806,799</b>	<b>9,903,538</b>	<b>968,061</b>	<b>1,068,202</b>	<b>1,071,149</b>	<b>1,070,594</b>	<b>1,335,642</b>	<b>1,353,176</b>
<b>Cash Flow After Debt Service</b>	<b>(2,504,649)</b>	<b>(8,471,849)</b>	<b>254,962</b>	<b>93,285</b>	<b>300,790</b>	<b>639,245</b>	<b>338,830</b>	<b>311,232</b>
<b>Ratios</b>								
Current Ratio	0.2	2.0	1.1	1.1	1.1	1.2	1.1	1.1
Debt to Equity	1.3	1.1	1.2	1.3	1.3	1.4	1.3	1.3
Days Sales in Accounts Receivable	61.5	56.7	49.0	49.0	49.0	49.0	49.0	49.0
Months Operating Expenses in Unrestricted Cash	5.4	4.4	3.8	3.7	3.8	4.1	4.2	4.3
Debt Coverage Ratio	0.3	0.1	1.3	1.1	1.3	1.6	1.3	1.2



<b>EXECUTIVE SUMMARY</b>		Reviewer	John Brady	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	April 11, 2024	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F24-014L	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21085047	
BORROWER	GRAYSON COUNTY WATER DISTRICT GRAYSON COUNTY			
BRIEF DESCRIPTION				
<p>The Grayson County Water District (GCWD) is requesting a Fund F loan in the amount of \$220,000 for the Lead Inventory and Replacement project. This project will enable the GCWD to comply with the revised EPA Lead and Copper Rule. The GCWD will begin the inventory of public and private service lines and connections in the distribution system to determine which, if any, are composed of lead piping. They will then gather data within areas of its distribution system that were constructed prior to 1987. It will establish a data management system and GIS inventory as required by the revised EPA rule. The inventory is being collected and stored using ARCGIS Online and is formatted to meet all the requirements set by DOW. All data is being collected by several different processes that include a customer survey, local PVA records, as built records, installation dates, and visual inspections.</p>				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$220,000	Administrative Expenses	\$8,000	
		Legal Expenses	10,000	
		Construction	120,000	
		Equipment	70,000	
		Contingency	12,000	
TOTAL	\$220,000	TOTAL	\$220,000	
REPAYMENT	Rate	0.00%	Est. Annual Payment	N/A
	Term	N/A	1st Payment	N/A
PROFESSIONAL SERVICES				
	Bond Counsel	Dinsmore & Shohl, LLP		
DEBT PER CUSTOMER	Existing	\$855		
RESIDENTIAL RATES	Current	<u>Users</u> 8,077	<u>Avg. Bill</u> \$45.97	(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 2020	934,624	835,496	99,128	1.1
Audited 2021	1,024,383	770,442	253,941	1.3
Audited 2022	928,011	648,764	279,247	1.4
Projected 2023	1,008,130	592,172	415,958	1.7
Projected 2024	1,028,476	590,145	438,331	1.7
Projected 2025	970,657	586,842	383,815	1.7
Projected 2026	911,682	803,343	108,339	1.1
Projected 2027	851,527	788,731	62,796	1.1

Reviewer: John Brady  
 Date: April 11, 2024  
 Loan Number: F24-014L

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND F)  
 GRAYSON COUNTY WATER DISTRICT  
 PROJECT REVIEW  
 WX21085047**

**I. PROJECT DESCRIPTION**

The Grayson County Water District (GCWD) is requesting a Fund F loan in the amount of \$220,000 for the Lead Inventory and Replacement project. This project will enable the GCWD to comply with the revised EPA Lead and Copper Rule. The GCWD will begin the inventory of public and private service lines and connections in the distribution system to determine which, if any, are composed of lead piping. They will then gather data within areas of its distribution system that were constructed prior to 1987. It will establish a data management system and GIS inventory as required by the revised EPA rule. The inventory is being collected and stored using ARCGIS Online and is formatted to meet all the requirements set by DOW. All data is being collected by several different processes that include a customer survey, local PVA records, as built records, installation dates, and visual inspections.

The GCWD currently serves 7,656 residential customers and 421 commercial and industrial customers.

**II. PROJECT BUDGET**

	<b>Total</b>
Administrative Expenses	\$ 8,000
Legal Expenses	10,000
Construction	120,000
Equipment	70,000
Contingency	12,000
<b>Total</b>	<b>\$ 220,000</b>

**III. PROJECT FUNDING**

	<b>Amount</b>	<b>%</b>
Fund F Loan	\$ 220,000	100%
<b>Total</b>	<b>\$ 220,000</b>	<b>100%</b>

#### **IV. CUSTOMER COMPOSITION AND RATE STRUCTURE**

##### **A) Customers**

<u>Customers</u>	<u>Current</u>
Residential	7,656
Commercial	362
Industrial	59
Total	8,077

##### **B) Rates**

	<u>Current</u>	<u>Prior</u>
Date of Last Rate Increase	06/10/23	12/14/21
Minimum (First 1,500 gallons)	\$21.02	\$20.37
Next 8,500 gallons (per 1,000)	9.98	9.55
Cost for 4,000 gallons	\$45.97	\$44.25
Increase %	3.9%	5.3%
Affordability Index (Rate/MHI)	1.4%	1.3%

#### **V. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility's service area population was 16,538 with a Median Household Income (MHI) of \$40,654. The MHI for the Commonwealth is \$55,454.

#### **VI. 2023 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project qualifies for 100% principal forgiveness, in the amount of \$220,000.

#### **VII. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended December 31, 2020 through December 31, 2022. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

## HISTORY

Total water revenues increased 15.5% from \$3.54 million in 2020 to \$4.09 million in 2022. Operating expenses increased 20.2% from \$2.64 million to \$3.17 million during the same period. The debt coverage ratio was 1.1, 1.3, and 1.4 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 1.2, a debt-to-equity ratio of 0.5, 33.1 days of sales in accounts receivable, and 0.8 months of operating expenses in unrestricted cash.

No repayment is required for this funding. There is also no service fee or replacement reserve required.

The GCWD is regulated by the Public Service Commission (PSC) and will need to comply with any necessary filings or required approvals by the PSC.

## VIII. CONTACTS

<b>Legal Applicant</b>	
Entity Name	Grayson County Water District
Authorized Official	Nancy Cain (Chairman)
County	Grayson
Email	gcwd@graysonwater.com
Phone	(270) 259-2917
Address	21 Shull White Rd Leitchfield, KY 42754

<b>Applicant Contact</b>	
Name	Jeremy Woosley
Organization	Grayson County Water District
Email	jwoosley@graysonwater.com
Phone	(270) 259-2917
Address	21 Shull White Rd Leitchfield, KY 42754

**Project Administrator**

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

**IX. RECOMMENDATIONS**

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

<b>EXECUTIVE SUMMARY</b>		Reviewer	John Brady	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	April 11, 2024	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F24-019L	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21205060	
BORROWER	ROWAN WATER INC ROWAN COUNTY			
BRIEF DESCRIPTION				
<p>The Rowan Water Association is requesting a Fund F loan in the amount of \$100,000 for the Lead and Copper Line and Components Assessment project. This project is necessary to conduct a Lead Service Line inventory of all the public and private service lines in their water distribution system, as required by the revised EPA Lead and Copper Rule, to identify which lines, if any, are made of lead piping. Work will include procurement of professional services to aid in review and summary of historic records, existing data and visual inspections on existing service lines as well as active/invasive investigations of existing service lines. Investigative actions may include acquiring customer provided data by means of education campaigns, surveys, mailings, and advertisement. Water quality sampling may also be needed. For data management and format of submission they will be utilizing an Excel Inventory and Silver Smith GIS Data Software to review, update, and log the verification and location of Lead Service Lines and components. The Water Association will specify the method of verification of each service line and its location. The Water Association will also identify the length of the line and any components that may also need to be replaced, such as goosenecks, within their Excel Document.</p>				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$100,000	Administrative Expenses	\$5,000	
		Planning	95,000	
TOTAL	\$100,000	TOTAL	\$100,000	
REPAYMENT	Rate	0.00%	Est. Annual Payment	N/A
	Term	N/A	1st Payment	N/A
PROFESSIONAL SERVICES				
	Bond Counsel	Dinsmore & Shohl, LLP		
DEBT PER CUSTOMER	Existing	\$790		
RESIDENTIAL RATES				
	Current	<u>Users</u> 7,460	<u>Avg. Bill</u> \$46.13	(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 2020	426,138	313,769	112,369	1.4
Audited 2021	307,173	418,883	(111,710)	0.7
Audited 2022	346,104	412,543	(66,439)	0.8
Projected 2023	1,004,968	253,350	751,618	4.0
Projected 2024	1,251,337	259,353	991,984	4.8
Projected 2025	1,215,728	257,878	957,850	4.7
Projected 2026	1,179,407	244,578	934,829	4.8
Projected 2027	1,142,360	251,679	890,681	4.5

Reviewer: John Brady  
 Date: April 11, 2024  
 Loan Number: F24-019L

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND F)  
 ROWAN WATER INC, ROWAN COUNTY  
 PROJECT REVIEW  
 WX21205060**

**I. PROJECT DESCRIPTION**

The Rowan Water Association is requesting a Fund F loan in the amount of \$100,000 for the Lead and Copper Line and Components Assessment project. This project is necessary to conduct a Lead Service Line inventory of all the public and private service lines in their water distribution system, as required by the revised EPA Lead and Copper Rule, to identify which lines, if any, are made of lead piping. Work will include procurement of professional services to aid in review and summary of historic records, existing data and visual inspections on existing service lines as well as active/invasive investigations of existing service lines. Investigative actions may include acquiring customer provided data by means of education campaigns, surveys, mailings, and advertisement. Water quality sampling may also be needed. For data management and format of submission they will be utilizing an Excel Inventory and Silver Smith GIS Data Software to review, update, and log the verification and location of Lead Service Lines and components. The Water Association will specify the method of verification of each service line and its location. The Water Association will also identify the length of the line and any components that may also need to be replaced, such as goosenecks, within their Excel Document.

Rowan Water currently serves 7,319 residential customers and 131 commercial and industrial customers.

**II. PROJECT BUDGET**

	<b>Total</b>
Administrative Expenses	\$ 5,000
Planning	95,000
<b>Total</b>	<b>\$ 100,000</b>

**III. PROJECT FUNDING**

	<b>Amount</b>	<b>%</b>
Fund F Loan	\$ 100,000	100%
<b>Total</b>	<b>\$ 100,000</b>	<b>100%</b>

#### **IV. CUSTOMER COMPOSITION AND RATE STRUCTURE**

##### **A) Customers**

<u>Customers</u>	<u>Current</u>
Residential	7,319
Commercial	137
Industrial	4
Total	7,460

##### **B) Rates**

	<u>Current</u>	<u>Prior</u>
Date of Last Rate Increase	03/23/23	12/19/19
Minimum (First 2,000 gallons)	\$25.05	\$19.42
Next 3,000 gallons (per 1,000)	10.54	8.17
Cost for 4,000 gallons	\$46.13	\$35.76
Increase %	29.0%	
Affordability Index (Rate/MHI)	1.3%	1.0%

#### **V. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility's service area population was 16,804 with a Median Household Income (MHI) of \$43,041. The MHI for the Commonwealth is \$55,454.

#### **VI. 2023 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project qualifies for 100% principal forgiveness, in the amount of \$100,000.

#### **VII. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended December 31, 2020 through December 31, 2022. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.



## HISTORY

Total water revenues increased 2.8% from \$3.27 million in 2020 to \$3.36 million in 2022. Operating expenses increased 4.4% from \$2.90 million to \$3.03 million during the same period. The debt coverage ratio was 1.4, 0.7, and 0.8 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 1.4, a debt-to-equity ratio of 1.2, 38.1 days of sales in accounts receivable, and 1.7 months of operating expenses in unrestricted cash.

No repayment is required for this funding. There is also no service fee or replacement reserve required.

The Rowan Water Association is regulated by the Public Service Commission (PSC) and will need to comply with any necessary filings or required approvals by the PSC.

## VIII. CONTACTS

<b>Legal Applicant</b>	
Entity Name	Rowan Water Inc
Authorized Official	Larry Johnson (Chairman )
County	Rowan
Email	rowanwater@windstream.net
Phone	(606) 784-9818
Address	1765 Christy Creek Rd Morehead, KY 40351

<b>Applicant Contact</b>	
Name	Jerry Patrick
Organization	Rowan Water Inc
Email	rowanwater@windstream.net
Phone	(606) 784-9818
Address	1765 Christy Creek Rd Morehead, KY 40351

**Project Administrator**

Name	Ben Hamm
Organization	Gateway ADD
Email	benjamin.hamm@ky.gov
Phone	(606) 780-0090
Address	110 Lake Park Dr Morehead, KY 40351

**IX. RECOMMENDATIONS**

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

<b>EXECUTIVE SUMMARY</b>		Reviewer	John Brady	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	April 11, 2024	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F24-027L	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21021040	
BORROWER	CITY OF DANVILLE BOYLE COUNTY			
BRIEF DESCRIPTION				
The City of Danville is requesting a Fund F loan in the amount of \$214,000 for the LCCR Inventory and Assessment project. The City of Danville's Municipal Utilities Department has begun initial data review of its current water customer base as it relates to prevalence of lead service lines with early attention given to disadvantaged communities in the city and county. It is anticipated, based upon system age and early data, over 500 services may be affected. The City is formalizing its approach to conform with KY DOW and EPA guidelines in its inventory and assessment plan. The initial steps include reviewing mapping, PVA records, and conducting plumbing code research.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$214,000	Administrative Expenses	\$25,000	
		Legal Expenses	15,000	
		Land, Easements	1,500	
		Planning	50,000	
		Eng - Design / Const	7,500	
		Eng - Other	100,000	
		Other	15,000	
TOTAL	\$214,000	TOTAL	\$214,000	
REPAYMENT	Rate	0.00%	Est. Annual Payment	N/A
	Term	N/A	1st Payment	N/A
PROFESSIONAL SERVICES				
	Bond Counsel	Dinsmore & Shohl, LLP		
DEBT PER CUSTOMER Existing \$4,280				
RESIDENTIAL RATES				
	Current	<u>Users</u> 11,180	<u>Avg. Bill</u> \$35.90	(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 2020	2,668,598	2,553,926	114,672	1.0
Audited 2021	2,524,544	2,713,766	(189,222)	0.9
Audited 2022	2,644,320	2,810,395	(166,075)	0.9
Projected 2023	3,155,505	2,483,757	671,748	1.3
Projected 2024	3,667,651	2,448,577	1,219,074	1.5
Projected 2025	3,715,538	2,720,934	994,604	1.4
Projected 2026	3,780,088	2,739,290	1,040,798	1.4
Projected 2027	3,836,039	3,018,652	817,387	1.3

Reviewer: John Brady  
 Date: April 11, 2024  
 Loan Number: F24-027L

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND F)  
 CITY OF DANVILLE, BOYLE COUNTY  
 PROJECT REVIEW  
 WX21021040**

**I. PROJECT DESCRIPTION**

The City of Danville is requesting a Fund F loan in the amount of \$214,000 for the LCCR Inventory and Assessment project. The City of Danville's Municipal Utilities Department has begun initial data review of its current water customer base as it relates to prevalence of lead service lines with early attention given to disadvantaged communities in the city and county. It is anticipated, based upon system age and early data, over 500 services may be affected. The City is formalizing its approach to conform with KY DOW and EPA guidelines in its inventory and assessment plan. The initial steps include reviewing mapping, PVA records, and conducting plumbing code research.

The City currently serves 11,142 residential customers and 38 commercial and industrial customers.

**II. PROJECT BUDGET**

	<u>Total</u>
Administrative Expenses	\$ 25,000
Legal Expenses	15,000
Land, Easements	1,500
Planning	50,000
Engineering Fees - Design	7,500
Engineering Fees - Other	100,000
Other	15,000
<b>Total</b>	<b>\$ 214,000</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 214,000	100%
<b>Total</b>	<b>\$ 214,000</b>	<b>100%</b>

#### IV. CUSTOMER COMPOSITION AND RATE STRUCTURE

##### A) Customers

Customers	Current
Residential	11,142
Commercial/Industrial	32
Wholesale	6
Total	11,180

##### B) Rates

Water	Current	Prior
Date of Last Increase	7/1/2023	7/1/2022
Minimum Monthly	10.60	9.96
First 100 Cubic Feet	10.60	9.96
Next 200 Cubic Feet (per 100)	3.54	3.32
Next 1,500 Cubic Feet (per 100)	2.65	2.48
Cost for 4,000 Gallons	\$23.89	\$22.43
Increase %	6.5%	7.0%
Affordability Index (Rate/MHI)	1.0%	1.0%

Sewer	Current	Prior
Date of Last Increase	7/1/2023	7/1/2022
Minimum Monthly	6.18	5.80
Per 100 Cubic Feet	5.56	5.22
Cost for 4,000 Gallons	\$35.90	\$33.71
Increase %	6.5%	7.0%
Affordability Index (Rate/MHI)	1.0%	0.9%

#### V. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility's service area population was 20,839 with a Median Household Income (MHI) of \$44,142. The MHI for the Commonwealth is \$55,454.

#### VI. 2023 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.

2) Additional Subsidization – This project qualifies for 100% principal forgiveness, in the amount of \$214,000.

## **VII. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended June 30, 2020 through June 30, 2022. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

### **HISTORY**

Total revenues increased 9.7% from \$9.58 million in 2020 to \$10.51 million in 2022. Operating expenses increased 5.5% from \$7.11 to \$7.89 million during the same period. The debt coverage ratio was 1.0, 0.9, and 0.9 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 1.0, a debt-to-equity ratio of 2.7, 20.5 days of sales in accounts receivable, and 9.4 months of operating expenses in unrestricted cash.

No repayment is required for this funding. There is also no service fee or replacement reserve required.

## **VIII. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	City of Danville
Authorized Official	James "J.H" Atkins (Mayor)
County	Boyle
Email	jatkins@danvilleky.gov
Phone	859-238-1200
Address	PO Box 670 Danville, KY 40422

<b>Applicant Contact</b>	
Name	Marshall Carrier
Organization	City of Danville
Email	mcarrier@danvilleky.gov
Phone	859-238-1241
Address	387 E Lexington Avenue Danville, KY 40422

<b>Project Administrator</b>	
Name	Ashley Raider
Organization	City of Danville
Email	araider@danvilleky.gov
Phone	(859) 238-1200
Address	PO Box 670 Danville, KY 40422

**IX. RECOMMENDATIONS**

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

<b>EXECUTIVE SUMMARY</b>		Reviewer	John Brady	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	April 11, 2024	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F24-033L	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21011046	
BORROWER	BATH COUNTY WATER DISTRICT BATH COUNTY			
BRIEF DESCRIPTION				
<p>The Bath County Water District is requesting a Fund F loan in the amount of \$100,000 for the Lead and Copper Line and Components Assessment project. This project is to conduct a Lead Service Line inventory of all the public and private service lines in their water distribution system, as required by the revised EPA Lead and Copper Rule, to identify which lines, if any, are made of lead piping. Work shall include procurement of professional services to aid in review and summary of historic records, existing data and visual inspections on existing service lines as well as active/invasive investigations of existing service lines. Investigative actions may include acquiring customer provided data by means of education campaigns, surveys, mailings, and advertisement. Water quality sampling may also be needed. Gateway Area Development District has created, in cooperation with Kentucky Rural Water Association, an ArcGIS Dashboard that will be utilized by Bath County Water District and professional services they may procure, to review, update, and log the verification and location of Lead Service Lines and components. Parties can specify the method of verification of each service line and its location. Parties can also identify the length of the line and any components that may also need to be replaced, such as goosenecks, within the created Dashboard.</p>				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$100,000	Administrative Expenses	\$5,000	
		Planning	95,000	
TOTAL	<u>\$100,000</u>	TOTAL	<u>\$100,000</u>	
REPAYMENT	Rate	0.00%	Est. Annual Payment	N/A
	Term	N/A	1st Payment	N/A
PROFESSIONAL SERVICES				
	Bond Counsel	Dinsmore & Shohl, LLP		
DEBT PER CUSTOMER	Existing	\$237		
RESIDENTIAL RATES	Current	<u>Users</u> 4,494	<u>Avg. Bill</u> \$31.24	(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 2020	297,702	74,207	223,495	4.0
Audited 2021	322,727	100,647	222,080	3.2
Audited 2022	199,917	75,509	124,408	2.6
Projected 2023	180,925	46,645	134,280	3.9
Projected 2024	243,479	73,153	170,326	3.3
Projected 2025	221,285	110,603	110,682	2.0
Projected 2026	198,648	110,953	87,695	1.8
Projected 2027	175,558	110,774	64,784	1.6



Reviewer: John Brady  
 Date: April 11, 2024  
 Loan Number: F24-033L

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND F)  
 BATH COUNTY WATER DISTRICT  
 PROJECT REVIEW  
 WX21011046**

**I. PROJECT DESCRIPTION**

The Bath County Water District (BCWD) is requesting a Fund F loan in the amount of \$100,000 for the Lead and Copper Line and Components Assessment project. This project is to conduct a Lead Service Line inventory of all the public and private service lines in their water distribution system, as required by the revised EPA Lead and Copper Rule, to identify which lines, if any, are made of lead piping. Work shall include procurement of professional services to aid in review and summary of historic records, existing data and visual inspections on existing service lines as well as active/invasive investigations of existing service lines. Investigative actions may include acquiring customer provided data by means of education campaigns, surveys, mailings, and advertisement. Water quality sampling may also be needed. Gateway Area Development District has created, in cooperation with Kentucky Rural Water Association, an ArcGIS Dashboard that will be utilized by the BCWD and professional services they may procure, to review, update, and log the verification and location of Lead Service Lines and components. Parties can specify the method of verification of each service line and its location. Parties can also identify the length of the line and any components that may also need to be replaced, such as goosenecks, within the created Dashboard.

The BCWD currently serves 4,377 residential customers and 117 commercial and industrial customers.

**II. PROJECT BUDGET**

	<b>Total</b>
Administrative Expenses	\$ 5,000
Planning	95,000
<b>Total</b>	<b>\$ 100,000</b>

**III. PROJECT FUNDING**

	<b>Amount</b>	<b>%</b>
Fund F Loan	\$ 100,000	100%
<b>Total</b>	<b>\$ 100,000</b>	<b>100%</b>

#### **IV. CUSTOMER COMPOSITION AND RATE STRUCTURE**

##### **A) Customers**

<u>Customers</u>	<u>Current</u>
Residential	4,377
Commercial	98
Other	19
Total	4,494

##### **B) Rates**

<b>Water</b>	<u>Current</u>	<u>Prior</u>	<u>Prior</u>
Date of Last Rate Increase	09/01/23	08/15/22	02/15/22
Minimum (2,000 gallons)	\$17.54	\$16.92	\$16.90
Next 3,000 gallons (per 1,000)	6.85	6.61	6.60
Cost for 4,000 gallons	\$31.24	\$30.14	\$30.10
Increase %	3.6%	0.1%	
Affordability Index (Rate/MHI)	0.8%	0.8%	0.8%

#### **V. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility's service area population was 10,083 with a Median Household Income (MHI) of \$46,522. The MHI for the Commonwealth is \$55,454.

#### **VI. 2023 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project qualifies for 100% principal forgiveness, in the amount of \$100,000.

#### **VII. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended December 31, 2020 through December 31, 2022. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section

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

## HISTORY

Total water revenues increased 14% from \$2.13 million in 2020 to \$2.43 million in 2022. Operating expenses increased 15.9% from \$920,533 to \$1.07 million during the same period. The debt coverage ratio was 4.0, 3.2, and 2.6 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 4.0, a debt-to-equity ratio of 0.3, 50.6 days of sales in accounts receivable, and 4.5 months of operating expenses in unrestricted cash.

No repayment is required for this funding. There is also no service fee or replacement reserve required.

The BCWD is regulated by the Public Service Commission (PSC) and will need to comply with any necessary filings or required approvals by the PSC.

## VIII. CONTACTS

<b>Legal Applicant</b>	
Entity Name	Bath County Water District
Authorized Official	L.W. Patton (Chairman)
County	Bath
Email	bathcowater@roadrunner.com
Phone	(606) 683-6363
Address	PO Box 369 Salt Lick, KY 40371

<b>Applicant Contact</b>	
Name	Sherri Greene
Organization	Bath County Water District
Email	sgreenebathwater@roadrunner.com
Phone	(606) 683-6363
Address	PO Box 369 Salt Lick, KY 40371

<b>Project Administrator</b>	
Name	Ben Hamm
Organization	Gateway ADD
Email	benjamin.hamm@ky.gov
Phone	(606) 780-0090
Address	110 Lake Park Dr Morehead, KY 40351

**IX. RECOMMENDATIONS**

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

<b>EXECUTIVE SUMMARY</b>		Reviewer	John Brady	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	April 11, 2024	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F24-041L	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21043058	
BORROWER	CITY OF GRAYSON CARTER COUNTY			
BRIEF DESCRIPTION				
<p>The City of Grayson on behalf of the Grayson Utilities Commission (GUC) is requesting a Fund F loan in the amount of \$450,000 for the Lead Service Line Inventory/Survey project. This project consists of a comprehensive inventory of each service connection within the system to determine the service line material on both sides of the meter. GUC began the inventory process by conducting outreach and education to engage customers to complete a service line survey. While this is a low cost method the commission did not have the workforce available to complete the full system inventory themselves. GUC sees this as an opportunity to create a value-added project that meets compliance, improves system capacity and builds resilience. GUC proposes to contract for the development of an ESRI based GIS/AM framework that builds upon the existing Commission datasets with a GIS schema necessary to support lead service line inventory requirements. A map for both office and field staff will be created that will allow for individual and batch editing of the data. Additional contract personnel will be hired and trained to collect service line data through customer engagement surveys, historical records, visual inspection or excavation to update the service line layer. Field verified data will be captured with sub-foot GPS technology. Upon completion, the service line inventory the data can be exported to a spreadsheet or shared with DOW through ArcGIS Online to meet compliance requirements.</p>				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$450,000	Planning	\$225,000	
		Equipment	225,000	
TOTAL	<u>\$450,000</u>	TOTAL	<u>\$450,000</u>	
REPAYMENT	Rate	0.00%	Est. Annual Payment	N/A
	Term	N/A	1st Payment	N/A
PROFESSIONAL SERVICES				
	Bond Counsel	Dinsmore & Shohl, LLP		
DEBT PER CUSTOMER	Existing	\$1,768		
RESIDENTIAL RATES	Current	<u>Users</u> 4,370	<u>Avg. Bill</u> \$31.11	(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 2021	904,154	523,681	380,473	1.7
Audited 2022	941,650	414,241	527,409	2.3
Audited 2023	895,180	670,213	224,967	1.3
Projected 2024	955,519	721,317	234,202	1.3
Projected 2025	886,767	700,724	186,043	1.3
Projected 2026	816,640	498,859	317,781	1.6
Projected 2027	745,111	506,013	239,098	1.5
Projected 2028	672,151	511,513	160,638	1.3

Reviewer: John Brady  
Date: April 11, 2024  
Loan Number: F24-041L

**KENTUCKY INFRASTRUCTURE AUTHORITY  
DRINKING WATER STATE REVOLVING FUND (FUND F)  
CITY OF GRAYSON F/B/O GRAYSON UTILITIES COMMISSION  
CARTER COUNTY  
PROJECT REVIEW  
WX21043058**

**I. PROJECT DESCRIPTION**

The City of Grayson on behalf of the Grayson Utilities Commission (GUC) is requesting a Fund F loan in the amount of \$450,000 for the Lead Service Line Inventory/Survey project. This project consists of a comprehensive inventory of each service connection within the system to determine the service line material on both sides of the meter. GUC began the inventory process by conducting outreach and education to engage customers to complete a service line survey. While this is a low cost method the commission did not have the workforce available to complete the full system inventory themselves. GUC sees this as an opportunity to create a value-added project that meets compliance, improves system capacity and builds resilience. GUC proposes to contract for the development of an ESRI based GIS/AM framework that builds upon the existing Commission datasets with a GIS schema necessary to support lead service line inventory requirements. A map for both office and field staff will be created that will allow for individual and batch editing of the data. Additional contract personnel will be hired and trained to collect service line data through customer engagement surveys, historical records, visual inspection or excavation to update the service line layer. Field verified data will be captured with sub-foot GPS technology. Upon completion, the service line inventory the data can be exported to a spreadsheet or shared with DOW through ArcGIS Online to meet compliance requirements.

