



Andy Beshear
GOVERNOR

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

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Chelsey Couch
EXECUTIVE DIRECTOR

May 5, 2025

The Honorable Senator Shelley Funke Frommeyer, Co-Chair
The Honorable Representative Shawn McPherson, Co-Chair
Capital Projects and Bond Oversight Committee
Legislative Research Commission
Capitol Annex Building
Frankfort, Kentucky 40601

Dear Senator Funke Frommeyer and Representative McPherson:

Listed below is information regarding various projects and reports that will be presented to the Capital Projects and Bond Oversight (“CPBO”) Committee at the May meeting.

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

Fund A Loan

City of Hodgenville	\$255,871
Grant County Sanitary Sewer District	\$8,807,520

Fund B Loan

City of Mount Sterling	\$5,100,000
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Fund F Loan

City of Morganfield	\$2,567,076
City of Morganfield	\$4,432,924

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 four.

The Office of Financial Management will present one (1) new bond issue report for the Committee’s approval:

Kentucky Housing Corporation Multifamily Conduit Revenue Bonds (Meadows at McNeely Lake), Series 2025	\$40,500,000+
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+Not to Exceed

The Office of Financial Management will present five (5) informational items for the Committee's review:

Kentucky Housing Corporation Conduit Multifamily Housing Revenue Bonds (Cedar Grove Commons Project), Series 2025	\$38,400,000
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Kentucky Housing Corporation Conduit Multifamily Housing Revenue Bonds (Echo Trail Apartments), Series 2025	\$37,500,000
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Turnpike Authority of Kentucky Economic Development Road Revenue Refunding Bonds (Revitalization Projects), 2025 Series A	\$39,430,000
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State Property and Buildings Commission Revenue Bonds, Project No. 132 Series A	\$771,910,000
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State Property and Buildings Commission Revenue Refunding Bonds, Project No. 132 Series B	\$128,090,000
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The School Facilities Construction Commission is submitting the following additional information for the Committee's approval:

Harlan County	\$1,500,000*
Kenton County	\$23,000,000*

*Estimated

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

Sincerely,



Chelsey Couch
Executive Director

Attachment

**Kentucky Infrastructure Authority
Projects for May 2025
Capital Projects and Bond Oversight Committee**

▪ **Fund A Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Amount Requested</u>	<u>Amount Loan Total</u>	<u>County</u>
A24-122	City of Hodgenville (Increase)	\$ 255,871	\$ 1,203,400	Larue
A25-029S	Grant County Sanitary Sewer District	\$ 8,807,520	\$ 8,807,520	Grant

▪ **Fund B Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Amount Requested</u>	<u>Amount Loan Total</u>	<u>County</u>
B25-010	City of Mount Sterling	\$ 5,100,000	\$ 5,100,000	Montgomery

▪ **Fund F Loan**

<u>Loan #</u>	<u>Borrower</u>	<u>Amount Requested</u>	<u>Amount Loan Total</u>	<u>County</u>
F25-005E	City of Morganfield	\$ 2,567,076	\$ 2,567,076	Union
F25-005S	City of Morganfield	\$ 4,432,924	\$ 4,432,924	Union

2022 Cleaner Water Program Grants - Sewer

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
22CWS085	City of Jenkins	Jenkins - Wastewater Treatment Plant Improvements	\$ 153,337.00	Letcher	County - R

2022 Cleaner Water Program Grants - Water

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
22CWW358	McCreary County Water District	McCreary County Water District Maintenance Facility	\$ 52,652.82	McCreary	County - R
22CWW389	Monroe County Water District	MCWD - Tanks Rehab Project	\$ 172,181.00	Monroe	County - R

KY Water and Wastewater Assistance for Troubled or Economically Restrained Systems

Grant Number	Grantee	Project Title	Amount	County	Allocation Pool
W25-073	City of Martin	City of Martin Debt Service	\$ 300,000.00	Floyd	KY WWATERS
W25-073	City of Martin	Wastewater Plant Rehabilitation	\$ 202,000.00	Floyd	KY WWATERS
W25-073	City of Martin	City of Martin Water Loss Reduction Project	\$ 622,800.00	Floyd	KY WWATERS
W25-021	City of Elkhorn City	Elkhorn City Water Loss Reduction Project	\$ 1,283,800.00	Pike	KY WWATERS
W25-113	City of Brodhead	Bowling Ridge Tank Rehab, Radio-Read Meters, and WWTP Influent Flow Meters	\$ 370,000.00	Rockcastle	KY WWATERS
W25-146	Trimble County Fiscal Court	Bedford Septage Receiving Station	\$ 1,320,000.00	Trimble	KY WWATERS
W25-117	City of Brodhead	Brodhead Pump Replacement	\$ 213,800.00	Rockcastle	KY WWATERS
W25-050	City of Sturgis	Sturgis Waterline Replacement Water Loss Project	\$ 235,400.00	Union	KY WWATERS
W25-033	City of Sturgis	Sturgis Water Line Improvements Project	\$ 1,804,500.00	Union	KY WWATERS
W25-093	City of Crab Orchard	Water Tank Rehab Phase II	\$ 82,300.00	Lincoln	KY WWATERS
W25-153	Black Mountain Utility District	BMUD Water Distribution System Improvements and Extensions	\$ 3,022,100.00	Harlan	KY WWATERS
W25-028	City of Arlington	Repair and Rehab of City of Arlington existing sewer system	\$ 934,300.00	Carlisle	KY WWATERS
W25-094	City of Crab Orchard	Main Lift Station and Sanitary Sewer Rehab	\$ 1,670,600.00	Lincoln	KY WWATERS
W25-009	City of Mount Vernon	Hunter Street Pump Station Replacement	\$ 917,100.00	Rockcastle	KY WWATERS
W25-010	City of Mount Vernon	Wastewater Treatment Plant and Pump Station Improvements	\$ 12,600,000.00	Rockcastle	KY WWATERS
W25-110	Morgan County Water District	Morgan County Water District - WWaters Funds Project	\$ 500,000.00	Morgan	KY WWATERS
W25-067	City of McKee	Phase 1 - Wastewater System Rehabilitation	\$ 1,702,100.00	Jackson	KY WWATERS
W25-143	City of Livingston	City of Livingston Debt Elimination Grant	\$ 220,200.00	Rockcastle	KY WWATERS
W25-061	City of Cloverport	Cloverport Wastewater Plant	\$ 478,000.00	Breckinridge	KY WWATERS
W25-119	City of Bradfordsville	Bradfordsville I&I Rehabilitation - Phase 2	\$ 747,500.00	Marion	KY WWATERS
W25-129	Mercer County Sanitation District	MCSD- Herrington Lake Sanitary Sewer Force Main Project	\$ 769,100.00	Mercer	KY WWATERS
W25-085	City of Gamaliel	Gamaliel Wastewater Overhaul	\$ 478,000.00	Monroe	KY WWATERS
W25-109	Mountain Water District	Mountain Water District Debt Service	\$ 1,155,500.00	Pike	KY WWATERS
W25-114	Mountain Water District	Mountain Water District-Water Treatment Plant Improvements	\$ 2,454,000.00	Pike	KY WWATERS
W25-154	Whitley County Water District No. 1	WCWD SYSTEM IMPROVEMENTS	\$ 3,290,000.00	Whitley	KY WWATERS
W25-014	City of Burkesville	Burkesville Drinking Water Distribution Upgrade	\$ 1,646,900.00	Cumberland	KY WWATERS
W25-151	City of Evarts	New Raw Water Source Project	\$ 1,500,000.00	Harlan	KY WWATERS
W25-126	City of Liberty	City of Liberty New Dam for Water Supply	\$ 9,044,000.00	Casey	KY WWATERS
W25-041	City of Columbus	Columbus Water Treatment Plant Rehabilitation	\$ 1,800,000.00	Hickman	KY WWATERS
W25-076	City of Whitesburg	Whitesburg I&I Phase I	\$ 3,650,000.00	Letcher	KY WWATERS
W25-140	City of Hindman	Hindman Radio Read Meter Project	\$ 808,500.00	Knott	KY WWATERS
W25-124	City of Booneville	Booneville Sewer Force Main Re-Direction Project	\$ 274,000.00	Owsley	KY WWATERS
W25-005	Cumberland County Water District	Marrowbone Area Water System Replacement	\$ 2,465,000.00	Cumberland	KY WWATERS
W25-023	Caveland Environmental Authority	Brownsville Force main and pumping Stations	\$ 7,112,000.00	Barren	KY WWATERS

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND A, FEDERALLY ASSISTED WASTEWATER REVOLVING LOAN FUND			Reviewer Date KIA Loan Number WRIS Number		John Brady May 1, 2025 A24-122 (Increase) SX21123007
BORROWER		CITY OF HODGENVILLE LARUE COUNTY			
BRIEF DESCRIPTION					
The City of Hodgenville is requesting a Fund A loan increase in the amount of \$255,871 for the WWTP Upgrade and Modifications project. The original loan was approved by the KIA Board on April 11, 2024. This will bring their total KIA loan amount up to \$1,203,400. The increase request is due to bids coming in higher than the amount originally budgeted. No additional work is being funded. 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.					
PROJECT FINANCING		PROJECT BUDGET			
Fund A Loan	\$1,153,400	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	859,000		
		Contingency	85,900		
TOTAL	\$1,203,400	TOTAL	\$1,203,400		
REPAYMENT	Rate Term	1.25% 20 Years	Est. Annual Payment 1st Payment	\$56,615 6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer Bond Counsel	GRW Engineers, Inc. Dinsmore & Shohl, LLP			
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Mar-25 Jun-25 Dec-25			
DEBT PER CUSTOMER	Existing Proposed	\$1,297 \$1,290			
OTHER DEBT		See Attached			
RESIDENTIAL RATES		Users	Avg. Bill		
	Current	1,832	\$35.21 (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 2022	697,184	594,215	102,969	1.2	
Audited 2023	692,878	600,531	92,347	1.2	
Unaudited 2024	592,199	595,417	(3,218)	1.0	
Projected 2025	588,485	591,917	(3,432)	1.0	
Projected 2026	557,532	563,326	(5,794)	1.0	
Projected 2027	666,138	513,520	152,618	1.3	
Projected 2028	633,935	563,630	70,305	1.1	
Projected 2029	601,088	567,130	33,958	1.1	

Reviewer: John Brady
Date: May 1, 2025
Loan Number: A24-122 Increase

**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 increase in the amount of \$255,871 for the WWTP Upgrade and Modifications project. The original loan was approved by the KIA Board on April 11, 2024. This will bring their total KIA loan amount up to \$1,203,400. The increase request is due to bids coming in higher than the amount originally budgeted. No additional work is being funded.

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 customers.

II. PROJECT BUDGET

	Total
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	859,000
Contingency	85,900
Total	\$ 1,203,400

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 1,153,400	96%
P&D Loan	50,000	4%
Total	\$ 1,203,400	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 1,203,400
Less: Principal Forgiveness	246,511
Amortized Loan Amount	\$ 956,889
Interest Rate	1.25%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 54,223
Administrative Fee (0.25%)	2,392
Total Estimated Annual Debt Service	\$ 56,615

V. PROJECT SCHEDULE

Bid Opening:	March 2025
Construction Start:	June 2025
Construction Stop:	December 2025

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

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

B) Rates

Sewer - Inside City	Current	Prior	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%

Sewer - Outside City	Current	Prior	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%

Water - Inside City	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%

Water - Outside City	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 was \$55,454. The loan 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 20.5% 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, 2022 through June 30, 2023. Unaudited financials were reviewed for the year ending June 30, 2024. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Total revenues increased 4.9% from \$1.96 million in 2022 to \$2.05 million in 2024 due to sewer rate increases. Operating expenses increased 19.3% from \$1.27 million to \$1.52 million during the same period due to repairs and maintenance and higher personnel costs. The debt coverage ratio was 1.2, 1.2, and 1.0 in 2022, 2023, and 2024.

The balance sheet reflects a current ratio of 0.9, a debt-to-equity ratio of 1.0, and 3.8 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Sewer revenues will increase 5% in 2025 due to an existing rate increase.
- 2) Total revenues will increase \$140,000 annually starting in 2027 to maintain the 1.1 debt coverage ratio requirement.
- 3) Operating expenses will increase 2% annually due to inflation.
- 4) Debt service coverage is 1.3 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 A loan.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$60,000 total) of the final amount borrowed (prior to principal forgiveness) to be funded annually (\$3,000 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
Series 2009 Bonds	\$ 770,000	2039
Series 2013B Bonds	200,000	2043
KIA Loan A04-10	158,078	2026
KIA Loan A11-17	978,987	2034
KIA Loan F11-13	554,245	2037
KIA Loan F16-008	509,801	2038
KIA Loan F16-042	339,721	2038
GCM Lease	1,067,106	2031
Total	\$ 4,577,938	

XI. CONTACTS

Legal Applicant

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

Applicant Contact

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

Consulting Engineer

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 and the following special condition:

The City will pass a resolution demonstrating their intention to increase revenues as necessary to maintain the KIA's required 1.1 debt coverage ratio. KIA staff review indicates that revenues will need to increase approximately \$140,000 by FY2027 to meet the loan requirement.

CITY OF HODGENVILLE
FINANCIAL SUMMARY (JUNE YEAR END)

	Audited	Audited	Unaudited	Projected	Projected	Projected	Projected	Projected
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Balance Sheet								
Assets								
Current Assets	604,903	647,220	633,941	633,209	627,415	790,133	860,439	894,397
Other Assets	14,206,398	14,321,895	13,819,311	13,316,727	14,017,543	13,484,874	12,952,205	12,419,536
Total	14,811,301	14,969,115	14,453,252	13,949,936	14,644,958	14,275,007	13,812,644	13,313,933
Liabilities & Equity								
Current Liabilities	565,326	662,341	669,559	652,017	603,727	663,468	668,768	674,068
Long Term Liabilities	7,477,676	6,917,736	6,399,568	5,917,175	6,440,261	5,947,016	5,448,772	4,945,527
Total Liabilities	8,043,002	7,580,077	7,069,127	6,569,192	7,043,988	6,610,485	6,117,540	5,619,596
Net Assets	6,768,299	7,389,038	7,384,125	7,380,744	7,600,970	7,664,523	7,695,104	7,694,337
Cash Flow								
Revenues	1,958,875	1,998,689	2,054,510	2,092,752	2,092,752	2,235,930	2,235,930	2,235,930
Operating Expenses	1,271,515	1,355,703	1,517,300	1,559,256	1,590,209	1,624,781	1,656,984	1,689,831
Other Income	9,824	49,892	54,989	54,989	54,989	54,989	54,989	54,989
Cash Flow Before Debt Service	697,184	692,878	592,199	588,485	557,532	666,138	633,935	601,088
Debt Service								
Existing Debt Service	594,215	600,531	595,417	591,917	563,326	456,905	507,015	567,130
Proposed KIA Loan	0	0	0	0	0	56,615	56,615	56,615
Total Debt Service	594,215	600,531	595,417	591,917	563,326	513,520	563,630	623,745
Cash Flow After Debt Service	102,969	92,347	(3,218)	(3,432)	(5,794)	152,618	70,305	33,958
Ratios								
Current Ratio	1.1	1.0	0.9	1.0	1.0	1.2	1.3	1.3
Debt to Equity	1.2	1.0	1.0	0.9	0.9	0.9	0.8	0.7
Months Operating Expenses in Unrestricted Cash	4.2	4.3	3.8	3.7	3.6	4.6	5.1	5.3
Debt Coverage Ratio	1.2	1.2	1.0	1.0	1.0	1.3	1.1	1.1

EXECUTIVE SUMMARY		Reviewer		John Brady	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date		May 1, 2025	
FUND A, FEDERALLY ASSISTED WASTEWATER		KIA Loan Number		A25-029S	
REVOLVING LOAN FUND		WRIS Number		SX21081003	
BORROWER		GRANT COUNTY SANITARY SEWER DISTRICT GRANT COUNTY			
BRIEF DESCRIPTION					
The Grant County Sanitary Sewer District (GCSSD) is requesting a Fund A loan in the amount of \$8,807,520 for the Wastewater Treatment Plant Upgrade project. The project includes the construction of a 450,000 gallon per day Sequencing Batch Reactor (SBR) for biological treatment. There are currently four package treatment basins. One will be converted into a pre and post equalization basin to help handle peak flow to the SBR and the disinfection system. This will receive flows from the entire system area following screening. Another existing package treatment basin will be converted to a 60,000 gallon aerobic digester. while the other two will be demolished. Other project components include a solids dewatering system, a new screening system, and the rehabilitation of a Pump Station on KY 191. The overall project will provide additional capacity to help with treatment quality and is necessary to bring the GCSSD in compliance with their outstanding Agreed Order.					
PROJECT FINANCING		PROJECT BUDGET			
Fund A Loan	\$8,807,520	Administrative Expenses	\$35,000		
CWP Grant - 21CWS041	115,085	Legal Expenses	10,000		
CWP Grant - 22CWS100	188,915	Eng - Design / Const	514,000		
		Eng - Insp	404,000		
		Eng - Other	75,000		
		Construction	7,245,200		
		Contingency	828,320		
TOTAL	\$9,111,520	TOTAL	\$9,111,520		
REPAYMENT	Rate	1.25%	Est. Annual Payment	\$303,513	
	Term	20 Years	1st Payment	6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer	HMB, Inc.			
	Bond Counsel	Dinsmore & Shohl, LLP			
PROJECT SCHEDULE	Bid Opening	Jan-26			
	Construction Start	May-26			
	Construction Stop	May-28			
DEBT PER CUSTOMER	Existing	\$412			
	Proposed	\$3,321			
OTHER DEBT	See Attached				
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>		
	Current	1,660	\$47.37	(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	283,446	190,870	92,576	1.5	
Audited 2022	231,511	190,858	40,653	1.2	
Audited 2023	263,768	96,813	166,955	2.7	
Projected 2024	329,897	76,910	252,987	4.3	
Projected 2025	317,558	76,910	240,648	4.1	
Projected 2026	304,972	76,910	228,062	4.0	
Projected 2027	292,134	76,910	215,224	3.8	
Projected 2028	417,057	380,423	36,634	1.1	

Reviewer: John Brady
Date: May 1, 2025
Loan Number: A25-029S

**KENTUCKY INFRASTRUCTURE AUTHORITY
WASTEWATER REVOLVING LOAN FUND (FUND A)
GRANT COUNTY SANITARY SEWER DISTRICT
PROJECT REVIEW
SX21081003**

I. PROJECT DESCRIPTION

The Grant County Sanitary Sewer District (GCSSD) is requesting a Fund A loan in the amount of \$8,807,520 for the Wastewater Treatment Plant Upgrade project. The project includes the construction of a 450,000 gallon per day Sequencing Batch Reactor (SBR) for biological treatment. There are currently four package treatment basins. One will be converted into a pre and post equalization basin to help handle peak flow to the SBR and the disinfection system. This will receive flows from the entire system area following screening. Another existing package treatment basin will be converted to a 60,000 gallon aerobic digester. while the other two will be demolished. Other project components include a solids dewatering system, a new screening system, and the rehabilitation of a Pump Station on KY 191. The overall project will provide additional capacity to help with treatment quality and is necessary to bring the GCSSD in compliance with their outstanding Agreed Order.

The GCSSD currently serves 1,524 residential customers, 131 commercial customers, and 5 industrial customers.