The GUC currently serves 2,883 residential customers and 1,487 commercial and industrial customers.

**II. PROJECT BUDGET**

	<b>Total</b>
Planning	\$ 225,000
Equipment	225,000
<b>Total</b>	<b>\$ 450,000</b>

**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 450,000	100%
<b>Total</b>	<b>\$ 450,000</b>	<b>100%</b>

**IV. CUSTOMER COMPOSITION AND RATE STRUCTURE**

**A) Customers**

<b>Water - Inside City</b>	<u>Current</u>	<u>Prior</u>
Date of Last Rate Increase	10/01/23	10/01/22
Minimum (2,000 gallons)	\$17.87	\$17.35
Next 8,000 gallons (per 1,000)	6.62	6.43
Cost for 4,000 gallons	\$31.11	\$30.21
Increase %	3.0%	
Affordability Index (Rate/MHI)	1.0%	1.0%

**B) Rates**

<b>Water - Outside City</b>	<u>Current</u>	<u>Prior</u>
Date of Last Rate Increase	10/01/23	10/01/22
Minimum (2,000 gallons)	\$25.56	\$24.82
Next 8,000 gallons (per 1,000)	7.17	6.96
Cost for 4,000 gallons	\$39.90	\$38.74
Increase %	3.0%	
Affordability Index (Rate/MHI)	1.3%	1.3%

**V. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility’s service area population was 10,995 with a Median Household Income (MHI) of \$36,287. The MHI for the Commonwealth is \$55,454.

**VI. 2023 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a “green” requirement.
- 2) Additional Subsidization – This project qualifies for 100% principal forgiveness, in the amount of \$450,000.

**VII. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended June 30, 2021 through June 30, 2023. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

**HISTORY**

Total revenues increased 8.8% from \$3.91 million in 2021 to \$4.25 million in 2023. Operating expenses increased 11.9% from \$3.01 million to \$3.37 million during the same period. The debt coverage ratio was 1.7, 2.3, and 1.3 in 2021, 2022, and 2023.

The balance sheet reflects a current ratio of 7.5, a debt-to-equity ratio of 0.5, 61.8 days of sales in accounts receivable, and 14.4 months of operating expenses in unrestricted cash.

No repayment is required for this funding. There is also no service fee or replacement reserve required.

**VIII. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	City of Grayson
Authorized Official	Troy Combs (Mayor)
County	Carter
Email	mayorcombs@graysonky.net
Phone	(606) 315-5357
Address	302 E Main St Grayson, KY 41143

<b>Applicant Contact</b>	
Name	Gerald Haney
Organization	Grayson Utilities Commission
Email	utilitysupt@graysonutilities.com
Phone	(606) 474-7569
Address	671 State Hwy 7 Grayson, KY 41143



**Project Administrator**

Name	Jasper Ball
Organization	FIVCO ADD
Email	jasper@fivco.org
Phone	(606) 929-1366
Address	32 FIVCO Ct Grayson, KY 41143

**IX. RECOMMENDATIONS**

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

<b>EXECUTIVE SUMMARY</b>		Reviewer	John Brady	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	April 11, 2024	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F24-042L	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21199155	
BORROWER	WESTERN PULASKI COUNTY WATER DISTRICT PULASKI COUNTY			
BRIEF DESCRIPTION				
<p>The Western Pulaski County Water District is requesting a Fund F loan in the amount of \$275,000 for the Lead Service Line Inventory project. This project includes a comprehensive inventory of each service connection within the system to determine the service line material on both sides of the meter. The District will utilize ARC GIS Online asset management tools and dashboards to assist with inventory development, record-keeping, and required documentation submissions to regulatory agencies. District personnel and contract labor will be utilized to complete the inventory via the following methods: previous materials evaluation, installation date after lead ban use, installation records, distribution inspection records, historical repair record, field verification during routine work, field verification by visual inspection at meter box, and field verification by excavation.</p>				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$275,000	Administrative Expenses	\$25,000	
		Planning	25,000	
		Equipment	150,000	
		Contingency	25,000	
		Other	50,000	
TOTAL	<u>\$275,000</u>	TOTAL	<u>\$275,000</u>	
REPAYMENT	Rate	0.00%	Est. Annual Payment	N/A
	Term	N/A	1st Payment	N/A
PROFESSIONAL SERVICES				
	Bond Counsel	Dinsmore & Shohl, LLP		
DEBT PER CUSTOMER	Existing	\$1,070		
RESIDENTIAL RATES				
	Current	<u>Users</u> 9,474	<u>Avg. Bill</u> \$34.71	(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 2020	783,971	426,522	357,449	1.8
Audited 2021	889,227	700,196	189,031	1.3
Audited 2022	561,385	494,340	67,045	1.1
Projected 2023	785,913	704,565	81,348	1.1
Projected 2024	1,006,998	704,362	302,636	1.4
Projected 2025	974,355	710,564	263,791	1.4
Projected 2026	941,059	837,134	103,925	1.1
Projected 2027	907,097	836,947	70,150	1.1

Reviewer: John Brady  
 Date: April 11, 2024  
 Loan Number: F24-042L

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND F)  
 WESTERN PULASKI COUNTY WATER DISTRICT  
 PROJECT REVIEW  
 WX21199155**

**I. PROJECT DESCRIPTION**

The Western Pulaski County Water District is requesting a Fund F loan in the amount of \$275,000 for the Lead Service Line Inventory project. This project includes a comprehensive inventory of each service connection within the system to determine the service line material on both sides of the meter. The District will utilize ARC GIS Online asset management tools and dashboards to assist with inventory development, record-keeping, and required documentation submissions to regulatory agencies. District personnel and contract labor will be utilized to complete the inventory via the following methods: previous materials evaluation, installation date after lead ban use, installation records, distribution inspection records, historical repair record, field verification during routine work, field verification by visual inspection at meter box, and field verification by excavation.

The District currently serves 9,333 residential customers and 141 commercial and industrial customers.

**II. PROJECT BUDGET**

	<b>Total</b>
Administrative Expenses	\$ 25,000
Planning	25,000
Equipment	150,000
Contingency	25,000
Other	50,000
<b>Total</b>	<b>\$ 275,000</b>

**III. PROJECT FUNDING**

	<b>Amount</b>	<b>%</b>
Fund F Loan	\$ 275,000	100%
<b>Total</b>	<b>\$ 275,000</b>	<b>100%</b>

#### **IV. CUSTOMER COMPOSITION AND RATE STRUCTURE**

##### **A) Customers**

<u>Customers</u>	<u>Current</u>
Residential	9,333
Commercial	73
Industrial	68
Total	9,474

##### **B) Rates**

	<u>Current</u>	<u>Prior</u>	<u>Prior</u>
Date of Last Rate Increase	09/27/23	09/27/22	07/16/18
Minimum (2,000 gallons)	\$20.21	\$18.90	17.58
Over 2,000 gallons (per 1,000)	7.25	6.78	6.31
Cost for 4,000 gallons	\$34.71	\$32.46	\$30.20
Increase %	6.9%	7.5%	
Affordability Index (Rate/MHI)	0.9%	0.9%	0.8%

#### **V. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility's service area population was 17,482 with a Median Household Income (MHI) of \$45,534. The MHI for the Commonwealth is \$55,454.

#### **VI. 2023 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project qualifies for 100% principal forgiveness, in the amount of \$275,000.

#### **VII. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended December 31, 2020 through December 31, 2022. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

## HISTORY

Total water revenues increased 5.3% from \$3.36 million in 2020 to \$3.54 million in 2022. Operating expenses increased 15.2% from \$2.59 million to \$2.98 million during the same period. The debt coverage ratio was 1.8, 1.3, and 1.1 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 1.1, a debt-to-equity ratio of 1.3, 38.6 days of sales in accounts receivable, and 6.5 months of operating expenses in unrestricted cash.

No repayment is required for this funding. There is also no service fee or replacement reserve required.

The Water District is regulated by the Public Service Commission (PSC) and will need to comply with any necessary filings or required approvals by the PSC.

## VIII. CONTACTS

<b>Legal Applicant</b>	
Entity Name	Western Pulaski County Water District
Authorized Official	Joel Wilson (Chairman)
County	Pulaski
Email	cedarpointfarm@aol.com
Phone	(606) 679-3793
Address	2128 W Hwy 80 Somerset, KY 42503

<b>Applicant Contact</b>	
Name	Joe McClendon
Organization	Western Pulaski County Water District
Email	joe-mcclendon@hotmail.com
Phone	(606) 679-1569
Address	1059 W Hwy 80 Somerset, KY 42503

**Project Administrator**

Name	Deron Byrne
Organization	Monarch Engineer
Email	dbyrne@monarchengineering.net
Phone	(502) 839-1310
Address	556 Carlton Dr Lawrenceburg, KY 40342

**IX. RECOMMENDATIONS**

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

<b>EXECUTIVE SUMMARY</b>		Reviewer	John Brady	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	April 11, 2024	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F24-055L	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21059104	
BORROWER	CITY OF OWENSBORO DAVISS COUNTY			
BRIEF DESCRIPTION				
<p>The City of Owensboro on behalf of the Owensboro Municipal Utilities (OMU) is requesting a Fund F loan in the amount of \$1,000,000 for the Lead Service Line Inventory project. This project includes a comprehensive inventory of each service connection to determine the service line material on both the utility and private side of the meter. OMU will develop a public facing online map (hosted either internally or using ArcGIS Online) reporting material status of the system's lead service lines. Continuous inventory efforts include previous materials evaluation, installation date after lead ban use, installation records, distribution inspection records, service line diameter greater than 2", historical repair record, and field verification during routine work, by visual inspection at meter pit, and by excavation. A great deal of the initial inventory (review of internal records) has been conducted. However, there are approximately 4,400 locations intended for hydro-excavation (pothole) inspection at this time (unknown/suspected lead locations). The primary work left to complete is to identify those 4,400 remaining locations that are unknown but suspected lead locations. Upon completion of the inventory, OMU will develop a final scope of work and list of projects and procedures pertaining to lead service line replacements.</p>				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$1,000,000	Equipment	\$450,000	
		Eng - Other	50,000	
		Other	500,000	
TOTAL	\$1,000,000	TOTAL	\$1,000,000	
REPAYMENT	Rate	0.00%	Est. Annual Payment	N/A
	Term	N/A	1st Payment	N/A
PROFESSIONAL SERVICES				
	Bond Counsel	Dinsmore & Shohl, LLP		
DEBT PER CUSTOMER	Existing	\$2,964		
RESIDENTIAL RATES	Current	<u>Users</u> 26,007	<u>Avg. Bill</u> \$22.56	(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 2021	7,281,613	4,599,839	2,681,774	1.6
Audited 2022	7,026,206	4,596,672	2,429,534	1.5
Audited 2023	7,078,701	4,599,787	2,478,914	1.5
Projected 2024	6,749,354	4,600,820	2,148,534	1.5
Projected 2025	8,049,068	4,596,954	3,452,114	1.8
Projected 2026	7,862,336	4,600,599	3,261,737	1.7
Projected 2027	7,671,870	4,596,540	3,075,330	1.7
Projected 2028	7,477,594	4,671,540	2,806,054	1.6

Reviewer: John Brady  
Date: April 11, 2024  
Loan Number: F24-055L

**KENTUCKY INFRASTRUCTURE AUTHORITY  
DRINKING WATER STATE REVOLVING FUND (FUND F)  
CITY OF OWENSBORO F/B/O OWENSBORO MUNICIPAL UTILITIES  
DAVISS COUNTY  
PROJECT REVIEW  
WX21059104**

**I. PROJECT DESCRIPTION**

The City of Owensboro on behalf of the Owensboro Municipal Utilities (OMU) is requesting a Fund F loan in the amount of \$1,000,000 for the Lead Service Line Inventory project. This project includes a comprehensive inventory of each service connection to determine the service line material on both the utility and private side of the meter. OMU will develop a public facing online map (hosted either internally or using ArcGIS Online) reporting material status of the system's lead service lines. Continuous inventory efforts include previous materials evaluation, installation date after lead ban use, installation records, distribution inspection records, service line diameter greater than 2", historical repair record, and field verification during routine work, by visual inspection at meter pit, and by excavation. A great deal of the initial inventory (review of internal records) has been conducted. However, there are approximately 4,400 locations intended for hydro-excavation (pothole) inspection at this time (unknown/suspected lead locations). The primary work left to complete is to identify those 4,400 remaining locations that are unknown but suspected lead locations. Upon completion of the inventory, OMU will develop a final scope of work and list of projects and procedures pertaining to lead service line replacements.

OMU currently serves 22,724 residential customers and 3,283 commercial and industrial customers. They provide wholesale service to Daviess County Water District and East Daviess County Water Association.

**II. PROJECT BUDGET**

	<b>Total</b>
Equipment	\$ 450,000
Engineering Fees - Other	50,000
Other	500,000
<b>Total</b>	<b>\$ 1,000,000</b>



**III. PROJECT FUNDING**

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 1,000,000	100%
<b>Total</b>	<b>\$ 1,000,000</b>	<b>100%</b>

**IV. CUSTOMER COMPOSITION AND RATE STRUCTURE**

**A) Customers**

<u>Customers</u>	<u>Current</u>
Residential	22,724
Commercial	2,789
Industrial	494
<b>Total</b>	<b>26,007</b>

**B) Rates**

<b>Inside City</b>	<u>Current</u>	<u>Prior</u>
Date of Last Rate Increase	03/01/24	06/01/19
Meter Charge	\$10.15	\$9.40
Per 100 Cubic Feet	2.32	2.09
Cost for 4,000 gallons	\$22.56	\$20.58
Increase %	9.6%	
Affordability Index (Rate/MHI)	0.6%	0.5%

<b>Outside City</b>	<u>Current</u>	<u>Prior</u>
Date of Last Rate Increase	03/01/24	06/01/19
Meter Charge	\$15.23	\$14.10
Per 100 Cubic Feet	3.48	3.14
Cost for 4,000 gallons	\$33.84	\$30.89
Increase %	9.5%	
Affordability Index (Rate/MHI)	0.8%	0.8%

**V. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility’s service area population was 60,473 with a Median Household Income (MHI) of \$48,269. The MHI for the Commonwealth is \$55,454.

**VI. 2023 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a “green” requirement.
- 2) Additional Subsidization – This project qualifies for 100% principal forgiveness, in the amount of \$1,000,000.

**VII. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended May 31, 2021 through May 31, 2023. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

**HISTORY**

Total water revenues increased 7% from \$14.59 million in 2021 to \$15.61 million in 2023. Operating expenses increased 18.3% from \$7.59 million to \$8.97 million during the same period. The debt coverage ratio was 1.6, 1.5, and 1.5 ion 2021, 2022, and 2023.

The balance sheet reflects a current ratio of 3.1, a debt-to-equity ratio of 2.8, 68.9 days of sales in accounts receivable, and 6.0 months of operating expenses in unrestricted cash.

No repayment is required for this funding. There is also no service fee or replacement reserve required.

**VIII. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	City of Owensboro
Authorized Official	Thomas Watson (Mayor)
County	Daviess
Email	mayor@owensboro.org
Phone	(270) 687-4444
Address	101 E 4th St Owensboro, KY 42302-9003

**Applicant Contact**

Name	Joe Janes
Organization	Owensboro Municipal Utilities
Email	janesjt@omu.org
Phone	(270) 926-3200
Address	2070 Tamarack Rd Owensboro, KY 42301

**Project Administrator**

Name	Blake Edge
Organization	Green River ADD
Email	blakeedge@gradd.com
Phone	(270) 926-4433
Address	300 GRADD Way Owensboro, KY 42301

**IX. RECOMMENDATIONS**

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

<b>EXECUTIVE SUMMARY</b>		Reviewer	John Brady	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		Date	April 11, 2024	
<b>FUND F, FEDERALLY ASSISTED DRINKING WATER</b>		KIA Loan Number	F24-065L	
<b>REVOLVING LOAN FUND</b>		WRIS Number	WX21161052	
BORROWER	CITY OF MAYSVILLE MASON COUNTY			
BRIEF DESCRIPTION				
The City of Maysville is requesting a Fund F loan in the amount of \$227,500 for the Lead Service Line Inventory project. The purpose of this project is to conduct an inventory of all the public and private service lines in the City's water distribution system, as required by the revised EPA Lead and Copper Rule. The City will use several different verification methods including, but not limited to, customer surveys, data and records reviews at the PVA, employee knowledge with field verification, and possibly mechanical/vacuum excavation. The City will use ArcGIS for the method of data management and the final inventory product submitted to KDOW would be a shapefile with all service locations.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$227,500	Administrative Expenses	\$2,500	
		Planning	225,000	
TOTAL	<u>\$227,500</u>	TOTAL	<u>\$227,500</u>	
REPAYMENT	Rate	0.00%	Est. Annual Payment	N/A
	Term	N/A	1st Payment	N/A
PROFESSIONAL SERVICES				
	Bond Counsel	Dinsmore & Shohl, LLP		
DEBT PER CUSTOMER	Existing	\$2,168		
RESIDENTIAL RATES				
	Current	<u>Users</u>	<u>Avg. Bill</u>	
		5,198	\$27.55	(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 2020	848,294	698,349	149,945	1.2
Audited 2021	974,673	766,002	208,671	1.3
Audited 2022	686,898	832,103	(145,205)	0.8
Projected 2023	902,574	807,650	94,924	1.1
Projected 2024	1,114,791	807,649	307,142	1.4
Projected 2025	1,128,950	854,061	274,889	1.3
Projected 2026	1,143,392	854,062	289,330	1.3
Projected 2027	1,158,123	854,063	304,060	1.4

Reviewer: John Brady  
 Date: April 11, 2024  
 Loan Number: F24-065L

**KENTUCKY INFRASTRUCTURE AUTHORITY  
 DRINKING WATER STATE REVOLVING FUND (FUND F)  
 CITY OF MAYSVILLE, MASON COUNTY  
 PROJECT REVIEW  
 WX21161052**

**I. PROJECT DESCRIPTION**

The City of Maysville is requesting a Fund F loan in the amount of \$227,500 for the Lead Service Line Inventory project. The purpose of this project is to conduct an inventory of all the public and private service lines in the City's water distribution system, as required by the revised EPA Lead and Copper Rule. The City will use several different verification methods including, but not limited to, customer surveys, data and records reviews at the PVA, employee knowledge with field verification, and possibly mechanical/vacuum excavation. The City will use ArcGIS for the method of data management and the final inventory product submitted to KDOW would be a shapefile with all service locations.

The City currently serves 4,547 residential customers and 651 commercial and industrial customers.

**II. PROJECT BUDGET**

	<b>Total</b>
Administrative Expenses	\$ 2,500
Planning	225,000
<b>Total</b>	<b>\$ 227,500</b>

**III. PROJECT FUNDING**

	<b>Amount</b>	<b>%</b>
Fund F Loan	\$ 227,500	100%
<b>Total</b>	<b>\$ 227,500</b>	<b>100%</b>

#### **IV. CUSTOMER COMPOSITION AND RATE STRUCTURE**

##### **A) Customers**

<u>Customers</u>	<u>Current</u>
Residential	4,547
Commercial	619
Industrial	32
Total	5,198

##### **B) Rates**

<b>Water</b>	<u>Current</u>	<u>Prior</u>
Date of Last Rate Increase	07/01/23	07/01/22
Minimum (1,000 gallons)	\$10.99	\$10.32
Next 3,000 gallons (per 1,000)	5.52	5.18
Cost for 4,000 gallons	\$27.55	\$25.86
Increase %	6.5%	7.0%
Affordability Index (Rate/MHI)	0.8%	0.7%

<b>Sewer</b>	<u>Current</u>	<u>Prior</u>
Date of Last Rate Increase	07/01/23	07/01/22
Minimum (3,000 gallons)	\$27.99	\$26.28
Per 1,000 gallons after	9.33	8.76
Cost for 4,000 gallons	\$37.32	\$35.04
Increase %	6.5%	7.0%
Affordability Index (Rate/MHI)	1.0%	1.0%

#### **V. DEMOGRAPHICS**

Based on current Census data from the American Community Survey 5-Year Estimate 2017-2021, the Utility's service area population was 11,097 with a Median Household Income (MHI) of \$44,036. The MHI for the Commonwealth is \$55,454.

#### **VI. 2023 CAPITALIZATION GRANT EQUIVALENCIES**

- 1) Green Project Reserve - The Drinking Water capitalization grant does not contain a "green" requirement.
- 2) Additional Subsidization – This project qualifies for 100% principal forgiveness, in the amount of \$227,500.

**VII. FINANCIAL ANALYSIS**

Financial information was obtained from the audited financial statements for the years ended June 30, 2020 through June 30, 2022. The non-cash impacts of GASB 68 – Accounting and Financial Reporting for Pensions and GASB 75 – Accounting and Financial Reporting for Other Postemployment Benefit have been removed from the operating expenses. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

**HISTORY**

Total revenues increased 2.7 from \$4.48 million in 2020 to \$4.60 million in 2022. Operating expenses increased 7.9% from \$3.64 million to \$3.92 million during the same period. The debt coverage ratio was 1.2, 1.3, and 0.8 in 2020, 2021, and 2022.

The balance sheet reflects a current ratio of 2.0, a debt-to-equity ratio of 0.9, 28.3 days of sales in accounts receivable, and 3.7 months of operating expenses in unrestricted cash.

No repayment is required for this funding. There is also no service fee or replacement reserve required.

**VIII. CONTACTS**

<b>Legal Applicant</b>	
Entity Name	City of Maysville
Authorized Official	Debra Cotterill (Mayor)
County	Mason
Email	debracotterill@cityofmaysvilleky.gov
Phone	(606) 564-2711
Address	216 Bridge St Maysville, KY 41056

<b>Applicant Contact</b>	
Name	Darin Spence
Organization	City of Maysville
Email	darinspence@cityofmaysvilleky.gov
Phone	(606) 564-9419
Address	216 Bridge St Maysville, KY 41056

<b>Project Administrator</b>	
Name	Cindy Ring
Organization	Buffalo Trace ADD
Email	cring@btadd.com
Phone	(606) 564-6894
Address	201 Government St Maysville, KY 41056

**IX. RECOMMENDATIONS**

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



<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	21CWS144
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	SX21093045
GRANTEE	HARDIN COUNTY WATER DISTRICT #1 HARDIN COUNTY		
BRIEF DESCRIPTION			
HCWD#1 will eliminate the City of West Point Beverly's MHP lift station and construct gravity sewer lines and manholes to carry the wastewater to the Industrial lift station. This project will construct approximately 1,300 linear feet of 8-inch gravity sewer and approximately four manholes to carry existing wastewater via gravity flow to a neighboring lift station.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Sewer Grant - 21CWS144	\$48,000	Construction	\$150,000
CWP Grant 22CWS170	77,087		
Other Funding	24,913		
TOTAL	\$150,000	TOTAL	\$150,000
PROFESSIONAL SERVICES	Engineer	TBD	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 9,196	<u>Avg. Bill</u> \$ 38.50 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Hardin County	\$ 48,000.00	
	Total	\$ 48,000.00	
Notes:			
This grant is a reallocation from a previously approved grant. Previous Grantee: City of West Point Previous Grant #21CWS046 Previous Project: West Point Lift Station Upgrade Previous WRIS #SX21093021 Prior Approval Date: April 19, 2022			

**EXECUTIVE SUMMARY**  
**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**DRINKING WATER AND WASTEWATER GRANT PROGRAM**  
**CLEANER WATER PROGRAM GRANT**

Reviewer Julie Bickers  
 CPBOC Date April 23, 2024  
 KIA Grant Number 21CWW027  
 WRIS Number WX21041010

GRANTEE CARROLL COUNTY FISCAL COURT  
 CARROLL COUNTY

**BRIEF DESCRIPTION**

This project will replace 3100 feet of 3" water lines on HWY 36. The existing 1600' segment of 3" HDPE was installed in 2004 with poor fusion procedures. The other 1500' section of 3" PVC was installed on rocky, unstable soil with no bedding. The pipe has been repaired numerous times with mechanical clamps and leaks are regularly found on this section of line. Replacing this line will remove the source of the leaks. The project will include 2 road bores, which will use horizontal directional drilling construction method, 1 being under KY-36 and the other under Notch Lick Rd (County Road). There will be 4 gate valves installed to allow isolation of the line if any leaks are found in the future.