II. PROJECT BUDGET

	Total
Administrative Expenses	\$ 35,000
Legal Expenses	10,000
Engineering Fees - Design	411,000
Engineering Fees - Construction	103,000
Engineering Fees - Inspection	404,000
Engineering Fees - Other	75,000
Construction	7,245,200
Contingency	828,320
Total	\$ 9,111,520

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund A Loan	\$ 8,807,520	97%
CWP Grant - 21CWS041	115,085	1%
CWP Grant - 22CWS100	188,915	2%
Total	\$ 9,111,520	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 8,807,520
Less: Principal Forgiveness	<u>3,677,615</u>
Amortized Loan Amount	\$ 5,129,905
Interest Rate	1.25%
Loan Term (Years)	<u>20</u>
Estimated Annual Debt Service	\$ 290,688
Administrative Fee (0.25%)	<u>12,825</u>
Total Estimated Annual Debt Service	\$ 303,513

V. PROJECT SCHEDULE

Bid Opening:	January 2026
Construction Start:	May 2026
Construction Stop:	May 2028

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

<u>Customers</u>	<u>Current</u>
Residential	1,524
Commercial	131
Industrial	<u>5</u>
Total	1,660

B) Rates

	Current	Prior
Date of Last Rate Increase	07/05/23	05/06/20
Minimum (2,000 Gallons)	\$26.61	\$23.24
Next 3,000 Gallons (Per 1,000)	10.38	9.11
Cost for 4,000 Gallons	\$47.37	\$41.46
Increase %	14.3%	
Affordability Index (Rate/MHI)	1.0%	0.9%

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2018-2022, the Utility's service area population is 5,455 with a Median Household Income (MHI) of \$55,807. The MHI for the Commonwealth is \$60,183. The loan will qualify for a 1.25% interest rate.

VIII. 2024 CAPITALIZATION GRANT EQUIVALENCIES

- 1) Green Project Reserve - This project qualifies for \$110,000 of Green Project Reserve funding.
- 2) Additional Subsidization – This project qualifies for additional subsidization. Principal forgiveness of 41.8% of the assistance amount, not to exceed \$3,677,615, 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, 2021 through December 31, 2023.

HISTORY

Total revenues increased 7.5% from \$806,146 in 2021 to \$866,696 in 2023 due to a rate increase. Operating expenses increased 15.4% from \$524,336 to \$604,857 during the same period due mostly to contract services and costs of materials. The debt coverage ratio was 1.5, 1.2, and 2.7 in 2021, 2022, and 2023.

The balance sheet reflects a current ratio of 5.8, a debt-to-equity ratio of 0.1, and 11.4 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Sewer revenues will increase 9.5% in 2024 due to a rate increase previously approved by the Public Service Commission (PSC).
- 2) Sewer revenues will increase \$160,000 annually starting in 2028 to maintain the 1.1 debt coverage ratio requirement.
- 3) Operating expenses will increase 2% annually due to inflation.
- 4) Debt service coverage is 1.1 in 2028 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.

The GCSSD is regulated by the PSC and will need to apply to the PSC, pursuant to KRS 278.300, for debt authorization for the \$8,807,520 loan and must receive a Certificate of Public Convenience and Necessity, pursuant to KRS 278.020.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$440,000 total) of the final amount borrowed (prior to principal forgiveness) to be funded annually (\$22,000 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
KIA Loan A12-01	\$ 586,163	2034
KIA Loan A209-35	98,577	2031
Total	\$ 684,740	

XI. CONTACTS

Legal Applicant	
Entity Name	Grant County Sanitary Sewer District
Authorized Official	Chuck Givin (Chairman)
County	Grant
Email	bullockpen@bpwd.org
Phone	(859) 393-2344
Address	PO Box 460 Crittenden, KY 41030

Applicant Contact

Name	Paul Harp
Organization	Grant County Sanitary Sewer District
Email	pharp@bpwd.org
Phone	(859) 428-5341
Address	1 Farrell Dr Crittenden, KY 41030

Consulting Engineer/Project Administrator

PE Name	Benton Hanson
Firm Name	HMB, Inc.
Email	bhanson@hmbpe.com
Phone	(502) 695-9800
Address	881 Corporate Dr, Ste 100 Lexington, KY 40503

XII. RECOMMENDATIONS

KIA staff recommends approval of the loan with the standard conditions and the following special condition:

The GCSSD will pass a resolution demonstrating their intention to increase revenues as necessary to maintain KIA's required 1.1 debt coverage ratio. KIA staff review indicates that revenues will need to increase approximately \$160,000, or 17%, by FY2028 to meet the loan requirement.

GRANT COUNTY SANITARY SEWER DISTRICT
FINANCIAL SUMMARY (DECEMBER YEAR END)

	Audited	Audited	Audited	Projected	Projected	Projected	Projected	Projected
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Balance Sheet								
Assets								
Current Assets	843,182	712,613	821,667	893,928	942,058	987,670	1,030,715	1,080,442
Other Assets	6,251,873	6,212,150	6,084,786	6,065,410	6,036,164	5,996,848	5,947,262	14,638,536
Total	7,095,055	6,924,763	6,906,453	6,959,339	6,978,222	6,984,518	6,977,977	15,718,978
Liabilities & Equity								
Current Liabilities	266,774	172,127	142,525	144,973	147,540	150,163	152,839	411,984
Long Term Liabilities	758,471	684,740	627,950	569,443	509,169	447,072	383,099	5,190,686
Total Liabilities	1,025,245	856,867	770,475	714,416	656,709	597,235	535,938	5,602,670
Net Assets	6,069,810	6,067,896	6,135,978	6,244,923	6,321,513	6,387,283	6,442,039	10,116,308
Cash Flow								
Revenues	806,146	796,620	866,696	948,359	948,359	948,359	948,359	1,108,376
Operating Expenses	524,336	566,234	604,857	620,391	632,730	645,316	658,154	693,248
Other Income	1,636	1,125	1,929	1,929	1,929	1,929	1,929	1,929
Cash Flow Before Debt Service	283,446	231,511	263,768	329,897	317,558	304,972	292,134	417,057
Debt Service								
Existing Debt Service	190,870	190,858	96,813	76,910	76,910	76,910	76,910	76,910
Proposed KIA Loan	0	0	0	0	0	0	0	303,513
Total Debt Service	190,870	190,858	96,813	76,910	76,910	76,910	76,910	380,423
Cash Flow After Debt Service	92,576	40,653	166,955	252,987	240,648	228,062	215,224	36,634
Ratios								
Current Ratio	3.2	4.1	5.8	6.2	6.4	6.6	6.7	2.6
Debt to Equity	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.6
Months Operating Expenses in Unrestricted Cash	12.9	9.5	11.4	12.1	12.8	13.4	13.9	13.8
Debt Coverage Ratio	1.5	1.2	2.7	4.3	4.1	4.0	3.8	1.1

EXECUTIVE SUMMARY		Reviewer		Sandy Rankin	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date		May 1, 2025	
FUND B, INFRASTRUCTURE		KIA Loan Number		B25-010	
REVOLVING LOAN FUND		WRIS Number		WX21173194	
BORROWER		CITY OF MOUNT STERLING MONTGOMERY COUNTY			
BRIEF DESCRIPTION					
The City of Mount Sterling is requesting a \$5,100,000 Fund B loan for the Greenbrier Dam Rehabilitation Project Phase II. Greenbriar Dam impounds a reservoir used for raw water supply by the city. Mount Sterling also supplies potable water to six public drinking water systems, serving a population of nearly 40,000 people in the city and surrounding region. This project will implement Interim Risk Reduction Measures (IRRM) to address significant structural issues at Greenbrier Dam, including two active slope failures and eroision of the spillway. If left unaddressed, further degradation of the dam may impact raw water supply and endanger areas downstream. Key actions include replacing failed slopes with stone materials, reinforcing spillway walls, lowering the gravel walking path by two feet, modifying the sheet pile wall, and using grouted riprap to mitigate erosion. The IRRM project aims to reduce immediate risks while planning for a permanent resolution to ensure the continued safety and reliability of Mount Sterling's water supply.					
PROJECT FINANCING		PROJECT BUDGET			
Fund B Loan	\$5,100,000	Administrative Expenses		\$40,000	
		Eng - Design / Const		300,000	
		Eng - Insp		260,000	
		Construction		4,067,655	
		Contingency		432,345	
TOTAL	\$5,100,000	TOTAL		\$5,100,000	
REPAYMENT	Rate	1.25%	Est. Annual Payment		\$384,129
	Term	15 Years	1st Payment	6 Mo. after first draw	
PROFESSIONAL SERVICES	Engineer	Schnabel Engineering			
	Bond Counsel	Dinsmore & Shohl, LLP			
PROJECT SCHEDULE	Bid Opening	Apr-25			
	Construction Start	Jun-25			
	Construction Stop	Nov-25			
DEBT PER CUSTOMER	Existing	\$1,080			
	Proposed	\$3,141			
OTHER DEBT		See Attached			
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>		
	Current	5,670	\$29.87	(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 2022	1,220,934	1,338,633	(117,699)	0.9	
Audited 2023	1,805,853	336,638	1,469,215	5.4	
Audited 2024	2,105,759	333,129	1,772,630	6.3	
Projected 2025	2,385,844	0	2,385,844	N/A	
Projected 2026	2,215,176	1,317,834	897,342	1.7	
Projected 2027	2,108,516	1,509,898	598,618	1.4	
Projected 2028	1,999,723	1,509,898	489,825	1.3	
Projected 2029	1,888,754	1,509,898	378,856	1.3	

Reviewer: Sandy Rankin
Date: May 1, 2025
Loan Number: B25-010

**KENTUCKY INFRASTRUCTURE AUTHORITY
INFRASTRUCTURE REVOLVING LOAN FUND (FUND B)
MOUNT STERLING, MONTGOMERY COUNTY
PROJECT REVIEW
WX21173194**

I. PROJECT DESCRIPTION

The City of Mount Sterling is requesting a \$5,100,000 Fund B loan for the Greenbrier Dam Rehabilitation Project Phase II. Greenbrier Dam impounds a reservoir used for raw water supply by the city. Mount Sterling also supplies potable water to six public drinking water systems, serving a population of nearly 40,000 people in the city and surrounding region. This project will implement Interim Risk Reduction Measures (IRRM) to address significant structural issues at Greenbrier Dam, including two active slope failures and erosion of the spillway. If left unaddressed, further degradation of the dam may impact raw water supply and endanger areas downstream. Key actions include replacing failed slopes with stone materials, reinforcing spillway walls, lowering the gravel walking path by two feet, modifying the sheet pile wall, and using grouted riprap to mitigate erosion. The IRRM project aims to reduce immediate risks while planning for a permanent resolution to ensure the continued safety and reliability of Mount Sterling's water supply.

The City currently serves 4,970 residential customers, 694 commercial, industrial and institutional customers and 6 wholesale customers.

II. PROJECT BUDGET

	Total
Administrative Expenses	\$ 40,000
Engineering Fees - Construction	300,000
Engineering Fees - Inspection	260,000
Construction	4,067,655
Contingency	432,345
Total	\$ 5,100,000

III. PROJECT FUNDING

	Amount	%
Fund B Loan	\$ 5,100,000	100%
Total	\$ 5,100,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 5,100,000
Less: Principal Forgiveness	0
Amortized Loan Amount	\$ 5,100,000
Interest Rate	1.25%
Loan Term (Years)	15
Estimated Annual Debt Service	\$ 373,929
Administrative Fee (0.20%)	10,200
Total Estimated Annual Debt Service	\$ 384,129

V. PROJECT SCHEDULE

Bid Opening:	April 2025
Construction Start:	June 2025
Construction Stop:	November 2025

VI. RATE STRUCTURE

A. Customers

Customers	Current
Residential	4,970
Commercial	680
Industrial/Institutional	14
Wholesale	6
Total	5,670

B. Rates

Water	Inside City		Outside City	
	Current	Prior	Current	Prior
Date of Last Rate Increase	08/01/24	07/01/22	08/01/24	07/01/22
Minimum - up to 748 Gallons	\$8.96	\$8.13	\$10.25	\$9.30
Next 4,488 Gallons, per 1,000 Gallons	6.43	5.72	7.10	6.32
Cost for 4,000 gallons	\$29.87	\$26.73	\$33.34	\$29.85
Increase %	11.7%		11.7%	
Affordability Index (Rate/MHI)	0.7%	0.7%	0.8%	0.7%

Sewer	Inside City		Outside City	
	Current	Prior	Current	Prior
Date of Last Rate Increase	07/01/22	07/01/19	07/01/22	07/01/19
Minimum - up to 748 Gallons	\$13.19	\$9.76	\$13.85	\$10.24
Next 4,488 Gallons, per 1,000 Gallons	6.34	5.04	7.41	5.95
Cost for 4,000 gallons	\$33.81	\$26.15	\$37.95	\$29.59
Increase %	29.3%		28.3%	
Affordability Index (Rate/MHI)	0.8%	0.6%	0.9%	0.7%
Wholesale - Water	Current		Prior	
	Current	Prior	Current	Prior
Date of Last Rate Increase	09/01/24	08/01/23		
All Usage, per 1,000 Gallons	\$3.82	\$3.67		
Cost for 4,000 gallons	\$15.28	\$14.68		
Increase %	4.1%			
Affordability Index (Rate/MHI)	0.4%	0.4%		

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2018-2022, the Utility's service area population is 13,152 with a Median Household Income (MHI) of \$48,970. The MHI for the Commonwealth is \$60,183. The loan will qualify for a 1.25% interest rate.

VIII. FINANCIAL ANALYSIS

Financial information was obtained from the audited financial statements for the years ended June 30, 2022, through June 30, 2024. Percentage references in the History section below are based on whole dollar amounts and not the rounded amounts presented.

HISTORY

Total water revenues increased 19.9% from \$5.87 million in 2022 to \$7.04 million in 2024 due to rate increases. Operating expenses increased 9.3% from \$4.69 million to \$5.13 million during the same period primarily due to monitoring and water treatment expenses. The debt coverage ratio was 0.9, 5.4, and 6.3 in 2022, 2023, and 2024.

The balance sheet reflects a current ratio of 7.5, a debt-to-equity ratio of 0.7, 51.3 days of sales in accounts receivable, and 21.7 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Water revenues will increase 11.7% in FY25 due to approved rate increases.
- 2) Wholesale water revenues will increase 4.1% in FY25 due to approved rate increases. Wholesale water is regulated by the Public Service Commission (PSC) who approved this rate increase on 9/1/24.
- 3) Operating expenses will increase 2% annually due to inflation and general expense increases.
- 4) Debt service coverage is 1.4 in 2027 when full principal and interest repayments begin.

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

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$255,000 total) of the final amount borrowed to be funded annually (\$17,000 yearly) each December 1 for 15 years and maintained for the life of the loan.

IX. DEBT OBLIGATIONS

	Outstanding	Maturity
KIA Loan A21-005 (i.a.o \$12,447,846)	\$ -	TBD
Total	\$ -	

X. CONTACTS

Legal Applicant	
Entity Name	City of Mount Sterling
Authorized Official	Al Botts (Mayor)
County	Montgomery
Email	Al.botts@ky.gov
Phone	859-498-8725
Address	33 N Maysville Street Mt. Sterling, KY 40353

Applicant Contact

Name	Brad Reed
Organization	Mount Sterling Water and Sewer
Email	b.reed@mswatersewer.com
Phone	859-498-0166
Address	300 E Main Street Mount Sterling, KY 40353

Project Administrator

Name	Jocelyn Gross
Organization	Gateway Area Development District
Email	jocelynr.gross@ky.gov
Phone	606-780-0090
Address	110 Lake Park Drive Morehead, KY 40351

Consulting Engineer

PE Name	Ben Webster
Firm Name	Schnabel Engineering
Email	bwebster@schnabel-eng.com
Phone	804-264-3222
Address	11-A Oak Branch Drive Greensboro, NC 27407

XI. RECOMMENDATIONS

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

CITY OF MOUNT STERLING
FINANCIAL SUMMARY (JUNE YEAR END)

	Audited 2022	Audited 2023	Audited 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Balance Sheet								
Assets								
Current Assets	10,463,114	11,089,054	10,921,937	11,064,933	10,190,134	9,101,939	7,991,986	6,859,839
Other Assets	27,232,681	30,661,807	40,078,279	59,690,146	63,877,917	62,880,360	61,795,768	60,622,401
Total	37,695,795	41,750,861	51,000,216	70,755,079	74,068,051	71,982,299	69,787,754	67,482,240
Liabilities & Equity								
Current Liabilities	1,422,272	3,567,688	1,450,427	2,957,481	3,212,481	3,212,481	3,212,481	3,212,481
Long Term Liabilities	7,811,975	9,902,694	20,201,014	39,343,735	43,206,235	41,968,735	40,731,235	39,493,735
Total Liabilities	9,234,247	13,470,382	21,651,441	42,301,216	46,418,716	45,181,216	43,943,716	42,706,216
Net Assets	28,461,548	28,280,479	29,348,775	28,453,864	27,649,336	26,801,084	25,844,039	24,776,025
Cash Flow								
Revenues	5,870,134	6,797,240	7,036,287	7,418,890	7,418,890	7,418,890	7,418,890	7,418,890
Operating Expenses	4,689,965	5,056,260	5,125,897	5,228,415	5,399,083	5,505,743	5,614,536	5,725,505
Other Income	40,765	64,873	195,369	195,369	195,369	195,369	195,369	195,369
Cash Flow Before Debt Service	1,220,934	1,805,853	2,105,759	2,385,844	2,215,176	2,108,516	1,999,723	1,888,754
Debt Service								
Existing Debt Service	1,338,633	336,638	333,129	0	1,125,769	1,125,769	1,125,769	1,125,769
Proposed KIA Loan	0	0	0	0	192,065	384,129	384,129	384,129
Total Debt Service	1,338,633	336,638	333,129	0	1,317,834	1,509,898	1,509,898	1,509,898
Cash Flow After Debt Service	(117,699)	1,469,215	1,772,630	2,385,844	897,342	598,618	489,825	378,856
Ratios								
Current Ratio	7.4	3.1	7.5	3.7	3.2	2.8	2.5	2.1
Debt to Equity	0.3	0.5	0.7	1.5	1.7	1.7	1.7	1.7
Days Sales in Accounts Receivable	51.3	52.5	51.3	51.3	51.3	51.3	51.3	51.3
Months Operating Expenses in Unrestricted Cash	24.0	23.0	21.7	22.4	20.0	17.2	14.4	11.8
Debt Coverage Ratio	0.9	5.4	6.3	N/A	1.7	1.4	1.3	1.3

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND F, FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND			Reviewer Date KIA Loan Number WRIS Number	John Brady May 1, 2025 F25-005E WX21225066
BORROWER		CITY OF MORGANFIELD UNION COUNTY		
BRIEF DESCRIPTION				
The City of Morganfield is requesting a Fund F loan in the amount of \$2,567,076 for the Granular Activated Carbon (GAC) project. The project will include adding a GAC treatment facility to the existing Water Treatment Plant. This facility will be a standalone add on facility that will house steel vessel contact tanks holding GAC material for reducing Per- and Polyfluoroalkyl substances (PFAS) concentration in drinking water. GAC material specifications will be determined from pilot testing of the water supply to meet USEPA regulations. This project will include additional work including existing piping modifications at the Water Treatment Plant, foundation development, and relocation of existing chemical feed systems in the treatment process. The City is being proactive with the removal of PFAS and other emerging chemicals from the community's treated drinking water.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$2,567,076	Administrative Expenses	\$40,000	
KIA Loan F25-005S	4,432,924	Legal Expenses	10,000	
		Planning	40,000	
		Eng - Design / Const	375,000	
		Eng - Insp	190,000	
		Eng - Other	20,000	
		Construction	5,500,000	
		Contingency	825,000	
TOTAL	\$7,000,000	TOTAL	\$7,000,000	
REPAYMENT	Rate Term	N/A N/A	Est. Annual Payment 1st Payment	N/A N/A
PROFESSIONAL SERVICES	Engineer Bond Counsel	Strand Associates, Inc. Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Apr-26 Jun-26 Jul-27		
DEBT PER CUSTOMER	Existing Proposed	\$1,092 \$1,371		
OTHER DEBT	See Attached			
RESIDENTIAL RATES	Current	Users 2,234	Avg. Bill \$27.47	(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 2022	448,044	331,769	116,275	1.4
Audited 2023	543,505	330,615	212,890	1.6
Audited 2024	865,275	331,535	533,740	2.6
Projected 2025	848,107	286,344	561,763	3.0
Projected 2026	907,636	286,177	621,459	3.2
Projected 2027	972,023	446,813	525,210	2.2
Projected 2028	1,030,449	491,953	538,497	2.1
Projected 2029	1,105,408	537,022	568,386	2.1

Reviewer: John Brady
Date: May 1, 2025
Loan Number: F25-005E

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND F)
CITY OF MORGANFIELD, UNION COUNTY
PROJECT REVIEW
WX21225066**

I. PROJECT DESCRIPTION

The City of Morganfield is requesting a Fund F loan in the amount of \$2,567,076 for the Granular Activated Carbon (GAC) Contactor Tank project. The project will include adding a GAC treatment facility to the existing Water Treatment Plant. This facility will be a standalone add on facility that will house steel vessel contact tanks holding GAC material for reducing Per- and Polyfluoroalkyl substances (PFAS) concentration in drinking water. GAC material specifications will be determined from pilot testing of the water supply to meet USEPA regulations. This project will include additional work including existing piping modifications at the Water Treatment Plant, foundation development, and relocation of existing chemical feed systems in the treatment process. The City is being proactive with the removal of PFAS and other emerging chemicals from the community's treated drinking water.