PROJECT FINANCING		PROJECT BUDGET		
		RD Fee %	Actual %	
CWP - Water Grant - 21CWW027	\$120,390			Administrative Expenses \$10,000
CWP Grant 22CWW219	50,000			Planning 5,000
				Eng - Design / Const 8,130
		13.7%	5.8%	Eng - Insp 7,549
				Construction 123,915
				Contingency 15,796
<b>TOTAL</b>	<b>\$170,390</b>			<b>TOTAL \$170,390</b>

PROFESSIONAL SERVICES Engineer Kaleb Nab

PROJECT SCHEDULE  
 Bid Opening TBD  
 Construction Start TBD  
 Construction Stop TBD

RESIDENTIAL RATES  
 Current Users 1,573 Avg. Bill \$ 28.29 (for 4,000 gallons)

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	Allocated County	Allocated Amount
County Allocation Pool	Carroll County	\$ 120,390.00
	<b>Total</b>	<b>\$ 120,390.00</b>

**Notes:**

Prior Approval:  
 County Allocation Pool Carroll \$ 100,000 April 19, 2022  
 County Allocation Pool Reallocation \$ 20,390 Pending Approval April 23, 2024

This grant is being allocated additional funds through the reallocation of remaining funds from a previously approved grant.  
 Previous Grantee: Carroll County Fiscal Court  
 Previous Grant #21CWW341  
 Previous Project: Mill Creek Water Main Replacement Bore  
 Previous WRIS #WX21041020  
 Prior Approval Date: November 15, 2023

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	21CWW292
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21175053
GRANTEE	MORGAN COUNTY WATER DISTRICT MORGAN COUNTY		
BRIEF DESCRIPTION			
<p>The Morgan County Water District proposes the construction of approximately 70,612 LF of PVC waterline to extend water service to unserved areas throughout Morgan County. In addition this project includes two pump stations, one new 150,000 gallon tank, one 9,000 gallon tank to supply water to the new service areas. The project will also add 2 new interconnections, one with Rattlesnake Ridge Water District off HWY 172 and one with the City of Campton near the Parkway. 70,612 LF of Line extension, 32 gate valves, 9 hydrants, 5 auto flushes 3 Air Release Valves, and 108 customer meters with boxes will be constructed.</p>			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 21CWW292	\$2,988,000	Administrative Expenses	\$40,000
CWP Supplemental Pool-Increase	298,800	Legal Expenses	8,000
		Land, Easements	17,000
		Planning	5,000
		Eng - Design / Const	7.3% 6.8% 194,000
		Eng - Insp	4.1% 3.8% 110,000
		Eng - Other	47,500
		Construction	2,618,800
		Contingency	246,500
TOTAL	<u>\$3,286,800</u>	TOTAL	<u>\$3,286,800</u>
PROFESSIONAL SERVICES	Engineer	Nesbitt Engineering, Inc.	
PROJECT SCHEDULE	Bid Opening	June 15, 2024	
	Construction Start	August 1, 2024	
	Construction Stop	February 1, 2025	
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>
	Current	2,962	\$ 55.58 (for 4,000 gallons)
	Additional	80	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
Unserved Rural Pool	Morgan County	\$ 2,988,000.00	
Supplemental Pool		\$ 298,800.00	
	Total	\$ 3,286,800.00	
Notes:			
Prior Approval:			
Unserved Rural Pool	Morgan	\$ 2,988,000	September 29, 2022
Supplemental Pool	Supplemental Increase	\$ 298,800	Pending Approval April 23, 2024

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b> <b>CLEANER WATER PROGRAM GRANT</b>		Reviewer CPBOC Date KIA Grant Number WRIS Number	Julie Bickers April 23, 2024 21CWW350 WX21177056
GRANTEE	GREENVILLE UTILITIES COMMISSION MUHLENBERG COUNTY		
BRIEF DESCRIPTION			
This project will replace approximately 3,000 LF of waterline from Kennedy Brasher Rd to KY-1163 near the Country Club area.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 21CWW350	\$187,437	Construction	\$500,555
CWP Grant 22CWW368	313,118		
TOTAL	<u>\$500,555</u>	TOTAL	<u>\$500,555</u>
PROFESSIONAL SERVICES	Engineer	TBD	
PROJECT SCHEDULE	Bid Opening	June 1, 2024	
	Construction Start	July 1, 2024	
	Construction Stop	November 30, 2024	
RESIDENTIAL RATES	Current	<u>Users</u> 1,983	<u>Avg. Bill</u> \$ 56.42 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Muhlenberg County	\$ 187,437.00	
	Total	\$ 187,437.00	
<b>Notes:</b>			
This grant is a reallocation from a previously approved grant. Previous Grantee: Greenville Utilities Commission Previous Grant #21CWW165 Previous Project: Greenville - Service Line Replacement Project Previous WRIS #WX21177051 Prior Approval Date: June 23, 2022			

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b> <b>CLEANER WATER PROGRAM GRANT</b>		Reviewer CPBOC Date KIA Grant Number WRIS Number	Julie Bickers April 23, 2024 22CWS073 SX21111030
GRANTEE	LOUISVILLE AND JEFFERSON COUNTY MSD JEFFERSON COUNTY		
BRIEF DESCRIPTION			
This project will install and rehabilitate catch basin traps in West Louisville where odors can be prevalent during the summer months. This will prevent odor-causing hydrogen sulfide gases from escaping the sewers. Aging infrastructure, utility coordination, and right-of-way improvements will be incorporated in implementation. Working side by side with residents, community leaders, and agency partners at Air Pollution Control District (APCD), Louisville MSD has developed an Odor Control Master Plan to address aging infrastructure issues that are the root cause of sewer odors in West Louisville neighborhoods. Master Planning and system repairs will comprise of the Morris Forman service area, with prioritization of neighborhoods between 9th Street and the Ohio River. MSD's Odor Control and Biosolids Manager is leading this effort in order to provide continuity and oversight.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Sewer Grant - 22CWS073	\$700,000	Construction	\$734,000
CWP Supplemental Pool-Increase	34,000		
TOTAL	\$734,000	TOTAL	\$734,000
PROFESSIONAL SERVICES	Engineer	Nicole Refolo	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 133,744	<u>Avg. Bill</u> \$ 57.75 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Jefferson County	\$ 700,000.00	
Supplemental Pool		\$ 34,000.00	
	Total	\$ 734,000.00	
Notes:			
Prior Approval:			
County Allocation	Jefferson	\$ 700,000	December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 34,000	Pending Approval April 23, 2024

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWS089
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	SX21057004
GRANTEE	BURKESVILLE, CITY OF CUMBERLAND COUNTY		
BRIEF DESCRIPTION			
<p>The project will include the removal of the existing submersible sewage pump station equipment, the construction of an upgraded pump station and electrical controls, and new site piping. The new facilities will have backup capability via a manual transfer switch and electrical outlet hookup connections for a portable generator as well as a force main quick connection to a portable sewage pump and will restore the system to its original design operating capacity. Additionally, the project will construct a new access driveway (easement), approximately 540 feet, from Keen Street along the southwest property line back to the new pump station.</p>			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Sewer Grant - 22CWS089	\$178,833	Administrative Expenses	\$10,000
CWP Supplemental Pool-Increase	111,350	Land, Easements	5,132
CWP Grant 21CWS024	121,453	Eng - Design / Const	10.3% 9.5% 47,030
Local ARPA	157,000	Eng - Insp	7.4% 5.6% 28,000
Local	33,311	Eng - Other	15,435
		Construction	461,350
		Contingency	35,000
TOTAL	\$601,947	TOTAL	\$601,947
PROFESSIONAL SERVICES	Engineer	GRW Engineers, Inc.	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 625	<u>Avg. Bill</u> \$ 33.94 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Cumberland County	\$ 178,833.00	
Supplemental Pool		\$ 111,350.00	
	Total	\$ 290,183.00	
Notes:			
Prior Approval:			
County Allocation	Cumberland	\$ 178,833	December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 111,350	Pending Approval April 23, 2024

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWS093
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	SX21217016
GRANTEE	CAMPBELLSVILLE, CITY OF TAYLOR COUNTY		
BRIEF DESCRIPTION			
Project involves the construction of a new grit removal system and dewatering screw conveyor system at the existing wastewater treatment plant.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Sewer Grant - 22CWS093	\$1,580,759	Administrative Expenses	\$3,500
CWP Supplemental Pool-Increase	158,075	Legal Expenses	3,500
Local Funds	234,166	Eng - Design / Const	8.0% 6.5% 113,000
		Eng - Insp	4.9% 5.4% 94,000
		Eng - Other	25,000
		Construction	1,576,000
		Contingency	158,000
TOTAL	\$1,973,000	TOTAL	\$1,973,000
PROFESSIONAL SERVICES	Engineer	Monarch Engineering, Incorporated	
PROJECT SCHEDULE	Bid Opening	February 29, 2024	
	Construction Start	August 1, 2024	
	Construction Stop	April 1, 2025	
RESIDENTIAL RATES	Current	<u>Users</u> 4,694	<u>Avg. Bill</u> \$ 32.95 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Taylor County	\$ 1,580,759.00	
Supplemental Pool		\$ 158,075.00	
	Total	\$ 1,738,834.00	
Notes:			
Prior Approval:			
County Allocation	Taylor	\$ 1,580,759	December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 158,075	Pending Approval April 23, 2024

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWS111
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	SX21107037
GRANTEE	WHITE PLAINS, CITY OF HOPKINS COUNTY		
BRIEF DESCRIPTION			
This project will consist of relining manholes with a special coating to reduce I & I into the system.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Sewer Grant - 22CWS111	\$60,000	Administrative Expenses	\$1,000
CWP Supplemental Increase	90,000	Construction	259,000
CWP Grant 21CWS131	110,000		
TOTAL	\$260,000	TOTAL	\$260,000
PROFESSIONAL SERVICES	Engineer	NA	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 296	<u>Avg. Bill</u> \$ 71.63 (for 4,000 gallons)
REGIONAL COORDINATION This project is consistent with regional planning recommendations.			
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Hopkins County	\$ 150,000.00	
	Total	\$ 150,000.00	
Notes:			
Prior Approval:			
County Allocation Pool	Hopkins	\$ 60,000	December 27, 2022
County Allocation Pool	Reallocation	\$ 90,000	Pending Approval April 23, 2024
This grant is being allocated additional funds through the reallocation of a previously approved grant.			
Previous Grantee: City of White Plains			
Previous Grant #22CWW241			
Previous Project: White Plains - Concord Tank & Pump Station			
Previous WRIS #WX21107029			
Prior Approval Date: December 27, 2022			



<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWS170
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	SX21093045
GRANTEE	HARDIN COUNTY WATER DISTRICT #1 HARDIN COUNTY		
BRIEF DESCRIPTION			
<p>HCWD#1 will eliminate the City of West Point Beverly's MHP lift station and construct gravity sewer lines and manholes to carry the wastewater to the Industrial lift station. This project will construct approximately 1,300 linear feet of 8-inch gravity sewer and approximately four manholes to carry existing wastewater via gravity flow to a neighboring lift station.</p>			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Sewer Grant - 22CWS170	\$77,087	Construction	\$150,000
CWP Grant 21CWS144	48,000		
Other Funding	24,913		
TOTAL	<u>\$150,000</u>	TOTAL	<u>\$150,000</u>
PROFESSIONAL SERVICES	Engineer	TBD	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 9,196	<u>Avg. Bill</u> \$ 38.50 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Hardin County	\$ 77,087.00	
	Total	\$ 77,087.00	
Notes:			
<p>This grant is a reallocation from a previously approved grant.          Previous Grantee: City of West Point          Previous Grant #22CWS149          Previous Project: West Point Sewer Rehabilitation and Drainage Improvements III          Previous WRIS #SX21093024          Prior Approval Date: March 29, 2023</p>			

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWS171
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	SX21067064
GRANTEE	LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT FAYETTE COUNTY		
BRIEF DESCRIPTION			
Lexington is pursuing a project to eliminate the use of chlorine to disinfect wastewater effluent, converting the disinfection process at both Lexington WWTPs to UV radiation. Currently, both the Town Branch WWTP (rated capacity 30 MGD) and the West Hickman WWTP (rated capacity 33.8 MGD) use gaseous chlorine stored in one ton cylinders. Total maximum storage is > 20 tons. Both plants use sulfur dioxide to remove residual chlorine below discharge limits. The total maximum storage for sulfur dioxide is > 10 tons.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Sewer Grant - 22CWS171	\$1,165,178	Eng - Design / Const	6.4% 7.7% \$806,320
CWP Grant 21CWS027	11,868,095	Eng - Insp	3.0% 1.7% 175,000
RMP	360,000	Construction	8,983,303
		Equipment	1,916,800
		Contingency	1,511,850
TOTAL	<u>\$13,393,273</u>	TOTAL	<u>\$13,393,273</u>
PROFESSIONAL SERVICES	Engineer	TBD	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	<u>Users</u> 115,756	<u>Avg. Bill</u> \$ 31.45 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Fayette County	\$ 1,165,178.00	
	Total	\$ 1,165,178.00	
Notes:			
This grant is a reallocation from a previously approved grant. Previous Grantee: Lexington-Fayette Urban County Government Previous Grant #22CWS006 Previous Project: LFUCG - Town Branch WWTP Flow Equalization Storage Tanks - Phase I Previous WRIS #SX21067041 Prior Approval Date: December 27, 2022			

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers	
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024	
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW004	
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21167031	
GRANTEE	NORTH MERCER WATER DISTRICT MERCER COUNTY			
BRIEF DESCRIPTION				
Replacement of approximately 22.5 miles of existing (30-40 year old) problematic 6" PVC Cl. 160 pipe. This project will also include the replacement of existing service line to approximately 250 customers that are effected by the water main replacement. There are no plans to upsize the water mains at this time. Approximately 52,800LF of 6" PVC and 9,200 LF 4" PVC will be replaced. All of the replacement water main will be PVC, Class 250 pipe.				
PROJECT FINANCING		PROJECT BUDGET	RD Fee %	Actual %
CWP - Water Grant - 22CWW004	\$275,064	Administrative Expenses		\$50,000
CWP Supplemental Pool-Increase	75,534	Legal Expenses		35,000
CWP Grant 21CWW302	102,608	Land, Easements		78,400
CDBG	1,000,000	Planning		10,000
Other Funding	1,956,794	Eng - Design / Const	7.3%	6.6%
		Eng - Insp	4.0%	3.7%
		Eng - Other		15,000
		Construction		2,656,000
		Contingency		265,600
<b>TOTAL</b>	<b>\$3,410,000</b>	<b>TOTAL</b>		<b>\$3,410,000</b>
PROFESSIONAL SERVICES	Engineer	Bluegrass Engineering, PLLC		
PROJECT SCHEDULE	Bid Opening	TBD		
	Construction Start	TBD		
	Construction Stop	TBD		
RESIDENTIAL RATES	Current	<u>Users</u>	<u>Avg. Bill</u>	
		4,580	\$ 48.20	(for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.			
Allocation Source	Allocated County	Allocated Amount		
County Allocation Pool	Mercer County	\$ 275,064.00		
Supplemental Pool		\$ 75,534.00		
	Total	\$ 350,598.00		
Notes:				
Prior Approval:				
County Allocation	Mercer	\$ 275,064		December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 75,534		Pending Approval April 23, 2024

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW064
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21003029
GRANTEE	ALLEN COUNTY WATER DISTRICT ALLEN COUNTY		
BRIEF DESCRIPTION			
This project will construct a new 200,000 gallon elevated storage tank to replace an existing glass lined 170,000 gallon standpipe (Walkers Chapel). The new tank would allow the District to have proper turnover of the tank while providing additional storage for existing customers. The existing Walkers Chapel Tank is a glass-lined tank that has had its coating system compromised by prior repair attempts and has shown signs of further corrosion in the last two tank inspections.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW064	\$500,000	Land, Easements	\$10,000
CWP Supplemental Pool-Increase	100,000	Eng - Design / Const	8.8% 7.1%
KIA Loan B24-005	700,000	Eng - Insp	5.6% 4.5%
		Eng - Other	15,000
		Construction	1,052,000
		Contingency	91,000
TOTAL	\$1,300,000	TOTAL	\$1,300,000
PROFESSIONAL SERVICES	Engineer	TBD	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	Users 6,098	Avg. Bill \$ 40.90 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Allen County	\$ 500,000.00	
Supplemental Pool		\$ 100,000.00	
	Total	\$ 600,000.00	
Notes:			
Prior Approval:			
County Allocation	Allen	\$ 500,000	December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 100,000	Pending Approval April 23, 2024

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW076
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21161050
GRANTEE	BUFFALO TRAIL WATER ASSOCIATION INC MASON COUNTY		
BRIEF DESCRIPTION			
<p>The project involves the installation of approximately 500 LF of 6" water main and a master meter vault and appurtenances to interconnect with the Western Mason Water District for emergency water supply needs. Additionally, the project involves the replacement of approximately 5,500 LF of 2", 3" and 4" water main. The existing water main is made of older Class 160 material and is prone to leaks and breaks. In addition to the leaks and breaks this main is undersized in areas and creates hydraulic difficulties for the Association in efficiently serving its customer base. The water main is located along Moran Street, Lowell Road &amp; Johnson Lane.</p>			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW076	\$323,725	Administrative Expenses	\$9,000
CWP Supplemental Pool-Increase	32,373	Land, Easements	1,500
Local Funds	42,202	Eng - Design / Const	11.1% 10.2% 33,500
		Eng - Insp	8.6% 8.1% 26,500
		Construction	298,000
		Contingency	29,800
TOTAL	\$398,300	TOTAL	\$398,300
PROFESSIONAL SERVICES	Engineer	TBD	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES	Current	Users	Avg. Bill
		1,603	\$ 44.74 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Mason County	\$ 323,725.00	
Supplemental Pool		\$ 32,373.00	
	Total	\$ 356,098.00	
Notes:			
Prior Approval:			
County Allocation	Mason	\$ 323,725	December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 32,373	Pending Approval April 23, 2024

**EXECUTIVE SUMMARY**  
**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**DRINKING WATER AND WASTEWATER GRANT PROGRAM**  
**CLEANER WATER PROGRAM GRANT**

Reviewer Julie Bickers  
 CPBOC Date April 23, 2024  
 KIA Grant Number 22CWW201  
 WRIS Number WX21229023

GRANTEE SPRINGFIELD WATER AND SEWER COMMISSION  
 WASHINGTON COUNTY

**BRIEF DESCRIPTION**

Replace 20% +/- of system water meters and sending units. Approximately 980 customer meters throughout system.

PROJECT FINANCING		PROJECT BUDGET	RD Fee %	Actual %
CWP - Water Grant - 22CWW201	\$277,127	Equipment		\$326,111
CWP Supplemental Pool-Increase	27,712			
21CWW343	21,272			
<b>TOTAL</b>	<b>\$326,111</b>	<b>TOTAL</b>		<b>\$326,111</b>

PROFESSIONAL SERVICES Engineer NA

PROJECT SCHEDULE  
 Bid Opening TBD  
 Construction Start TBD  
 Construction Stop TBD

RESIDENTIAL RATES  
 Current Users 4,906 \$ Avg. Bill 23.46 (for 4,000 gallons)

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	Allocated County	Allocated Amount		
County Allocation Pool	Washington County	\$	250,000.00	
Supplemental Pool		\$	27,127.00	
Supplemental Pool		\$	27,712.00	
	<b>Total</b>	<b>\$</b>	<b>304,839.00</b>	

**Notes:**

Prior Approval:  
 County Allocation Washington December 27, 2022  
 Supplemental Pool Supplemental Increase February 27, 2024  
 Supplemental Pool Supplemental Increase Pending Approval April 23, 2024

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW270
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21083082
GRANTEE	GRAVES COUNTY WATER DISTRICT GRAVES COUNTY		
BRIEF DESCRIPTION			
This project involves the rehabilitation of one 500,000 gallon water storage tank in the HWD distribution system. This tank was most recently painted upon construction in the 1990s and as such the tank coatings are showing significant degradation. This project will provide for the sandblasting and repainting of the storage tank, as well as seam and point repairs to the steel tank shell. This will allow the tanks to be in service for at least another 20 years.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW270	\$529,714.00	Administrative Expenses	\$200.00
CWP Supplemental Increase	166,126.60	Eng - Insp	6.8% 4.5% 30,000.00
		Construction	625,640.60
		Contingency	40,000.00
TOTAL	\$695,840.60	TOTAL	\$695,840.60
PROFESSIONAL SERVICES	Engineer	NA	
PROJECT SCHEDULE	Bid Opening	January 23, 2024	
	Construction Start	April 1, 2024	
	Construction Stop	August 1, 2024	
RESIDENTIAL RATES	Current	Users	Avg. Bill
		420	\$ 28.22 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Graves County	\$ 599,528.80	
Supplemental Pool		\$ 96,311.80	
	Total	\$ 695,840.60	
Notes:			
Prior Approval:			
County Allocation Pool	Graves	\$ 481,558.00	December 27, 2022
Supplemental Pool	Supplemental Increase	\$ 48,156.00	February 27, 2024
County Allocation Pool	Reallocation	\$ 117,970.80	Pending Approval April 23, 2024
Supplemental Pool	Reallocation	\$ 48,155.80	Pending Approval April 23, 2024
This grant is being allocated additional funds through the reallocation of remaining funds of a previously approved grant.			
Previous Grantee: Graves County Water District			
Previous Grant #22CWW272			
Previous Project: Hickory Water Tank			
Previous WRIS #WX21083085			
Prior Approval Date: December 27, 2022			

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW304
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21203012
GRANTEE	ROCKCASTLE COUNTY FISCAL COURT ROCKCASTLE COUNTY		
BRIEF DESCRIPTION			
Connect to existing Kentucky American Water waterline at Sand Springs Road. Extend approximately 2.1 miles of 4" waterline to provide drinking water service to 10 households currently without access along the length of Bloss Road in Rockcastle County.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW304	\$60,000	Construction	\$238,260
CWP Supplemental Pool-Increase	200,436	Contingency	22,176
TOTAL	<u>\$260,436</u>	TOTAL	<u>\$260,436</u>
PROFESSIONAL SERVICES	Engineer	Andrew Esarey	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>
	Current	615	\$ 38.03 (for 4,000 gallons)
	Additional	10	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Rockcastle County	\$ 60,000.00	
Supplemental Pool		\$ 200,436.00	
	Total	\$ 260,436.00	
Notes:			
Prior Approval:			
County Allocation	Rockcastle	\$ 60,000	March 29, 2023
Supplemental Pool	Supplemental Increase	\$ 200,436	Pending Approval April 23, 2024



<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW329
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21165029
GRANTEE	FRENCHBURG, CITY OF MENIFEE COUNTY		
BRIEF DESCRIPTION			
<p>The City of Frenchburg proposes a project which would rehabilitate and refurbish the 100,000 gallon Big Woods Tank located within the system. Additionally, the City of Frenchburg will also replace and upgrade 550 LF of existing 3-inch water main along Stonequarry Rd. The project would also extend 1800LF of 3-inch water main along Stonequarry Road. The upgrade of existing water main would allow the City of Frenchburg to increase the water pressure through the main line pressure reducing valve on an underserved portion of Stonequarry Rd. The line upgrade would also connect one new customer with the potential to add more customers in the future. The increase in pressure would require residential PRV's be added to the existing water meters in low lying areas. The City of Frenchburg Water System has a directly serviceable population of approximately 5,401, or 3,387 households, with serviceable connections in both Menifee and Bath Counties.</p>			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW329	\$214,775	Administrative Expenses	\$5,048
CWP Supplemental Pool-Increase	30,593	Planning	5,000
CWP Grant 21CWW318	91,150	Eng - Design / Const	11.4% 9.5% 27,000
		Eng - Insp	9.0% 5.3% 15,000
		Construction	259,134
		Contingency	25,336
TOTAL	\$336,518	TOTAL	\$336,518
PROFESSIONAL SERVICES	Engineer	Kentucky Engineering Group PLLC	
PROJECT SCHEDULE	Bid Opening	TBD	
	Construction Start	TBD	
	Construction Stop	TBD	
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>
	Current	3,008	\$ 31.44 (for 4,000 gallons)
	Additional	1	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Menifee County	\$ 214,775.00	
Supplemental Pool		\$ 30,593.00	
	Total	\$ 245,368.00	
Notes:			
Prior Approval:			
County Allocation	Menifee	\$ 214,775	March 29, 2023
Supplemental Pool	Supplemental Increase	\$ 30,593	Pending Approval April 23, 2024

**EXECUTIVE SUMMARY**  
**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**DRINKING WATER AND WASTEWATER GRANT PROGRAM**  
**CLEANER WATER PROGRAM GRANT**

Reviewer Julie Bickers  
 CPBOC Date April 23, 2024  
 KIA Grant Number 22CWW366  
 WRIS Number WX21177055

GRANTEE MUHLENBERG COUNTY WATER DISTRICT #3  
 MUHLENBERG COUNTY

**BRIEF DESCRIPTION**

This project will update the aging SCADA system with a new system to be installed on pump stations, tanks, flow meters, master meters, and the administration office.

PROJECT FINANCING		PROJECT BUDGET		RD Fee %	Actual %
CWP - Water Grant - 22CWW366	\$313,118	Equipment			\$313,118
<b>TOTAL</b>	<b>\$313,118</b>	<b>TOTAL</b>			<b>\$313,118</b>

PROFESSIONAL SERVICES Engineer NA

PROJECT SCHEDULE Bid Opening TBD  
 Construction Start TBD  
 Construction Stop TBD

RESIDENTIAL RATES Current Users 2,134 \$ Avg. Bill 39.67 (for 4,000 gallons)

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	Allocated County	Allocated Amount		
County Allocation Pool	Muhlenberg County	\$ 313,118.00		
	<b>Total</b>	<b>\$ 313,118.00</b>		

**Notes:**

This project is a reallocation from a previously approved grant.  
 Previous Grantee: Muhlenberg County Water District #3  
 Previous Grant #22CWW230  
 Previous Project: Muhlenberg #3 - HWY 70 Waterline Replacement  
 Previous WRIS #WX21177043  
 Prior Approval Date: December 27, 2022

<b>EXECUTIVE SUMMARY</b> <b>KENTUCKY INFRASTRUCTURE AUTHORITY</b> <b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b> <b>CLEANER WATER PROGRAM GRANT</b>		Reviewer CPBOC Date KIA Grant Number WRIS Number	Julie Bickers April 23, 2024 22CWW367 WX21107073
GRANTEE	MADISONVILLE MUNICIPAL UTILITIES HOPKINS COUNTY		
BRIEF DESCRIPTION			
This project will rehab the existing Peewee Lake Raw Water Intake by dredging around it and making necessary repairs caused by corrosion and age. There are 3 sluice gates at the intake, 2 of which are submerged in mud and debris. In addition to the intake improvements, a new raw water line will be constructed on the other side of the plant away from the dam. This new raw water line will replace approximately 400 LF of the 75 year old lead jointed cast iron line.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW367	\$629,603	Administrative Expenses	\$20,000
Other Funding	2,690,397	Construction	3,000,000
		Contingency	300,000
TOTAL	<u>\$3,320,000</u>	TOTAL	<u>\$3,320,000</u>
PROFESSIONAL SERVICES	Engineer	TBD	
PROJECT SCHEDULE	Bid Opening	September 1, 2024	
	Construction Start	October 15, 2024	
	Construction Stop	March 1, 2025	
RESIDENTIAL RATES	Current	<u>Users</u> 10,089	<u>Avg. Bill</u> \$ 22.61 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Hopkins County	\$ 629,603.00	
	Total	\$ 629,603.00	
Notes:			
This grant is a reallocation from a previously approved grant. Previous Grantee: City of Madisonville Previous Grant #22CWW245 Previous Project: City of Madisonville - Green River Raw Water Pump Station Improvements Previous WRIS #WX21107057 Prior Approval Date: December 27, 2022			

**EXECUTIVE SUMMARY**  
**KENTUCKY INFRASTRUCTURE AUTHORITY**  
**DRINKING WATER AND WASTEWATER GRANT PROGRAM**  
**CLEANER WATER PROGRAM GRANT**

Reviewer Julie Bickers  
 CPBOC Date April 23, 2024  
 KIA Grant Number 22CWW368  
 WRIS Number WX21177056

GRANTEE GREENVILLE UTILITIES COMMISSION  
 MUHLENBERG COUNTY

**BRIEF DESCRIPTION**

This project will replace approximately 3,000 LF of waterline from Kennedy Brasher Rd to KY-1163 near the Country Club area.