The City currently serves 1,900 residential customers and 332 commercial and industrial customers. They provide whole service to the Union County Water District and Uniontown Water and Sewer Department.

II. PROJECT BUDGET

	Total
Administrative Expenses	\$ 40,000
Legal Expenses	10,000
Planning	40,000
Engineering Fees - Design	300,000
Engineering Fees - Construction	75,000
Engineering Fees - Inspection	190,000
Engineering Fees - Other	20,000
Construction	5,500,000
Contingency	825,000
Total	\$ 7,000,000

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 2,567,076	37%
KIA Loan F25-005S	4,432,924	63%
Total	\$ 7,000,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 2,567,076
Less: Principal Forgiveness	<u>2,567,076</u>
Amortized Loan Amount	\$ -

V. PROJECT SCHEDULE

Bid Opening:	February 2026
Construction Start:	April 2026
Construction Stop:	July 2027

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

<u>Customers</u>	<u>Current</u>
Residential	1,900
Commercial/Industrial	332
Wholesale	<u>2</u>
Total	2,234

B) Rates

Water - Inside City	<u>Current</u>	<u>Prior</u>	<u>Prior</u>
Date of Last Rate Increase	07/01/24	07/01/23	07/01/22
Minimum (2,000 Gallons)	\$13.81	\$13.15	\$12.52
Next 5,000 Gallons (Per 1,000)	6.83	6.50	6.19
Cost for 4,000 gallons	\$27.47	\$26.15	\$24.90
Increase %	5.0%	5.0%	
Affordability Index (Rate/MHI)	0.6%	0.5%	0.5%

Water - Outside City	Current	Prior	Prior
Date of Last Rate Increase	07/01/24	07/01/23	07/01/22
Minimum (2,000 Gallons)	\$20.73	\$19.74	\$18.80
Next 5,000 Gallons (Per 1,000)	10.22	9.73	9.27
Cost for 4,000 gallons	\$41.17	\$39.20	\$37.34
Increase %	5.0%	5.0%	
Affordability Index (Rate/MHI)	0.9%	0.8%	0.8%

Sewer - Inside City	Current	Prior	Prior
Date of Last Rate Increase	07/01/24	07/01/23	07/01/22
Minimum (2,000 Gallons)	\$19.15	\$18.24	\$17.37
Next 5,000 Gallons (Per 1,000)	5.75	5.48	5.22
Cost for 4,000 gallons	\$30.65	\$29.20	\$27.81
Increase %	5.0%	5.0%	
Affordability Index (Rate/MHI)	0.6%	0.6%	0.6%

Sewer - Outside City	Current	Prior	Prior
Date of Last Rate Increase	07/01/24	07/01/23	07/01/22
Minimum (2,000 Gallons)	\$28.72	\$27.35	\$26.05
Next 5,000 Gallons (Per 1,000)	8.61	8.20	7.81
Cost for 4,000 gallons	\$45.94	\$43.75	\$41.67
Increase %	5.0%	5.0%	
Affordability Index (Rate/MHI)	0.9%	0.9%	0.9%

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2018-2022, the Utility's service area population is 4,701 with a Median Household Income (MHI) of \$58,047. The MHI for the Commonwealth is \$60,183.

VIII. 2024 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 100% of the assistance amount 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, 2022 through June 30, 2024. 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 24.8% from \$3.16 million in 2022 to \$3.94 million in 2024 due to annual rate increases for both water and sewer services. Operating expenses increased 13.5% from \$2.71 million to \$3.07 million during the same period. The debt coverage ratio was 1.4, 1.6, and 2.6 in 2022, 2023, and 2024.

The balance sheet reflects a current ratio of 4.0, a debt-to-equity ratio of 0.6, and 5.8 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Retail water revenues will increase 5% in each projected year due to an annual adjustment outlined in the City's rate ordinance.
- 2) Sewer revenues will increase 5% in each projected year due to an annual adjustment outlined in the City's rate ordinance.
- 3) Operating expenses will increase 2% annually due to inflation.

REPLACEMENT RESERVE

The replacement reserve will be 5% (\$222,000 total) of the final amount borrowed (prior to principal forgiveness) to be funded annually (\$11,100 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	<u>Outstanding</u>	<u>Maturity</u>
USDA RD Note	\$ 2,351,500	2056
KIA Loan A15-023	2,184,965	2038
KIA Loan A25-022 (i.a.o. \$1,280,000)		TBD
KIA Loan F25-005S (i.a.o. \$4,432,924)		TBD
Total	\$ 4,536,465	

XI. CONTACTS

Legal Applicant

Entity Name	City of Morganfield
Authorized Official	Randy Greenwell (Mayor)
County	Union
Email	rgreenwellmayor@gmail.com
Phone	(270) 389-2525
Address	PO Box 420 Morganfield, KY 42437

Applicant Contact

Name	Blake Edge
Organization	Green River ADD
Email	blakeedge@gradd.com
Phone	(270) 302-5484
Address	300 GRADD Way Owensboro, KY 42301

Project Administrator

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

Consulting Engineer

PE Name	Joseph Okyere
Firm Name	Strand Associates, Inc.
Email	joseph.okyere@strand.com
Phone	(502) 583-7020
Address	325 W Main St, Ste 710 Louisville, KY 40202

XII. RECOMMENDATIONS

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

CITY OF MORGANFIELD
FINANCIAL SUMMARY (JUNE YEAR END)

	Audited 2022	Audited 2023	Audited 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Balance Sheet								
Assets								
Current Assets	1,724,094	1,993,072	1,878,103	2,103,511	2,353,895	2,565,879	2,783,177	3,012,532
Other Assets	19,249,675	19,215,328	20,631,603	20,207,062	21,098,338	20,651,865	27,038,364	26,442,797
Total	20,973,769	21,208,400	22,509,706	22,310,573	23,452,233	23,217,744	29,821,542	29,455,329
Liabilities & Equity								
Current Liabilities	468,555	505,705	472,025	477,135	631,831	637,067	721,096	728,696
Long Term Liabilities	8,402,775	8,207,754	7,553,767	7,396,539	7,789,511	7,433,316	8,515,052	8,070,428
Total Liabilities	8,871,330	8,713,459	8,025,792	7,873,674	8,421,342	8,070,383	9,236,149	8,799,124
Net Assets	12,102,439	12,494,941	14,483,914	14,436,899	15,030,891	15,147,361	20,585,393	20,656,204
Cash Flow								
Revenues	3,155,877	3,460,271	3,939,376	3,991,358	4,113,599	4,241,952	4,376,723	4,518,232
Operating Expenses	2,707,833	2,916,766	3,074,101	3,143,251	3,205,963	3,269,929	3,346,274	3,412,824
Other Income	0	0	0	0	0	0	0	0
Cash Flow Before Debt Service	448,044	543,505	865,275	848,107	907,636	972,023	1,030,449	1,105,408
Debt Service								
Existing Debt Service	331,769	330,615	331,535	286,344	286,177	446,813	491,953	537,022
Proposed KIA Loan	0	0	0	0	0	0	0	0
Total Debt Service	331,769	330,615	331,535	286,344	286,177	446,813	491,953	537,022
Cash Flow After Debt Service	116,275	212,890	533,740	561,763	621,459	525,210	538,497	568,386
Ratios								
Current Ratio	3.7	3.9	4.0	4.4	3.7	4.0	3.9	4.1
Debt to Equity	0.7	0.7	0.6	0.5	0.6	0.5	0.4	0.4
Months Operating Expenses in Unrestricted Cash	6.2	5.1	5.8	6.6	7.4	8.0	8.6	9.3
Debt Coverage Ratio	1.4	1.6	2.6	3.0	3.2	2.2	2.1	2.1

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY FUND F, FEDERALLY ASSISTED DRINKING WATER REVOLVING LOAN FUND			Reviewer Date KIA Loan Number WRIS Number	John Brady May 1, 2025 F25-005S WX21225066
BORROWER		CITY OF MORGANFIELD UNION COUNTY		
BRIEF DESCRIPTION				
The City of Morganfield is requesting a Fund F loan in the amount of \$4,432,924 for the Granular Activated Carbon (GAC) Contactor Tank project. The project will include adding a GAC treatment facility to the existing Water Treatment Plant. This facility will be a standalone add on facility that will house steel vessel contact tanks holding GAC material for reducing Per- and Polyfluoroalkyl substances (PFAS) concentration in drinking water. GAC material specifications will be determined from pilot testing of the water supply to meet USEPA regulations. This project will include additional work including existing piping modifications at the Water Treatment Plant, foundation development, and relocation of existing chemical feed systems in the treatment process. The City is being proactive with the removal of PFAS and other emerging chemicals from the community's treated drinking water.				
PROJECT FINANCING		PROJECT BUDGET		
Fund F Loan	\$4,432,924	Administrative Expenses	\$40,000	
KIA Loan F25-005E	2,567,076	Legal Expenses	10,000	
		Planning	40,000	
		Eng - Design / Const	375,000	
		Eng - Insp	190,000	
		Eng - Other	20,000	
		Construction	5,500,000	
		Contingency	825,000	
TOTAL	\$7,000,000	TOTAL	\$7,000,000	
REPAYMENT	Rate Term	1.25% 20 Years	Est. Annual Payment 1st Payment	\$90,713 6 Mo. after first draw
PROFESSIONAL SERVICES	Engineer Bond Counsel	Strand Associates, Inc. Dinsmore & Shohl, LLP		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Apr-26 Jun-26 Jul-27		
DEBT PER CUSTOMER	Existing Proposed	\$1,092 \$1,371		
OTHER DEBT		See Attached		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	2,234	\$27.47 (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 2022	448,044	331,769	116,275	1.4
Audited 2023	543,505	330,615	212,890	1.6
Audited 2024	865,275	331,535	533,740	2.6
Projected 2025	848,107	286,344	561,763	3.0
Projected 2026	907,636	286,177	621,459	3.2
Projected 2027	972,023	446,813	525,210	2.2
Projected 2028	1,030,449	491,953	538,497	2.1
Projected 2029	1,105,408	537,022	568,386	2.1

Reviewer: John Brady
Date: May 1, 2025
Loan Number: F25-005S

**KENTUCKY INFRASTRUCTURE AUTHORITY
DRINKING WATER STATE REVOLVING FUND (FUND F)
CITY OF MORGANFIELD, UNION COUNTY
PROJECT REVIEW
WX21225066**

I. PROJECT DESCRIPTION

The City of Morganfield is requesting a Fund F loan in the amount of \$4,432,924 for the Granular Activated Carbon (GAC) Contactor Tank project. The project will include adding a GAC treatment facility to the existing Water Treatment Plant. This facility will be a standalone add on facility that will house steel vessel contact tanks holding GAC material for reducing Per- and Polyfluoroalkyl substances (PFAS) concentration in drinking water. GAC material specifications will be determined from pilot testing of the water supply to meet USEPA regulations. This project will include additional work including existing piping modifications at the Water Treatment Plant, foundation development, and relocation of existing chemical feed systems in the treatment process. The City is being proactive with the removal of PFAS and other emerging chemicals from the community's treated drinking water.

The City currently serves 1,900 residential customers and 332 commercial and industrial customers. They provide wholesale service to the Union County Water District and Uniontown Water and Sewer Department.

II. PROJECT BUDGET

	Total
Administrative Expenses	\$ 40,000
Legal Expenses	10,000
Planning	40,000
Engineering Fees - Design	300,000
Engineering Fees - Construction	75,000
Engineering Fees - Inspection	190,000
Engineering Fees - Other	20,000
Construction	5,500,000
Contingency	825,000
Total	\$ 7,000,000

III. PROJECT FUNDING

	<u>Amount</u>	<u>%</u>
Fund F Loan	\$ 4,432,924	63%
KIA Loan F25-005E	2,567,076	37%
Total	\$ 7,000,000	100%

IV. KIA DEBT SERVICE

Construction Loan	\$ 4,432,924
Less: Principal Forgiveness	2,912,563
Amortized Loan Amount	\$ 1,520,361
Interest Rate	1.25%
Loan Term (Years)	20
Estimated Annual Debt Service	\$ 86,152
Administrative Fee (0.30%)	4,561
Total Estimated Annual Debt Service	\$ 90,713

V. PROJECT SCHEDULE

Bid Opening:	February 2026
Construction Start:	April 2026
Construction Stop:	July 2027

VI. CUSTOMER COMPOSITION AND RATE STRUCTURE

A) Customers

<u>Customers</u>	<u>Current</u>
Residential	1,900
Commercial/Industrial	332
Wholesale	2
Total	2,234

B) Rates

Water - Inside City	Current	Prior	Prior
Date of Last Rate Increase	07/01/24	07/01/23	07/01/22
Minimum (2,000 Gallons)	\$13.81	\$13.15	\$12.52
Next 5,000 Gallons (Per 1,000)	6.83	6.50	6.19
Cost for 4,000 gallons	\$27.47	\$26.15	\$24.90
Increase %	5.0%	5.0%	
Affordability Index (Rate/MHI)	0.6%	0.5%	0.5%

Water - Outside City	Current	Prior	Prior
Date of Last Rate Increase	07/01/24	07/01/23	07/01/22
Minimum (2,000 Gallons)	\$20.73	\$19.74	\$18.80
Next 5,000 Gallons (Per 1,000)	10.22	9.73	9.27
Cost for 4,000 gallons	\$41.17	\$39.20	\$37.34
Increase %	5.0%	5.0%	
Affordability Index (Rate/MHI)	0.9%	0.8%	0.8%

Sewer - Inside City	Current	Prior	Prior
Date of Last Rate Increase	07/01/24	07/01/23	07/01/22
Minimum (2,000 Gallons)	\$19.15	\$18.24	\$17.37
Next 5,000 Gallons (Per 1,000)	5.75	5.48	5.22
Cost for 4,000 gallons	\$30.65	\$29.20	\$27.81
Increase %	5.0%	5.0%	
Affordability Index (Rate/MHI)	0.6%	0.6%	0.6%

Sewer - Outside City	Current	Prior	Prior
Date of Last Rate Increase	07/01/24	07/01/23	07/01/22
Minimum (2,000 Gallons)	\$28.72	\$27.35	\$26.05
Next 5,000 Gallons (Per 1,000)	8.61	8.20	7.81
Cost for 4,000 gallons	\$45.94	\$43.75	\$41.67
Increase %	5.0%	5.0%	
Affordability Index (Rate/MHI)	0.9%	0.9%	0.9%

VII. DEMOGRAPHICS

Based on current Census data from the American Community Survey 5-Year Estimate 2018-2022, the Utility's service area population is 4,701 with a Median Household Income (MHI) of \$58,047. The MHI for the Commonwealth is \$60,183. The loan will qualify for a 1.25% interest rate.

VIII. 2024 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 65.7% of the assistance amount, not to exceed \$2,912,563, 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, 2022 through June 30, 2024. 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 24.8% from \$3.16 million in 2022 to \$3.94 million in 2024 due to annual rate increases for both water and sewer services. Operating expenses increased 13.5% from \$2.71 million to \$3.07 million during the same period. The debt coverage ratio was 1.4, 1.6, and 2.6 in 2022, 2023, and 2024.

The balance sheet reflects a current ratio of 4.0, a debt-to-equity ratio of 0.6, and 5.8 months of operating expenses in unrestricted cash.

PROJECTIONS

Projections are based on the following assumptions:

- 1) Retail water revenues will increase 5% in each projected year due to an annual adjustment outlined in the City’s rate ordinance.
- 2) Sewer revenues will increase 5% in each projected year due to an annual adjustment outlined in the City’s rate ordinance.
- 3) Operating expenses will increase 2% annually due to inflation.
- 4) Debt service coverage is 2.1 in 2028 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% (\$222,000 total) of the final amount borrowed (prior to principal forgiveness) to be funded annually (\$11,100 yearly) each December 1 for 20 years and maintained for the life of the loan.