PROJECT FINANCING		PROJECT BUDGET	RD Fee %	Actual %
CWP - Water Grant - 22CWW368	\$313,118	Construction		\$500,555
CWP Grant 21CWW350	187,437			
<b>TOTAL</b>	<b>\$500,555</b>	<b>TOTAL</b>		<b>\$500,555</b>

PROFESSIONAL SERVICES Engineer TBD

PROJECT SCHEDULE  
 Bid Opening June 1, 2024  
 Construction Start July 1, 2024  
 Construction Stop November 30, 2024

RESIDENTIAL RATES  
 Current Users 1,983 Avg. Bill \$ 56.42 (for 4,000 gallons)

REGIONAL COORDINATION This project is consistent with regional planning recommendations.

Allocation Source	Allocated County	Allocated Amount		
County Allocation Pool	Muhlenberg County	\$ 313,118.00		
	<b>Total</b>	<b>\$ 313,118.00</b>		

**Notes:**

This grant is a reallocation from a previously approved grant.  
 Previous Grantee: Greenville Utilities Commission  
 Previous Grant #22CWW231  
 Previous Project: Greenville - Service Line Replacement Project  
 Previous WRIS #WX21177051  
 Prior Approval Date: December 27, 2022

<b>EXECUTIVE SUMMARY</b>		Reviewer	Julie Bickers
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		CPBOC Date	April 23, 2024
<b>DRINKING WATER AND WASTEWATER GRANT PROGRAM</b>		KIA Grant Number	22CWW369
<b>CLEANER WATER PROGRAM GRANT</b>		WRIS Number	WX21101128
GRANTEE	HENDERSON WATER UTILITY HENDERSON COUNTY		
BRIEF DESCRIPTION			
This project provides an alternate pathway in the Henderson Water Utility Distribution system to get water to the 1million gallon tank. The tank is currently served by a 20" cast iron main that runs down Green Street, is more than 100 years old, and has experienced several breaks including two in CY 2019 and a major break of the cast iron main in 2006. This project will serve the entire customer base of 9,324 connections and could potentially effect 300 to 500 business located within the project area.			
PROJECT FINANCING		PROJECT BUDGET	RD Fee % Actual %
CWP - Water Grant - 22CWW369	\$2,067,242	Administrative Expenses	\$50,000
Other Funding	932,758	Eng - Design / Const	7.4% 8.0% 210,000
		Eng - Insp	4.2% 3.8% 100,000
		Construction	2,400,000
		Contingency	240,000
TOTAL	\$3,000,000	TOTAL	\$3,000,000
PROFESSIONAL SERVICES	Engineer	TBD	
PROJECT SCHEDULE	Bid Opening	October 1, 2024	
	Construction Start	December 1, 2024	
	Construction Stop	December 1, 2025	
RESIDENTIAL RATES	Current	<u>Users</u> 11,284	<u>Avg. Bill</u> \$ 14.68 (for 4,000 gallons)
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.		
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	Henderson County	\$ 2,067,242.00	
	Total	\$ 2,067,242.00	
Notes:			
This grant is a reallocation from a previously approved grant. Previous Grantee: Henderson Water Utility Previous Grant #22CWW126 Previous Project: Raw Water Intake & Pipeline Project Previous WRIS #WX21101130 Prior Approval Date: December 27, 2022			

<b>EXECUTIVE SUMMARY</b>		CPBOC Date	April 23, 2024
<b>KENTUCKY INFRASTRUCTURE AUTHORITY</b>		KIA Grant Number	58C-2007
<b>STATE GENERAL FUND</b>		WRIS Number	WX21089105
<b>HB1 2022 RS LINE ITEM - STATE</b>			
<b>REAUTHORIZATION AND REALLOCATION</b>			
GRANTEE	CITY OF GREENUP GREENUP COUNTY		
BRIEF DESCRIPTION			
This project will upgrade insufficient and aging 6" class 160 pipe along Rt. 1 in Greenup with 8" Class 200 pipe. The total length of replacement will run from Horn Hollow to KY-207 with a total length of ~8200 feet.			
PROJECT FINANCING		PROJECT BUDGET	
58C-2007	\$177,000	Administrative Expenses	\$7,500
21CWW067	130,000	Land, Easements	3,400
Local	7,486	Planning	10,600
		Eng - Design / Const	12.0% 28,584
		Eng - Insp	11.0% 26,202
		Construction	238,200
TOTAL	\$314,486	TOTAL	\$314,486
PROFESSIONAL SERVICES	Engineer	Howerton Engineering and Surveying, PLLC	
PROJECT SCHEDULE			
	Bid Opening	July 1, 2024	
	Construction Start	August 1, 2024	
	Construction Stop	December 1, 2024	
RESIDENTIAL RATES			
		<u>Users</u>	<u>Avg. Bill</u>
	Current	4,403	\$ 40.99 (for 4,000 gallons)
	Additional	0	
REGIONAL COORDINATION			
	This project is consistent with regional planning recommendations.		
Allocation Source	County	Allocated Amount	
HB 1 - 2022 RS Line Item	Greenup	\$ 177,000.00	
Reallocation of the projects set forth in 2006 Ky. Acts ch. 252, Part II, N., 1., a., Greenup County, 004			
	Total	\$ 177,000.00	
Notes:			



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear  
Governor

Old Capitol Annex  
300 West Broadway  
Frankfort, Kentucky 40601

Jeff Noel  
Secretary

March 19, 2024

Holly M. Johnson, Secretary  
Finance and Administration Cabinet  
200 Mero Street, 5<sup>th</sup> Floor  
Frankfort, KY 40601

**RE: Economic Development Fund Grant - \$331,805 to Breckinridge County Fiscal Court on behalf of the City of Hardinsburg**

Dear Secretary Johnson:


In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$331,805 in Economic Development Fund (EDF) funds for the purpose of making a grant to the Breckinridge County Fiscal Court on behalf of the City of Hardinsburg

The Breckinridge County Fiscal Court on behalf of the City of Hardinsburg is seeking to extend water and sewer lines in the Commerce Park. This project was a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Under the terms of the EDF grant agreement, requests may be submitted no more than monthly and funds shall be disbursed on a reimbursement basis. Supporting documentation of invoices, proof of payment, matching funds, etc. and a progress report will be required to be submitted with each request. Upon staff's review and approval of all documentation, funds will be disbursed to the local government entity to provide to the project applicant.

I respectfully request your concurrence in the funding of this project. If KEDFA approves this proposal, I would ask that you place this project on the next agenda of the State Property and Buildings Commission. Please feel free to contact me if you have any questions.

Sincerely,

  
Jeff Noel  
Secretary

**AGREED TO AND APPROVED BY:**

DocuSigned by:  
  
81C993F6EA23433...  
Secretary, Finance and Administration Cabinet Date 3/25/2024

cc: Kristina Slattery  
Katie Smith



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
ECONOMIC DEVELOPMENT FUND (EDF)  
KENTUCKY PRODUCT DEVELOPMENT INITIATIVE (KPDI) PROJECT REPORT**

**Date:** March 28, 2024  
**Grantee:** Breckinridge County Fiscal Court  
**Beneficiary:** City of Hardinsburg  
**City:** Hardinsburg **County:** Breckinridge  
**Activity:** Manufacturing  
**Bus. Dev. Contact:** M. Jollie **DFS Staff:** B. Combs

**Project Description:** The Breckinridge County Fiscal Court on behalf of the City of Hardinsburg is seeking to extend water and sewer lines in the Commerce Park. This project was a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

**Anticipated Project Investment - Owned**

Infrastructure Extensions/Improvements

**TOTAL**

Total Investment
\$663,610
<b>\$663,610</b>

**Anticipated Project Funding**

Economic Development Fund Grant (State)

City of Hardinsburg Funds

**TOTAL**

Amount	% of Total
\$331,805	50.0%
\$331,805	50.0%
<b>\$663,610</b>	<b>100.0%</b>

**Other Terms:** In accordance with the grant agreement, disbursement requests may be submitted no more than monthly requesting funds to be disbursed on a reimbursement basis. Supporting documentation of invoices, proof of payment, matching funds, etc. and a progress report will be required to be submitted with each request. Upon staff's review and approval of all documentation, funds will be disbursed to the local government entity to provide to the project applicant.

**RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT:**

<b>\$331,805</b>
------------------

**Recommendation:**

Staff recommends approval of this KPDI-EDF grant subject to the terms set forth in this report and the recommendation letter from the Secretary of the Cabinet for Economic Development (CED). In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Finance and Administration Cabinet's concurrence to CED's use of the funds for this project.





## CABINET FOR ECONOMIC DEVELOPMENT

**Andy Beshear**  
Governor

Old Capitol Annex  
300 West Broadway  
Frankfort, Kentucky 40601

**Jeff Noel**  
Secretary

March 15, 2024

Holly M. Johnson, Secretary  
Finance and Administration Cabinet  
200 Mero Street, 5<sup>th</sup> Floor  
Frankfort, KY 40601

**RE: Economic Development Fund Grant - \$250,000 to the City of Winchester on behalf of Washington Penn Plastic Co., Inc.**

Dear Secretary Johnson:

In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$250,000 in Economic Development Fund (EDF) funds for the purpose of making a grant to the **to the City of Winchester on behalf of Washington Penn Plastic Co., Inc.**

Washington Penn Plastic Co., Inc. is a leading provider of polypropylene and polyethylene compounds that supply the automotive, appliance, construction, consumer, packaging, and industrial markets. The company is considering opening a manufacturing facility in the Winchester Industrial Park.

In consideration of this EDF grant, Washington Penn Plastic Co., Inc. will be required to make investment and create new, full-time jobs for employees subject to Kentucky individual income taxes (excluding contract or temporary employees) paying the following wages in Winchester in accordance with the following schedule:

Compliance Date	Full-time Jobs Required	Job Type	Average Wage Required	Average Wage Type
December 31, 2028	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
December 31, 2029	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
December 31, 2030	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
December 31, 2031	88	Create	\$37.39	Total Hourly Compensation (includes benefits)

\* Compliance periods will be annually and first compliance period may be accelerated. Subsequent compliance periods will be adjusted if acceleration occurs.


Secretary Holly M. Johnson  
March 15, 2024  
Page Two

Under the terms of the EDF grant agreement, disbursement of grant funds will occur after the annual compliance reporting has occurred. The amount of the disbursements will be based on the performance requirements achieved. If Washington Penn Plastic Co., Inc. fails to create or maintain the job target as of each compliance date, then the amount of the grant payable after each compliance measurement date will be reduced by the sum of \$710 for each new, full-time job not created or maintained by the company at each of the five annual measurement dates. Furthermore, if Washington Penn Plastic Co., Inc. fails to pay these new jobs the average hourly wage of \$37.39, including benefits, the amount of the grant payable after each compliance measurement date will be reduced by a pro rata portion of the EDF grant based on a formula to be outlined in the EDF grant agreement.

Any funds repaid to the City of Winchester by Washington Penn Plastic Co., Inc. must be used for economic development purposes as approved by the Cabinet for Economic Development. In no event will the repayment of EDF grant proceeds exceed the EDF grant amount of \$250,000.

I respectfully request your concurrence in the funding of this project. If KEDFA approves this proposal, I would ask that you place this project on the next agenda of the State Property and Buildings Commission. Please feel free to contact me if you have any questions.

Sincerely,

  
Jeff Noel  
Secretary

**AGREED TO AND APPROVED BY:**

DocuSigned by:  
  
3/25/2024  
81C983F6FA23433...  
Secretary, Finance and Administration Cabinet Date

cc: Kristina Slattery  
Katie Smith



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
ECONOMIC DEVELOPMENT FUND (EDF) PROJECT REPORT**

**Date:** March 28, 2024  
**Grantee:** City of Winchester  
**Beneficiary:** Washington Penn Plastic Co., Inc.  
**City:** Winchester **County:** Clark  
**Activity:** Manufacturing  
**Bus. Dev. Contact:** A. Chilton **OFS Staff:** B. Combs

**Project Description:** Washington Penn Plastic Co., Inc. is a leading provider of polypropylene and polyethylene compounds that supply the automotive, appliance, construction, consumer, packaging, and industrial markets. The company is considering opening a manufacturing facility in the Winchester Industrial Park.

**Select Owned or Leased**

	<b>Total Investment</b>
Land	\$6,915,000
Building/Improvements	\$42,405,250
Equipment	\$54,366,386
Other Start-up Costs	\$1,250,000
<b>TOTAL</b>	<b>\$104,936,636</b>

**Anticipated Project Funding**

	<b>Amount</b>	<b>% of Total</b>
Economic Development Fund Grant (State)	\$250,000	0.2%
Company Equity	\$104,686,636	99.8%
<b>TOTAL</b>	<b>\$104,936,636</b>	<b>100.0%</b>

**Job and Wage Requirement Table**

Compliance Date	Full-time Jobs Required	Job Type	Average Wage Required	Average Wage Type
12/31/2028	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
12/31/2029	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
12/31/2030	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
12/31/2031	88	Create	\$37.39	Total Hourly Compensation (includes benefits)

\* Compliance periods will be annually and first compliance period may be accelerated. Subsequent compliance periods will be adjusted if acceleration occurs.

**Collateral Required:** Not applicable - Grant is performance-based and disbursement will not occur until after annual compliance is confirmed.

**Job Penalty Provision:** \$710 per job not created or maintained

**Wage Penalty Provision:** pro rata portion of EDF grant based on a formula outlined in the EDF grant agreement

**Disbursement:** Disbursement of grant funds may occur after each annual compliance period when requirements have been reviewed by the Cabinet. Funds will flow through the Grantee/local government entity to the Beneficiary/company.

12/31/2028	\$62,500
12/31/2029	\$62,500
12/31/2030	\$62,500
12/31/2031	\$62,500

**RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT:**

**\$250,000**

**Ownership (20% or more):**

Audia Plastics Holdings, Inc. Washington, PA

**Active State Participation at the Project Site:**

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Aug 31, 2023	KBI	Approve/ Prelim	\$2,500,000
Aug 31, 2023	KEIA	Approve/ Final	\$300,000

**Unemployment Rate:**

County: 3.6%      Kentucky: 3.8%

**Recommendation:**

Staff recommends approval of this EDF grant subject to the terms set forth in this report and the recommendation letter from the Secretary of the Cabinet for Economic Development (CED). In accordance with KRS 154.12-100, KEDFA's approval of this EDF grant is subject to CED's receipt of the Secretary of the Finance and Administration Cabinet's concurrence to CED's use of the EDF funds for this project.



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear  
Governor

Old Capitol Annex  
300 West Broadway  
Frankfort, Kentucky 40601

Jeff Noel  
Secretary

March 19, 2024

Holly M. Johnson, Secretary  
Finance and Administration Cabinet  
200 Mero Street, 5<sup>th</sup> Floor  
Frankfort, KY 40601

**RE: Economic Development Fund Grant - \$2,000,000 to One East Kentucky on behalf of the City of Pikeville**

Dear Secretary Johnson:

In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$2,000,000 in Economic Development Fund (EDF) funds for the purpose of making a grant to One East Kentucky on behalf of the City of Pikeville

One East Kentucky on behalf of the City of Pikeville is seeking to improve property at the Kentucky Enterprise Industrial Park. The site will be prepped and compacted, creating a site ready for industrial development. This project was a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Under the terms of the EDF grant agreement, requests may be submitted no more than monthly and funds shall be disbursed on a reimbursement basis. Supporting documentation of invoices, proof of payment, matching funds, etc. and a progress report will be required to be submitted with each request. Upon staff's review and approval of all documentation, funds will be disbursed to the local government entity to provide to the project applicant.

I respectfully request your concurrence in the funding of this project. If KEDFA approves this proposal, I would ask that you place this project on the next agenda of the State Property and Buildings Commission. Please feel free to contact me if you have any questions.

Sincerely,

Jeff Noel  
Secretary

**AGREED TO AND APPROVED BY:**

DocuSigned by:  
*Holly M. Johnson* 3/25/2024  
81C993F6FA23433...  
Secretary, Finance and Administration Cabinet Date

cc: Kristina Slattery  
Katie Smith



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
ECONOMIC DEVELOPMENT FUND (EDF)  
KENTUCKY PRODUCT DEVELOPMENT INITIATIVE (KPMI) PROJECT REPORT**

**Date:** March 28, 2024  
**Grantee:** One East Kentucky  
**Beneficiary:** City of Pikeville  
**City:** Pikeville **County:** Pike  
**Activity:** Manufacturing  
**Bus. Dev. Contact:** C. Prather **DFS Staff:** B. Combs  
**Project Description:** One East Kentucky on behalf of the City of Pikeville is seeking to improve property at the Kentucky Enterprise Industrial Park. The site will be prepped and compacted, creating a site ready for industrial development. This project was a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

**Anticipated Project Investment - Owned**

Site Preparation

**TOTAL**

<b>Total Investment</b>
\$4,000,000
<b>\$4,000,000</b>

**Anticipated Project Funding**

Economic Development Fund Grant (State)

City Funds

**TOTAL**

<b>Amount</b>	<b>% of Total</b>
\$2,000,000	50.0%
\$2,000,000	50.0%
<b>\$4,000,000</b>	<b>100.0%</b>

**Other Terms:**

In accordance with the grant agreement, disbursement requests may be submitted no more than monthly requesting funds to be disbursed on a reimbursement basis. Supporting documentation of invoices, proof of payment, matching funds, etc. and a progress report will be required to be submitted with each request. Upon staff's review and approval of all documentation, funds will be disbursed to the local government entity to provide to the project applicant.

**RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT:****\$2,000,000****Recommendation:**

Staff recommends approval of this KPMI-EDF grant subject to the terms set forth in this report and the recommendation letter from the Secretary of the Cabinet for Economic Development (CED). In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Finance and Administration Cabinet's concurrence to CED's use of the funds for this project.

**PRELIMINARY  
NEW BOND ISSUE REPORT**

Name of Bond Issue: Kentucky Housing Corporation Multifamily Tax-Exempt Mortgage-Backed Bonds (Briarwood of Lexington Apartments) Series 2024

Purpose of Issue: The bonds will be used to finance the acquisition, rehabilitation and equipping of a multifamily residential rental facility containing 204 units located at 1349 Centre Parkway, Lexington, Kentucky. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on March 25, 2024.

Name of Project: Briarwood of Lexington

KHC Inducement: October 26, 2023

Anticipated Date of Sale: June 16, 2024

Anticipated Date of Issuance: July 1, 2024

Anticipated Ratings: S&P Global Ratings

Anticipated Net Proceeds: \$16,500,000

Cost of Issuance: \$710,000 (costs of issuance paid from bond proceeds not to exceed \$330,000)

Bond Discount: \$0

Debt Service Reserve Fund: None

Insurance Premium: None

Total Project Cost: \$29,669,328

Net Interest Rate: 10-year treasury plus 133 basis points

Anticipated Term: 16 years

Average Debt Service: \$1,138,345 per year

Gross Debt Service: est. \$34,713,520

First Call Date: Callable at par after 10 years

Premium at First Call: No premium at 10 years

Method of Sale: Public Offering

Bond Counsel: Ice Miller LLP

Underwriter: Stifel

Underwriter Counsel: Tiber Hudson, LLP

Financial Advisor: N/A

Trustee: TBD

Developer: Gene B. Glick Company, Inc.

**Exhibit A**

**Project Funding Sources:**

Equity Investment	\$ 11,856,695
First Mortgage	16,775,000
General Partner Capital	100
Soft Sources	500,000
<u>Deferred Development Fee</u>	<u>537,533</u>
<b>TOTAL</b>	<b>\$ 29,669,328</b>

**Costs of Issuance:**

Financing Fees & Costs	\$ 275,000
Legal & Accounting – Partnership	185,000
<u>Bond Costs</u>	<u>250,000</u>
<b>TOTAL</b>	<b>\$ 710,000</b>





PO Box 40177  
 8801 River Crossing Blvd.  
 Suite 200  
 Indianapolis, IN 46240  
 T 317.469.0400  
 genebglick.com

The Gene B. Glick Company is an Indianapolis-based, privately held real estate ownership, development and management firm with operations in 13 states. Founded in 1947 and known for its commitment to philanthropy and social responsibility, Glick invests in organizations and opportunities that enhance the communities in which we live and serve.

The Gene B. Glick Company was born out of a young WWII veteran's desire to help his fellow GIs build homes for their families. Eugene Glick founded the company in 1947 in Indianapolis, and by the early 1960s, it was the largest single-family home builder in Indiana. Glick built its first apartment community in 1962, and by the mid-1970s, the business focused solely on multi-family housing development and management. Glick's reputation was built on a commitment to integrity, quality construction, excellent service, and superbly maintained communities. Today, Glick is one of the largest privately held real estate management and development firms in the US, with more than 20,000 units in 13 states.

From our apartment communities to our extensive philanthropic endeavors, our business is family. The Gene B. Glick Company believes in people – our residents, our employees and the communities we serve. We're doing our part to advance our neighborhoods, schools and environment.

The Gene B. Glick Company strives each and every day to set the standard for the multi-family housing industry. We set ourselves apart by providing apartment homes and customer service of the highest caliber and creating value for our residents, employees and neighborhoods. Through our charitable outreach, we work to enhance the communities we serve.

Glick closed on our first tax credit deal in 2017 with the acquisition and rehab of Cambridge Square of Ft. Wayne. Including Ft. Wayne, we have now completed four rehabs totaling \$26,682,646 in construction costs on 757 units. We have four more projects totaling 874 units with estimated construction costs of \$32,106,000 in various stages currently.

<u>Closed Projects</u>	<u># of Units</u>	<u>Closing Date</u>	<u>Construction Amount</u>	<u>Status</u>
Cambridge Square of Ft. Wayne	200	2017	6,326,513	Complete
Carriage House of Evansville	307	2019	11,218,680	Complete
Jamestown Square of Washington	150	2020	5,391,322	Complete
Briarwood of Lafayette	<u>100</u>	2020	<u>3,746,131</u>	Complete
	757		26,682,646	

<u>Projects in Process</u>	<u># of Units</u>	<u>Closing Date</u>	<u>Construction Amount</u>	<u>Status</u>
Cambridge Square of Flint	160	January of 2022	6,333,000	Pending 8609
Carriage House of Kendallville	150	June of 2022	5,003,000	Pending 8609
Bradford Lake	358	November of 2022	12,530,000	In Process
Country View Apartments	<u>206</u>	December of 2022	<u>8,240,000</u>	Begins April '23
	874		32,106,000	

### **Key Staff**

#### **Ryan Tolle, Vice President, Asset Management**

Ryan is responsible for the analysis and oversight of new acquisitions and development opportunities, as well as the financial oversight for half of the Glick portfolio. Ryan has worked on all of the Glick, initial LIHTC projects and has successfully preserved and repositioned 757 affordable apartment homes.

Prior to joining Glick, he was Vice President of commercial banking for First Merchants Bank, N.A. He earned his bachelor's degree in finance from Indiana University and an MBA with a concentration in entrepreneurship from Ball State University.

#### **Adam Richter, Vice President, Corporate Counsel**

Adam leads the company's legal and risk management departments, where he oversees the management of transactional and litigious legal matters and develops programs designed to keep Glick's residents, employees and properties safe. He is passionate about the opportunities this role presents, especially the diversity of issues that change daily and require critical thinking skills.

Adam joined Glick after several years of large-firm private practice where he routinely represented high profile real estate developers, investors and institutional clients in a wide range of commercial real estate related issues. Prior to becoming an attorney, Adam developed his own successful portfolio of investment properties and he continues to be an active real estate investor. Adam received his Bachelor of Science degree in business from Indiana University Kelley School of Business and his JD from Indiana University School of Law-Bloomington, both with honors.

#### **Janine Betsey, Director, Tax Credit Operations**

Janine joined the Glick team in July 2021. Janine brings more than 15 years of LIHTC experience to the team, including successful work with both 9% and 4% LIHTC projects. Janine has successfully administered multiple types of federal funding and soft debt, including HOME funds, Community Development Block Grant Funds, and Affordable Housing Program Dollars from the Federal Home Loan Bank.

Prior to joining Glick, Janine was the President and CEO of Merchants Affordable Housing Corp, where she grew the portfolio from 780 units to just over 2500 units. Janine has a Bachelor of the Arts degree and a MPA from Indiana University.

#### **Ryan Hamlett, Tax Credit Analyst**

Ryan joined Glick in late 2021 and assists the Director of Tax Credit Operations. He provides research into the viability of tax credit applications and assists in the production, submission, and review of 4% and 9% applications.

Prior to joining Glick, Ryan was Placemaking and Environmental Review Manager for the Indiana Housing and Community Development Authority. He has a Bachelor of Arts in Communications and Fine Art from Indiana University and a Masters of Science in Historic Preservation from Ball State University.

## New Bond Issue Report

### Preliminary New Bond Issue Information

The KHC Board of Directors approved \$400 million of preliminary authorization on February 29, 2024 through March 1, 2025 limited to \$400 million applicable to Single Family Mortgage Revenue Bonds issued in one or more series.

Name of Issue: \$400,000,000 Kentucky Housing Corporation ("KHC") Single Family Mortgage Revenue Bonds to be issued in one or more series

Purpose of Issue: The Single Family Mortgage Revenue Bonds will be issued in one or more series to provide on-going mortgage financing for first-time low and moderate income Kentucky homebuyers. The Single Family Mortgage Revenue Bonds will be issued on a taxable and/or tax-exempt (Non-AMT) basis. This New Bond Issue Report seeks state approvals of \$400 million in support of KHC's Single Family program through March 1, 2025. Although \$400 million of approval is being sought, the attributes of this New Bond Issue Report below will utilize an amount of \$150 million.

Proposed Key Dates: Proposed Dates of Sale: ROP 5/14/2024  
IOP 5/15/2024 Initial Settlement and Dated Dates: 6/13/2024

Expected Ratings: Moody's: Aaa

	Series C Fixed Rate (Non-AMT) New Money	Series D Fixed Rate (Taxable) New Money	Total
--	--	--	-------

Proposed Sources

Bond Par:	75,000,000.00	75,000,000.00	150,000,000.00
Bond Premium:	2,293,545.60	558,115.80	2,851,661.40
Gross Proceeds:	77,293,545.60	75,558,115.80	152,851,661.40
KHC Contribution:	778,954.40	2,514,384.20	3,293,338.60
Total Sources:	78,072,500.00	78,072,500.00	156,145,000.00

Proposed Uses

Underwriters' Discount:	475,000.00	475,000.00	950,000.00
Other Costs of Issuance:	160,000.00	160,000.00	320,000.00
Deposit to Debt Service Reserve Fund:	-	-	-
Deposit to Mortgage Purchase Account:	76,125,000.00	76,125,000.00	152,250,000.00
Deposit to Revenue Account:	37,500.00	37,500.00	75,000.00
Collateral for 2023 General Indenture	1,275,000.00	1,275,000.00	2,550,000.00
Total Uses:	78,072,500.00	78,072,500.00	156,145,000.00

Arbitrage Yield:	4.36%	N/A	N/A
Net Interest Cost:	5.04%	5.78%	5.41%
True Interest Cost:*	4.82%	5.77%	5.30%

Average Life of Bonds (years):	19.51	20.05	19.78
First Optional Call Date: **	July 1, 2033	July 1, 2033	July 1, 2033
Final Maturity Date:	1/1/2055	1/1/2055	1/1/2055

Gross Debt Service:	\$ 148,664,313	\$ 161,924,994	\$ 310,589,308
Avg. Annual Debt Service:	\$ 4,795,623	\$ 5,223,387	\$ 10,019,010

Method of Sale: Negotiated  
 Bond Counsel: Kutak Rock LLP  
 Sole Underwriter: Bank of America Securities  
 Underwriter's Counsel: Dinsmore & Shohl LLP  
 Trustee: The Bank of New York Trust Company, N.A.  
 Financial Advisor: Office of Financial Management

\* Costs of Issuance and Underwriter's Discount were included in calculation of True Interest Cost.

Actual Costs of Issuance and Underwriter's Discount may be paid from other funds.

\*\* Bonds will be subject to special redemption provisions that may result in earlier redemption.

KENTUCKY HOUSING CORPORATION  
New Bond Issue Report  
Estimated Cost of Issuance  
2024 SERIES C & 2024 SERIES D

Bond Amount	2024 C 75,000,000		2024 D 75,000,000		Total 150,000,000	
	Amount	\$/1,000	Amount	\$/1,000	Amount	\$/1,000
Underwriter's Discount						
Takedown	425,000	5.67	425,000	5.67	850,000	5.67
Management Fee	-	-	-	-	-	-
Expenses						
Underwriters' Counsel Fee	22,688	0.30	22,688	0.30	45,375	0.30
IPREO / Dalcomp	7,496	0.10	7,496	0.10	14,992	0.10
CUSIP	1,515	0.02	1,515	0.02	3,030	0.02
CUSIP Disclosure	35	0.00	35	0.00	70	0.00
IPREO Gameday	2,450	0.03	2,450	0.03	4,899	0.03
Day Loan	1,061	0.01	1,061	0.01	2,123	0.01
DTC	975	0.01	975	0.01	1,950	0.01
DAC	250	0.00	250	0.00	500	0.00
Miscellaneous	13,530	0.18	13,530	0.18	27,061	0.18
Total UW Discount	475,000	6.33	475,000	6.33	950,000	6.33
Professional Services						
Moody's Investor Service	42,500	0.57	42,500	0.57	85,000	0.57
Accountant	4,000	0.05	4,000	0.05	8,000	0.05
Printer	2,500	0.03	2,500	0.03	5,000	0.03
Bond Counsel	41,250	0.55	41,250	0.55	82,500	0.55
Trustee	1,250	0.02	1,250	0.02	2,500	0.02
Quantitative Consultant	25,000	0.33	25,000	0.33	50,000	0.33
Quantitative Consultant - 1 quarter	23,125	0.31	23,125	0.31	46,250	0.31
OFM Fee	18,750	0.25	18,750	0.25	37,500	0.25
Miscellaneous	1,625	0.02	1,625	0.02	3,250	0.02
Total Professional Services	160,000	2.13	160,000	2.13	320,000	2.13
Total Costs of Issuance	635,000	8.47	635,000	8.47	1,270,000	8.47

KENTUCKY HOUSING CORPORATION  
New Bond Issue Report  
Bond Debt Service  
2024 SERIES C

Period Ending	Principal	Weighted Avg Coupon	Interest	Debt Service	Annual Debt Service
6/13/2024	-	-	-	-	-
7/1/2024	-	-	-	-	-
1/1/2025	-	-	2,010,822	2,010,822	2,010,822
7/1/2025	490,000	3.100%	1,828,020	2,318,020	
1/1/2026	575,000	3.200%	1,820,425	2,395,425	4,713,445
7/1/2026	585,000	3.200%	1,811,225	2,396,225	
1/1/2027	595,000	3.250%	1,801,865	2,396,865	4,793,090
7/1/2027	605,000	3.300%	1,792,196	2,397,196	
1/1/2028	615,000	3.300%	1,782,214	2,397,214	4,794,410
7/1/2028	630,000	3.581%	1,772,066	2,402,066	
1/1/2029	640,000	4.294%	1,760,785	2,400,785	4,802,851
7/1/2029	655,000	4.293%	1,747,045	2,402,045	
1/1/2030	670,000	4.325%	1,732,985	2,402,985	4,805,030
7/1/2030	685,000	4.408%	1,718,495	2,403,495	
1/1/2031	705,000	4.401%	1,703,396	2,408,396	4,811,891
7/1/2031	720,000	4.433%	1,687,881	2,407,881	
1/1/2032	740,000	4.460%	1,671,921	2,411,921	4,819,803
7/1/2032	755,000	4.525%	1,655,420	2,410,420	
1/1/2033	775,000	4.566%	1,638,339	2,413,339	4,823,759
7/1/2033	795,000	4.561%	1,620,644	2,415,644	
1/1/2034	815,000	4.589%	1,602,514	2,417,514	4,833,158
7/1/2034	835,000	4.597%	1,583,815	2,418,815	
1/1/2035	855,000	4.625%	1,564,624	2,419,624	4,838,439
7/1/2035	880,000	4.628%	1,544,854	2,424,854	
1/1/2036	900,000	4.623%	1,524,491	2,424,491	4,849,345
7/1/2036	925,000	4.626%	1,503,686	2,428,686	
1/1/2037	945,000	4.731%	1,482,289	2,427,289	4,855,975
7/1/2037	970,000	4.723%	1,459,935	2,429,935	
1/1/2038	995,000	4.726%	1,437,026	2,432,026	4,861,961
7/1/2038	1,020,000	4.729%	1,413,514	2,433,514	
1/1/2039	1,050,000	4.728%	1,389,398	2,439,398	4,872,911
7/1/2039	1,075,000	4.730%	1,364,576	2,439,576	
1/1/2040	1,105,000	4.990%	1,339,151	2,444,151	4,883,728
7/1/2040	1,135,000	4.989%	1,311,581	2,446,581	
1/1/2041	1,165,000	4.989%	1,283,266	2,448,266	4,894,848
7/1/2041	1,195,000	4.988%	1,254,206	2,449,206	
1/1/2042	1,230,000	4.986%	1,224,401	2,454,401	4,903,608
7/1/2042	1,265,000	4.989%	1,193,740	2,458,740	
1/1/2043	1,300,000	4.987%	1,162,184	2,462,184	4,920,924
7/1/2043	1,335,000	4.990%	1,129,771	2,464,771	
1/1/2044	1,370,000	4.987%	1,096,464	2,466,464	4,931,235
7/1/2044	1,410,000	4.989%	1,062,300	2,472,300	
1/1/2045	1,450,000	5.116%	1,027,130	2,477,130	4,949,430
7/1/2045	1,490,000	5.117%	990,043	2,480,043	
1/1/2046	1,530,000	5.118%	951,924	2,481,924	4,961,966
7/1/2046	1,575,000	5.117%	912,774	2,487,774	
1/1/2047	1,620,000	5.117%	872,476	2,492,476	4,980,250
7/1/2047	1,665,000	5.116%	831,031	2,496,031	
1/1/2048	1,710,000	5.120%	788,439	2,498,439	4,994,470
7/1/2048	1,760,000	5.118%	744,665	2,504,665	
1/1/2049	1,810,000	5.116%	699,628	2,509,628	5,014,293
7/1/2049	1,860,000	5.118%	653,326	2,513,326	
1/1/2050	1,910,000	5.153%	605,728	2,515,728	5,029,054
7/1/2050	1,965,000	5.150%	556,520	2,521,520	
1/1/2051	2,025,000	5.149%	505,923	2,530,923	5,052,443
7/1/2051	2,080,000	5.150%	453,785	2,533,785	
1/1/2052	2,140,000	5.150%	400,225	2,540,225	5,074,010
7/1/2052	2,200,000	5.152%	345,125	2,545,125	
1/1/2053	2,265,000	5.151%	288,453	2,553,453	5,098,578
7/1/2053	2,330,000	5.152%	230,123	2,560,123	
1/1/2054	2,395,000	5.151%	170,103	2,565,103	5,125,225
7/1/2054	2,465,000	5.151%	108,425	2,573,425	
1/1/2055	1,745,000	5.151%	44,940	1,789,940	4,363,365
Totals	75,000,000		73,664,313	148,664,313	148,664,313

Avg Life: 19.51

NIC: 5.036%

KENTUCKY HOUSING CORPORATION  
 New Bond Issue Report  
 Bond Debt Service  
 2024 SERIES D

Period Ending	Principal	Weighted Avg Coupon	Interest	Debt Service	Annual Debt Service
6/13/2024	-	-	-	-	-
7/1/2024	-	-	-	-	-
1/1/2025	-	-	2,357,310	2,357,310	2,357,310
7/1/2025	390,000	5.028%	2,143,009	2,533,009	
1/1/2026	475,000	4.948%	2,133,205	2,608,205	5,141,214
7/1/2026	490,000	5.136%	2,121,453	2,611,453	
1/1/2027	505,000	5.187%	2,108,870	2,613,870	5,225,324
7/1/2027	515,000	5.218%	2,095,774	2,610,774	
1/1/2028	530,000	5.172%	2,082,339	2,612,339	5,223,113
7/1/2028	545,000	5.206%	2,068,633	2,613,633	
1/1/2029	560,000	5.219%	2,054,447	2,614,447	5,228,080
7/1/2029	580,000	5.243%	2,039,833	2,619,833	
1/1/2030	595,000	5.329%	2,024,629	2,619,629	5,239,462
7/1/2030	610,000	5.356%	2,008,774	2,618,774	
1/1/2031	630,000	5.393%	1,992,438	2,622,438	5,241,212
7/1/2031	650,000	5.411%	1,975,449	2,625,449	
1/1/2032	670,000	5.426%	1,957,863	2,627,863	5,253,312
7/1/2032	690,000	5.471%	1,939,685	2,629,685	
1/1/2033	710,000	5.502%	1,920,811	2,630,811	5,260,495
7/1/2033	730,000	5.526%	1,901,278	2,631,278	
1/1/2034	750,000	5.557%	1,881,109	2,631,109	5,262,387
7/1/2034	775,000	5.568%	1,860,269	2,635,269	
1/1/2035	795,000	5.617%	1,838,694	2,633,694	5,268,963
7/1/2035	820,000	5.619%	1,816,365	2,636,365	
1/1/2036	845,000	5.636%	1,793,329	2,638,329	5,274,694
7/1/2036	870,000	5.637%	1,769,516	2,639,516	
1/1/2037	900,000	5.651%	1,744,993	2,644,993	5,284,509
7/1/2037	925,000	5.652%	1,719,565	2,644,565	
1/1/2038	955,000	5.652%	1,693,427	2,648,427	5,292,992
7/1/2038	985,000	5.652%	1,666,440	2,651,440	
1/1/2039	1,015,000	5.652%	1,638,606	2,653,606	5,305,047
7/1/2039	1,045,000	5.652%	1,609,925	2,654,925	
1/1/2040	1,080,000	5.739%	1,580,396	2,660,396	5,315,321
7/1/2040	1,110,000	5.739%	1,549,407	2,659,407	
1/1/2041	1,145,000	5.738%	1,517,557	2,662,557	5,321,964
7/1/2041	1,180,000	5.739%	1,484,707	2,664,707	
1/1/2042	1,220,000	5.738%	1,450,845	2,670,845	5,335,552
7/1/2042	1,255,000	5.739%	1,415,843	2,670,843	
1/1/2043	1,295,000	5.738%	1,379,829	2,674,829	5,345,672
7/1/2043	1,335,000	5.739%	1,342,675	2,677,675	
1/1/2044	1,380,000	5.739%	1,304,369	2,684,369	5,362,044
7/1/2044	1,420,000	5.739%	1,264,772	2,684,772	
1/1/2045	1,465,000	5.806%	1,224,025	2,689,025	5,373,797
7/1/2045	1,510,000	5.806%	1,181,498	2,691,498	
1/1/2046	1,560,000	5.805%	1,137,665	2,697,665	5,389,163
7/1/2046	1,610,000	5.805%	1,092,384	2,702,384	
1/1/2047	1,660,000	5.806%	1,045,653	2,705,653	5,408,037
7/1/2047	1,715,000	5.805%	997,467	2,712,467	
1/1/2048	1,765,000	5.806%	947,688	2,712,688	5,425,155
7/1/2048	1,820,000	5.805%	896,454	2,716,454	
1/1/2049	1,880,000	5.805%	843,628	2,723,628	5,440,081
7/1/2049	1,940,000	5.805%	789,060	2,729,060	
1/1/2050	2,000,000	5.838%	732,751	2,732,751	5,461,811
7/1/2050	2,065,000	5.839%	674,366	2,739,366	
1/1/2051	2,130,000	5.839%	614,080	2,744,080	5,483,446
7/1/2051	2,200,000	5.838%	551,898	2,751,898	
1/1/2052	2,265,000	5.839%	487,677	2,752,677	5,504,575
7/1/2052	2,340,000	5.839%	421,554	2,761,554	
1/1/2053	2,415,000	5.839%	353,241	2,768,241	5,529,795
7/1/2053	2,490,000	5.839%	282,739	2,772,739	
1/1/2054	2,570,000	5.839%	210,048	2,780,048	5,552,788
7/1/2054	2,650,000	5.839%	135,023	2,785,023	
1/1/2055	1,975,000	5.839%	57,659	2,032,659	4,817,682
Totals	75,000,000		86,924,994	161,924,994	161,924,994

Avg Life: 20.05

NIC: 5.781%

KENTUCKY HOUSING CORPORATION  
 New Bond Issue Report  
 Bond Debt Service  
 Total

Period Ending	Principal	Weighted Avg Coupon	Interest	Debt Service	Annual Debt Service
6/13/2024	-	-	-	-	-
7/1/2024	-	-	-	-	-
1/1/2025	-	-	4,368,132	4,368,132	4,368,132
7/1/2025	880,000	3.954%	3,971,029	4,851,029	
1/1/2026	1,050,000	3.991%	3,953,630	5,003,630	9,854,659
7/1/2026	1,075,000	4.082%	3,932,678	5,007,678	
1/1/2027	1,100,000	4.139%	3,910,735	5,010,735	10,018,414
7/1/2027	1,120,000	4.182%	3,887,970	5,007,970	
1/1/2028	1,145,000	4.167%	3,864,553	5,009,553	10,017,523
7/1/2028	1,175,000	4.335%	3,840,699	5,015,699	
1/1/2029	1,200,000	4.726%	3,815,232	5,015,232	10,030,931
7/1/2029	1,235,000	4.739%	3,786,878	5,021,878	
1/1/2030	1,265,000	4.798%	3,757,614	5,022,614	10,044,492
7/1/2030	1,295,000	4.855%	3,727,269	5,022,269	
1/1/2031	1,335,000	4.870%	3,695,834	5,030,834	10,053,103
7/1/2031	1,370,000	4.897%	3,663,330	5,033,330	
1/1/2032	1,410,000	4.919%	3,629,784	5,039,784	10,073,115
7/1/2032	1,445,000	4.976%	3,595,105	5,040,105	
1/1/2033	1,485,000	5.014%	3,559,150	5,044,150	10,084,254
7/1/2033	1,525,000	5.023%	3,521,922	5,046,922	
1/1/2034	1,565,000	5.053%	3,483,623	5,048,623	10,095,544
7/1/2034	1,610,000	5.064%	3,444,084	5,054,084	
1/1/2035	1,650,000	5.103%	3,403,317	5,053,317	10,107,402
7/1/2035	1,700,000	5.106%	3,361,218	5,061,218	
1/1/2036	1,745,000	5.114%	3,317,820	5,062,820	10,124,039
7/1/2036	1,795,000	5.116%	3,273,202	5,068,202	
1/1/2037	1,845,000	5.180%	3,227,282	5,072,282	10,140,484
7/1/2037	1,895,000	5.177%	3,179,500	5,074,500	
1/1/2038	1,950,000	5.179%	3,130,453	5,080,453	10,154,953
7/1/2038	2,005,000	5.182%	3,079,954	5,084,954	
1/1/2039	2,065,000	5.182%	3,028,004	5,093,004	10,177,958
7/1/2039	2,120,000	5.184%	2,974,501	5,094,501	
1/1/2040	2,185,000	5.360%	2,919,547	5,104,547	10,199,048
7/1/2040	2,245,000	5.360%	2,860,988	5,105,988	
1/1/2041	2,310,000	5.360%	2,800,824	5,110,824	10,216,812
7/1/2041	2,375,000	5.361%	2,738,913	5,113,913	
1/1/2042	2,450,000	5.360%	2,675,247	5,125,247	10,239,160
7/1/2042	2,520,000	5.363%	2,609,583	5,129,583	
1/1/2043	2,595,000	5.362%	2,542,013	5,137,013	10,266,596
7/1/2043	2,670,000	5.364%	2,472,446	5,142,446	
1/1/2044	2,750,000	5.364%	2,400,833	5,150,833	10,293,279
7/1/2044	2,830,000	5.365%	2,327,072	5,157,072	
1/1/2045	2,915,000	5.462%	2,251,155	5,166,155	10,323,227
7/1/2045	3,000,000	5.463%	2,171,541	5,171,541	
1/1/2046	3,090,000	5.465%	2,089,589	5,179,589	10,351,130
7/1/2046	3,185,000	5.465%	2,005,158	5,190,158	
1/1/2047	3,280,000	5.465%	1,918,130	5,198,130	10,388,287
7/1/2047	3,380,000	5.466%	1,828,498	5,208,498	
1/1/2048	3,475,000	5.468%	1,736,127	5,211,127	10,419,625
7/1/2048	3,580,000	5.467%	1,641,119	5,221,119	
1/1/2049	3,690,000	5.467%	1,543,255	5,233,255	10,454,374
7/1/2049	3,800,000	5.469%	1,442,386	5,242,386	
1/1/2050	3,910,000	5.503%	1,338,478	5,248,478	10,490,864
7/1/2050	4,030,000	5.503%	1,230,886	5,260,886	
1/1/2051	4,155,000	5.503%	1,120,002	5,275,002	10,535,888
7/1/2051	4,280,000	5.504%	1,005,683	5,285,683	
1/1/2052	4,405,000	5.504%	887,902	5,292,902	10,578,585
7/1/2052	4,540,000	5.506%	766,679	5,306,679	
1/1/2053	4,680,000	5.506%	641,694	5,321,694	10,628,373
7/1/2053	4,820,000	5.507%	512,862	5,332,862	
1/1/2054	4,965,000	5.507%	380,151	5,345,151	10,678,013
7/1/2054	5,115,000	5.507%	243,448	5,358,448	
1/1/2055	3,720,000	5.516%	102,599	3,822,599	9,181,047
Totals	150,000,000		160,589,308	310,589,308	310,589,308

Avg Life: 19.78

NIC: 5.413%

PRELIMINARY NEW BOND ISSUE REPORT \*

Issue: Murray State University  
General Receipts Bonds, 2024 Series A

Purpose of Issue: Bond proceeds will be used to 1) finance the project listed as "Construct Residential Housing" in H.B. 1 of the 2022 Regular Session of the Kentucky General Assembly; 2) finance the project listed as "Renovate Residence Hall HVAC System - Additional Reauthorization"; and 3) pay costs of issuance.

Projected Date of Sale: May 16, 2024  
Date of Delivery: June 4, 2024

Ratings:  
Moody's TBD

**Sources:**

Par amount of bonds:	\$19,990,000.00
<b><u>Total Sources:</u></b>	<b>\$19,990,000.00</b>

**Uses:**

Project Fund Deposit:	\$19,500,000.00
Issuance Cost:	\$90,200.00
Underwriter's Discount:	\$399,800.00
<b><u>Total Uses:</u></b>	<b>\$19,990,000.00</b>

All-in True Interest Cost:	4.196%
Final Maturity Date:	March 1, 2044
Average Annual Debt Service:	\$1,541,498.45
Total Debt Service:	\$30,431,748.53
Average Life (years):	13.142

Method of Sale:	Competitive
Bond Counsel:	Dinsmore & Shohl, LLP
Trustee:	U.S. Bank
Financial Advisor:	Baird

Based off cashflows as of 4/1/2024

\*Preliminary Subject to Change, does not include premium or discount



BOND DEBT SERVICE

Murray State University  
 General Receipts Bonds, 2024 Series A  
 \$19.5 Million Project Deposit  
 A2/A1 NBQ Rates as of 3.26.24 +25bps

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2024			184,845.03	184,845.03	
03/01/2025	90,000	3.690%	382,438.00	472,438.00	
06/30/2025					657,283.03
09/01/2025			380,777.50	380,777.50	
03/01/2026	75,000	3.460%	380,777.50	455,777.50	
06/30/2026					836,555.00
09/01/2026			379,480.00	379,480.00	
03/01/2027	80,000	3.320%	379,480.00	459,480.00	
06/30/2027					838,960.00
09/01/2027			378,152.00	378,152.00	
03/01/2028	80,000	3.180%	378,152.00	458,152.00	
06/30/2028					836,304.00
09/01/2028			376,880.00	376,880.00	
03/01/2029	800,000	3.160%	376,880.00	1,176,880.00	
06/30/2029					1,553,760.00
09/01/2029			364,240.00	364,240.00	
03/01/2030	835,000	3.140%	364,240.00	1,199,240.00	
06/30/2030					1,563,480.00
09/01/2030			351,130.50	351,130.50	
03/01/2031	920,000	3.140%	351,130.50	1,271,130.50	
06/30/2031					1,622,261.00
09/01/2031			336,686.50	336,686.50	
03/01/2032	960,000	3.150%	336,686.50	1,296,686.50	
06/30/2032					1,633,373.00
09/01/2032			321,566.50	321,566.50	
03/01/2033	1,005,000	3.350%	321,566.50	1,326,566.50	
06/30/2033					1,648,133.00
09/01/2033			304,732.75	304,732.75	
03/01/2034	1,055,000	3.500%	304,732.75	1,359,732.75	
06/30/2034					1,664,465.50
09/01/2034			286,270.25	286,270.25	
03/01/2035	1,110,000	3.700%	286,270.25	1,396,270.25	
06/30/2035					1,682,540.50
09/01/2035			265,735.25	265,735.25	
03/01/2036	1,165,000	3.660%	265,735.25	1,430,735.25	
06/30/2036					1,696,470.50
09/01/2036			244,415.75	244,415.75	
03/01/2037	1,225,000	3.800%	244,415.75	1,469,415.75	
06/30/2037					1,713,831.50
09/01/2037			221,140.75	221,140.75	
03/01/2038	1,285,000	3.900%	221,140.75	1,506,140.75	
06/30/2038					1,727,281.50
09/01/2038			196,083.25	196,083.25	
03/01/2039	1,355,000	4.000%	196,083.25	1,551,083.25	
06/30/2039					1,747,166.50
09/01/2039			168,983.25	168,983.25	
03/01/2040	1,430,000	4.100%	168,983.25	1,598,983.25	
06/30/2040					1,767,966.50
09/01/2040			139,668.25	139,668.25	
03/01/2041	1,505,000	4.180%	139,668.25	1,644,668.25	
06/30/2041					1,784,336.50
09/01/2041			108,213.75	108,213.75	
03/01/2042	1,585,000	4.250%	108,213.75	1,693,213.75	
06/30/2042					1,801,427.50
09/01/2042			74,532.50	74,532.50	
03/01/2043	1,670,000	4.310%	74,532.50	1,744,532.50	
06/30/2043					1,819,065.00
09/01/2043			38,544.00	38,544.00	
03/01/2044	1,760,000	4.380%	38,544.00	1,798,544.00	
06/30/2044					1,837,088.00
	19,990,000		10,441,748.53	30,431,748.53	30,431,748.53



**FINANCE AND ADMINISTRATION CABINET  
OFFICE OF THE CONTROLLER  
OFFICE OF FINANCIAL MANAGEMENT**

200 Mero Street, 5<sup>th</sup> Floor  
Frankfort, Kentucky 40622  
Phone: (502) 564-2924

**Andy Beshear**  
GOVERNOR

**Holly M. Johnson**  
SECRETARY

**L. Joe McDaniel**  
CONTROLLER

**Ryan Barrow**  
EXECUTIVE DIRECTOR

March 26, 2024

Holly M. Johnson  
Secretary  
Finance and Administration Cabinet  
Executive Director  
State Property and Buildings Commission  
200 Mero Street, 5<sup>th</sup> Floor  
Frankfort, KY 40622

Dear Secretary Johnson:

Pursuant to KRS 42.420, the Office of Financial Management is required to review and approve the issuance of debt by all state agencies. The attached constitutes the review and approval of the \$10,575,000 State Property and Buildings Commission Agency Fund Revenue Refunding Bonds, Project No. 129 dated March 26, 2024.

Sincerely,

DocuSigned by:  
*Ryan Barrow*  
43FC7EA6C7874E0...

Ryan Barrow  
Executive Director  
Office of Financial Management

Attachments

**OFM APPROVAL PURSUANT TO KRS 42.420**  
**\$ 10,575,000**  
**COMMONWEALTH OF KENTUCKY**  
**STATE PROPERTY AND BUILDINGS COMMISSION**  
**AGENCY FUND REVENUE REFUNDING BONDS, PROJECT NO. 129**

**DESCRIPTION:**

The Bonds are being issued to provide funds with which to (i) refund the Commission's outstanding Agency Fund Revenue Bonds (Project No. 105) maturing on and after April 1, 2025, and (ii) pay the costs of issuing the Bonds.

**BOND SUMMARY STATISTICS:**

Par Amount:	\$ 10,575,000
Pricing Date:	March 5, 2024
Closing Date:	March 26, 2024
Dated Date:	March 26, 2024
Final Maturity:	April 1, 2033
Arbitrage Yield:	2.7589%
TIC:	2.7791%
NIC:	3.0018%
All-In TIC:	2.8907%
Benchmark (BBWK20GO):	3.52% (March 7, 2024)
Method of Sale:	Competitive
Purchaser:	Wells Fargo
Bond Counsel:	Kutak Rock LLP
Trustee:	U.S. Bank
Financial Advisor:	Hilltop Financial

**RATINGS:**

Moody's:	A1
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**SOURCES AND USES OF FUNDS:****SOURCES OF FUNDS:**

Par Amount of Bonds	\$ 10,575,000.00
Net Original Issue Premium	<u>1,397,166.20</u>
<b>TOTAL SOURCES</b>	<b>\$ 11,972,166.20</b>

**USES OF FUNDS:**

Refunding Escrow Deposit	\$11,883,519.36
Costs of Issuance*	<u>88,646.84</u>
<b>TOTAL USES</b>	<b>\$ 11,972,166.20</b>

\*Includes underwriters' discount, legal fees, rating agency fees, trustee fees, printing and other expenses of the issuance and offering of the Bonds.

**REFUNDING:**

Par Amount Refunded Bonds	\$11,930,000.00
Net Present Value Savings	\$1,002,977.30
Percent Savings of Refunded Bonds	8.4072%

**PROFESSIONAL SERVICES:**

Pursuant to KRS Chapter 45, the Issuer is providing information on all costs associated, either directly or indirectly, with this bond issuance. Costs are actual or estimated as of the date of closing of the issue.