X. DEBT OBLIGATIONS

	Outstanding	Maturity
USDA RD Note	\$ 2,351,500	2056
KIA Loan A15-023	2,184,965	2038
KIA Loan A25-022 (i.a.o. \$1,280,000)		TBD
Total	\$ 4,536,465	

XI. CONTACTS

Legal Applicant

Entity Name	City of Morganfield
Authorized Official	Randy Greenwell (Mayor)
County	Union
Email	rgreenwellmayor@gmail.com
Phone	(270) 389-2525
Address	PO Box 420 Morganfield, KY 42437

Applicant Contact

Name	Blake Edge
Organization	Green River ADD
Email	blakeedge@gradd.com
Phone	(270) 302-5484
Address	300 GRADD Way Owensboro, KY 42301

Project Administrator

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

Consulting Engineer

PE Name	Joseph Okyere
Firm Name	Strand Associates, Inc.
Email	joseph.okyere@strand.com
Phone	(502) 583-7020
Address	325 W Main St, Ste 710 Louisville, KY 40202

XII. RECOMMENDATIONS

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

CITY OF MORGANFIELD
FINANCIAL SUMMARY (JUNE YEAR END)

	Audited 2022	Audited 2023	Audited 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029
Balance Sheet								
Assets								
Current Assets	1,724,094	1,993,072	1,878,103	2,103,511	2,353,895	2,565,879	2,783,177	3,012,532
Other Assets	19,249,675	19,215,328	20,631,603	20,207,062	21,098,338	20,651,865	27,038,364	26,442,797
Total	20,973,769	21,208,400	22,509,706	22,310,573	23,452,233	23,217,744	29,821,542	29,455,329
Liabilities & Equity								
Current Liabilities	468,555	505,705	472,025	477,135	631,831	637,067	721,096	728,696
Long Term Liabilities	8,402,775	8,207,754	7,553,767	7,396,539	7,789,511	7,433,316	8,515,052	8,070,428
Total Liabilities	8,871,330	8,713,459	8,025,792	7,873,674	8,421,342	8,070,383	9,236,149	8,799,124
Net Assets	12,102,439	12,494,941	14,483,914	14,436,899	15,030,891	15,147,361	20,585,393	20,656,204
Cash Flow								
Revenues	3,155,877	3,460,271	3,939,376	3,991,358	4,113,599	4,241,952	4,376,723	4,518,232
Operating Expenses	2,707,833	2,916,766	3,074,101	3,143,251	3,205,963	3,269,929	3,346,274	3,412,824
Other Income	0	0	0	0	0	0	0	0
Cash Flow Before Debt Service	448,044	543,505	865,275	848,107	907,636	972,023	1,030,449	1,105,408
Debt Service								
Existing Debt Service	331,769	330,615	331,535	286,344	286,177	446,813	446,596	446,309
Proposed KIA Loan	0	0	0	0	0	0	45,357	90,713
Total Debt Service	331,769	330,615	331,535	286,344	286,177	446,813	491,953	537,022
Cash Flow After Debt Service	116,275	212,890	533,740	561,763	621,459	525,210	538,497	568,386
Ratios								
Current Ratio	3.7	3.9	4.0	4.4	3.7	4.0	3.9	4.1
Debt to Equity	0.7	0.7	0.6	0.5	0.6	0.5	0.4	0.4
Months Operating Expenses in Unrestricted Cash	6.2	5.1	5.8	6.6	7.4	8.0	8.6	9.3
Debt Coverage Ratio	1.4	1.6	2.6	3.0	3.2	2.2	2.1	2.1

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY DRINKING WATER AND WASTEWATER GRANT PROGRAM CLEANER WATER PROGRAM GRANT			Reviewer CPBOC Date KIA Grant Number WRIS Number		Julie Bickers May 19, 2025 22CWS085 SX21133020	
GRANTEE			JENKINS, CITY OF LETCHER COUNTY			
BRIEF DESCRIPTION						
Rehabbing the WWTP will include more efficient equipment and treatment process. The main areas of concern that will be addressed in this project include: 1. The influent screening will be improved by installing new equipment 2. The Aerobic Digestion will be improved by replacing the tube aerators, installing a jet aeration system, and installing a bubble aeration system 3. The existing sludge drying beds will be upgraded by utilizing a wedgewire drainage system, or a filter press will be installed. The design will include an analysis of which is the most effective means of sludge dewatering 4. New flow meters will be installed 5. Miscellaneous improvements including pumping equipment, lab equipment, gray water system improvements, and other items that need to be brought to a better working condition. These improvements will make the plant more efficient and increase the ability to process waste						
PROJECT FINANCING			PROJECT BUDGET			
CWP - Sewer Grant - 22CWS085	\$153,337		Administrative Expenses		\$80,000	
AML Funds	372,600		Legal Expenses		2,500	
Other Funding	1,474,063		Land, Easements		15,000	
			Eng - Design / Const	8.0%	8.1%	
			Eng - Insp	4.9%	4.9%	
			Eng - Other		12,500	
			Construction		1,673,000	
TOTAL	\$2,000,000		TOTAL		\$2,000,000	
PROFESSIONAL SERVICES	Engineer	TBD				
PROJECT SCHEDULE	Bid Opening	TBD				
	Construction Start	TBD				
	Construction Stop	TBD				
RESIDENTIAL RATES	Current	Users		Avg. Bill		
		677	\$	35.26	(for 4,000 gallons)	
REGIONAL COORDINATION						
This project is consistent with regional planning recommendations.						
Allocation Source	Allocated County	Allocated Amount				
County Allocation Pool	Letcher County	\$	153,337.00			
		Total	\$	153,337.00		
Notes:						
This grant is a reallocation from a previously approved grant. Previous Grantee: City of Jenkins Previous Grant #22CWS175 Prior Project: Jenkins WWTP - Repairs Previous WRIS #SX21133037 Prior Approval Date: August 29, 2024						

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY DRINKING WATER AND WASTEWATER GRANT PROGRAM CLEANER WATER PROGRAM GRANT		Reviewer CPBOC Date KIA Grant Number WRIS Number	Julie Bickers May 19, 2025 22CWW358 WX21147037
GRANTEE		MCCREARY COUNTY WATER DISTRICT MCCREARY COUNTY	
BRIEF DESCRIPTION This project will include the construction of a new maintenance facility for the employees of the McCreary County Water District (MCWD). This building will primarily be used for meter repair and pump repair. The McCreary County Water District will also be purchasing a raw water intake pump.			
PROJECT FINANCING CWP - Water Grant - 22CWW358 \$319,278 CWP Grant 21CWW301 632,826		PROJECT BUDGET RD Fee % Actual % Administrative Expenses \$10,000 Planning 5,000 Eng - Design / Const 9.1% 5.7% 48,000 Eng - Insp 5.9% 5.3% 45,000 Construction 800,793 Contingency 43,311 TOTAL \$952,104	
PROFESSIONAL SERVICES		Engineer	Eclipse Engineers, PLLC
PROJECT SCHEDULE		Bid Opening	January 16, 2024
		Construction Start	February 9, 2024
		Construction Stop	February 27, 2025
RESIDENTIAL RATES		<u>Users</u> Current 6,112 \$	<u>Avg. Bill</u> 44.50 (for 4,000 gallons)
REGIONAL COORDINATION		This project is consistent with regional planning recommendations.	
Allocation Source	Allocated County	Allocated Amount	
County Allocation Pool	McCreary County	\$ 952,104.00	
		Total	\$ 952,104.00
Notes:			
Prior Approval: County Allocation Pool McCreary County \$ 632,826 December 27, 2022 County Allocation Pool Reallocation \$ 266,625 February 27, 2024 County Allocation Pool Reallocation \$ 52,653 Pending Approval May 19, 2025 This grant is being allocated additional funds through the reallocation of remaining funds from a previously approved grant. Previous Grantee: McCreary County Water District Previous Grant #22CWW191 Prior Project: Cleaner Water Fund Various Improvements Previous WRIS #WX21147038 Prior Approval Date: December 27, 2022			

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY DRINKING WATER AND WASTEWATER GRANT PROGRAM CLEANER WATER PROGRAM GRANT		Reviewer CPBOC Date KIA Grant Number WRIS Number		Julie Bickers May 19, 2025 22CWW389 WX21171052	
GRANTEE		MONROE COUNTY WATER DISTRICT MONROE COUNTY			
BRIEF DESCRIPTION					
Additionally, there are seven (7) aging water storage tanks within this system, all of which would receive necessary care and rehabilitation by this project. The seven (7) water storage tanks include Big Sulphur Tank, Hwy 100 Tank, Persimmon Tank, Old Mulkey Rd Tank, Gamaliel Tank, Gum Tree Tank, and Flippin Tank. All tanks need an interior and exterior cleaning and inspection as well as an additional mixer. 570 Big Sulphur Rd, Tompkinsville, KY 42167 (36.677110, -85.651715) 170 J Scott Rd, Tompkinsville, KY 42167 (36.722469, -85.627413) 80 Hurt Rd, Tompkinsville, KY 42167 (36.809745, -85.647243) 44 Tim Lee Carter Rd, KY 2167 (36.695296, -85.721067) 775 E Main St., Gamaliel, KY 42140 (36.640011, -85.777085) 5121 Mud Lick Flippin Rd, KY 42167 (36.732203, -85.805924) 109 Arterburn Rd., Tompkinsville, KY 42167 (36.697056, -85.842658)					
PROJECT FINANCING		PROJECT BUDGET		RD Fee %	Actual %
CWP - Water Grant - 22CWW389	\$172,181	Administrative Expenses			\$30,000
CWP Grant 21CWW155	268,132	Eng - Design / Const	8.7%	7.6%	88,100
Local ARPA Funds	890,000	Eng - Insp	5.5%	4.8%	55,500
		Construction			1,070,913
		Contingency			85,800
TOTAL	\$1,330,313	TOTAL			\$1,330,313
PROFESSIONAL SERVICES	Engineer	Precision Engineering LLC			
PROJECT SCHEDULE	Bid Opening	TBD			
	Construction Start	TBD			
	Construction Stop	TBD			
RESIDENTIAL RATES	Current	<u>Users</u>	<u>Avg. Bill</u>		
		3,659	\$ 54.88	(for 4,000 gallons)	
REGIONAL COORDINATION	This project is consistent with regional planning recommendations.				
Allocation Source	Allocated County	Allocated Amount			
County Allocation Pool	Monroe County	\$ 172,181.00			
	Total	\$ 172,181.00			
Notes:					
This grant is a reallocation from a previously approved grant. Previous Grantee: Monroe County Water District Previous Grant #22CWW044 Prior Project: MCWD - Highway 163 Bypass Water Main Addition Prior WRIS #WX21171051 Prior Approval Date: December 27, 2022					

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Rick Harris October 7, 2024 W25-073	
BORROWER		CITY OF MARTIN WATER WORKS FLOYD COUNTY		
BRIEF DESCRIPTION Non- Capital Project - Debt Service The City of Martin and Martin Water Works are seeking debt service forgiveness to alleviate financial pressures and enhance operational flexibility. Assistance with debt repayment will empower the city to allocate resources more effectively, ensuring consistent service delivery and timely maintenance of critical infrastructure. By reducing the burden of debt, Martin can focus on making essential repairs and improvements to the water system, ultimately providing safer and more reliable services to residents. This financial relief is crucial for sustaining the community's growth and addressing immediate infrastructure needs.				
PROJECT FINANCING Fund KYWWATERS \$300,000		PROJECT BUDGET Administrative Expenses \$0 Other 300,000		
TOTAL \$300,000		TOTAL \$300,000		
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Summit Engineering		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	August 1, 2025 October 1, 2025 October 1, 2026		
DEBT PER CUSTOMER	Existing	\$488		
RESIDENTIAL RATES				
	Current	Users 465	Avg. Bill \$0.00 (for 4,000 gallons)	
	Additional	0	\$0.00 (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	(75,841)	34,963	(110,804)	-2.2
Audited 2022	133,436	34,674	98,762	3.8
Audited 2023	(58,492)	34,960	(93,452)	-1.7

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Rick Harris November 7, 2024 W25-073 SX21071018
BORROWER		CITY OF MARTIN WATER WORKS FLOYD COUNTY	
BRIEF DESCRIPTION Capital Infrastructure Project for WWATERS consideration is a WWTP rehab: Wastewater Plant Rehabilitation SX21071018 WWTP is failing and has NOV. This project is partially funded. Remove accumulated "Solids" from the inner and outer ditch of the Martin plant. install a mechanically cleaner screen to minimize the recurrence of this problem. Will purchase one new pump. The operator is hosing active treatment volume to accumulating solids operator experiencing difficulty in meeting efficient limitations			
PROJECT FINANCING Fund KYWWATERS \$202,000		PROJECT BUDGET Administrative Expenses \$4,387 Eng - Design / Const 22,195 Construction 159,500 Contingency 15,918	
TOTAL \$202,000		TOTAL \$202,000	
REPAYMENT	Rate Term	N/A N/A	
PROFESSIONAL SERVICES	Engineer	Summit Engineering	
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	August 1, 2025 October 1, 2025 October 1, 2026	
DEBT PER CUSTOMER	Existing	\$488	
RESIDENTIAL RATES			
	Current	Users 465	Avg. Bill \$47.52 (for 4,000 gallons)
	Additional	0	\$47.52 (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	(75,841)	34,963	(110,804) -2.2
Audited 2022	133,436	34,674	98,762 3.8
Audited 2023	(58,492)	34,960	(93,452) -1.7

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Rick Harris October 7, 2027 W25-073 WX21071011	
BORROWER		CITY OF MARTIN WATER WORKS FLOYD COUNTY		
BRIEF DESCRIPTION Water Loss Reduction Project - WX21071011 The project includes the following components: (1) acquire and install new automatic radio read meters and ready equipment (2) acquire and install new billing server and work station (3) acquire and install new billing software (4) acquire and install 16 new 6-inch gate valves (5) acquire and install 6 new flushing hydrants				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$622,800	Administrative Expenses	\$25,400	
		Eng - Design / Const	52,000	
		Eng - Insp	37,200	
		Construction	462,000	
		Contingency	46,200	
TOTAL	\$622,800	TOTAL	\$622,800	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Summit Engineering		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	August 1, 2025 October 1, 2025 October 1, 2026		
DEBT PER CUSTOMER	Existing	\$0		
RESIDENTIAL RATES				
	Current	Users 465	Avg. Bill \$47.52 (for 4,000 gallons)	
	Additional	0	\$47.52 (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	(75,841)	34,963	(110,804)	-2.2
Audited 2022	133,436	34,674	98,762	3.8
Audited 2023	(58,492)	34,960	(93,452)	-1.7

EXECUTIVE SUMMARY		Reviewer	Rick Harris	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	November 7, 2024	
KY WWATERS FUND		KIA Loan Number	W25-021	
REVOLVING LOAN / GRANT FUND		WRIS Number	WX21195009	
BORROWER		CITY OF ELKHORN CITY PIKE COUNTY		
BRIEF DESCRIPTION				
Project consists of the purchase and installation of approximately 600 radio read meters within the City of Elkhorn City service area. The proposed project also includes the installation of the necessary hardware and software to properly operate the new meter reading system. This project will provide and enable the City of Elkhorn City the ability to more efficiently receive monthly water usage totals. The project also improves the City's billing system to near real-time consumption. The new radio reading meter system will eliminate the expense of periodic trips to each physical location to read a meter. Project will install approximately 1420 LF 2", approximately 2088 LF 4", and approximately 5850 LF 6" water line. This project will provide and enable the City of Elkhorn City the ability to more efficiently receive monthly water usage totals. The project also improves the City's billing system to near real-time consumption. The new radio reading meter system will eliminate the expense of periodic trips to each physical location to read a meter. New water line will help eliminate leaks.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$1,283,800	Administrative Expenses	\$53,800	
		Eng - Design / Const	94,200	
		Eng - Insp	59,400	
		Construction	978,580	
		Contingency	97,820	
TOTAL	\$1,283,800	TOTAL	\$1,283,800	
REPAYMENT	Rate	N/A		
	Term	N/A		
PROFESSIONAL SERVICES	Engineer	Summit Engineering		
PROJECT SCHEDULE	Bid Opening	July 1, 2025		
	Construction Start	July 15, 2025		
	Construction Stop	7/1//2026		
DEBT PER CUSTOMER	Existing	\$2,298		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	564	\$48.52 (for 4,000 gallons)	
	Additional	0	\$48.52 (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	0	0	0	n/a
Audited 2022	0	0	0	n/a
Audited 2023	0	0	0	n/a

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-113 WX21203011	
BORROWER		CITY OF BRODHEAD ROCKCASTLE COUNTY		
BRIEF DESCRIPTION				
This project will be performed as (3) separate contracts, Radio Read Meter Purchase, Tank Repaint and Influent Flow Meter at the Wastewater Treatment Plant. Project consists of Standpipe water storage tank rehab at Bowling Ridge Tank, field blast and repaint interior of tank, disinfection and testing. Purchase and replace approximately 600 meters with ME8 radio read meters including associated hardware and software. Purchase and Installation of influent flow meters at the WWTP to meet agreed order (AI#3852; Activity ID ERF 20140001).				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$370,000	Administrative Expenses	\$4,300	
		Eng - Design / Const	27,775	
		Eng - Other	2,000	
		Construction	304,880	
		Contingency	31,045	
TOTAL	\$370,000	TOTAL	\$370,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	GRW Engineering, Inc.		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	September 1, 2024 October 1, 2024 November 1, 2024		
DEBT PER CUSTOMER	Existing	\$770		
OTHER DEBT		See Attached		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	574	\$8.98 (for 4,000 gallons)	
	Additional	0	\$8.98 (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
Int. P & L 2022	2,577	33,394	(30,816)	0.1
Int. P & L 2023	(6,011)	33,394	(39,405)	-0.2
Int. P & L 2024	(69,773)	33,394	(103,167)	-2.1

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-146 SX21223020
BORROWER		TRIMBLE COUNTY FISCAL COURT TRIMBLE COUNTY	
BRIEF DESCRIPTION			
This project will construction a septage receiving station at the Bedford Wastewater Treatment Plant (WWTP). The station is anticipated to include:			
1. Septage receiving equipment (grinder system), 2. Building to house equipment and controls, 3. Headworks upgrades including new influent screen, 4. Yard piping improvements, 5. Controls/monitoring/sampling equipment, and 6. Equalization/storage tank.			
Trimble County Fiscal Court is serving as the applicant on behalf of the City of Bedford/Bedford Wastewater via interlocal agreement. The Fiscal Court has ample capacity to manage the award and will work with all project stakeholders to ensure project objectives are met efficiently and effectively.			
PROJECT FINANCING		PROJECT BUDGET	
Fund KYWWATERS	\$1,320,000	Administrative Expenses	\$20,000
		Eng - Design / Const	140,000
		Eng - Insp	60,000
		Construction	1,000,000
		Contingency	100,000
TOTAL	\$1,320,000	TOTAL	\$1,320,000
REPAYMENT	Rate Term	N/A N/A	
PROFESSIONAL SERVICES	Engineer	Strand Associates	
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	October 31, 2025 January 1, 2026 December 31, 2026	
DEBT PER CUSTOMER	Existing	\$1,399	
RESIDENTIAL RATES		Users	Avg. Bill
	Current	297	\$47.58 (for 4,000 gallons)
	Additional	0	\$47.58 (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	30,599	31,100	(501) 1.0
Audited 2021	8,581	35,915	(27,334) 0.2
Audited 2022	(45,965)	91,599	(137,564) -0.5

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-117 SX21203007	
BORROWER	CITY OF BRODHEAD ROCKCASTLE COUNTY			
BRIEF DESCRIPTION				
The project includes purchasing eight (8) pumps to replace and/or backup old and worn out pumps though out the Brodhead sewer system. The project also includes replacing the effluent meter at the WWTP that is no longer functional.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$213,800	Administrative Expenses	\$1,300	
		Eng - Design / Const	6,500	
		Construction	6,000	
		Equipment	200,000	
TOTAL	\$213,800	TOTAL	\$213,800	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	GRW Engineering, Inc.		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	April 1, 2025 May 1, 2025 June 1, 2025		
DEBT PER CUSTOMER	Existing	\$770		
OTHER DEBT		See Attached		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	574	\$8.98 (for 4,000 gallons)	
	Additional	0	\$8.98 (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
Int. P & L 2022	2,577	33,394	(30,816)	0.1
Int. P & L 2023	(6,011)	33,394	(39,405)	-0.2
Int. P & L 2024	(69,773)	33,394	(103,167)	-2.1

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-050 WX21225068	
BORROWER	CITY OF STURGIS UNION COUNTY			
BRIEF DESCRIPTION				
Rehabilitation of aging and debilitated water lines within the city				
1.Abandon existing CI 8” watermain under Hwy 109 to wet tap 8” watermain East of Waller Omer rd. to the West side and turn to bore 18’ HPDE casting under Hwy 109 to south Hwy 109 and wet tap 8” main on the south of 109 and continue to west side of Hwy 2918 for approx.. 400’ to serve 6 homes and install a flushing hydrant and valve.				
2.Replace 180 LF of waterline following an alley on the E side of Fourth St between Main St. and Monroe St.				
3.Replace 4” waterline from the 6” main to the River Oak Apartments				
4.Replace waterline from Main St. to Kelsey 1120 LF				
These issues have contributed greatly to the water loss percentage through the City of Sturgis.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$235,400	Eng - Design / Const	30,000	
		Eng - Insp	22,000	
		Construction	152,792	
		Contingency	30,608	
TOTAL	\$235,400	TOTAL	\$235,400	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	TBD		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	July 1, 2025 August 1, 2025 October 1, 2026		
DEBT PER CUSTOMER	Existing	\$1,511		
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	539	\$71.12 (for 4,000 gallons)	
	Additional	0	\$71.12 (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 2022	0	0	0	n/a
Audited 2023	0	0	0	n/a
Int. P & L 2024	115,648	111,523	4,124	1.0