<b>Firm</b>	<b>Service</b>	<b>Fee</b>
Moody's	Rating Service	\$ 29,000.00
U.S. Bank	Trustee	1,500.00
OFM	Financial Advisor	2,643.75
Hilltop Financial	Financial Advisor	15,000.00
Kutak Rock LLP	Bond Counsel	15,000.00
Bond Link	Printer / Roadshow	5,500.00
	Contingency / Misc.	<u>6,297.89</u>
<b>TOTAL</b>		<b>\$ 74,941.64</b>

**ATTACHMENTS:**

Official Statement Cover  
 Bond Debt Service Schedule  
 Summary of Bonds Refunded  
 Savings

*In the opinion of Bond Counsel for the Project 129 Bonds, based upon an analysis of laws, regulations, rulings, and court decisions, and assuming continuing compliance with certain covenants made by the Commission, and subject to the conditions and limitations set forth herein under the caption "TAX EXEMPTION," interest on the Project 129 Bonds (including any original issue discount properly allocable to the owner of a Project 129 Bond) is excludable from gross income for federal income tax purposes and is not a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Project 129 Bonds may affect the federal alternative minimum tax imposed on certain corporations. Interest on the Project 129 Bonds is exempt from Kentucky income tax and the Project 129 Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. See "TAX EXEMPTION" herein for a more complete discussion, and "EXHIBIT E – FORM OF BOND COUNSEL OPINION FOR THE BONDS."*



**\$10,575,000**  
**COMMONWEALTH OF KENTUCKY**  
**State Property and Buildings Commission**  
**Agency Fund Revenue Refunding Bonds, Project No. 129**

**Dated: Date of Delivery**

**Due: April 1, as shown below**

The Agency Fund Revenue Refunding Bonds, Project No. 129 (the "Project 129 Bonds") will be issued only as fully registered bonds, and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Project 129 Bonds. Purchasers will not receive certificates representing their ownership interest in the Project 129 Bonds purchased. So long as DTC or its nominee is the registered owner of the Project 129 Bonds, payments of the principal of, premium, if any, and interest due on the Project 129 Bonds will be made directly to DTC. The Project 129 Bonds will be issued in denominations of \$5,000 or any integral multiple thereof, and will bear interest payable on each April 1 and October 1, commencing on October 1, 2024. Principal of, redemption premium, if any, and interest on the Project 129 Bonds will be paid directly to DTC by U.S. Bank Trust Company, National Association, as Trustee and Paying Agent.

The Project 129 Bonds mature on the dates, in the principal amounts, bear interest at the rates per annum and have the prices or yields as follows:

<u>Maturity</u> <u>(April 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price or</u> <u>Yield</u>	<u>CUSIP</u> <sup>¥</sup> <u>49151F</u>	<u>Maturity</u> <u>(April 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price or</u> <u>Yield</u>	<u>CUSIP</u> <sup>¥</sup> <u>49151F</u>
2025	\$430,000	5.000%	101.861	Z29	2030	\$1,885,000	5.000%	112.451	Z78
2026	465,000	5.000%	104.078	Z37	2031	1,985,000	5.000%	114.194	Z86
2027	495,000	5.000%	106.464	Z45	2032	2,080,000	5.000%	116.083	Z94
2028	515,000	5.000%	108.733	Z52	2033	2,185,000	5.000%	117.592	2A7
2029	535,000	5.000%	110.816	Z60					

The Project 129 Bonds are not subject to redemption prior to maturity as described herein.

The Project 129 Bonds are being issued by the State Property and Buildings Commission (the "Commission"), an independent agency of the Commonwealth of Kentucky (the "Commonwealth"), at the request of the Finance and Administration Cabinet of the Commonwealth (the "Cabinet") and the Kentucky River Authority (the "State Agency") pursuant to a Bond Resolution adopted December 8, 2023 to (i) pay the costs of the 2024 Project for the State Agency defined herein and (ii) pay the costs of issuing the Project 129 Bonds.

THE PROJECT 129 BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE COMMISSION. THE PROJECT 129 BONDS DO NOT CONSTITUTE A DEBT, LIABILITY, OR OBLIGATION OF THE COMMONWEALTH, OR A PLEDGE OF THE FULL FAITH AND CREDIT OR TAXING POWER OF THE COMMONWEALTH, BUT ARE PAYABLE SOLELY FROM AMOUNTS DEPOSITED IN CERTAIN FUNDS AND ACCOUNTS CREATED BY THE PROJECT 129 RESOLUTION AND FROM RENTAL INCOME DERIVED FROM THE BIENNIALLY RENEWABLE LEASE (AS DESCRIBED AND DEFINED HEREIN) AMONG THE COMMISSION, THE CABINET AND THE STATE AGENCY, THE RENT FROM WHICH IS SUBJECT TO APPROPRIATION BY THE GENERAL ASSEMBLY OF THE COMMONWEALTH ON A BIENNIAL BASIS. THE BONDHOLDERS HAVE NO SECURITY INTEREST IN ANY PROPERTIES CONSTITUTING THE PROJECT OR ANY AMOUNTS DERIVED THEREFROM. See "SECURITY FOR THE PROJECT 129 BONDS" herein.

The Project 129 Bonds are offered when, as and if issued and accepted by the underwriter, subject to the approving legal opinion of Kutak Rock LLP, Bond Counsel. It is expected that delivery of the Project 129 Bonds will be made on or about March 26, 2024 in New York, New York, through the facilities of DTC, against payment therefor.

Dated: March 5, 2024.

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**BOND DEBT SERVICE**

**Commonwealth of Kentucky**  
**State Property and Buildings Commission**  
**Agency Fund Revenue Refunding Bonds, Project No. 129**  
**Wells Fargo Winning Bidder**  
**\*\*\*FINAL NUMBERS\*\*\***

Period Ending	Principal	Interest	Debt Service
10/01/2024		271,718.75	271,718.75
04/01/2025	430,000	264,375.00	694,375.00
10/01/2025		253,625.00	253,625.00
04/01/2026	465,000	253,625.00	718,625.00
10/01/2026		242,000.00	242,000.00
04/01/2027	495,000	242,000.00	737,000.00
10/01/2027		229,625.00	229,625.00
04/01/2028	515,000	229,625.00	744,625.00
10/01/2028		216,750.00	216,750.00
04/01/2029	535,000	216,750.00	751,750.00
10/01/2029		203,375.00	203,375.00
04/01/2030	1,885,000	203,375.00	2,088,375.00
10/01/2030		156,250.00	156,250.00
04/01/2031	1,985,000	156,250.00	2,141,250.00
10/01/2031		106,625.00	106,625.00
04/01/2032	2,080,000	106,625.00	2,186,625.00
10/01/2032		54,625.00	54,625.00
04/01/2033	2,185,000	54,625.00	2,239,625.00
	<b>10,575,000</b>	<b>3,461,843.75</b>	<b>14,036,843.75</b>

**SUMMARY OF BONDS REFUNDED**

**Commonwealth of Kentucky**  
**State Property and Buildings Commission**  
**Agency Fund Revenue Refunding Bonds, Project No. 129**  
**Wells Fargo Winning Bidder**  
**\*\*\*FINAL NUMBERS\*\*\***

<b>Bond</b>	<b>Maturity Date</b>	<b>Interest Rate</b>	<b>Par Amount</b>	<b>Call Date</b>	<b>Call Price</b>
<b>State Property and Buildings Commission, SP105, BOND:</b>					
	04/01/2025	3.000%	605,000	06/24/2024	100.000
	04/01/2026	4.000%	625,000	06/24/2024	100.000
	04/01/2027	4.000%	655,000	06/24/2024	100.000
	04/01/2028	3.000%	680,000	06/24/2024	100.000
	04/01/2029	4.000%	695,000	06/24/2024	100.000
	04/01/2030	3.000%	2,045,000	06/24/2024	100.000
	04/01/2031	4.750%	2,110,000	06/24/2024	100.000
	04/01/2032	4.750%	2,205,000	06/24/2024	100.000
	04/01/2033	4.750%	2,310,000	06/24/2024	100.000
			<b>11,930,000</b>		

**SAVINGS**

**Commonwealth of Kentucky**  
**State Property and Buildings Commission**  
**Agency Fund Revenue Refunding Bonds, Project No. 129**  
**Wells Fargo Winning Bidder**  
**\*\*\*FINAL NUMBERS\*\*\***

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/26/2024 @ 2.8906832%
06/30/2025	1,098,587.50	966,093.75	132,493.75	128,344.01
06/30/2026	1,100,437.50	972,250.00	128,187.50	120,771.52
06/30/2027	1,105,437.50	979,000.00	126,437.50	115,738.07
06/30/2028	1,104,237.50	974,250.00	129,987.50	115,617.99
06/30/2029	1,098,837.50	968,500.00	130,337.50	112,683.50
06/30/2030	2,421,037.50	2,291,750.00	129,287.50	108,605.52
06/30/2031	2,424,687.50	2,297,500.00	127,187.50	104,010.16
06/30/2032	2,419,462.50	2,293,250.00	126,212.50	100,287.24
06/30/2033	2,419,725.00	2,294,250.00	125,475.00	96,876.40
	<b>15,192,450.00</b>	<b>14,036,843.75</b>	<b>1,155,606.25</b>	<b>1,002,934.41</b>

**Savings Summary**

PV of savings from cash flow	1,002,934.41
Plus: Refunding funds on hand	42.89
<b>Net PV Savings</b>	<b>1,002,977.30</b>





**FINANCE AND ADMINISTRATION CABINET  
OFFICE OF THE CONTROLLER  
OFFICE OF FINANCIAL MANAGEMENT**

200 Mero Street, 5<sup>th</sup> Floor  
Frankfort, Kentucky 40622  
Phone: (502) 564-2924

**Andy Beshear**  
GOVERNOR

**Holly M. Johnson**  
SECRETARY

**L. Joe McDaniel**  
CONTROLLER

**Ryan Barrow**  
EXECUTIVE DIRECTOR

April 3, 2024

Ms. Mary Fister-Tucker, VP for Fiscal Services/CFO  
Morehead State University  
305 Howell-McDowell Admin Building  
Morehead, KY 40351

Dear Ms. Fister-Tucker,

Pursuant to KRS 42.420, the Office of Financial Management is required to review and approve the issuance of debt by all state agencies. The attached constitutes the review and approval of the recent Morehead State University debt issuance of the \$39,260,000 General Receipts Bonds, 2024 Series A and \$4,410,000 General Receipts Refunding Bonds, 2024 Series B.

Sincerely,

*Ryan Barrow*

Ryan Barrow  
Executive Director

Attachments

**OFM APPROVAL PURSUANT TO KRS 42.420  
 MOREHEAD STATE UNIVERSITY  
 \$39,260,000 GENERAL RECEIPTS BONDS, 2024 SERIES A  
 \$4,410,000 GENERAL RECEIPTS REFUNDING BONDS, 2024 SERIES B  
 DATED APRIL 3, 2024**

**DESCRIPTION:**

Bond proceeds will be used to 1) finance the project listed as “Construct New Residence Hall” in H.B. 1 of the 2022 Regular Session of the Kentucky General Assembly; and 2) refund certain outstanding 2013 Series A and 2014 Series A bonds for present value savings; and 3) pay costs of issuance.

**BOND SUMMARY STATISTICS:**

	<b>Series A</b>	<b>Series B</b>
Par Amount:	\$39,260,000	\$4,410,000
Pricing Date:	03/13/2024	03/13/2024
Closing Date:	04/03/2024	04/03/2024
Dated Date:	04/03/2024	04/03/2024
Final Maturity:	03/01/2054	09/01/2032
Arbitrage Yield:	4.050%	4.050%
TIC:	4.194%	2.867%
NIC:	4.160%	3.053%
All-In TIC:	4.235%	2.939%
Benchmark:	3.52%	(BBWK20GO)
(as of 03/14/2024)		
Method of Sale:	Competitive	
Purchaser:	Series A – Stone X Financial, Inc. Series B – Huntington Securities, Inc.	

**RATINGS:**                      Moody’s:    A1  
    S & P:        AA(Insured)

Final Cashflows as of March 13, 2024

**SOURCES AND USES OF FUNDS:**

<b>SOURCES</b>	<b>Series A</b>	<b>Series B</b>	<b>Total</b>
Par Amount of Bonds	\$39,260,000.00	\$4,410,000.00	\$43,670,000.00
Net Premium/OID	<u>162,532.05</u>	<u>507,718.70</u>	<u>670,250.75</u>
<b>TOTAL SOURCES</b>	<b>\$39,422,532.05</b>	<b>\$4,917,718.70</b>	<b>\$44,340,250.75</b>

**USES:**

Project Fund Deposit	\$38,792,000.00	-	\$38,792,000.00
Escrow Deposit	-	4,874,292.30	4,874,292.30
Cost of Issuance*	<u>630,532.05</u>	<u>43,426.40</u>	<u>673,958.45</u>
<b>TOTAL USES</b>	<b>\$39,422,532.05</b>	<b>\$4,917,718.70</b>	<b>\$44,340,250.75</b>

\*Includes financial advisor, insurance, legal, printing, rating agency fees and other expenses of the issuance and offering of the Bonds.

**REFUNDING:**

Par Amount of Refunded Bonds:	\$4,880,000.00
Net Present Value Savings:	\$374,507.76
Percent Savings of Refunded Bonds:	7.674%

**PROFESSIONAL SERVICES:**

Pursuant to KRS Chapter 45, the Issuer is providing information on all costs associated, either directly or indirectly, with this bond issuance. Costs are actual or estimated as of the date of closing of the issue.

<b><u>Firm</u></b>	<b><u>Service</u></b>	<b><u>Fee</u></b>
Baird	Financial Advisor	\$28,385.50
Dinsmore & Shohl	Bond Counsel	41,486.50
	Legal Expenses / Advertising	1,200.00
OFM	Financial Advisor	10,917.50
Moody's	Rating Agency	59,000.00
Dean Dorton	Auditor	5,000.00
US Bank	Trustee	4,000.00
Miscellaneous	Contingency	<u>3,000.00</u>
		<u>\$152,989.50</u>

**ATTACHMENTS:**

- Official Statement Cover
- Debt Service Schedule
- Savings
- Summary of Bonds Refunded

**NEW ISSUE**  
**Book-Entry Only**  
**(Non-Bank Qualified)**

**RATING: S&P “AA/Stable” (Series A Bonds - BAM Insured)**  
**Moody’s: A1, Stable**  
**(Underlying A3, Stable)**  
**(See “Rating” herein)**

*In the opinion of Bond Counsel for the Series 2024 Bonds, based upon an analysis of laws, regulations, rulings and court decisions, and assuming continuing compliance with certain covenants made by the University, and subject to the conditions and limitations set forth herein under the caption “TAX EXEMPTION,” interest on the Bonds is excludable from gross income for federal income tax purposes is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; Interest on the Series 2024 Bonds is exempt from Kentucky income tax and the Series 2024 Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. See “TAX EXEMPTION” herein.*



**\$39,260,000**  
**MOREHEAD STATE UNIVERSITY**  
**GENERAL RECEIPTS BONDS, 2024 SERIES A**

**and**

**\$4,410,000 MOREHEAD STATE UNIVERSITY**  
**GENERAL RECEIPTS REFUNDING BONDS,**  
**2024 SERIES B**

**Dated: Date of delivery**

**Due: March, as shown on inside cover**

The Morehead State University General Receipts Bonds, 2024 Series A (the “Series A Bonds”) and General Receipts Refunding Bonds, 2024 Series B (the “Series B Bonds”) and, together with the Series A Bonds, the “Series 2024 Bonds”) will be issued only as fully registered bonds, and when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Series 2024 Bonds. Purchasers will not receive certificates representing their ownership interest in the Series 2024 Bonds purchased. So long as DTC or its nominee is the registered owner of the Series 2024 Bonds, payments of the principal of and interest due on the Series 2024 Bonds will be made directly to DTC.

The Series 2024 Bonds are in denominations of \$5,000 or integral multiples thereof and bear interest from their dated date, payable semiannually, in amounts, having maturities, interest rates, yields, and CUSIPs as set forth on the inside cover page hereof. Principal of, premium, if any, and interest on the Series 2024 Bonds will be paid directly to DTC by U.S. Bank Trust Company, National Association, having offices in Louisville, Kentucky, as Trustee and Paying Agent.

The Series A Bonds are subject to redemption before their stated maturities as described herein.

The Series 2024 Bonds constitute special and limited obligations of Morehead State University (the “University”) and do not constitute a debt, liability, or obligation of the Commonwealth of Kentucky nor a pledge of the full faith and credit of the Commonwealth. The Series 2024 Bonds constitute Obligations under the Trust Agreement dated as of July 1, 2007 (the “Trust Agreement”), by and between the University and the Trustee, as amended and supplemented, and the payment of the principal of, premium, if any, and interest on Series 2024 Bonds is secured by a pledge of the University’s General Receipts, as defined in the Trust Agreement. See “SECURITY FOR THE SERIES 2024 BONDS.”

The University deems this Official Statement to be final for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

The scheduled payments of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the issuance and delivery of the Bonds by BUILD AMERICA MUTUAL ASSURANCE COMPANY (“BAM”).



**StoneX®**

The Series 2024 Bonds are issued subject to the approval of legality by Dinsmore & Shohl LLP, Covington, Kentucky, Bond Counsel. Delivery of the Series 2024 Bonds is expected on April 3, 2024 in New York, New York, through the facilities of DTC.

Dated: March 13, 2024

**BOND DEBT SERVICE**  
**Morehead State University**  
**General Receipts Bonds, 2024 Series A**

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2024			677,290.14	677,290.14	
03/01/2025			823,731.25	823,731.25	
06/30/2025					1,501,021.39
09/01/2025			823,731.25	823,731.25	
03/01/2026			823,731.25	823,731.25	
06/30/2026					1,647,462.50
09/01/2026			823,731.25	823,731.25	
03/01/2027			823,731.25	823,731.25	
06/30/2027					1,647,462.50
09/01/2027			823,731.25	823,731.25	
03/01/2028			823,731.25	823,731.25	
06/30/2028					1,647,462.50
09/01/2028			823,731.25	823,731.25	
03/01/2029			823,731.25	823,731.25	
06/30/2029					1,647,462.50
09/01/2029			823,731.25	823,731.25	
03/01/2030			823,731.25	823,731.25	
06/30/2030					1,647,462.50
09/01/2030			823,731.25	823,731.25	
03/01/2031			823,731.25	823,731.25	
06/30/2031					1,647,462.50
09/01/2031			823,731.25	823,731.25	
03/01/2032			823,731.25	823,731.25	
06/30/2032					1,647,462.50
09/01/2032			823,731.25	823,731.25	
03/01/2033			823,731.25	823,731.25	
06/30/2033					1,647,462.50
09/01/2033			823,731.25	823,731.25	
03/01/2034	545,000	5.000%	823,731.25	1,368,731.25	
06/30/2034					2,192,462.50
09/01/2034			810,106.25	810,106.25	
03/01/2035	570,000	5.000%	810,106.25	1,380,106.25	
06/30/2035					2,190,212.50
09/01/2035			795,856.25	795,856.25	
03/01/2036	830,000	5.000%	795,856.25	1,625,856.25	
06/30/2036					2,421,712.50
09/01/2036			775,106.25	775,106.25	
03/01/2037	870,000	5.000%	775,106.25	1,645,106.25	
06/30/2037					2,420,212.50
09/01/2037			753,356.25	753,356.25	
03/01/2038	1,310,000	5.000%	753,356.25	2,063,356.25	
06/30/2038					2,816,712.50
09/01/2038			720,606.25	720,606.25	
03/01/2039	1,380,000	5.000%	720,606.25	2,100,606.25	
06/30/2039					2,821,212.50
09/01/2039			686,106.25	686,106.25	
03/01/2040	1,450,000	5.000%	686,106.25	2,136,106.25	
06/30/2040					2,822,212.50
09/01/2040			649,856.25	649,856.25	
03/01/2041	1,520,000	4.000%	649,856.25	2,169,856.25	
06/30/2041					2,819,712.50
09/01/2041			619,456.25	619,456.25	
03/01/2042	1,585,000	4.000%	619,456.25	2,204,456.25	
06/30/2042					2,823,912.50
09/01/2042			587,756.25	587,756.25	
03/01/2043	1,645,000	4.000%	587,756.25	2,232,756.25	
06/30/2043					2,820,512.50
09/01/2043			554,856.25	554,856.25	
03/01/2044	1,710,000	4.000%	554,856.25	2,264,856.25	
06/30/2044					2,819,712.50
09/01/2044			520,656.25	520,656.25	
03/01/2045	2,150,000	4.000%	520,656.25	2,670,656.25	
06/30/2045					3,191,312.50
09/01/2045			477,656.25	477,656.25	
03/01/2046	2,240,000	4.000%	477,656.25	2,717,656.25	
06/30/2046					3,195,312.50
09/01/2046			432,856.25	432,856.25	
03/01/2047	2,330,000	4.000%	432,856.25	2,762,856.25	
06/30/2047					3,195,712.50
09/01/2047			386,256.25	386,256.25	
03/01/2048	2,420,000	4.000%	386,256.25	2,806,256.25	
06/30/2048					3,192,512.50
09/01/2048			337,856.25	337,856.25	
03/01/2049	2,520,000	4.000%	337,856.25	2,857,856.25	
06/30/2049					3,195,712.50
09/01/2049			287,456.25	287,456.25	
03/01/2050	2,620,000	4.000%	287,456.25	2,907,456.25	
06/30/2050					3,194,912.50
09/01/2050			235,056.25	235,056.25	
03/01/2051	2,725,000	4.000%	235,056.25	2,960,056.25	
06/30/2051					3,195,112.50
09/01/2051			180,556.25	180,556.25	
03/01/2052	2,830,000	4.000%	180,556.25	3,010,556.25	
06/30/2052					3,191,112.50
09/01/2052			123,956.25	123,956.25	
03/01/2053	2,945,000	4.125%	123,956.25	3,068,956.25	
06/30/2053					3,192,912.50
09/01/2053			63,215.63	63,215.63	
03/01/2054	3,065,000	4.125%	63,215.63	3,128,215.63	
06/30/2054					3,191,431.26
	39,260,000		36,325,352.65	75,585,352.65	75,585,352.65

BOND DEBT SERVICE

Morehead State University  
General Receipts Refunding Bonds, 2024 Series B

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2024			90,650	90,650	
03/01/2025			110,250	110,250	
06/30/2025					200,900
09/01/2025			110,250	110,250	
03/01/2026			110,250	110,250	
06/30/2026					220,500
09/01/2026			110,250	110,250	
03/01/2027			110,250	110,250	
06/30/2027					220,500
09/01/2027			110,250	110,250	
03/01/2028			110,250	110,250	
06/30/2028					220,500
09/01/2028	2,240,000	5.000%	110,250	2,350,250	
03/01/2029			54,250	54,250	
06/30/2029					2,404,500
09/01/2029	505,000	5.000%	54,250	559,250	
03/01/2030			41,625	41,625	
06/30/2030					600,875
09/01/2030	525,000	5.000%	41,625	566,625	
03/01/2031			28,500	28,500	
06/30/2031					595,125
09/01/2031	555,000	5.000%	28,500	583,500	
03/01/2032			14,625	14,625	
06/30/2032					598,125
09/01/2032	585,000	5.000%	14,625	599,625	
06/30/2033					599,625
	4,410,000		1,250,650	5,660,650	5,660,650

SAVINGS

Morehead State University  
General Receipts Refunding Bonds, 2024 Series B

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 04/03/2024 @ 4.0503547%
06/30/2025	220,623.76	200,900.00	19,723.76	18,683.29
06/30/2026	220,623.76	220,500.00	123.76	-572.82
06/30/2027	220,623.76	220,500.00	123.76	-550.30
06/30/2028	220,623.76	220,500.00	123.76	-528.67
06/30/2029	2,627,873.76	2,404,500.00	223,373.76	170,646.21
06/30/2030	673,323.76	600,875.00	72,448.76	47,274.60
06/30/2031	669,953.76	595,125.00	74,828.76	46,936.94
06/30/2032	674,878.76	598,125.00	76,753.76	46,048.69
06/30/2033	673,218.76	599,625.00	73,593.76	41,615.38
	6,201,743.84	5,660,650.00	541,093.84	369,553.32

Savings Summary

PV of savings from cash flow	369,553.32
Plus: Refunding funds on hand	4,954.44
Net PV Savings	<u>374,507.76</u>

SUMMARY OF BONDS REFUNDED

Morehead State University  
General Receipts Refunding Bonds, 2024 Series B

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2013A (Unrefunded Portion), 2013A_UN, SERIAL29:	04/01/2029	4.000%	545,000	05/30/2024	100.000
Series 2013A (Unrefunded Portion), 2013A_UN, SERIAL30:	04/01/2030	4.100%	570,000	05/30/2024	100.000
Series 2013A (Unrefunded Portion), 2013A_UN, SERIAL31:	04/01/2031	4.250%	590,000	05/30/2024	100.000
Series 2013A (Unrefunded Portion), 2013A_UN, SERIAL32:	04/01/2032	4.300%	620,000	05/30/2024	100.000
Series 2013A (Unrefunded Portion), 2013A_UN, SERIAL33:	04/01/2033	4.375%	645,000	05/30/2024	100.000
Series 2014A, 2014A, BOND:	10/01/2028	5.000%	1,910,000	05/30/2024	100.000
			4,880,000		





**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](http://www.sfcc.ky.gov)

**ANDY BESHEAR**

Governor

**MS. HOLLY M. JOHNSON**

Secretary

**HEATHER OVERBY**

Chairman

**CHELSEY COUCH**

Executive Director

**MEMORANDUM**

**TO:** Ryan Barrow  
Office of Financial Management

**FROM:** Kristi Russell, SFCC *Kristi Russell*

**DATE:** April 8, 2024

**SUBJECT:** Capital Projects and Bond Oversight Committee (CPBO)

The following information is submitted for consideration by CPBO at their next meeting tentatively scheduled on April 23, 2024:

Fleming County-\$16,545,000 estimated – New elementary school. State estimated annual debt service is \$88,046 and local is \$1,210,099. No tax increase is necessary to finance this project.

Marion County- \$3,610,000 estimated – District wide renovations. State estimated annual debt service is \$18,590 and local is \$257,910. No tax increase is necessary to finance this project.

Wayne County- \$425,000 estimated – Bell Elementary renovations. State estimated annual debt service is \$32,060 and local is \$0. No tax increase is necessary to finance this project.

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





March 25, 2024

School Facilities Construction Commission  
Attn: Chelsey Couch Executive Director  
Carriage House  
Frankfort, KY 40601

RE: \$16,545,000 Fleming County School District Finance Corporation  
School Building Revenue Bonds, Series of 2024B

Dear Ms. Couch:

Please find enclosed a Bond Payee Disclosure Form and Plan of Financing related to the above-referenced series of Bonds. The Bonds will be used to finance the construction of a new elementary 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 7.34% 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,

A handwritten signature in black ink, appearing to read 'L Theinert', with a long horizontal flourish extending to the right.