EXECUTIVE SUMMARY		Reviewer	Jeremy Skinner	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	November 7, 2024	
KY WWATERS FUND		KIA Loan Number	W25-033	
REVOLVING LOAN / GRANT FUND		WRIS Number	WX21225067	
BORROWER	CITY OF STURGIS UNION COUNTY			
BRIEF DESCRIPTION				
Construct 6,429 LF of 6-inch PVC to replace failing ductile iron pipe that was constructed in the 1930's. The sections to be replaced are broken down into the following:				
1. Thirteenth Street beginning at Main Street intersection and ending at Giles Street - 2,661 LF				
2. Along Main Street beginning at Fourteenth Street intersection and ending at Sixth Street - 2,973 LF				
3. Along First Street beginning at Main Street intersection and ending at Kelsey Street - 795 LF				
These line replacements will be constructed using 6-inch PVC Class 235 water main and will involve trenching, laying and native bedding material backfill of 42 inches. Also included will be 40 customer service main reconnections.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$1,804,500	Administrative Expenses	\$25,000	
		Planning	25,000	
		Eng - Design / Const	105,000	
		Eng - Insp	66,000	
		Construction	1,218,100	
		Contingency	365,400	
TOTAL	\$1,804,500	TOTAL	\$1,804,500	
REPAYMENT	Rate	N/A		
	Term	N/A		
PROFESSIONAL SERVICES	Engineer	TBD		
PROJECT SCHEDULE	Bid Opening	July 1, 2025		
	Construction Start	August 1, 2025		
	Construction Stop	October 1, 2026		
DEBT PER CUSTOMER	Existing	\$1,511		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	539	\$71.12 (for 4,000 gallons)	
	Additional	0	\$71.12 (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 2022	0	0	0	n/a
Audited 2023	0	0	0	n/a
Int. P & L 2024	115.648	111.523	4.124	1.0

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-093 WX21137067
BORROWER		CITY OF CRAB ORCHARD LINCOLN COUNTY	
BRIEF DESCRIPTION			
The City completed nearly \$60,000 in repairs to their Elevated Water Tank in 2022. At that time, they addressed emergency repairs and critical safety upgrades. The second phase of rehabilitation will complete further repairs and safety upgrades, including foundation repairs, exterior cleaning, and coating.			
PROJECT FINANCING		PROJECT BUDGET	
Fund KYWWATERS	\$82,300	Construction	68,500
		Contingency	13,800
TOTAL	\$82,300	TOTAL	\$82,300
REPAYMENT	Rate Term	N/A N/A	
PROFESSIONAL SERVICES	Engineer	TBD	
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	May 26, 2025 June 26, 2025 August 26, 2025	
DEBT PER CUSTOMER	Existing	\$516	
RESIDENTIAL RATES		Users	Avg. Bill
	Current	580	\$41.00 (for 4,000 gallons)
	Additional	0	\$41.00 (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	30,575	54,795	(24,220) 0.6
Audited 2022	(43,042)	56,560	(99,602) -0.8
Audited 2023	(31,680)	61,065	(92,745) -0.5

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-153 WX21095026	
BORROWER		BLACK MOUNTAIN UTILITY DISTRICT HARLAN COUNTY		
BRIEF DESCRIPTION				
The proposed project consists of two extensions (approximately 5,800 LF of 3" PVC line to serve six existing homes and a campground) to the District's distribution system; the replacement of approximately 15,000 LF of existing leak prone 4-inch water line on US 421 north of the community of Bledsoe; the installation of five hydro-pneumatic booster pump stations to serve existing customers that are at some of the higher elevations in the distribution system and often experience loss pressure; and new meters to plug into the District's change-out testing program.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$3,022,100	Administrative Expenses	\$45,000	
		Legal Expenses	10,000	
		Land, Easements	35,000	
		Eng - Design / Const	166,800	
		Eng - Insp	98,800	
		Eng - Other	30,000	
		Construction	2,205,700	
		Equipment	210,200	
		Contingency	220,600	
TOTAL	\$3,022,100	TOTAL	\$3,022,100	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	KENVIRONS		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	September 15, 2025 November 15, 2025 May 15, 2026		
DEBT PER CUSTOMER	Existing	\$351		
OTHER DEBT		See Attached		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	3,399	\$0.00 (for 4,000 gallons)	
	Additional	0	\$0.00 (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	107,415	135,059	(27,644)	0.8
Unaudited P & L 2022	(158,667)	133,724	(292,391)	-1.2
Unaudited P & L 2023	24,347	133,152	(108,805)	0.2

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Sandy Sanders November 7, 2024 W25-028 SX21039019	
BORROWER		CITY OF ARLINGTON CARLISLE COUNTY		
BRIEF DESCRIPTION Repair all points of failures along the sewer main found by the CCTV investigation including breaks, joint separations, settlement of pipe main, and impassible areas likely due to failures in the main. • Replace each sewer lateral tie-in to the main. If there is flow in the lateral at that time with no water being used then investigate the individual sewer lateral to find the source of I & I. • Raise each manhole rim currently below the 100-Year Floodplain Elevation to be at or above the 100-year flood elevation This would include manholes below and minimum height to raise or installed sealed lids: • A2 – 3.8', • A3 – 3.6', • A4 – 2.9', • A5 – 0.2', • B – 4.0',, B1 – 3.3', • B2 – 1.6', • B3 – 2.6'. A USDA Search grant assisted with the preliminary engineering and scoping of the lines for this project.				
PROJECT FINANCING Fund KYWWATERS		\$934,330	PROJECT BUDGET Planning Eng - Design / Const Construction Contingency	
TOTAL		\$934,330	TOTAL	
REPAYMENT		Rate Term	N/A N/A	
PROFESSIONAL SERVICES		Engineer	Bacon Farmer Workman Engineering & Testing, Inc	
PROJECT SCHEDULE		Bid Opening Construction Start Construction Stop	May 8, 2023 February 1, 2023 August 28, 2025	
DEBT PER CUSTOMER		Existing	\$0	
RESIDENTIAL RATES				
		Users	Avg. Bill	
Current		38	\$39.05 (for 4,000 gallons)	
Additional		0	\$39.05 (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	(42,952)	0	(42,952)	n/a
Audited 2022	(49,468)	0	(49,468)	n/a
Audited 2023	(65,462)	0	(65,462)	n/a

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-094 SX21137025
BORROWER		CITY OF CRAB ORCHARD LINCOLN COUNTY	
BRIEF DESCRIPTION			
This project will replace a failing generator and upgrade electrical service at the City's Main Lift Station, which will extend the service life of the pumps. Due to the limited electrical service and frequent brownouts, the existing generator is burning out and the station is unable to run both pumps during high rainfall events, leading to overflows. This project will allow the City to extend the service life of the station and the existing pumps.			
In addition, this project will address the root cause of overflows in I&I. KY Rural Water is completing a CCTV investigation of the gravity sewer system. Approximately 2,000 feet of sewers and nearly 180 manholes require lining and resurfacing to address the most problem areas.			
PROJECT FINANCING		PROJECT BUDGET	
Fund KYWWATERS	\$1,670,600	Eng - Design / Const	102,500
		Eng - Insp	70,900
		Eng - Other	11,400
		Construction	1,350,840
		Contingency	134,960
TOTAL	\$1,670,600	TOTAL	\$1,670,600
REPAYMENT	Rate Term	N/A N/A	
PROFESSIONAL SERVICES	Engineer	Strand Associates, Inc.	
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	October 20, 2025 December 1, 2025 July 1, 2026	
DEBT PER CUSTOMER	Existing	\$4,110	
RESIDENTIAL RATES		Users	Avg. Bill
	Current	345	\$41.00 (for 4,000 gallons)
	Additional	0	\$41.00 (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 2019	30,575	54,795	(24,220) 0.6
Audited 2020	(43,042)	56,560	(99,602) -0.8
Audited 2021	(31,680)	61,065	(92,745) -0.5

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Rick Harris November 7, 2024 W25-009 SX21203008
BORROWER		CITY OF MOUNT VERNON ROCKCASTLE COUNTY	
BRIEF DESCRIPTION			
An existing dry pit sewage lift station with a capacity of 250 GPM is located behind the Mount Vernon Church of God on Hunter Street. This lift station experiences frequent maintenance issues and outages due to its age and deteriorated condition. Because this station is a dry pit system and is in poor condition, maintenance of the system involves risk to worker safety.			
This project intends to replace the existing lift station with a new lift station of equal capacity. In this alternative, an existing manhole will be replaced with a new wet well outfitted with submersible pumps. The controls for this new station will be accessible above ground, and the existing dry pit station will be decommissioned and safely abandoned.			
PROJECT FINANCING		PROJECT BUDGET	
Fund KYWWATERS	\$917,100	Administrative Expenses	\$10,000
		Legal Expenses	20,000
		Land, Easements	150,000
		Planning	35,715
		Eng - Design / Const	55,715
		Eng - Insp	42,860
		Eng - Other	14,285
		Construction	500,000
		Contingency	88,525
TOTAL	\$917,100	TOTAL	\$917,100
REPAYMENT	Rate Term	N/A N/A	
PROFESSIONAL SERVICES	Engineer	Bell Engineering	
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	February 14, 2025 February 28, 2025 June 30, 2026	
DEBT PER CUSTOMER	Existing	\$3,713	
RESIDENTIAL RATES		Users	Avg. Bill
	Current	1,076	\$24.65 (for 4,000 gallons)
	Additional	0	\$24.65 (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	120,292	428,377	(308,085) 0.3
Audited 2022	279,670	434,265	(154,595) 0.6
Audited 2023	312,721	403,649	(90,928) 0.8

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Rick Harris November 7, 2024 W25-010 SX21203191	
BORROWER		CITY OF MOUNT VERNON ROCKCASTLE COUNTY		
BRIEF DESCRIPTION The Mount Vernon WWTP has exceeded th design life and equipment is failing and unable to treat the raw wastewater reliably. In addition, there is no land available at the existing site to construct a new treatment facility. Significant industrial growth is expected with the new Mega Site development. The project to recondition/rebuild or relocate the wastewater treatment plant. The current wastewater treatment plant is under-sized and located in a residential area which generates numerous complaints on odor. There have been numerous permit compliance issues in the last year. The project would be estimated to be \$12.6 million in construction cost.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$12,600,000	Administrative Expenses	\$0	
		Construction	12,600,000	
TOTAL	\$12,600,000	TOTAL	\$12,600,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Bell Engineering		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	April 30, 2025 May 31, 2025 October 31, 2026		
DEBT PER CUSTOMER	Existing	\$1,422		
RESIDENTIAL RATES				
		Users	Avg. Bill	
	Current	2,809	\$24.65 (for 4,000 gallons)	
	Additional	0	\$24.65 (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	120,292	428,377	(308,085)	0.3
Audited 2022	279,670	434,265	(154,595)	0.6
Audited 2023	312,721	403,649	(90,928)	0.8

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-110 WX21175063	
BORROWER		MORGAN COUNTY WATER DISTRICT MORGAN COUNTY		
BRIEF DESCRIPTION Morgan County Water District (MCWD) is currently facing severe financial and managerial challenges, with a newly formed board struggling to maintain operations due to insufficient funds for monthly bills and operational costs. The district is applying for \$500,000 in WWATERS funding to help bolster its financial capacity and sustain its water system. The MCWD owes the Cave Run Water Commission over \$200,000 for wholesale water purchases, with unpaid bills accumulating since October 2023. Additionally, the district has approximately \$85,000 in outstanding bills for other expenses. Compounding the financial strain, there is a balloon loan payment of \$150,000 due in May 2025. Morgan County is also bracing for further expenses related to legal and accounting services. The combination of these financial obligations and the need for essential services has placed the MCWD in a precarious position, highlighting the urgency for external funding and support to stabilize the district and ensure continued water service to its customers.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$500,000	Relocation Expense & Payments	500,000	
TOTAL	\$500,000	TOTAL	\$500,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	N/A		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	N/A N/A N/A		
DEBT PER CUSTOMER	Existing	\$10,880		
RESIDENTIAL RATES	Current Additional	<u>Users</u> 3,060 0	<u>Avg. Bill</u> \$69.59 (for 4,000 gallons) \$69.59 (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	401,329	383,864	17,465	1.0
Audited 2022	366,912	240,966	125,946	1.5
Audited 2023	102,079	314,650	(212,571)	0.3

EXECUTIVE SUMMARY		Reviewer	Sandy Sanders	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	November 7, 2024	
KY WWATERS FUND		KIA Loan Number	W25-067	
REVOLVING LOAN / GRANT FUND		WRIS Number	WX21109001	
BORROWER	CITY OF MCKEE JACKSON COUNTY			
BRIEF DESCRIPTION				
The Phase 1 Wastewater System Rehabilitation will address known excessive I/I in the North KY 89 sewershed and four gravity creek crossings in two other sewershed to reduce the flow rates to the WWTP which has been inundated by I/I with flow rates more than double the KPDES limits of the WWTP.				
The existing collection system is gravity sewer that follows along Bills Branch Creek. The system has known deficiencies and sources of I/I. The proposed project would install a new low pressure sewer system with residential grinders and a new lift station that will serve McKee Elementary School and the Jackson Valley Apartments. The project would also include improvements at the WWTP blower building by installing energy efficient blowers, controls, light fixtures and Variable Frequency Drives. The new lift station would also include premium efficiency motors with VFD controls to limit energy consumption.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$1,702,100	Administrative Expenses	\$50,000	
HB303 Reallocation 3c-2017	237,901	Legal Expenses	5,000	
		Land, Easements	8,930	
		Planning	10,000	
		Eng - Design / Const	120,300	
		Eng - Insp	73,800	
		Eng - Other	25,500	
		Construction	1,490,250	
		Contingency	156,221	
TOTAL	\$1,940,001	TOTAL	\$1,940,001	
REPAYMENT	Rate	N/A		
	Term	N/A		
PROFESSIONAL SERVICES	Engineer	Bluegrass Engineering, PLLC		
PROJECT SCHEDULE	Bid Opening	March 1, 2025		
	Construction Start	May 1, 2025		
	Construction Stop	December 1, 2025		
DEBT PER CUSTOMER	Existing	\$3,049		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	236	\$34.07 (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 2019	47,321	70,531	(23,210)	0.7
Audited 2021	95,726	74,426	21,300	1.3

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-143 No WRIS - Non Capital	
BORROWER		LIVINGSTON MUNICIPAL WATER WORKS ROCKCASTLE COUNTY		
BRIEF DESCRIPTION				
The use of this funding will go towards paying for forensic audits for the years of 2019 and 2023 to return the City of Livingston to compliance. Due to the investigation being conducted for the years of 2018-2022, the Department of Local Government is requesting we conduct forensic audits and reconstruct the financial situations that occurred during those time periods. Due to the lack of state funding because of the audits not being complete in the past, the city's funding has been very limited. A portion of the requested funds will also go towards debt relief to the USDA Loan and Woods Creek water service. The City of Livingston has been working diligently to return to compliance in order to move forward.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$220,200	Other	220,200	
TOTAL	\$220,200	TOTAL	\$220,200	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	N/A		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	N/A N/A N/A		
DEBT PER CUSTOMER	Existing	N/A		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	162	\$23.00 (for 4,000 gallons)	
	Additional	0	\$23.00 (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	(12,306)	0	(12,306)	n/a
Audited 2022	0	0	0	n/a
Audited 2023	0	0	0	n/a

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-061 SX21027005	
BORROWER		CITY OF CLOVERPORT BRECKINRIDGE COUNTY		
BRIEF DESCRIPTION				
This proposed project will include the construction of a new wastewater treatment plant and increase capacity to 0.3 MGD. The new plant will provide improved treatment/effluent and allow for more efficient management of the system. VFDs and SCADA will be installed further improving energy efficiencies and control over the plant operations.				
The existing wastewater treatment plant is over 55 years old and is in poor condition. The existing plant has many functional problems and equipment that has outlived its useful life. The City is under an agreed order regarding violations with the treatment plant.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS (FY25)	\$478,000	Administrative Expenses	\$30,000	
Fund KYWWATERS (FY26)	6,693,000	Legal Expenses	10,000	
		Planning	50,000	
		Eng - Design / Const	388,000	
		Eng - Insp	263,000	
		Eng - Other	50,000	
		Construction	5,800,000	
		Contingency	580,000	
TOTAL	\$7,171,000	TOTAL	\$7,171,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Kentucky Engineering Group		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	September 22, 2026 November 15, 2026 November 30, 2027		
DEBT PER CUSTOMER	Existing	\$846		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	416	\$43.43 (for 4,000 gallons)	
	Additional	0	\$43.43 (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 2021	41,279	70,945	(29,666)	0.6
Audited 2022	0	0	0	n/a
Audited 2023	38,735	39,277	(542)	1.0

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Sandy Sanders November 7, 2024 W25-019 SX 21155015	
BORROWER		CITY OF BRADFORDSVILLE MARION COUNTY		
BRIEF DESCRIPTION The proposed Phase 2 project is to continue I&I Rehabilitation begun approximately 3 years ago to address an Agreed Order issued by EEC Enforcement. Phase 2 will include approximately 6,000 LF of CCTV Investigation, 3,000 LF of CIPP Sewer Line Rehabilitation, Rehabilitaiton or Replacement of approximately 30 manholes, and an estimated 15 ea. Sewer Line Point Repairs. Included in the project will be planning, project administration, engineering, design, plans and specifications, construction administration and construction inspection. Completion of this project will comply with the Agreed Order Corrective Action Plan approved by EEC Enforcement. Copies of the Agreed Order, Corrective Action Plan, and letter from EEC Enforcement approvign the CAP are attached.				
PROJECT FINANCING Fund KYWWATERS TOTAL		PROJECT BUDGET Administrative Expenses Planning Eng - Design / Const Eng - Insp Construction Contingency TOTAL		
\$747,500		\$15,000 10,000 57,000 28,500 570,000 67,000 \$747,500		
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Kenvirons, LLC		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Jun-25 Jul-25 Dec-25		
DEBT PER CUSTOMER	Existing Proposed	\$285 \$285		
OTHER DEBT		See Attached		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	136	\$51.69 (for 4,000 gallons)	
	Additional	0	\$51.69 (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	7,326	7,140	186	1.0
Audited 2022	6,472	5,812	660	1.1
Audited 2023	(2,032)	7,281	(9,313)	-0.3
2024	(6,793)	50	(6,843)	-135.9

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Russell Neal November 7, 2024 W25-129 SX21167028	
BORROWER		MERCER COUNTY SANITATION DISTRICT MERCER COUNTY		
BRIEF DESCRIPTION				
<p>In accordance with the Mercer County Sanitation District's 2006 Regional Facilities Plan, providing sanitary sewer service to the areas around Herrington Lake is a high priority. The residential communities in the Herrington Lake Watershed are currently served by aging septic tanks and two small package treatment plants. This project will allow the communities around the lake to be served with individual grinder pump stations and small diameter force mains that lead to a regional pump station. The pump station will pump flow through an 8-IN force main that will run down SR 152 and into the Burgin Central Pump Station which currently pumps flow to Danville for treatment.</p> <p>This project will study the route and then design and construct a force main along SR 152 from the Burgin Central Pump Station, east approx. 20,000 feet towards Herrington Lake where it will end at a regional pump station. From there this first phase project will connect three communities to serve a total of 252 new customers with grinder pumps and small diameter force mains: Chimney Rock, Bradshaw's Camp, and Herrington Woods.</p> <p>The force main and pump station will provide the backbone for additional future projects that would connect these other communities: Cane Run Camp (37 customers), Ashley's Camp (45 customers), Hager's Camp (26 customers), Paradise Camp (33 customers), and Lakeview Point (340 customers), to the pump station via grinder pumps and small diameter force main systems for a total of an additional 481 customers served.</p> <p>Providing public sewer to this area will alleviate the waste that makes its way into the lake through ill-functioning septic systems. The project would also decommission the Chimney Rock package plant and turn it into a pump station. Providing public sewer to this area will open up development opportunities for additional homes and businesses as well as local marina upgrades and expansions.</p>				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS (FY 25)	\$769,100	Administrative Expenses	\$10,000	
Fund KYWWATERS (FY 26)	10,384,900	Legal Expenses	10,000	
		Land, Easements	30,000	
		Planning	40,000	
		Eng - Design / Const	679,102	
		Eng - Insp	591,208	
		Construction	8,291,846	
		Contingency	1,501,844	
TOTAL	\$11,154,000	TOTAL	\$11,154,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Strand Associates, inc.		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	August 1, 2026 January 1, 2027 April 1, 2028		
DEBT PER CUSTOMER	Existing	\$82,823		
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	59	\$70.76 (for 4,000 gallons)	
	Additional	252	\$70.76 (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	174,368	238,284	(63,916)	0.7
Audited 2022	172,317	249,893	(77,576)	0.7
Audited 2023	283,728	231,541	52,187	1.2