Lincoln Theinert

Enclosures

147 East Third Street  
Lexington, KY  
40508

859/977-6600

fax: 859/381-1357

[www.rsamuni.com](http://www.rsamuni.com)

# BOND PAYEE DISCLOSURE FORM

Par Amount:	<b>\$16,545,000</b>	
District	Fleming School School District	
Issue Name:	School Building Revenue Bonds, Series 2024B	
Purpose:	New Elementary School	
Projected Sale Date:	Q2 2024	
First Call Date:	8 Years at par	
Method of Sale:	Competitive Bids	
Place/time of sale:	<i>Parity</i> /SFCC, Frankfort, Ky. / TBD	
Bond Rating:	Moody's: "A1"	
Bond Counsel:	Steptoe and Johnson, Louisville, KY	
Fiscal Agent:	RSA Advisors LLC, Lexington, 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>

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$1,215,000	\$15,330,000	\$16,545,000
% Share of total Bonds:	7.34%	92.66%	100.00%
Estimated average annual debt service:	\$88,046	\$1,210,099	\$1,298,145
Estimated debt service reserve:	\$0	\$0	\$0

**Estimated Cost of Issuance:**

	SFCC	Local	Total
Fiscal Agent, Bond Counsel, etc	\$5,815	\$73,365	\$79,180
Special Tax Counsel	\$0	\$0	\$0
Number verifications	\$0	\$0	\$0
Bond Rating & Bank Fee	\$2,633	\$33,217	\$35,850
Underwriter's Discount	\$24,300	\$306,600	\$330,900
Credit Enhancement	\$0	\$0	\$0
<b>Total Cost of Issuance:</b>	<b>\$32,747</b>	<b>\$413,183</b>	<b>\$445,930</b>

**Anticipated Interest Rates:**      5 Years: 3.100%    10 Years: 3.300%    15 Years: 3.900%  
 20 Years: 4.100%

**Notes: No Tax Increase required**

## ESTIMATED SOURCES & USES

<u>Sources Of Funds</u>	
Par Amount of Bonds	\$16,545,000.00
Cash	\$0.00
Esser	\$0.00
SFCC Critical Needs	\$9,500,000.00
<b>Total Sources</b>	<b>\$26,045,000.00</b>
<u>Uses Of Funds</u>	
Deposit to Project Construction Fund	\$25,599,070.00
Total Underwriter's Discount (2.00%)	\$330,900.00
Costs of Issuance	\$115,030.00
<b>Total Uses</b>	<b>\$26,045,000.00</b>

# FLEMING COUNTY SCHOOL DISTRICT

## PLAN OF FINANCING - SERIES 2024B

Date of Report: 03.25.24

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Local Bond Payments Outstanding .....	1
Summary of Funds for Bond Payments .....	2
Projected Series 2024B.....	3
Disclosure.....	4



# FLEMING COUNTY SCHOOL DISTRICT

## OUTSTANDING NET LOCAL DEBT SERVICE

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>	<b>I</b>	<b>J</b>	<b>K</b>	<b>Total</b>
	Reduced Rebate						100% SFCC				100% SFCC	
FYE	Series 2011 QSCB	Series 2011 QSCB	Series 2012-REF	Series 2012 KISTA*	Series 2013	KISTA 2013	Series 2016-REF	Series 2016	Series 2017-REF	Series 2020-REF	Series 2024	Debt Service
2024	\$372,144	\$31,589	\$319,320	\$68,181	\$200,456	\$28,500		\$188,656	\$135,120	\$230,335		\$1,574,301
2025	\$372,143	\$31,589	\$323,600	\$66,831	\$201,615	\$27,900		\$192,314	\$129,863	\$228,285		\$1,574,140
2026	\$372,144	\$31,589		\$95,031	\$397,656	\$32,300		\$220,837	\$134,240	\$241,160		\$1,524,956
2027	\$372,144	\$31,589		\$92,781	\$403,895	\$31,488		\$218,128	\$132,716	\$238,795		\$1,521,535
2028	\$372,143	\$31,589		\$95,406	\$399,775	\$30,675		\$217,017	\$137,775	\$241,124		\$1,525,504
2029	\$372,143	\$31,589		\$92,906	\$405,535	\$29,831		\$217,892	\$133,220	\$238,143		\$1,521,258
2030	\$368,950	\$31,589		\$95,275	\$404,735	\$28,988		\$232,284		\$234,824		\$1,396,644
2031	\$369,184	\$15,794		\$92,513	\$407,435	\$28,081		\$252,686		\$231,168		\$1,396,860
2032				\$94,669	\$409,686	\$32,175		\$176,736		\$232,128		\$945,393
2033				\$96,603	\$411,485	\$31,088		\$247,285				\$786,461
2034								\$254,986				\$254,986
2035								\$256,635				\$256,635
2036								\$257,386				\$257,386
<b>Totals:</b>	<b>\$2,970,992</b>	<b>\$236,915</b>	<b>\$642,920</b>	<b>\$890,197</b>	<b>\$3,642,273</b>	<b>\$301,025</b>		<b>\$2,932,843</b>	<b>\$802,935</b>	<b>\$2,115,960</b>		<b>\$14,536,060</b>

# FLEMING COUNTY SCHOOL DISTRICT

## SUMMARY OF FUNDS AVAILABLE

A	B	C	D	E	F	G	H	I	J	K	L	M	N
----- Building Fund -----													
FYE	Local Nickel	Category 5 Nickel	Growth Nickel	Category 5 FSPK	Capital Outlay @ 80%	Total Local Funds	Less Current Payments	Local Funds Available	2016 SFCC Offer	2018 SFCC Offer	2020 SFCC Offer	2022 SFCC Offer	Total Funds Available
2024	\$478,236	\$478,236	\$549,603	\$549,603	\$161,864	\$2,217,542	(\$1,574,301)	\$643,241					\$643,241
2025	\$478,236	\$478,236	\$549,603	\$549,603	\$161,864	\$2,217,542	(\$1,574,140)	\$643,402	\$25,546	\$31,649	\$31,093	\$62,198	\$793,888
2026	\$478,236	\$478,236	\$549,603	\$549,603	\$161,864	\$2,217,542	(\$1,524,956)	\$692,586	\$26,117	\$31,649	\$31,093	\$62,198	\$843,643
2027	\$478,236	\$478,236	\$549,603	\$549,603	\$161,864	\$2,217,542	(\$1,521,535)	\$696,007	\$25,474	\$31,649	\$31,093	\$62,198	\$846,421
2028	\$478,236	\$478,236	\$549,603	\$549,603	\$161,864	\$2,217,542	(\$1,525,504)	\$692,039	\$24,863	\$31,649	\$31,093	\$62,198	\$841,842
2029	\$478,236	\$478,236	\$549,603	\$549,603	\$161,864	\$2,217,542	(\$1,521,258)	\$696,285	\$25,286	\$31,649	\$31,093	\$62,198	\$846,510
2030	\$478,236	\$478,236	\$549,603	\$549,603	\$161,864	\$2,217,542	(\$1,396,644)	\$820,898	\$24,708	\$31,649	\$31,093	\$62,198	\$970,546
2031	\$478,236	\$478,236	\$549,603	\$549,603	\$161,864	\$2,217,542	(\$1,396,860)	\$820,682	\$25,268	\$31,649	\$31,093	\$62,198	\$970,890
2032	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939	(\$945,393)	\$722,547	\$24,829	\$31,649	\$31,093	\$62,198	\$872,316
2033	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939	(\$786,461)	\$881,479	\$25,429	\$31,649	\$31,093	\$62,198	\$1,031,847
2034	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939	(\$254,986)	\$1,412,953	\$25,030	\$31,649	\$31,093	\$62,198	\$1,562,923
2035	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939	(\$256,635)	\$1,411,304	\$25,669	\$31,649	\$31,093	\$62,198	\$1,561,913
2036	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939	(\$257,386)	\$1,410,554	\$25,309	\$31,649	\$31,093	\$62,198	\$1,560,803
2037	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939		\$1,667,939	\$25,106	\$31,649	\$31,093	\$62,198	\$1,817,985
2038	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939		\$1,667,939	\$25,708	\$31,649	\$31,093	\$62,198	\$1,818,588
2039	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939		\$1,667,939	\$25,429	\$31,649	\$31,093	\$62,198	\$1,818,309
2040	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939		\$1,667,939	\$25,188	\$31,649	\$31,093	\$62,198	\$1,818,068
2041	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939		\$1,667,939	\$24,989	\$31,649	\$31,093	\$62,198	\$1,817,869
2042	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939		\$1,667,939	\$24,828	\$31,649	\$31,093	\$62,198	\$1,817,708
2043	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939		\$1,667,939	\$25,709	\$31,649	\$31,093	\$62,198	\$1,818,588
2044	\$478,236	\$478,236	\$549,603		\$161,864	\$1,667,939		\$1,667,939	\$25,589	\$31,649	\$31,093	\$62,198	\$1,818,469

**NOTES:** Data based on KDE Seek Final Calculations (FY 23-24)

# FLEMING COUNTY SCHOOL DISTRICT

## PROJECTED SERIES 2024B

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	Local Funds Available For Future Projects
\$1,574,301	2024							\$1,574,301	\$2,217,542	\$643,241
\$1,574,140	2025	\$95,000	3.300%	\$636,525	\$731,525	\$88,288	\$643,237	\$2,217,378	\$2,217,542	\$165
\$1,524,956	2026	\$145,000	3.300%	\$633,390	\$778,390	\$88,859	\$689,531	\$2,214,487	\$2,217,542	\$3,055
\$1,521,535	2027	\$155,000	3.200%	\$628,605	\$783,605	\$88,216	\$695,389	\$2,216,924	\$2,217,542	\$618
\$1,525,504	2028	\$155,000	3.100%	\$623,645	\$778,645	\$87,605	\$691,040	\$2,216,544	\$2,217,542	\$999
\$1,521,258	2029	\$165,000	3.100%	\$618,840	\$783,840	\$88,028	\$695,812	\$2,217,070	\$2,217,542	\$472
\$1,396,644	2030	\$290,000	3.100%	\$613,725	\$903,725	\$87,450	\$816,275	\$2,212,919	\$2,217,542	\$4,623
\$1,396,860	2031	\$300,000	3.300%	\$604,735	\$904,735	\$88,010	\$816,725	\$2,213,585	\$2,217,542	\$3,957
\$945,393	2032	\$215,000	3.300%	\$594,835	\$809,835	\$87,571	\$722,264	\$1,667,657	\$1,667,939	\$283
\$786,461	2033	\$380,000	3.300%	\$587,740	\$967,740	\$88,171	\$879,569	\$1,666,030	\$1,667,939	\$1,909
\$254,986	2034	\$925,000	3.300%	\$575,200	\$1,500,200	\$87,772	\$1,412,428	\$1,667,414	\$1,667,939	\$525
\$256,635	2035	\$950,000	3.800%	\$544,675	\$1,494,675	\$88,411	\$1,406,264	\$1,662,900	\$1,667,939	\$5,040
\$257,386	2036	\$990,000	3.800%	\$508,575	\$1,498,575	\$88,051	\$1,410,524	\$1,667,910	\$1,667,939	\$30
	2037	\$1,280,000	3.800%	\$470,955	\$1,750,955	\$87,848	\$1,663,107	\$1,663,107	\$1,667,939	\$4,832
	2038	\$1,330,000	3.800%	\$422,315	\$1,752,315	\$88,450	\$1,663,865	\$1,663,865	\$1,667,939	\$4,075
	2039	\$1,380,000	3.900%	\$371,775	\$1,751,775	\$88,171	\$1,663,604	\$1,663,604	\$1,667,939	\$4,336
	2040	\$1,435,000	4.000%	\$317,955	\$1,752,955	\$87,930	\$1,665,025	\$1,665,025	\$1,667,939	\$2,915
	2041	\$1,495,000	4.100%	\$260,555	\$1,755,555	\$87,731	\$1,667,824	\$1,667,824	\$1,667,939	\$116
	2042	\$1,555,000	4.100%	\$199,260	\$1,754,260	\$87,570	\$1,666,690	\$1,666,690	\$1,667,939	\$1,250
	2043	\$1,620,000	4.100%	\$135,505	\$1,755,505	\$88,451	\$1,667,054	\$1,667,054	\$1,667,939	\$885
	2044	\$1,685,000	4.100%	\$69,085	\$1,754,085	\$88,331	\$1,665,754	\$1,665,754	\$1,667,939	\$2,186
\$14,536,060	<b>Totals:</b>	\$16,545,000		\$9,417,895	\$25,962,895	\$1,760,915	\$24,201,980	\$38,738,040	\$39,423,551	\$685,511



## **Municipal Advisor Disclosure of Conflicts of Interest and Other Information**

RSA Advisors, LLC (“RSA Advisors”)

### **Introduction**

RSA Advisors 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 Advisors 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 Advisors employs a number of resources to identify and subsequently manage actual or potential conflicts of interest. These resources include the implementation of policies and procedures and a supervisory structure.

### **General Conflict of Interest Disclosures**

**Disciplinary History:** 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: [www.sec.gov](http://www.sec.gov)

**Compensation Based:** The fees due under a Municipal Advisor Agreement may be based on the size of the transaction and the payment of such fees shall be contingent upon the closing of the transaction. While this form of compensation is usual and customary in the municipal securities market, this may present a conflict of interest. RSA believes that this conflict of interest will not impair our ability to render unbiased advice or to fulfill our fiduciary duty to the client.

**Sponsorships and Donations:** Upon request, RSA Advisors may provide sponsorships or donations to various municipal organizations (to which you may be a member), charitable organizations or client sponsored events. RSA Advisors limits the size of any such sponsorship or donation to a reasonable level taking into consideration various matters such as the purpose of the organization, other sponsorships or donations made to the organization and RSA Advisors’ role and physical presence in the community and the state.

**Other Municipal Advisory Relationship:** RSA Advisors serves a wide variety of clients that may potentially have interests that could have a direct or indirect impact on the interests of the client. RSA Advisors could potentially face a conflict of interest arising from these competing client interests. None of these other relationships or engagements would impair RSA Advisors’ ability to fulfill its regulatory duties to the client. 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. If RSA becomes aware of any potential or actual conflict of interest after this disclosure, we will disclose the detailed information in writing to the client in a timely manner including a plan for mitigation.



March 8, 2024

Ms. Katherine Halloran  
700 Capital Avenue  
Frankfort, Kentucky 40601

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

Dear Ms. Halloran:

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

\$3,610,000 (est.)  
Marion County  
School District Finance Corporation  
School Building Revenue Bonds,  
Series 2024

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 call me at 502.588.1829.

Sincerely,

*/s/ Grant Needham*

Grant Needham  
Baird Public Finance



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SOURCES AND USES OF FUNDS

Marion County School District Finance Corporation  
 School Building Revenue Bonds, Series 2024  
 Preliminary Numbers - Series 2024 for Various Projects (5 BG-1's)  
 Rates as of 3.5.24 + 25 Bps

Dated Date 05/14/2024  
 Delivery Date 05/14/2024

Sources:	SFCC Portion	District Portion	Total
<b>Bond Proceeds:</b>			
Par Amount	258,203.00	3,351,797.00	3,610,000.00
	258,203.00	3,351,797.00	3,610,000.00
<b>Uses:</b>			
<b>Project Fund Deposits:</b>			
Glasscock ES - Total Construction Cost	244,134.62	1,011,865.38	1,256,000.00
Glasscock ES - A/E Fee	572.20	7,427.80	8,000.00
Glasscock ES - Construction Contingencies	4,491.73	58,308.27	62,800.00
Glasscock ES - Miscellaneous	357.62	4,642.38	5,000.00
ATC - Total Construction Cost		714,642.00	714,642.00
ATC - Construction Contingencies		35,732.10	35,732.10
ATC - A/E Fee		66,104.39	66,104.39
ATC - Advertising		3,500.00	3,500.00
ATC - Printing		1,500.00	1,500.00
ATC - Plan Review Fee		7,500.00	7,500.00
ATC - Miscellaneous		15,000.00	15,000.00
MS Roof - Total Construction Cost		503,225.00	503,225.00
MS Roof - A/E Fee		48,435.41	48,435.41
MS Roof - Construction Contingencies		25,161.25	25,161.25
MS Roof - Advertising		3,500.00	3,500.00
MS Roof - Printing		1,500.00	1,500.00
MS Roof - Plan Review Fee		5,000.00	5,000.00
MS Roof - Miscellaneous		10,000.00	10,000.00
MS Windows - Total Construction Cost		446,770.00	446,770.00
MS Windows - Construction Contingencies		22,338.50	22,338.50
MS Windows - A/E Fee		44,677.00	44,677.00
MS Windows - Advertising		1,000.00	1,000.00
MS Windows - Printing		1,500.00	1,500.00
MS Windows - Miscellaneous		5,000.00	5,000.00
Glasscock Annex- Total Construction Cost		157,420.00	157,420.00
Glasscock Annex- Construction Contingencies		7,871.00	7,871.00
Glasscock Annex- Architect/Engineer Fee		23,140.74	23,140.74
Glasscock Annex- Advertising		1,000.00	1,000.00
Glasscock Annex- Printing		500.00	500.00
Glasscock Annex- Plan Review Fee		500.00	500.00
Glasscock Annex- Miscellaneous		2,000.00	2,000.00
	249,556.17	3,236,761.22	3,486,317.39
<b>Cost of Issuance:</b>			
Baird/Rubin & Hays (FA/BC)	1,962.63	25,477.37	27,440.00
Moody's (Rating Agency)	1,144.39	14,855.61	16,000.00
Citizens National Bank (Paying Agent)	357.62	4,642.38	5,000.00
	3,464.64	44,975.36	48,440.00
<b>Underwriter's Discount:</b>			
Underwriter's Discount	5,164.06	67,035.94	72,200.00
<b>Other Uses of Funds:</b>			
Additional Proceeds	18.13	3,024.48	3,042.61
	258,203.00	3,351,797.00	3,610,000.00



BOND DEBT SERVICE

Marion County School District Finance Corporation  
 School Building Revenue Bonds, Series 2024  
 Preliminary Numbers - Series 2024 for Various Projects (5 BG-1's)  
 Rates as of 3.5.24 + 25 Bps

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2025	65,000	3.470%	130,465.26	195,465.26
06/30/2026	65,000	3.230%	133,097.50	198,097.50
06/30/2027	65,000	3.090%	130,998.00	195,998.00
06/30/2028	65,000	3.010%	128,989.50	193,989.50
06/30/2029	70,000	3.040%	127,033.00	197,033.00
06/30/2030	70,000	3.040%	124,905.00	194,905.00
06/30/2031	135,000	3.040%	122,777.00	257,777.00
06/30/2032	140,000	3.050%	118,673.00	258,673.00
06/30/2033	140,000	3.190%	114,403.00	254,403.00
06/30/2034	150,000	3.300%	109,937.00	259,937.00
06/30/2035	155,000	3.450%	104,987.00	259,987.00
06/30/2036	160,000	3.580%	99,639.50	259,639.50
06/30/2037	165,000	3.700%	93,911.50	258,911.50
06/30/2038	275,000	3.800%	87,806.50	362,806.50
06/30/2039	285,000	3.900%	77,356.50	362,356.50
06/30/2040	300,000	4.030%	66,241.50	366,241.50
06/30/2041	305,000	4.080%	54,151.50	359,151.50
06/30/2042	320,000	4.140%	41,707.50	361,707.50
06/30/2043	335,000	4.170%	28,459.50	363,459.50
06/30/2044	345,000	4.200%	14,490.00	359,490.00
	3,610,000		1,910,029.26	5,520,029.26



BOND DEBT SERVICE

Marion County School District Finance Corporation  
SFCC Portion

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2025	9,623	3.470%	8,967.14	18,590.14
06/30/2026	9,621	3.230%	8,969.16	18,590.16
06/30/2027	9,932	3.090%	8,658.40	18,590.40
06/30/2028	10,239	3.010%	8,351.50	18,590.50
06/30/2029	10,547	3.040%	8,043.32	18,590.32
06/30/2030	10,868	3.040%	7,722.68	18,590.68
06/30/2031	11,198	3.040%	7,392.30	18,590.30
06/30/2032	11,539	3.050%	7,051.88	18,590.88
06/30/2033	11,891	3.190%	6,699.94	18,590.94
06/30/2034	12,270	3.300%	6,320.62	18,590.62
06/30/2035	12,675	3.450%	5,915.70	18,590.70
06/30/2036	13,112	3.580%	5,478.42	18,590.42
06/30/2037	13,581	3.700%	5,009.00	18,590.00
06/30/2038	14,084	3.800%	4,506.52	18,590.52
06/30/2039	14,619	3.900%	3,971.32	18,590.32
06/30/2040	15,189	4.030%	3,401.18	18,590.18
06/30/2041	15,801	4.080%	2,789.06	18,590.06
06/30/2042	16,446	4.140%	2,144.38	18,590.38
06/30/2043	17,127	4.170%	1,463.52	18,590.52
06/30/2044	17,841	4.200%	749.32	18,590.32
	258,203		113,605.36	371,808.36



BOND DEBT SERVICE

Marion County School District Finance Corporation  
District Portion

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2025	55,377	3.470%	121,498.12	176,875.12
06/30/2026	55,379	3.230%	124,128.34	179,507.34
06/30/2027	55,068	3.090%	122,339.60	177,407.60
06/30/2028	54,761	3.010%	120,638.00	175,399.00
06/30/2029	59,453	3.040%	118,989.68	178,442.68
06/30/2030	59,132	3.040%	117,182.32	176,314.32
06/30/2031	123,802	3.040%	115,384.70	239,186.70
06/30/2032	128,461	3.050%	111,621.12	240,082.12
06/30/2033	128,109	3.190%	107,703.06	235,812.06
06/30/2034	137,730	3.300%	103,616.38	241,346.38
06/30/2035	142,325	3.450%	99,071.30	241,396.30
06/30/2036	146,888	3.580%	94,161.08	241,049.08
06/30/2037	151,419	3.700%	88,902.50	240,321.50
06/30/2038	260,916	3.800%	83,299.98	344,215.98
06/30/2039	270,381	3.900%	73,385.18	343,766.18
06/30/2040	284,811	4.030%	62,840.32	347,651.32
06/30/2041	289,199	4.080%	51,362.44	340,561.44
06/30/2042	303,554	4.140%	39,563.12	343,117.12
06/30/2043	317,873	4.170%	26,995.98	344,868.98
06/30/2044	327,159	4.200%	13,740.68	340,899.68
	3,351,797		1,796,423.90	5,148,220.90





BOND DEBT SERVICE

Marion County School District Finance Corporation  
 School Building Revenue Bonds, Series 2024  
 Preliminary Numbers - Series 2024 for Various Projects (5 BG-1's)  
 Rates as of 3.5.24 + 25 Bps

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2024			62,788.76	62,788.76	
05/01/2025	65,000	3.470%	67,676.50	132,676.50	
06/30/2025					195,465.26
11/01/2025			66,548.75	66,548.75	
05/01/2026	65,000	3.230%	66,548.75	131,548.75	
06/30/2026					198,097.50
11/01/2026			65,499.00	65,499.00	
05/01/2027	65,000	3.090%	65,499.00	130,499.00	
06/30/2027					195,998.00
11/01/2027			64,494.75	64,494.75	
05/01/2028	65,000	3.010%	64,494.75	129,494.75	
06/30/2028					193,989.50
11/01/2028			63,516.50	63,516.50	
05/01/2029	70,000	3.040%	63,516.50	133,516.50	
06/30/2029					197,033.00
11/01/2029			62,452.50	62,452.50	
05/01/2030	70,000	3.040%	62,452.50	132,452.50	
06/30/2030					194,905.00
11/01/2030			61,388.50	61,388.50	
05/01/2031	135,000	3.040%	61,388.50	196,388.50	
06/30/2031					257,777.00
11/01/2031			59,336.50	59,336.50	
05/01/2032	140,000	3.050%	59,336.50	199,336.50	
06/30/2032					258,673.00
11/01/2032			57,201.50	57,201.50	
05/01/2033	140,000	3.190%	57,201.50	197,201.50	
06/30/2033					254,403.00
11/01/2033			54,968.50	54,968.50	
05/01/2034	150,000	3.300%	54,968.50	204,968.50	
06/30/2034					259,937.00
11/01/2034			52,493.50	52,493.50	
05/01/2035	155,000	3.450%	52,493.50	207,493.50	
06/30/2035					259,987.00
11/01/2035			49,819.75	49,819.75	
05/01/2036	160,000	3.580%	49,819.75	209,819.75	
06/30/2036					259,639.50
11/01/2036			46,955.75	46,955.75	
05/01/2037	165,000	3.700%	46,955.75	211,955.75	
06/30/2037					258,911.50
11/01/2037			43,903.25	43,903.25	
05/01/2038	275,000	3.800%	43,903.25	318,903.25	
06/30/2038					362,806.50
11/01/2038			38,678.25	38,678.25	
05/01/2039	285,000	3.900%	38,678.25	323,678.25	
06/30/2039					362,356.50
11/01/2039			33,120.75	33,120.75	
05/01/2040	300,000	4.030%	33,120.75	333,120.75	
06/30/2040					366,241.50
11/01/2040			27,075.75	27,075.75	
05/01/2041	305,000	4.080%	27,075.75	332,075.75	
06/30/2041					359,151.50
11/01/2041			20,853.75	20,853.75	
05/01/2042	320,000	4.140%	20,853.75	340,853.75	
06/30/2042					361,707.50
11/01/2042			14,229.75	14,229.75	
05/01/2043	335,000	4.170%	14,229.75	349,229.75	
06/30/2043					363,459.50
11/01/2043			7,245.00	7,245.00	
05/01/2044	345,000	4.200%	7,245.00	352,245.00	
06/30/2044					359,490.00
	3,610,000		1,910,029.26	5,520,029.26	5,520,029.26