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-085 SX21171022	
BORROWER		CITY OF GAMALIEL MONROE COUNTY		
BRIEF DESCRIPTION				
The City of Gamaliel operates a 0.1MGD Wastewater Treatment Plant (WWTP) with a Collection System consisting of 181 low pressure pumps feeding 5 lift stations. Both the WWTP and the Collection System are in need of upgrade and repairs.				
The WWTP consist of a packaged steel construction Oxidation Ditch with integral Circular Clarifier. Chlorination was replaced with UV in 2015 and the existing chlorine contact tank is now used for effluent flow measurement and has aeration added. Repairs and maintenance are needed to keep the plant operational including a structural evaluation of the 30+ year old plant. Also needed are upgrades to the oxidation ditch to gain significant energy savings by ugrading antiquated motors, obtaining more efficient aerators and introducing an oxygen control mixer. The Clarifier structural steel is corroded to the point that failure is a concern. The scum trough is also corroded to the point that it is nearly inoperable.				
The collection system lift stations are in need of upgrade and repair and new gates and fencing repairs are needed at the lift stations for adequate security.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS (FY 25)	\$478,000	Administrative Expenses	\$40,000	
Fund KYWWATERS (FY 26)	4,531,600	Eng - Design / Const	438,000	
		Eng - Insp	360,000	
		Eng - Other	205,000	
		Construction	3,966,600	
TOTAL	\$5,009,600	TOTAL	\$5,009,600	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Commonwealth Engineers		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	July 1, 2026 August 1, 2026 January 1, 2028		
DEBT PER CUSTOMER	Existing	\$0		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	200	\$39.50 (for 4,000 gallons)	
	Additional	0	\$39.50 (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	(91,208)	16,600	(107,808)	-5.5
Audited 2022	(90,446)	19,758	(110,204)	-4.6
Audited 2023	(106,068)	0	(106,068)	n/a

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Rick Harris November 7, 2024 W25-109 N/A	
BORROWER	MOUNTAIN WATER DISTRICT PIKE COUNTY			
BRIEF DESCRIPTION				
Payment of the following debt obligations: *KIA LOAN DEBT A-16-079 - Residential Grinder Station Project Remaining balance as of January 1, 2025 - \$199,667.95 Annual Amount Paid: \$16,148.74 Monthly Amount Paid: \$1,345.72 Payoff Date: 6/1/2037 *A-209-32 - Shelby III Phase II Project Remaining balance as of January 1, 2025 - \$127,455.47 Annual Amount Paid: \$20,301.72 Monthly Amount Paid: \$1,691.81 Payoff Date: 6/1/2031 *USDA RURAL DEVELOPMENT DEBT 91-24 - Russell Fork Water Plant Remaining Balance as of January 1, 2025 - 468,907.50 Annual Amount Paid: \$36,843.75 Monthly Amount Paid: \$3,070.31 Payoff Date: 7/1/2042 *Bank Lines of Credit 60100643536 - LOC Taken out for hazard mitigation project and coverted to a loan 01/05/022 and rolled over to another 2 year note in 2024.Payoff Balance as of January 1,2025: \$129,090.72 Annual Amount Paid: \$38,447.76 Monthly Amount Paid: \$3,203.98 *60100625912 - LOC used for Appalachian Electric Power Cost Savings Program within the District's treatment and distribution systems Payoff Balance as of January 1, 2025: \$31,146.22 Annual Amount Paid: \$28,500.00 Monthly Amount Paid: \$2,375.00 *60100625215 - LOC used for the Cost of Service Study and rate case expenses for the 2023 PSC rate case. Payoff Balance as of January 1, 2025: \$199,273.94 Annual Amount Paid: \$16,923.48 Monthly Amount Paid: \$1,410.29 TOTAL PROJECT COST: \$1,155,541.80				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$1,155,542	Administrative Expenses	\$0	
		Other	1,155,542	
TOTAL	\$1,155,542	TOTAL	\$1,155,542	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	0		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop			
DEBT PER CUSTOMER	Existing	\$1,006		
RESIDENTIAL RATES				
	Current	Users 16,585	Avg. Bill \$54.91 (for 4,000 gallons)	
	Additional	0	\$54.91 (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	1,720,178	1,846,021	(125,843)	0.9
Audited 2022	1,257,774	2,372,429	(1,114,655)	0.5
Audited 2023	1,119,107	1,653,336	(534,229)	0.7

EXECUTIVE SUMMARY		Reviewer	Rick Harris	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	November 7, 2024	
KY WWATERS FUND		KIA Loan Number	W25-114	
REVOLVING LOAN / GRANT FUND		WRIS Number	WX21195067	
BORROWER	MOUNTAIN WATER DISTRICT PIKE COUNTY			
BRIEF DESCRIPTION The purpose of this project is to make urgently needed repairs to the Russell Fork Water Treatment Plant, which is the primary source of water for Mountain Water District's 16,513 existing water customers. The water treatment plant is now reaching twenty (20) years of age, and many of the components have past their life expectancy. This plant is the heart of Mountain Water District's system and must undergo an upgrade of its aging infrastructure to continue to provide the high quality, potable water service that our customers need and deserve. The project includes upgrades to the discharge line size that backwashes the plant into the lagoons. This project will also rehabilitate or replace the plant's chemical ventilation system that is imperative for the control of harmful fumes and the improvement of air quality for the safety of our plant employees who staff the plant 24 hours per day/7				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$2,454,000	Administrative Expenses	\$30,000	
		Planning	31,000	
		Eng - Design / Const	134,000	
		Eng - Insp	119,000	
		Eng - Other	35,000	
		Construction	1,912,500	
		Contingency	192,500	
TOTAL	\$2,454,000	TOTAL	\$2,454,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Bell Engineering		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	7-21 days post advertisement summer, 2025 summer, 2026		
DEBT PER CUSTOMER	Existing	\$1,006		
RESIDENTIAL RATES				
		Users	Avg. Bill	
	Current	16,585	\$0.00 (for 4,000 gallons)	
	Additional	0	\$0.00 (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	1,720,178	1,846,021	(125,843)	0.9
Audited 2022	1,257,774	2,372,429	(1,114,655)	0.5
Audited 2023	1,119,107	1,653,336	(534,229)	0.7

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-154 WX21235013
BORROWER		WHITLEY COUNTY WATER DISTRICT WHITLEY COUNTY	
BRIEF DESCRIPTION			
The project will replace old deteriorated often undersized lines in eight areas of the existing distribution system and extend a transmission main from the City of Williamsburg system to the District's existing distribution system along KY 92 West. The lines planned for replacement are significant contributors to the District's unacceptably high water loss. The transmission main will allow the District to replace the McCreary County Water District (MCWD) as a wholesale source with the City of Williamsburg. The new lines will consist of approximately 800 LF of 8-inch; 2,700 LF of 6-inch; 45,100 LF of 4-inch; and 8,200 LF of 3-inch PVC waterline. The connection to the Williamsburg system will require approximately 27,300 LF of 6-inch waterline and a booster pump station.			
PROJECT FINANCING		PROJECT BUDGET	
Fund KYWWATERS	\$3,290,000	Administrative Expenses	\$50,110
		Legal Expenses	25,000
		Land, Easements	25,000
		Planning	18,000
		Eng - Design / Const	232,400
		Eng - Insp	128,000
		Eng - Other	30,000
		Construction	2,455,900
		Contingency	325,590
TOTAL	\$3,290,000	TOTAL	\$3,290,000
REPAYMENT	Rate Term	N/A N/A	
PROFESSIONAL SERVICES	Engineer	KENVIRONS	
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	September 15, 2025 November 1, 2025 November 1, 2026	
DEBT PER CUSTOMER	Existing	\$4,921	
RESIDENTIAL RATES		Users	Avg. Bill
	Current	3,844	\$45.57 (for 4,000 gallons)
	Additional	0	\$45.57 (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	476,692	325,260	151,432 1.5
Int. P & L 2022	425,248	306,330	118,918 1.4
Int. P & L 2023	622,197	296,435	325,762 2.1

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	John Brady November 7, 2024 W25-014 WX21057030	
BORROWER		CITY OF BURKESVILLE CUMBERLAND COUNTY		
BRIEF DESCRIPTION				
Replace drinking water distribution lines in an approximately .20 square mile area of the City of Burkesville bounded by N Main Street, Oakland Street, N King St, and 7th Street. The majority of lines in this area are 1935 era cast iron lines that exhibit signs of tuberculation and degradation. Phase 1 encompasses Oakland St and Woodland (City Street 1010) and connecting streets.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$1,646,900	Administrative Expenses	\$10,000	
		Eng - Design / Const	94,000	
		Eng - Insp	60,000	
		Eng - Other	25,000	
		Construction	1,217,875	
		Contingency	240,025	
TOTAL	\$1,646,900	TOTAL	\$1,646,900	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	GRW		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	Apr-25 Apr-25 Oct-25		
DEBT PER CUSTOMER	Existing	\$4,975		
RESIDENTIAL RATES		<u>Users</u>	<u>Avg. Bill</u>	
	Current	818	\$34.28 (for 4,000 gallons)	
	Additional	0	\$34.28 (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	337,162	494,058	(156,896)	0.7
Audited 2022	250,333	283,449	(33,116)	0.9
Audited 2023	239,744	700,185	(460,441)	0.3

EXECUTIVE SUMMARY		Reviewer	Jeremy Skinner
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	November 7, 2024
KY WWATERS FUND		KIA Loan Number	W25-151
REVOLVING LOAN / GRANT FUND		WRIS Number	WX21095023
BORROWER		CITY OF EVARTS HARLAN COUNTY	
BRIEF DESCRIPTION			
The City of Evarts is proposing a project that will provide a reliable and accessible raw water supply for all city underserved residents and businesses. The project will include approximately 7,500 LF of new 8"PVS waterline from Sals Branch mine source and approximately 2,500 LF of 12" PVC on the Clover Fork River.			
PROJECT FINANCING		PROJECT BUDGET	
Fund KYWWATERS	\$1,500,000	Administrative Expenses	\$25,000
		Planning	5,000
		Eng - Design / Const	100,000
		Eng - Insp	62,000
		Eng - Other	20,000
		Construction	1,172,500
		Contingency	115,500
TOTAL	\$1,500,000	TOTAL	\$1,500,000
REPAYMENT	Rate	N/A	
	Term	N/A	
PROFESSIONAL SERVICES	Engineer	Sisler Maggard Engineering, PLLC	
PROJECT SCHEDULE	Bid Opening	October 24, 2024	
	Construction Start	December 24, 2024	
	Construction Stop	December 24, 2025	
DEBT PER CUSTOMER	Existing	\$1,775	
RESIDENTIAL RATES		Users	Avg. Bill
	Current	1,500	\$36.64 (for 4,000 gallons)
	Additional	1,160	\$36.64 (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	(55,871)	55,100	(110,971) -1.0
Audited 2022	(93,737)	50,429	(144,166) -1.9
Audited 2023	(40,064)	74,033	(114,097) -0.5

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-126 WX21045018	
BORROWER		CITY OF LIBERTY CASEY COUNTY		
BRIEF DESCRIPTION				
The source of water for the City of Liberty and Casey County is Lake Liberty. Lake Liberty was constructed in 1975 and the 80-acre lake replaced a totally inadequate source on the upper Green River which left the City of Liberty out of water on numerous occasions. The City of Liberty proposes to construct a second lake to supplement Lake Liberty. The Lake would be similar in size (which doubles the water supply), and would be located in the adjacent valley to the east. Water from this second lake would be pumped to Lake Liberty in order to avoid the severe drawdown of the impoundment now being experienced.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$9,044,000	Administrative Expenses	\$60,000	
		Land, Easements	261,000	
		Planning	194,000	
		Eng - Design / Const	402,000	
		Eng - Insp	302,000	
		Eng - Other	70,000	
		Construction	4,021,000	
		Contingency	358,000	
		Other	3,376,000	
TOTAL	\$9,044,000	TOTAL	\$9,044,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	MSE of Kentucky		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	June 15, 2025 September 1, 2025 December 31, 2026		
DEBT PER CUSTOMER	Existing	\$35,607		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	915	\$52.25 (for 4,000 gallons)	
	Additional	0	\$52.25 (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	429,790	502,045	(72,255)	0.9
Audited 2022	608,093	500,961	107,132	1.2
Audited 2023	313,014	500,525	(187,511)	0.6

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-041 WX21105009	
BORROWER		CITY OF COLUMBUS HICKMAN COUNTY		
BRIEF DESCRIPTION				
The city's water treatment plant needs various upgrades. The upgrades are, but not limited to, replacing outdated and deteriorating equipment including valves, well meters, disinfectant chlorination piping, piping for the high service pumps, electrical service components and security fencing, at the water treatment plant and wells. Additionally, the deteriorating and obsolete clearwell at the plant needs to be removed to prevent infiltration into the treated water supply. The project would include demolishing the old WTP structure and building the larger WTP. Project would also consist of installing a generator at the plant for an alternative power supply. Finally, to address real water loss, a large-scale customer water meter replacement is necessary.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$1,800,000	Administrative Expenses	\$75,000	
		Eng - Design / Const	203,000	
		Eng - Insp	120,000	
		Eng - Other	35,000	
		Construction	1,242,000	
		Contingency	125,000	
TOTAL	\$1,800,000	TOTAL	\$1,800,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Commonwealth Engineers, Inc.		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	July 1, 2025 August 1, 2025 February 1, 2026		
DEBT PER CUSTOMER	Existing	\$0		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	100	\$47.50 (for 4,000 gallons)	
	Additional	0	\$47.50 (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
UNAUDITED FIN STMNT 2021	(944)	0	(944)	n/a
UNAUDITED FIN STMNT 2022	2,120	0	2,120	n/a
UNAUDITED FIN STMNT 2023	(2,265)	0	(2,265)	n/a

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Sandy Sanders November 7, 2024 W25-076 SX21133023	
BORROWER		CITY OF WHITESBURG LETCHER COUNTY		
BRIEF DESCRIPTION				
The Whitesburg I&I Phase I project marks the initial phase of a Sewer System Evaluation Survey (SSES) program. This phase will involve the TV inspection and smoke testing of approximately 51,000 linear feet of sewer line, followed by a comprehensive report detailing the findings and providing rehabilitation recommendations. The subsequent phase will focus on addressing the sewer line deficiencies identified, with priority given to those that are most critical and cost-effective to repair or replace. The rehabilitation process will continue in a prioritized manner until the available funds are fully utilized. Need for Project: The City of Whitesburg's sewer system sustained significant damage during the 2022 flood, compromising the integrity of the sewer facilities. Post-flood, the city has received multiple violations from the Division of Water due to exceedances in Biochemical Oxygen Demand (BOD) and BOD percent removal. The floodwaters inundated the sewer collection lines, leading to saturated bedding and backfill, which in turn increased the external pressure on the pipes, causing structural damage to the pipe walls, seams, and manholes. As floodwaters receded, groundwater movement further eroded the soil supporting the sewer infrastructure, leading to the loss of vital bedding material that is essential for the stability and longevity of the sewer lines and manholes. This project is crucial for promoting public health and ensuring compliance with the Clean Water Act, as it aims to restore and reinforce the damaged sewer infrastructure, thereby preventing further environmental violations and safeguarding the community's health and safety.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$3,650,000	Administrative Expenses	\$50,000	
		Legal Expenses	10,000	
		Land, Easements	10,000	
		Planning	10,000	
		Eng - Design / Const	228,000	
		Eng - Insp	125,000	
		Eng - Other	55,000	
		Construction	2,870,000	
		Contingency	292,000	
TOTAL	\$3,650,000	TOTAL	\$3,650,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Nesbitt Engineering INC		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	July 15, 2025 August 1, 2025 March 30, 2026		
DEBT PER CUSTOMER	Existing	\$1,976		
OTHER DEBT		See Attached		
RESIDENTIAL RATES	Current	Users 780	Avg. Bill \$28.07 (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	(714,113)	204,141	(918,254)	-3.5
Audited 2022	103,996	154,469	(50,473)	0.7
Audited 2023	N/A	N/A	N/A	N/A

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-140 WX21119029	
BORROWER		THE CITY OF HINDMAN KNOTT COUNTY		
BRIEF DESCRIPTION				
Construction will Include the installation of new residential meters with Radio-Read heads. Installation of a new Radio Read system including remote reading laptops with receivers and mainframe office computer. This project will improve the system's efficiency by reducing the time and human errors of visually reading meters.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$808,500	Administrative Expenses	\$50,000	
CDBG	808,500	Planning	5,000	
		Eng - Design / Const	115,000	
		Eng - Insp	72,000	
		Construction	1,250,000	
		Contingency	125,000	
TOTAL	\$1,617,000	TOTAL	\$1,617,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Nesbitt Engineering, Inc.		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	August 15, 2025 September 1, 2025 May 31, 2025		
DEBT PER CUSTOMER	Existing	\$5,464		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	650	\$36.29 (for 4,000 gallons)	
	Additional	0	\$36.29 (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	15,426	73,411	(57,985)	0.2
Audited 2021	2,651	59,412	(56,761)	0.0
Audited 2022	92,781	99,498	(6,717)	0.9

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-124 SX21189007
BORROWER		CITY OF BOONEVILLE OWSLEY COUNTY	
BRIEF DESCRIPTION			
This project aims to re-direct the flow of a significant portion of the City of Booneville's sewage, eliminating the need for a sewer pump station and a river crossing. By utilizing gravity flow, wastewater will be re-routed to an existing pump station that will be upgraded to manage the increased volume. The upgraded pump station will then channel the wastewater directly to the city's wastewater treatment plant (WWTP). This re-direction will allow the city to abandon one river crossing and reduce the flow at two others. The project includes the installation of energy-efficient electrical components, variable frequency drives (VFDs), and a Supervisory Control and Data Acquisition (SCADA) system for enhanced monitoring and control. Need for Project: This project is critical for promoting public health and ensuring compliance with the Clean Water Act. The current wastewater flow is inefficient, requiring multiple pumps around the city due to the old wastewater treatment plant's location on the opposite side of town. This system has led to significant inflow and infiltration (I&I) issues and frequent maintenance problems. By eliminating a pump station and a problematic river crossing, the project will reduce the city's operational costs, particularly the high monthly electric bills, and improve the reliability of the wastewater system. The re-direction of flow to the new WWTP will enhance the city's ability to manage wastewater effectively, reducing the risk of contamination and ensuring better environmental stewardship.			
PROJECT FINANCING		PROJECT BUDGET	
Fund KYWWATERS	\$274,000	Administrative Expenses	\$50,000
FEMA	750,000	Legal Expenses	10,000
		Relocation Expense & Payments	10,000
		Planning	10,000
		Eng - Design / Const	73,000
		Eng - Insp	48,000
		Eng - Other	25,000
		Construction	726,000
		Contingency	72,000
TOTAL	\$1,024,000	TOTAL	\$1,024,000
REPAYMENT	Rate Term	N/A N/A	
PROFESSIONAL SERVICES	Engineer	Nesbitt Engineering	
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	October 1, 2022 September 1, 2025 April 1, 2026	
DEBT PER CUSTOMER	Existing	\$24,265	
RESIDENTIAL RATES	Current Additional	Users 279 0	Avg. Bill \$34.26 (for 4,000 gallons) \$34.26 (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	125,537	180,219	(54,682) 0.7
Audited 2022	99,989	154,493	(54,504) 0.6
Audited 2023	(281,167)	221,829	(502,996) -1.3

EXECUTIVE SUMMARY		Reviewer	John Brady	
KENTUCKY INFRASTRUCTURE AUTHORITY		Date	November 7, 2024	
KY WWATERS FUND		KIA Loan Number	W25-005	
REVOLVING LOAN / GRANT FUND		WRIS Number	WX21057022	
BORROWER		CUMBERLAND COUNTY WATER DISTRICT CUMBERLAND COUNTY		
BRIEF DESCRIPTION				
The proposed improvements consist of the installation of approximately 18,000 L.F. of 8-inch, 6-inch, 4-inch and 3-inch water line and appurtenances will be installed to replace existing aging and/or undersized Asbestos Cement (AC) water lines in the Marrowbone Community of Cumberland County. The lines scheduled for replacement are adjacent to Kentucky Highway 90, Ellis Road, Welby Garmon Road, Doc Needham Road, Kentucky Highway 3115, Park Road No. 1, Marrowbone Park Road, Pitcock Drive, Anderson Drive, Sawmill Road, Mosby Drive, and Roadside Spur Road. In addition to the main line replacements, aging service lines and meter settings will also be replaced through this project.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$2,465,000	Administrative Expenses	\$10,000	
		Legal Expenses	15,000	
		Land, Easements	8,500	
		Eng - Design / Const	163,000	
		Eng - Insp	97,000	
		Eng - Other	20,000	
		Construction	1,955,500	
		Contingency	196,000	
TOTAL	\$2,465,000	TOTAL	\$2,465,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	MONARCH ENGINEERING, INC.		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	March 1, 2025 July 1, 2025 March 1, 2026		
DEBT PER CUSTOMER	Existing	\$1,568		
RESIDENTIAL RATES	Current	<u>Users</u> 2,954	<u>Avg. Bill</u> \$51.91 (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	173,296	327,546	(154,250)	0.5
Audited 2021	383,202	204,094	179,108	1.9
Audited 2022	165,677	262,933	(97,256)	0.6

EXECUTIVE SUMMARY KENTUCKY INFRASTRUCTURE AUTHORITY KY WWATERS FUND REVOLVING LOAN / GRANT FUND		Reviewer Date KIA Loan Number WRIS Number	Jeremy Skinner November 7, 2024 W25-023 SX21061012	
BORROWER		CAVELAND SANITATION AUTHORITY, INC D/B/A CAVELAND ENVIRONMENTAL AUTHORITY BARREN COUNTY		
BRIEF DESCRIPTION				
The proposed project will consist of installing two pumping stations. One will be located at the treatment plant site with 17,000 feet of 6-inch force main and the other one located on a higher elevation with a 10,000-feet of 6-inch force main to connect at the Caveland Environmental Chalybeate line. The project will also eliminate a wastewater treatment facility at the City of Brownsville (KY0023396) and a discharge to Green River located at Latitude (N) 37* 11` 48.889” Longitude (W) 86* 16` 27.149”. Furthermore, the project will allow the connection of the Kyrock Elementary School. The total construction cost is \$4,350,200.00 The pay off of the Rural Development loan for the Sewer Plant is \$501,000.00.				
PROJECT FINANCING		PROJECT BUDGET		
Fund KYWWATERS	\$7,112,000	Administrative Expenses	\$95,000	
		Eng - Other	500,000	
		Construction	5,925,000	
		Contingency	592,000	
TOTAL	\$7,112,000	TOTAL	\$7,112,000	
REPAYMENT	Rate Term	N/A N/A		
PROFESSIONAL SERVICES	Engineer	Water Management Services		
PROJECT SCHEDULE	Bid Opening Construction Start Construction Stop	May 22, 2025 July 1, 2025 April 1, 2026		
DEBT PER CUSTOMER	Existing	\$63,199		
RESIDENTIAL RATES		Users	Avg. Bill	
	Current	477	\$22.90 (for 4,000 gallons)	
	Additional	126	\$22.90 (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 2021	846,584	2,177,888	(1,331,304)	0.4
Audited 2022	975,598	1,060,237	(84,639)	0.9
Audited 2023	1,090,869	1,085,093	5,776	1.0

NEW BOND ISSUE REPORT*

BOND ISSUE

Name of Bond Issue: Kentucky Housing Corporation Multifamily Conduit Revenue Bonds (Meadows at McNeely Lake), Series 2025

Purpose of Issue: The bonds will be used to finance the acquisition, construction, and equipping of Meadows at McNeely Lake, a multifamily residential rental facility consisting of two hundred and sixty-four (264) units, located in Jefferson County, Kentucky. The Kentucky Housing Corporation has conducted a public hearing concerning the proposed project on April 21, 2025, following the delivery of notice to the public at least seven days prior to such hearing.

Name of Project: Meadows at McNeely Lake

KHC Inducement: February 27, 2025

Anticipated Date of Sale: June 15, 2025

Anticipated Date of Issuance: June 15, 2025

Anticipated Ratings: N/A

Anticipated Net Proceeds: \$40,500,000

Cost of Issuance: See Exhibit A attached (Fees associated paid from owner equity)

Bond Discount: \$0

Debt Service Reserve Fund: \$0, but an estimated \$2,181,599 operating reserve will be funded from equity.

Total Project Cost: \$72,433,880 (estimated)

Terms of Issue: Net interest rate: 5.91%
Average debt service: \$2,643,610.56
Gross debt service: \$105,744,423.25

First Call Date: July 1, 2035

Premium at First Call: No premium

Method of Sale: Private Placement

Bond Counsel: Dinsmore & Shohl LLP

Purchasers Counsel: Tiber Hudson

Financial Advisor: N/A

Bond Purchaser: Stifel Nicholas & Co.

Trustee: The Huntington National Bank

*** Preliminary (as of 4/24/25) and subject to change.**

Exhibit A

Project Funding Sources:

KHC Tax-Exempt Bonds	\$40,500,000
Tax Credit Equity	\$19,706,895
Sponsor Loan	\$3,500,000
Section 45L Tax Credit Equity – Energy Star	\$660,000
GP Equity	\$100
Louisville Metro Trust Funds	\$1,000,000
Deferred Developer Fee	\$7,066,885
	<hr/>
	\$72,433,880

Fees Paid:

PNC Origination Fee	\$1,014,150
KHC Tax-Exempt Bond Application Fee	\$4,000
KHC Tax Credit Reservation Fee	\$269,957
KHC Market Study Review Fee	\$1,200
KHC Construction Inspection Fee	\$47,243
KHC Tax-Exempt Bond Upfront Issuer Fee	\$244,314
KHC Tax-Exempt Bond Annual Issuer Fee	\$50,899
KHC Tax-Exempt Bond Issuer's Counsel Fee	\$25,000
KHC Tax-Exempt Bond Administrative Fee	\$5,000
Bond Counsel	\$98,000
TEFRA/Publication/Print	\$5,000
	<hr/>
	\$1,764,763

***All amounts are preliminary estimates (as of 4/24/25) and subject to change.**

Everyone Deserves a Quality Place to Live.

Kentucky Fact Sheet

WE ARE DRIVEN

LDG Development was founded based on our belief that everyone deserves a quality place to live. That is why, for more than 25 years, we have worked to develop close to 20,000 units of high-quality affordable housing for thousands of hardworking families and active seniors across the country, including over 4,000 units right here in KY. From the first responders who are the front lines of keeping our communities safe; to the service workers who have sacrificed income for service, we make sure that those who help our community run have a place they are proud to call home. By building desirable, welcoming housing, we are doing more than just giving families a great place to live. We are helping communities thrive.



WE BEGIN WITH THE END IN MIND

We understand that the needs of each city are different. That is why we partner with local leaders and organizations that meet the needs of the community and reflect those characteristics that make it a special place.

Because we have our own architectural and design firm, as well as a construction management team, you will have a single point of contact throughout the development and construction stages. Ultimately, this "one stop" experience can lead to significant cost and time savings.

WE ARE BUSTING THE MYTHS THAT SURROUND AFFORDABLE HOUSING

To start, we never cut corners. Instead, we go above and beyond design and maintenance standards to ensure our communities stay gorgeous and our residents have a place they are proud to call home.



LDG
DEVELOPMENT

WE ARE BUSTING THE MYTHS THAT SURROUND AFFORDABLE HOUSING

At LDG, we are in it for the long haul. That means we view every development as an opportunity to make an investment in a community that we will be a part of for decades to come. This approach ensures that our properties will be maintained to look as beautiful as the day they were built.

What's more, our onsite local teams all have a direct line to LDG senior leaders, ensuring decisions can be made quickly and with the needs of the local community in mind and are empowered to make decisions that are driven by our "residents first" philosophy.

WE IMPROVE LIVES

Because our hard-working residents live busy lives, we go out of our way to support them by offering a variety of residents-first support services.

This includes a partnership with the state's largest healthcare system to provide weekly onsite medical services to all residents regardless of their health insurance status. These services range from routine primary care services focused on prevention and wellness; to more complex patient care typically performed at a physician's office. Residents can also receive assistance enrolling in Medicaid or other federal or state sponsored programs—all without leaving their home!



HIGH-QUALITY, AFFORDABLE HOUSING ISN'T THE ONLY WAY WE GIVE BACK

We believe in the power of education and its ability to change the trajectory in our residents' lives. This guiding philosophy is reflected in a partnership with the National Association of Housing and Redevelopment Officials that is designed to provide scholarships to students living in public housing. Through a \$1 million scholarship fund, students receive up to \$6,000 annually for four years that can be used to pay tuition and other expenses associated with obtaining a college degree. The foundation also supports dozens of local community groups focused on helping some of the nation's most vulnerable and at-risk populations.

To help ensure students living in our communities have the support they need to succeed academically, we are piloting an initiative with a local non-profit focused on improving academic outcomes for underserved populations that is designed to boost reading scores for elementary and middle school students.

WHEN YOU'RE GOOD AT WHAT YOU DO, PEOPLE NOTICE

In addition to our scholarship fund, we are also proud to have been selected for the following awards:

- **#1** Best Places to Work in Louisville (2022)
- **#1** Developer of Affordable Housing (2020, 2019, 2017)
- **#2** Developer of Affordable Housing (2021)
- **#15** Top 25 Builder (2022)
- **#13** Top 25 Developer (2022)

www.ldgdevelopment.com



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DEVELOPMENT

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(502) 638-0534

GEORGIA OFFICE
510 Plaza Drive
College Park, GA 30349

TENNESSEE OFFICE
414 Union Street, Suite 1900
Nashville, TN, 37219

TEXAS OFFICE
6300 LaCalma Drive, Suite 520
Austin, TX 78752



OFM Page 82



Andy Beshear
GOVERNOR

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

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

Holly M. Johnson
SECRETARY

L. Joe McDaniel
CONTROLLER

Chelsey Couch
EXECUTIVE DIRECTOR

April 10, 2025

M. B. Denham Jr.
Board Chair
Kentucky Housing Corporation
1231 Louisville Road
Frankfort, KY 40601-6191

Dear Board Chair Denham:

This letter will advise that the Office of Financial Management ("OFM") of the Finance and Administration Cabinet has reviewed and is hereby approving the issuance of the Kentucky Housing Corporation Conduit Multifamily Housing Revenue Bonds (Cedar Grove Commons Project), Series 2025 in a principal amount of \$38,400,000 ("Bonds"). The Bonds, by their terms, provide that payment of principal and interest thereon are not an obligation of the Commonwealth of Kentucky or its departments or agencies.

Pursuant to OAG 83-453, OFM has restricted its review and approval process to reviewing certain documents incidental to the issue and to obtaining assurance that the documents include language which provides that the Bonds and interest thereon shall not be deemed to constitute a debt, liability or obligation of the Kentucky Housing Corporation ("KHC") or the Commonwealth of Kentucky or any political subdivision thereof. OFM notes that the project was presented to the Capital Projects and Bond Oversight Committee ("CPBO") at the February 25, 2025, meeting. KHC board approved the authorizing resolution on March 27, 2025. The attached includes a finalized listing of costs related to the issuance of the Bonds pursuant to KRS 45.816.

Sincerely,

Signed by:

Chelsey Couch

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Chelsey Couch
Executive Director

Attachments

NEW BOND ISSUE REPORT**NEW BOND ISSUE**

Name of Bond Issue:	Kentucky Housing Corporation Multifamily Note (Governmental) (Cedar Grove Commons Project), Series 2025
Purpose of Issue:	The Bonds will be used to finance the acquisition, rehabilitation, construction and equipping of a multifamily residential rental project containing approximately 322 units, located at 11801 E. Orell Road, Louisville, Kentucky 40272 (the "Project") to be owned by Cedar Grove Commons, LLC, a Kentucky limited liability company or its successors and assigns (the "Borrower"). The Kentucky Housing Corporation conducted a public hearing concerning the proposed project on February 13, 2025, following the delivery of notice to the public. The Bonds will be the sole obligations of the Borrower.
Name of Project:	Cedar Grove Commons Project
KHC Final Approval:	March 27, 2025
Date of Sale:	April 4, 2025
Date of Issuance:	April 10, 2025
Anticipated Ratings:	Private Placement – Not rated
Anticipated Net Proceeds:	\$38,400,000 bond par amount
Cost of Issuance:	See Exhibit A attached
Bond Discount:	\$0
Debt Service Reserve Fund:	\$0 but a \$2,008,084 operating reserve will be funded from equity.
Insurance Premium:	N/A
Total Project Cost:	\$75,361,334
Terms of Issue:	Fixed interest rate until Stabilization: 6.15% Anticipated average debt service: \$2,033,589.60 (anticipated annual principal and interest debt service on permanent mortgage loan) Anticipated gross debt service: \$79,886,265.22
First Optional Call Date:	November 1, 2043
Premium at First Call:	No premium
Method of Sale:	Private Placement
Bond Counsel:	Frost Brown Todd LLP
Purchaser's Counsel:	Kutak Rock LLP
Bond Purchaser:	Allianz Insurance Company of North America
Trustee/Fiscal Agent:	The Huntington National Bank

Exhibit A**Permanent Project Funding Sources:**

Total Tax-Exempt Bond Issuance (Bond Issue of \$38,400,000 with \$30,800,000 outstanding after completion)	\$30,800,000
Deferred Developer Fee	\$6,388,931
Deferred Construction Manager Fee	\$773,303
LIHTC Anticipated Net Syndication Proceeds (4%)	\$29,899,000
Net Operating Income During Construction	\$1,500,000
LAHTF Loan	\$6,000,000
General Partner Equity	\$100
Total Development Costs	<u>\$75,361,334</u>

Costs of Issuance:

Origination Fee	\$504,000
KHC Counsel	\$25,000
KHC Financing Fee (Upfront Issuer Fee)	\$230,400
KHC Application Fees, Reservation Fee, Other Expenses	\$424,973
KHC Admin Fee	\$5,000
Bond Counsel	\$85,000
Trustee/Fiscal Agent Counsel	\$10,000
Syndicator Counsel	\$40,000
Borrowers Counsel	\$90,000
Trustee/Fiscal Agent Fee	\$10,000
TEFRA/Publication/Print	\$1,413
Cost of Issuance Contingency	<u>\$0</u>
Total:	<u>\$1,425,786</u>

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Andy Beshear
GOVERNOR

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

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

Holly M. Johnson
SECRETARY

L. Joe McDaniel
CONTROLLER

Chelsey Couch
EXECUTIVE DIRECTOR

April 23, 2025

M. B. Denham Jr.
Board Chair
Kentucky Housing Corporation
1231 Louisville Road
Frankfort, KY 40601-6191

Dear Board Chair Denham:

This letter will advise that the Office of Financial Management (“OFM”) of the Finance and Administration Cabinet has reviewed and is hereby approving the issuance of the Kentucky Housing Corporation Conduit Multifamily Housing Revenue Bonds (Echo Trial Apartments), Series 2025 in a principal amount of \$37,500,000 (“Bonds”). The Bonds, by their terms, provide that payment of principal and interest thereon are not an obligation of the Commonwealth of Kentucky or its departments or agencies.

Pursuant to OAG 83-453, OFM has restricted its review and approval process to reviewing certain documents incidental to the issue and to obtaining assurance that the documents include language which provides that the Bonds and interest thereon shall not be deemed to constitute a debt, liability or obligation of the Kentucky Housing Corporation (“KHC”) or the Commonwealth of Kentucky or any political subdivision thereof. OFM notes that the project was presented to the Capital Projects and Bond Oversight Committee (“CPBO”) at the December 17, 2024, meeting. KHC board approved the authorizing resolution on February 27, 2025. The attached includes a finalized listing of costs related to the issuance of the Bonds pursuant to KRS 45.816.

Sincerely,

Chelsey Couch

Chelsey Couch
Executive Director

Attachments

FINAL BOND ISSUE REPORT

BOND ISSUE

Name of Bond Issue:	Kentucky Housing Corporation Multifamily Conduit Revenue Bonds (Echo Trail Apartments), Series 2025
Purpose of Issue:	The bonds will be used to finance the acquisition, construction, and equipping of Echo Trail Apartments, a multifamily residential rental facility consisting of two hundred and sixty-five (265) units, located at Veterans Memorial Lane and Morgantown Road in Warren County, Kentucky. The Kentucky Housing Corporation conducted public hearings concerning the proposed project on December 10, 2024 and February 7, 2025, following the delivery of notice to the public at least seven days prior to such hearings.
Name of Project:	Echo Trail Apartments
KHC Final Approval:	February 27, 2025
Date of Sale:	April 16, 2025
Date of Issuance:	April 23, 2025
Ratings:	Private Placement
Net Proceeds:	\$37,500,000
Cost of Issuance:	See Exhibit A attached (Fees associated paid from owner equity)
Bond Discount:	\$0
Debt Service Reserve Fund:	\$0, but a \$1,014,000 operating reserve will be funded from equity.
Insurance Premium:	N/A
Total Project Cost:	\$90,955,106
Terms of Issue:	Net interest rate: 5.99%
	Term: May 1, 2043
	Average debt service: \$2,472,825.12
	Gross debt service: \$98,918,006.74 (if held to maturity)
First Call Date:	June 1, 2028
Premium at First Call:	No premium
Method of Sale:	Private Placement
Bond Counsel:	Dinsmore & Shohl LLP
Purchasers Counsel:	Poseneli Law Firm
Financial Advisor:	N/A
Bond Purchaser:	PIMCO
Trustee:	The Huntington National Bank

Exhibit A

Project Funding Sources:

KHC Tax-Exempt Bonds	\$37,500,000
Tax Credit Equity	\$29,923,795
CDBR Disaster Recovery Funds	\$12,950,000
Section 45L Tax Credit Equity – Energy Star	\$539,146
GP Equity	\$100
Deferred Developer Fee	\$10,042,065
	<hr/>
	\$90,955,106

Fees Paid:

PNC Origination Fee	\$586,500
KHC Tax-Exempt Bond Application Fee	\$3,500
KHC Tax Credit Reservation Fee	\$355,214
KHC Market Study Review Fee	\$1,200
KHC Construction Inspection Fee	\$62,162
KHC Tax-Exempt Bond Upfront Issuer Fee	\$225,000
KHC Tax-Exempt Bond Annual Issuer Fee	\$46,875
KHC Tax-Exempt Bond Issuer's Counsel Fee	\$25,000
KHC Tax-Exempt Bond Administrative Fee	\$5,000
Bond Counsel	\$98,000
TEFRA/Publication/Print	\$5,000
	<hr/>
	\$1,413,451



Andy Beshear
GOVERNOR

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

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

Holly M. Johnson
SECRETARY

L. Joe McDaniel
CONTROLLER

Chelsey Couch
EXECUTIVE DIRECTOR

April 2, 2025

The Turnpike Authority of Kentucky
200 Mero Street, 5th Floor
Frankfort, KY 40622

Dear Chairman Beshear:

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 Turnpike Authority debt issuance of \$39,430,000 in Turnpike Authority of Kentucky Economic Development Road Revenue Refunding Bonds (Revitalization Projects), 2025 Series A dated April 2, 2025.