BOND DEBT SERVICE

Marion County School District Finance Corporation  
SFCC Portion

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2024			4,315.60	4,315.60	
05/01/2025	9,623	3.470%	4,651.54	14,274.54	
06/30/2025					18,590.14
11/01/2025			4,484.58	4,484.58	
05/01/2026	9,621	3.230%	4,484.58	14,105.58	
06/30/2026					18,590.16
11/01/2026			4,329.20	4,329.20	
05/01/2027	9,932	3.090%	4,329.20	14,261.20	
06/30/2027					18,590.40
11/01/2027			4,175.75	4,175.75	
05/01/2028	10,239	3.010%	4,175.75	14,414.75	
06/30/2028					18,590.50
11/01/2028			4,021.66	4,021.66	
05/01/2029	10,547	3.040%	4,021.66	14,568.66	
06/30/2029					18,590.32
11/01/2029			3,861.34	3,861.34	
05/01/2030	10,868	3.040%	3,861.34	14,729.34	
06/30/2030					18,590.68
11/01/2030			3,696.15	3,696.15	
05/01/2031	11,198	3.040%	3,696.15	14,894.15	
06/30/2031					18,590.30
11/01/2031			3,525.94	3,525.94	
05/01/2032	11,539	3.050%	3,525.94	15,064.94	
06/30/2032					18,590.88
11/01/2032			3,349.97	3,349.97	
05/01/2033	11,891	3.190%	3,349.97	15,240.97	
06/30/2033					18,590.94
11/01/2033			3,160.31	3,160.31	
05/01/2034	12,270	3.300%	3,160.31	15,430.31	
06/30/2034					18,590.62
11/01/2034			2,957.85	2,957.85	
05/01/2035	12,675	3.450%	2,957.85	15,632.85	
06/30/2035					18,590.70
11/01/2035			2,739.21	2,739.21	
05/01/2036	13,112	3.580%	2,739.21	15,851.21	
06/30/2036					18,590.42
11/01/2036			2,504.50	2,504.50	
05/01/2037	13,581	3.700%	2,504.50	16,085.50	
06/30/2037					18,590.00
11/01/2037			2,253.26	2,253.26	
05/01/2038	14,084	3.800%	2,253.26	16,337.26	
06/30/2038					18,590.52
11/01/2038			1,985.66	1,985.66	
05/01/2039	14,619	3.900%	1,985.66	16,604.66	
06/30/2039					18,590.32
11/01/2039			1,700.59	1,700.59	
05/01/2040	15,189	4.030%	1,700.59	16,889.59	
06/30/2040					18,590.18
11/01/2040			1,394.53	1,394.53	
05/01/2041	15,801	4.080%	1,394.53	17,195.53	
06/30/2041					18,590.06
11/01/2041			1,072.19	1,072.19	
05/01/2042	16,446	4.140%	1,072.19	17,518.19	
06/30/2042					18,590.38
11/01/2042			731.76	731.76	
05/01/2043	17,127	4.170%	731.76	17,858.76	
06/30/2043					18,590.52
11/01/2043			374.66	374.66	
05/01/2044	17,841	4.200%	374.66	18,215.66	
06/30/2044					18,590.32
	258,203		113,605.36	371,808.36	371,808.36



BOND DEBT SERVICE

Marion County School District Finance Corporation  
District Portion

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2024			58,473.16	58,473.16	
05/01/2025	55,377	3.470%	63,024.96	118,401.96	
06/30/2025					176,875.12
11/01/2025			62,064.17	62,064.17	
05/01/2026	55,379	3.230%	62,064.17	117,443.17	
06/30/2026					179,507.34
11/01/2026			61,169.80	61,169.80	
05/01/2027	55,068	3.090%	61,169.80	116,237.80	
06/30/2027					177,407.60
11/01/2027			60,319.00	60,319.00	
05/01/2028	54,761	3.010%	60,319.00	115,080.00	
06/30/2028					175,399.00
11/01/2028			59,494.84	59,494.84	
05/01/2029	59,453	3.040%	59,494.84	118,947.84	
06/30/2029					178,442.68
11/01/2029			58,591.16	58,591.16	
05/01/2030	59,132	3.040%	58,591.16	117,723.16	
06/30/2030					176,314.32
11/01/2030			57,692.35	57,692.35	
05/01/2031	123,802	3.040%	57,692.35	181,494.35	
06/30/2031					239,186.70
11/01/2031			55,810.56	55,810.56	
05/01/2032	128,461	3.050%	55,810.56	184,271.56	
06/30/2032					240,082.12
11/01/2032			53,851.53	53,851.53	
05/01/2033	128,109	3.190%	53,851.53	181,960.53	
06/30/2033					235,812.06
11/01/2033			51,808.19	51,808.19	
05/01/2034	137,730	3.300%	51,808.19	189,538.19	
06/30/2034					241,346.38
11/01/2034			49,535.65	49,535.65	
05/01/2035	142,325	3.450%	49,535.65	191,860.65	
06/30/2035					241,396.30
11/01/2035			47,080.54	47,080.54	
05/01/2036	146,888	3.580%	47,080.54	193,968.54	
06/30/2036					241,049.08
11/01/2036			44,451.25	44,451.25	
05/01/2037	151,419	3.700%	44,451.25	195,870.25	
06/30/2037					240,321.50
11/01/2037			41,649.99	41,649.99	
05/01/2038	260,916	3.800%	41,649.99	302,565.99	
06/30/2038					344,215.98
11/01/2038			36,692.59	36,692.59	
05/01/2039	270,381	3.900%	36,692.59	307,073.59	
06/30/2039					343,766.18
11/01/2039			31,420.16	31,420.16	
05/01/2040	284,811	4.030%	31,420.16	316,231.16	
06/30/2040					347,651.32
11/01/2040			25,681.22	25,681.22	
05/01/2041	289,199	4.080%	25,681.22	314,880.22	
06/30/2041					340,561.44
11/01/2041			19,781.56	19,781.56	
05/01/2042	303,554	4.140%	19,781.56	323,335.56	
06/30/2042					343,117.12
11/01/2042			13,497.99	13,497.99	
05/01/2043	317,873	4.170%	13,497.99	331,370.99	
06/30/2043					344,868.98
11/01/2043			6,870.34	6,870.34	
05/01/2044	327,159	4.200%	6,870.34	334,029.34	
06/30/2044					340,899.68
	3,351,797		1,796,423.90	5,148,220.90	5,148,220.90

BOND SUMMARY STATISTICS

Marion County School District Finance Corporation  
 School Building Revenue Bonds, Series 2024  
 Preliminary Numbers - Series 2024 for Various Projects (5 BG-1's)  
 Rates as of 3.5.24 + 25 Bps

Dated Date	05/14/2024
Delivery Date	05/14/2024
Last Maturity	05/01/2044
Arbitrage Yield	3.872396%
True Interest Cost (TIC)	4.070576%
Net Interest Cost (NIC)	4.043745%
All-In TIC	4.206654%
Average Coupon	3.896457%
Average Life (years)	13.579
Weighted Average Maturity (years)	13.579
Duration of Issue (years)	10.364
Par Amount	3,610,000.00
Bond Proceeds	3,610,000.00
Total Interest	1,910,029.26
Net Interest	1,982,229.26
Total Debt Service	5,520,029.26
Maximum Annual Debt Service	366,241.50
Average Annual Debt Service	276,500.70
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	PV of 1 bp change
Serial Bonds	3,610,000.00	100.000	3.89645721%	13.579	3,648.30
	3,610,000.00			13.579	3,648.30

	TIC	All-In TIC	Arbitrage Yield
Par Value	3,610,000.00	3,610,000.00	3,610,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount	-72,200.00	-72,200.00	
- Cost of Issuance Expense		-48,440.00	
- Other Amounts			
Target Value	3,537,800.00	3,489,360.00	3,610,000.00
Target Date	05/14/2024	05/14/2024	05/14/2024
Yield	4.070576%	4.206654%	3.872396%



BOND PRICING

Marion County School District Finance Corporation  
 School Building Revenue Bonds, Series 2024  
 Preliminary Numbers - Series 2024 for Various Projects (5 BG-1's)  
 Rates as of 3.5.24 + 25 Bps

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bonds:					
	05/01/2025	65,000	3.470%	3.470%	100.000
	05/01/2026	65,000	3.230%	3.230%	100.000
	05/01/2027	65,000	3.090%	3.090%	100.000
	05/01/2028	65,000	3.010%	3.010%	100.000
	05/01/2029	70,000	3.040%	3.040%	100.000
	05/01/2030	70,000	3.040%	3.040%	100.000
	05/01/2031	135,000	3.040%	3.040%	100.000
	05/01/2032	140,000	3.050%	3.050%	100.000
	05/01/2033	140,000	3.190%	3.190%	100.000
	05/01/2034	150,000	3.300%	3.300%	100.000
	05/01/2035	155,000	3.450%	3.450%	100.000
	05/01/2036	160,000	3.580%	3.580%	100.000
	05/01/2037	165,000	3.700%	3.700%	100.000
	05/01/2038	275,000	3.800%	3.800%	100.000
	05/01/2039	285,000	3.900%	3.900%	100.000
	05/01/2040	300,000	4.030%	4.030%	100.000
	05/01/2041	305,000	4.080%	4.080%	100.000
	05/01/2042	320,000	4.140%	4.140%	100.000
	05/01/2043	335,000	4.170%	4.170%	100.000
	05/01/2044	345,000	4.200%	4.200%	100.000
		3,610,000			

Dated Date	05/14/2024	
Delivery Date	05/14/2024	
First Coupon	11/01/2024	
Par Amount	3,610,000.00	
Original Issue Discount		
Production	3,610,000.00	100.000000%
Underwriter's Discount	-72,200.00	-2.000000%
Purchase Price	3,537,800.00	98.000000%
Accrued Interest		
Net Proceeds	3,537,800.00	



BOND MATURITY TABLE

Marion County School District Finance Corporation  
 School Building Revenue Bonds, Series 2024  
 Preliminary Numbers - Series 2024 for Various Projects (5 BG-1's)  
 Rates as of 3.5.24 + 25 Bps

Maturity Date	Serial Bonds
05/01/2025	65,000
05/01/2026	65,000
05/01/2027	65,000
05/01/2028	65,000
05/01/2029	70,000
05/01/2030	70,000
05/01/2031	135,000
05/01/2032	140,000
05/01/2033	140,000
05/01/2034	150,000
05/01/2035	155,000
05/01/2036	160,000
05/01/2037	165,000
05/01/2038	275,000
05/01/2039	285,000
05/01/2040	300,000
05/01/2041	305,000
05/01/2042	320,000
05/01/2043	335,000
05/01/2044	345,000
	3,610,000



BOND SOLUTION

Marion County School District Finance Corporation  
SFCC Portion

Period Ending	Principal	Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Service Coverage
06/30/2024						
06/30/2025	9,623	18,590	18,590	18,591	1	100.00%
06/30/2026	9,621	18,590	18,590	18,591	1	100.00%
06/30/2027	9,932	18,590	18,590	18,591	1	100.00%
06/30/2028	10,239	18,591	18,591	18,591	1	100.00%
06/30/2029	10,547	18,590	18,590	18,591	1	100.00%
06/30/2030	10,868	18,591	18,591	18,591	0	100.00%
06/30/2031	11,198	18,590	18,590	18,591	1	100.00%
06/30/2032	11,539	18,591	18,591	18,591	0	100.00%
06/30/2033	11,891	18,591	18,591	18,591	0	100.00%
06/30/2034	12,270	18,591	18,591	18,591	0	100.00%
06/30/2035	12,675	18,591	18,591	18,591	0	100.00%
06/30/2036	13,112	18,590	18,590	18,591	1	100.00%
06/30/2037	13,581	18,590	18,590	18,591	1	100.01%
06/30/2038	14,084	18,591	18,591	18,591	0	100.00%
06/30/2039	14,619	18,590	18,590	18,591	1	100.00%
06/30/2040	15,189	18,590	18,590	18,591	1	100.00%
06/30/2041	15,801	18,590	18,590	18,591	1	100.01%
06/30/2042	16,446	18,590	18,590	18,591	1	100.00%
06/30/2043	17,127	18,591	18,591	18,591	0	100.00%
06/30/2044	17,841	18,590	18,590	18,591	1	100.00%
	258,203	371,808	371,808	371,820	12	

BOND SOLUTION

Marion County School District Finance Corporation  
District Portion

Period Ending	Principal	Debt Service	Existing Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Service Coverage
06/30/2024							
06/30/2025	55,377	176,875	2,824,535	3,001,410	3,174,184	172,774	105.76%
06/30/2026	55,379	179,507	2,824,714	3,004,221	3,174,184	169,962	105.66%
06/30/2027	55,068	177,408	2,827,009	3,004,416	3,174,184	169,767	105.65%
06/30/2028	54,761	175,399	2,828,830	3,004,229	3,174,184	169,954	105.66%
06/30/2029	59,453	178,443	2,826,295	3,004,738	3,174,184	169,446	105.64%
06/30/2030	59,132	176,314	2,826,066	3,002,380	3,174,184	171,803	105.72%
06/30/2031	123,802	239,187	2,766,451	3,005,638	3,174,184	168,546	105.61%
06/30/2032	128,461	240,082	2,764,531	3,004,613	3,174,184	169,571	105.64%
06/30/2033	128,109	235,812	2,766,031	3,001,843	3,174,184	172,341	105.74%
06/30/2034	137,730	241,346	2,764,084	3,005,430	3,174,184	168,753	105.61%
06/30/2035	142,325	241,396	2,762,887	3,004,283	3,174,184	169,901	105.66%
06/30/2036	146,888	241,049	2,764,746	3,005,795	3,174,184	168,389	105.60%
06/30/2037	151,419	240,322	2,763,038	3,003,360	3,174,184	170,824	105.69%
06/30/2038	260,916	344,216	2,656,919	3,001,135	3,174,184	173,049	105.77%
06/30/2039	270,381	343,766	2,661,474	3,005,240	3,174,184	168,944	105.62%
06/30/2040	284,811	347,651	2,658,190	3,005,841	3,174,184	168,342	105.60%
06/30/2041	289,199	340,561	2,660,121	3,000,683	3,174,184	173,501	105.78%
06/30/2042	303,554	343,117	2,658,671	3,001,788	3,174,184	172,395	105.74%
06/30/2043	317,873	344,869	2,660,200	3,005,069	3,174,184	169,115	105.63%
06/30/2044	327,159	340,900	2,660,600	3,001,500	3,174,184	172,684	105.75%
	3,351,797	5,148,221	54,925,392	60,073,613	63,483,674	3,410,061	





AGGREGATE DEBT SERVICE

Marion County School District Finance Corporation  
SFCC Portion

Period Ending	SFCC Portion	Aggregate Debt Service
06/30/2025	18,590.14	18,590.14
06/30/2026	18,590.16	18,590.16
06/30/2027	18,590.40	18,590.40
06/30/2028	18,590.50	18,590.50
06/30/2029	18,590.32	18,590.32
06/30/2030	18,590.68	18,590.68
06/30/2031	18,590.30	18,590.30
06/30/2032	18,590.88	18,590.88
06/30/2033	18,590.94	18,590.94
06/30/2034	18,590.62	18,590.62
06/30/2035	18,590.70	18,590.70
06/30/2036	18,590.42	18,590.42
06/30/2037	18,590.00	18,590.00
06/30/2038	18,590.52	18,590.52
06/30/2039	18,590.32	18,590.32
06/30/2040	18,590.18	18,590.18
06/30/2041	18,590.06	18,590.06
06/30/2042	18,590.38	18,590.38
06/30/2043	18,590.52	18,590.52
06/30/2044	18,590.32	18,590.32
	371,808.36	371,808.36

AGGREGATE DEBT SERVICE

Marion County School District Finance Corporation  
District Portion

Period Ending	District Portion	Existing Debt Service	Aggregate Debt Service
06/30/2025	176,875.12	2,824,534.70	3,001,409.82
06/30/2026	179,507.34	2,824,714.10	3,004,221.44
06/30/2027	177,407.60	2,827,008.68	3,004,416.28
06/30/2028	175,399.00	2,828,830.44	3,004,229.44
06/30/2029	178,442.68	2,826,294.93	3,004,737.61
06/30/2030	176,314.32	2,826,066.11	3,002,380.43
06/30/2031	239,186.70	2,766,451.22	3,005,637.92
06/30/2032	240,082.12	2,764,531.00	3,004,613.12
06/30/2033	235,812.06	2,766,030.60	3,001,842.66
06/30/2034	241,346.38	2,764,084.10	3,005,430.48
06/30/2035	241,396.30	2,762,886.52	3,004,282.82
06/30/2036	241,049.08	2,764,745.84	3,005,794.92
06/30/2037	240,321.50	2,763,038.38	3,003,359.88
06/30/2038	344,215.98	2,656,919.10	3,001,135.08
06/30/2039	343,766.18	2,661,473.94	3,005,240.12
06/30/2040	347,651.32	2,658,190.02	3,005,841.34
06/30/2041	340,561.44	2,660,121.06	3,000,682.50
06/30/2042	343,117.12	2,658,671.12	3,001,788.24
06/30/2043	344,868.98	2,660,200.00	3,005,068.98
06/30/2044	340,899.68	2,660,600.00	3,001,499.68
06/30/2045		2,657,200.00	2,657,200.00
	5,148,220.90	57,582,591.86	62,730,812.76

FORM 8038 STATISTICS

Marion County School District Finance Corporation  
 School Building Revenue Bonds, Series 2024  
 Preliminary Numbers - Series 2024 for Various Projects (5 BG-1's)  
 Rates as of 3.5.24 + 25 Bps

Dated Date 05/14/2024  
 Delivery Date 05/14/2024

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Bonds:						
	05/01/2025	65,000.00	3.470%	100.000	65,000.00	65,000.00
	05/01/2026	65,000.00	3.230%	100.000	65,000.00	65,000.00
	05/01/2027	65,000.00	3.090%	100.000	65,000.00	65,000.00
	05/01/2028	65,000.00	3.010%	100.000	65,000.00	65,000.00
	05/01/2029	70,000.00	3.040%	100.000	70,000.00	70,000.00
	05/01/2030	70,000.00	3.040%	100.000	70,000.00	70,000.00
	05/01/2031	135,000.00	3.040%	100.000	135,000.00	135,000.00
	05/01/2032	140,000.00	3.050%	100.000	140,000.00	140,000.00
	05/01/2033	140,000.00	3.190%	100.000	140,000.00	140,000.00
	05/01/2034	150,000.00	3.300%	100.000	150,000.00	150,000.00
	05/01/2035	155,000.00	3.450%	100.000	155,000.00	155,000.00
	05/01/2036	160,000.00	3.580%	100.000	160,000.00	160,000.00
	05/01/2037	165,000.00	3.700%	100.000	165,000.00	165,000.00
	05/01/2038	275,000.00	3.800%	100.000	275,000.00	275,000.00
	05/01/2039	285,000.00	3.900%	100.000	285,000.00	285,000.00
	05/01/2040	300,000.00	4.030%	100.000	300,000.00	300,000.00
	05/01/2041	305,000.00	4.080%	100.000	305,000.00	305,000.00
	05/01/2042	320,000.00	4.140%	100.000	320,000.00	320,000.00
	05/01/2043	335,000.00	4.170%	100.000	335,000.00	335,000.00
	05/01/2044	345,000.00	4.200%	100.000	345,000.00	345,000.00
		3,610,000.00			3,610,000.00	3,610,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	05/01/2044	4.200%	345,000.00	345,000.00		
Entire Issue			3,610,000.00	3,610,000.00	13.5788	3.8724%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	120,640.00
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00



PROOF OF ARBITRAGE YIELD

Marion County School District Finance Corporation  
 School Building Revenue Bonds, Series 2024  
 Preliminary Numbers - Series 2024 for Various Projects (5 BG-1's)  
 Rates as of 3.5.24 + 25 Bps

Date	Debt Service	Total	Present Value to 05/14/2024 @ 3.8723959361%
11/01/2024	62,788.76	62,788.76	61,681.51
05/01/2025	132,676.50	132,676.50	127,861.16
11/01/2025	66,548.75	66,548.75	62,915.28
05/01/2026	131,548.75	131,548.75	122,004.12
11/01/2026	65,499.00	65,499.00	59,592.83
05/01/2027	130,499.00	130,499.00	116,476.44
11/01/2027	64,494.75	64,494.75	56,471.18
05/01/2028	129,494.75	129,494.75	111,231.09
11/01/2028	63,516.50	63,516.50	53,521.98
05/01/2029	133,516.50	133,516.50	110,370.28
11/01/2029	62,452.50	62,452.50	50,645.23
05/01/2030	132,452.50	132,452.50	105,370.85
11/01/2030	61,388.50	61,388.50	47,909.20
05/01/2031	196,388.50	196,388.50	150,355.57
11/01/2031	59,336.50	59,336.50	44,565.31
05/01/2032	199,336.50	199,336.50	146,870.11
11/01/2032	57,201.50	57,201.50	41,345.25
05/01/2033	197,201.50	197,201.50	139,829.87
11/01/2033	54,968.50	54,968.50	38,236.24
05/01/2034	204,968.50	204,968.50	139,868.53
11/01/2034	52,493.50	52,493.50	35,140.66
05/01/2035	207,493.50	207,493.50	136,263.80
11/01/2035	49,819.75	49,819.75	32,095.87
05/01/2036	209,819.75	209,819.75	132,606.71
11/01/2036	46,955.75	46,955.75	29,112.50
05/01/2037	211,955.75	211,955.75	128,916.20
11/01/2037	43,903.25	43,903.25	26,195.73
05/01/2038	318,903.25	318,903.25	186,665.63
11/01/2038	38,678.25	38,678.25	22,209.76
05/01/2039	323,678.25	323,678.25	182,331.66
11/01/2039	33,120.75	33,120.75	18,302.92
05/01/2040	333,120.75	333,120.75	180,589.87
11/01/2040	27,075.75	27,075.75	14,399.38
05/01/2041	332,075.75	332,075.75	173,249.50
11/01/2041	20,853.75	20,853.75	10,673.10
05/01/2042	340,853.75	340,853.75	171,137.84
11/01/2042	14,229.75	14,229.75	7,008.85
05/01/2043	349,229.75	349,229.75	168,745.56
11/01/2043	7,245.00	7,245.00	3,434.24
05/01/2044	352,245.00	352,245.00	163,798.19
	5,520,029.26	5,520,029.26	3,610,000.00

Proceeds Summary

Delivery date	05/14/2024
Par Value	3,610,000.00
Target for yield calculation	3,610,000.00





# Memo

**To:** KSFCC  
**From:** Lincoln Theinert  
**Subject:** Bond Payee Disclosure Form – Wayne County School District Series 2024  
**Date:** April 5, 2024  
**cc:** File

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Please find enclosed a Bond Payee Disclosure Form and Plan of Financing for the Wayne 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.

A handwritten signature in black ink, appearing to be 'L Theinert', written in a cursive style.

Lincoln Theinert

147 East Third Street  
Lexington, KY  
40508

859/977-6600

fax: 859/381-1357

[www.rsamuni.com](http://www.rsamuni.com)

# BOND PAYEE DISCLOSURE FORM

<b>Par Amount:</b>	<b>\$425,000</b>
<b>Issue Name:</b>	Wayne County School District Finance Corporation School Building Revenue Bonds, Series of 2024
<b>Purpose:</b>	Improvements at Bell Elementary
<b>Projected Sale Date of Bonds:</b>	16-May-24
<b>First Call Date:</b>	8 Years at par
<b>Method of Sale:</b>	Competitive Bids
<b>Place/time of sale:</b>	Parity/SFCC, Frankfort, Ky. / TBD
<b>Bond Rating:</b>	Moodys: "A1"
<b>Bond Counsel:</b>	Stephoe and Johnson, Louisville, KY
<b>Fiscal Agent:</b>	RSA Advisors LLC, Lexington, Kentucky

<i>To be filled in by SFCC</i>			<i>To be filled in by SFCC</i>		
Month	Day	Year	Month	Day	Year

Date received by SFCC: \_\_\_\_\_  
 Date scheduled for Committee review: \_\_\_\_\_

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

**Estimated Cost of Issuance:**

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

**Anticipated Interest Rates:**

5 Years: 4.000%    10 Years: 4.000%    15 Years: 4.000%  
 20 Years: 4.000%

SFCC Portion	Local Portion	Total
\$425,000	\$0	\$425,000
100.00%	0.00%	100.00%
\$32,060	\$0	\$32,060
\$0	\$0	\$0

\$7,500	\$0	\$7,500
\$0	\$0	\$0
\$0	\$0	\$0
\$7,700	\$0	\$7,700
\$8,500	\$0	\$8,500
\$0	\$0	\$0
\$23,700	\$0	\$23,700

**Notes: No tax increase required**

# Wayne County School District

Projected Plan of Financing

Date of Report: April 05, 2024

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Projected 2024 Bond Issue (100% SFCC)..... 1-2

**WAYNE COUNTY SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 24**

**Debt Service Schedule**

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I
05/15/2024	-	-	-	-
12/01/2024	-	-	9,704.72	9,704.72
06/01/2025	15,000.00	4.000%	8,912.50	23,912.50
12/01/2025	-	-	8,612.50	8,612.50
06/01/2026	15,000.00	4.000%	8,612.50	23,612.50
12/01/2026	-	-	8,312.50	8,312.50
06/01/2027	15,000.00	4.000%	8,312.50	23,312.50
12/01/2027	-	-	8,012.50	8,012.50
06/01/2028	15,000.00	4.000%	8,012.50	23,012.50
12/01/2028	-	-	7,712.50	7,712.50
06/01/2029	15,000.00	4.000%	7,712.50	22,712.50
12/01/2029	-	-	7,412.50	7,412.50
06/01/2030	15,000.00	4.000%	7,412.50	22,412.50
12/01/2030	-	-	7,112.50	7,112.50
06/01/2031	20,000.00	4.000%	7,112.50	27,112.50
12/01/2031	-	-	6,712.50	6,712.50
06/01/2032	20,000.00	4.000%	6,712.50	26,712.50
12/01/2032	-	-	6,312.50	6,312.50
06/01/2033	20,000.00	4.000%	6,312.50	26,312.50
12/01/2033	-	-	5,912.50	5,912.50
06/01/2034	20,000.00	4.000%	5,912.50	25,912.50
12/01/2034	-	-	5,512.50	5,512.50
06/01/2035	20,000.00	4.000%	5,512.50	25,512.50
12/01/2035	-	-	5,112.50	5,112.50
06/01/2036	20,000.00	4.250%	5,112.50	25,112.50
12/01/2036	-	-	4,687.50	4,687.50
06/01/2037	25,000.00	4.300%	4,687.50	29,687.50
12/01/2037	-	-	4,150.00	4,150.00

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RSA Advisors, LLC



**WAYNE COUNTY SCHOOL DISTRICT FINANCE CORPORATION**  
**SCHOOL BUILDING REVENUE BONDS, SERIES 24**

**Debt Service Schedule**

Part 2 of 2

<b>Date</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total P+I</b>
06/01/2038	25,000.00	4.300%	4,150.00	29,150.00
12/01/2038	-	-	3,612.50	3,612.50
06/01/2039	25,000.00	4.300%	3,612.50	28,612.50
12/01/2039	-	-	3,075.00	3,075.00
06/01/2040	25,000.00	4.350%	3,075.00	28,075.00
12/01/2040	-	-	2,531.25	2,531.25
06/01/2041	25,000.00	4.350%	2,531.25	27,531.25
12/01/2041	-	-	1,987.50	1,987.50
06/01/2042	30,000.00	4.350%	1,987.50	31,987.50
12/01/2042	-	-	1,335.00	1,335.00
06/01/2043	30,000.00	4.400%	1,335.00	31,335.00
12/01/2043	-	-	675.00	675.00
06/01/2044	30,000.00	4.500%	675.00	30,675.00
<b>Total</b>	<b>\$425,000.00</b>	<b>-</b>	<b>\$216,199.72</b>	<b>\$641,199.72</b>

**Yield Statistics**

Bond Year Dollars	\$5,058.89
Average Life	11.903 Years
Average Coupon	4.2736602%
Net Interest Cost (NIC)	4.4416813%
True Interest Cost (TIC)	4.4884845%
Bond Yield for Arbitrage Purposes	4.2596164%
All Inclusive Cost (AIC)	4.4884845%

**IRS Form 8038**

Net Interest Cost	4.2736602%
Weighted Average Maturity	11.903 Years

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RSA Advisors, LLC