Sincerely,

Chelsey Couch

Chelsey Couch
Executive Director, Office of Financial Management

Attachments

OFM APPROVAL PURSUANT TO KRS 42.420
\$ 39,430,000
Turnpike Authority of Kentucky
Economic Development Road Revenue Refunding Bonds, 2025 Series A
(Revitalization Projects)

DESCRIPTION:

The 2025 Series A Bonds were issued to current refund certain outstanding Economic Development Road Revenue Bonds (Revitalization Projects), 2015 Series A for present value savings, and finance costs associated with the issuance.

BOND SUMMARY STATISTICS:

Par Amount:	\$ 39,430,000
Pricing Date:	March 10, 2025
Closing Date:	April 2, 2025
Dated Date:	April 2, 2025
Final Maturity:	July 1, 2035
Arbitrage Yield:	3.0234%
TIC:	3.0839%
NIC:	3.2981%
All-In TIC:	3.1215%
Benchmark (BBWK20GO):	4.29% (March 13, 2025)
Method of Sale:	Negotiated
Bond Counsel:	Dinsmore & Shohl LLP
Underwriter:	J.P. Morgan Securities, LLC
Underwriter Counsel:	Stites and Harbison, PLLC
Trustee:	The Bank of New York Mellon Trust Company
Financial Advisor:	Office of Financial Management

RATINGS:

Moody's:	Aa2
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SOURCES AND USES OF FUNDS:**SOURCES OF FUNDS:**

Par Amount of Bonds	\$ 39,430,000.00
Net Original Issue Premium	<u>4,266,095.00</u>
TOTAL SOURCES	\$ 43,696,095.00

USES OF FUNDS:

Refunding Escrow Deposit	\$ 43,469,542.35
Costs of Issuance*	<u>226,552.65</u>
TOTAL USES	\$ 43,696,095.00

* 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	\$42,955,000.00
Net Present Value Savings	\$3,349,413.38
Percent Savings of Refunded Bonds	7.7975%

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.

Firm	Service	Fee
Moody's	Rating Service	\$ 31,000.00
Bank of New York Mellon	Trustee	9,962.00
Paparone Law PLLC	Trustee Counsel	4,000.00
OFM	Financial Advisor	9,857.50
Bingham	Verification Agent	1,300.00
Dinsmore & Shohl LLP	Bond Counsel	15,772.00
Bond Link	Printer / Roadshow	9,413.00
	Contingency / Misc.	<u>5,316.22</u>
TOTAL		\$ 86,620.72

GROSS SPREAD/UNDERWRITER'S DISCOUNT:

Average Takedown	\$ 123,162.50
Dalcomp	3,397.73
CUSIP	806.00
Dayloan	1,088.90
DTC Charge Total	975.00
Underwriter's Counsel	10,251.80
Out of Pocket	<u>250.00</u>
TOTAL	\$ 139,931.93

COST OF ISSUANCE GRAND TOTAL: \$ 226,552.65

ATTACHMENTS:

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

In the opinion of Dinsmore & Shohl, LLP, Bond Counsel, under existing law, (i) interest on the Bonds will be excludible from gross income of the holders thereof for purposes of federal income taxation, (ii) interest on the Bonds is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. Bond counsel is also of the opinion that, under existing laws of the Commonwealth of Kentucky, interest on the Bonds is exempt from income tax of Kentucky and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and by all political subdivisions thereof. See "TAX MATTERS" herein for a more complete description of the opinion of Bond Counsel and additional federal tax law consequences.

\$39,430,000

**THE TURNPIKE AUTHORITY OF KENTUCKY
Economic Development Road Revenue Refunding Bonds
(Revitalization Projects) 2025 Series A**

Dated: Date of delivery**Due: July 1, as shown on inside cover.**

The Turnpike Authority of Kentucky (the "Authority") is issuing its Economic Development Road Revenue Refunding Bonds (Revitalization Projects), 2025 Series A (the "Bonds") pursuant to a Trust Indenture dated as of October 1, 1990, as supplemented by a First Supplemental Trust Indenture dated as of November 15, 2000 (collectively, the "Indenture") between the Authority and The Bank of New York Mellon Trust Company, N.A. as successor trustee to J.P. Morgan Trust Company, National Association, as Trustee and Paying Agent (the "Trustee"). The Bonds are being issued pursuant to a resolution adopted by the Authority on January 27, 2025 (the "Bond Resolution") to (i) refund certain of the outstanding 2015 Series A Bonds (as defined herein), and (ii) pay certain costs of issuance of the Bonds.

The Bonds will be issued only as fully registered bonds without coupons in denominations of \$5,000 or any integral multiples thereof, and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. Interest on the Bonds will be payable on each January 1 and July 1 beginning July 1, 2025. Purchases will be made in book-entry-only form, except as permitted by the Indenture. Purchasers of the Bonds will not receive physical delivery of bond certificates. So long as Cede & Co. is the registered owner of the Bonds, as nominee of DTC, interest together with the principal of the Bonds will be paid directly to DTC by the Trustee. See "DESCRIPTION OF BONDS — Book-Entry-Only System."

The Bonds will mature on the dates and in the amounts set forth on the inside cover page hereof. The Bonds are subject to redemption, as further described herein. See "DESCRIPTION OF BONDS – Redemption."

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE AUTHORITY, A DE JURE MUNICIPAL CORPORATION AND POLITICAL SUBDIVISION OF THE COMMONWEALTH OF KENTUCKY. THE BONDS WILL BE SECURED UNDER THE INDENTURE AND BY A PLEDGE OF LEASE RENTAL PAYMENTS TO BE MADE BY THE TRANSPORTATION CABINET OF THE COMMONWEALTH OF KENTUCKY TO THE AUTHORITY PURSUANT TO A RENEWABLE BIENNIAL LEASE. THE BONDS DO NOT CONSTITUTE A DEBT OF THE COMMONWEALTH OF KENTUCKY AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF KENTUCKY OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, OR INTEREST ON THE BONDS. THE AUTHORITY HAS NO TAXING POWER.

The Bonds are offered, subject to prior sale, when, as and if issued by the Authority and accepted by the Underwriters, subject to the approval of legality by Dinsmore & Shohl LLP, Covington, Kentucky, Bond Counsel, and subject to certain other conditions. Certain legal matters will be passed upon for the Underwriters by their counsel, Stites & Harbison, PLLC, Louisville, Kentucky. It is expected that the Bonds will be available for delivery through DTC in New York, New York on or about April 2, 2025.

J.P. MORGAN

Baird**PNC Capital Markets LLC****Raymond James****Dated: March 10, 2025**

\$39,430,000

**THE TURNPIKE AUTHORITY OF KENTUCKY
Economic Development Road Revenue Refunding Bonds
(Revitalization Projects) 2025 Series A**

<u>Maturity Date</u> <u>(July 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP**</u>
2026	\$3,130,000	5.000%	2.620%	102.897	491552 W76
2027	\$3,295,000	5.000%	2.650%	105.090	491552 W84
2028	\$3,455,000	5.000%	2.730%	107.004	491552 W92
2029	\$3,630,000	5.000%	2.780%	108.831	491552 X26
2030	\$3,810,000	5.000%	2.860%	110.354	491552 X34
2031	\$4,000,000	5.000%	2.950%	111.613	491552 X42
2032	\$4,200,000	5.000%	3.020%	112.796	491552 X59
2033	\$4,410,000	5.000%	3.060%	114.041	491552 X67
2034	\$4,635,000	5.000%	3.160%	114.650	491552 X75
2035	\$4,865,000	5.000%	3.220%	115.426	491552 X83

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BOND DEBT SERVICE

The Turnpike Authority of Kentucky
Economic Development Road Revenue Refunding Bonds
(Revitalization Projects) 2025 Series A

Period Ending	Principal	Coupon	Interest	Debt Service
07/01/2025			487,398.61	487,398.61
07/01/2026	3,130,000	5.000%	1,971,500.00	5,101,500.00
07/01/2027	3,295,000	5.000%	1,815,000.00	5,110,000.00
07/01/2028	3,455,000	5.000%	1,650,250.00	5,105,250.00
07/01/2029	3,630,000	5.000%	1,477,500.00	5,107,500.00
07/01/2030	3,810,000	5.000%	1,296,000.00	5,106,000.00
07/01/2031	4,000,000	5.000%	1,105,500.00	5,105,500.00
07/01/2032	4,200,000	5.000%	905,500.00	5,105,500.00
07/01/2033	4,410,000	5.000%	695,500.00	5,105,500.00
07/01/2034	4,635,000	5.000%	475,000.00	5,110,000.00
07/01/2035	4,865,000	5.000%	243,250.00	5,108,250.00
	39,430,000		12,122,398.61	51,552,398.61

SUMMARY OF BONDS REFUNDED

The Turnpike Authority of Kentucky
Economic Development Road Revenue Refunding Bonds
(Revitalization Projects) 2025 Series A

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Economic Development Road Revenue Bonds, 2015 Series A, SER:					
	07/01/2026	3.000%	970,000	07/01/2025	100.000
	07/01/2026	5.000%	2,520,000	07/01/2025	100.000
	07/01/2027	3.125%	3,645,000	07/01/2025	100.000
	07/01/2028	5.000%	3,755,000	07/01/2025	100.000
	07/01/2029	5.000%	3,945,000	07/01/2025	100.000
	07/01/2030	5.000%	4,140,000	07/01/2025	100.000
	07/01/2031	5.000%	4,350,000	07/01/2025	100.000
	07/01/2032	5.000%	4,565,000	07/01/2025	100.000
	07/01/2033	5.000%	4,795,000	07/01/2025	100.000
			32,685,000		
Economic Development Road Revenue Bonds, 2015 Series A, TER35:					
	07/01/2035	4.000%	10,270,000	07/01/2025	100.000
			42,955,000		

SAVINGS

The Turnpike Authority of Kentucky
Economic Development Road Revenue Refunding Bonds
(Revitalization Projects) 2025 Series A

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 04/02/2025 @ 3.0233786%
07/01/2025	978,653.13	487,398.61	491,254.52	487,623.62
07/01/2026	5,447,306.26	5,101,500.00	345,806.26	332,999.94
07/01/2027	5,447,206.26	5,110,000.00	337,206.26	315,126.57
07/01/2028	5,443,300.00	5,105,250.00	338,050.00	306,924.89
07/01/2029	5,445,550.00	5,107,500.00	338,050.00	297,751.83
07/01/2030	5,443,300.00	5,106,000.00	337,300.00	288,207.31
07/01/2031	5,446,300.00	5,105,500.00	340,800.00	282,485.70
07/01/2032	5,443,800.00	5,105,500.00	338,300.00	272,017.12
07/01/2033	5,445,550.00	5,105,500.00	340,050.00	265,234.45
07/01/2034	5,445,800.00	5,110,000.00	335,800.00	254,063.24
07/01/2035	5,444,400.00	5,108,250.00	336,150.00	246,978.70
	55,431,165.65	51,552,398.61	3,878,767.04	3,349,413.38

Savings Summary

PV of savings from cash flow	3,349,413.38
Net PV Savings	3,349,413.38



Andy Beshear
GOVERNOR

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

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

Holly M. Johnson
SECRETARY

L. Joe McDaniel
CONTROLLER

Chelsey Couch
EXECUTIVE DIRECTOR

March 27, 2025

Holly M. Johnson
Secretary
Finance and Administration Cabinet
Executive Director
State Property and Buildings Commission
200 Mero Street, 5th 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 \$771,910,000 State Property and Buildings Commission Revenue Bonds, Project No. 132 Series A dated March 27, 2025.

Sincerely,

Signed by:

Chelsey Couch

929AB5D1C38C498...

Chelsey Couch
Executive Director
Office of Financial Management

Attachments

OFM APPROVAL PURSUANT TO KRS 42.420
\$771,910,000
COMMONWEALTH OF KENTUCKY
STATE PROPERTY AND BUILDINGS COMMISSION
REVENUE BONDS, PROJECT NO. 132 SERIES A

DESCRIPTION:

The Bonds are being issued to (i) provide permanent financing for approximately \$847 million in General Fund supported capital projects authorized by the General Assembly of the Commonwealth of Kentucky in H.B. 1 (2010 Special Session), H.B. 265 (2012 Session), H.B. 235 (2014 Session), H.B. 303 (2016 Session), H.B. 200 (2018 Session), H.B. 268 (2019 Session), H.B. 352 (2020 Session), H.B. 192 (2021 Session), H.B. 1 (2022 Session), H.B. 241 (2022 Session), H.B. 6 (2024 Session), and H.B. 264 (2024 Session); and, (ii) pay costs of issuance.

BOND SUMMARY STATISTICS:

Par Amount:	\$771,910,000
Pricing Date:	March 5, 2025
Closing Date:	March 27, 2025
Dated Date:	March 27, 2025
Final Maturity:	April 1, 2045
Arbitrage Yield:	3.4986%
TIC:	3.8871%
NIC:	4.1418%
All-In TIC:	3.8939%
Benchmark (BBWK20GO):	4.15% (March 6, 2025)
Method of Sale:	Negotiated
Underwriter:	BofA Securities

RATINGS:

Moody's:	Aa3
Fitch Ratings:	AA-

SOURCES AND USES OF FUNDS:**SOURCES OF FUNDS:**

Par Amount of Bonds	\$ 771,910,000.00
Net Original Issue Premium	<u>79,217,428.50</u>
TOTAL SOURCES	\$ 851,127,428.50

USES OF FUNDS:

Project Fund Deposit	\$ 847,598,279.46
Costs of Issuance*	<u>3,529,149.04</u>
TOTAL USES	\$ 851,127,428.50

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

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.

Firm	Service	Fee
Moody's	Rating Service	\$ 100,348.30
Fitch Ratings	Rating Service	81,479.39
Dinsmore & Shohl LLP	Underwriter's Counsel	77,191.00
Kutak Rock LLP	Bond Counsel	107,209.72
Hilltop Securities Inc.	Municipal Advisor	25,730.33
OFM	Financial Advisor	96,488.75
BondLink	Printer/Roadshow	24,272.28
US Bank	Trustee	1,286.52
Bingham	Verification Agent	650.00
	Contingency / Misc.	<u>5,000.00</u>
TOTAL		\$ 519,656.29

GROSS SPREAD/UNDERWRITER'S DISCOUNT:

	Per Bond	Total
Underwriter's Average Takedown	3.79849	\$2,932,096.25
Underwriter's Other Fee	<u>0.10027</u>	<u>77,396.50</u>
TOTAL	3.89876	\$3,009,492.75

COST OF ISSUANCE GRAND TOTAL: \$ 3,529,149.04

ATTACHMENTS:

Official Statement Cover
Bond Debt Service Schedule

**Book-Entry-Only
NEW ISSUE**

**Ratings: Moody's: "Aa3"
Fitch: "AA-"
(See "RATINGS" herein)**

In the opinion of Bond Counsel for the 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 TREATMENT," interest on the Bonds (including any original issue discount properly allocable to the owner of any 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 Bonds may affect the federal alternative minimum tax imposed on certain corporations. Interest on the Bonds is exempt from Kentucky income tax and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. See "TAX TREATMENT" herein for a more complete discussion, and "EXHIBIT F – Form of Bond Counsel Opinions for the Bonds."



**COMMONWEALTH OF KENTUCKY
STATE PROPERTY AND BUILDINGS COMMISSION
\$771,910,000 REVENUE BONDS, PROJECT NO. 132 SERIES A
\$128,090,000 REVENUE REFUNDING BONDS, PROJECT NO. 132 SERIES B**

Dated: Date of Delivery

Maturity: April 1, as shown on inside cover

The Commonwealth of Kentucky State Property and Buildings Commission (the "Commission") is issuing its Revenue Bonds, Project No. 132 Series A (the "Series A Bonds") and its Revenue Refunding Bonds, Project No. 132 Series B (the "Series B Bonds" and, together with the Series A Bonds, the "Bonds"). The 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 Bonds. Purchasers will not receive certificates representing their ownership interest in the Bonds so purchased. So long as DTC or its nominee is the registered owner of the Bonds, payments of principal, premium, if any, and interest due on the Bonds will be made directly to DTC. The Bonds will be issued in denominations of \$5,000 or any integral multiple thereof. The Bonds will bear interest, payable semiannually on each April 1 and October 1, commencing on October 1, 2025. The principal of, premium, if any, and interest on the Bonds will be paid directly to DTC by U.S. Bank Trust Company, National Association, Louisville, Kentucky, as Trustee and Paying Agent.

The Bonds mature on the dates and in the principal amounts, bear interest at the rates, and have the prices, yields, and CUSIP numbers shown on the inside cover page hereof.

The Series A Bonds are subject to redemption before maturity as described herein. The Series B Bonds are not subject to redemption before maturity. See "THE BONDS – Redemption".

The Bonds are being issued by 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"), in accordance with a Bond Resolution adopted by the Commission on January 14, 2025 (the "Resolution"). The Series A Bonds are being issued to (i) pay the costs of the New Project (as defined herein), and (ii) pay the costs of issuing the Series A Bonds. The Series B Bonds are being issued to (a) refund certain of the Prior Bonds (as defined herein), and (b) pay the costs of issuing the Series B Bonds. See "PLAN OF FINANCE" herein.

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE COMMISSION. THE 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 RESOLUTION AND FROM RENTAL INCOME DERIVED FROM THE BIENNIAL RENEWABLE LEASE WITH THE CABINET AND THE SUBLEASES (AS DESCRIBED AND DEFINED HEREIN), 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 (AS DEFINED HEREIN) OR ANY AMOUNTS DERIVED THEREFROM. See "SECURITY FOR THE BONDS" herein.

This cover page contains information for quick reference only and is not a summary of this issue. Investors must read this entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as, and if issued and accepted by the Underwriters, subject to the approving legal opinion of Kutak Rock LLP, Omaha, Nebraska, Bond Counsel. Certain legal matters will be passed on for the Underwriters by their counsel, Dinsmore & Shohl LLP, Louisville, Kentucky. It is expected that the Series A Bonds will be available for delivery on or around March 27, 2025, and that the Series B Bonds will be available for delivery on or around May 5, 2025, in each case, in New York, New York, through the book-entry procedures of DTC.

BofA Securities

Morgan Stanley

Baird

PNC Capital Markets LLC

Raymond James

FHN Financial Capital Markets

Huntington Capital Markets

Stifel

First Kentucky Securities Corp.

Dated: March 5, 2025.



BOND DEBT SERVICE

Commonwealth of Kentucky State Property and Buildings Commission
Revenue Bonds, Project No. 132 Series A

Dated Date 03/27/2025
Delivery Date 03/27/2025

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2025	-	-	19,622,031.53	19,622,031.53	-
04/01/2026	22,950,000	5.000%	19,195,465.63	42,145,465.63	-
06/30/2026	-	-	-	-	61,767,497.16
10/01/2026	-	-	18,621,715.63	18,621,715.63	-
04/01/2027	24,525,000	5.000%	18,621,715.63	43,146,715.63	-
06/30/2027	-	-	-	-	61,768,431.26
10/01/2027	-	-	18,008,590.63	18,008,590.63	-
04/01/2028	25,755,000	5.000%	18,008,590.63	43,763,590.63	-
06/30/2028	-	-	-	-	61,772,181.26
10/01/2028	-	-	17,364,715.63	17,364,715.63	-
04/01/2029	27,040,000	5.000%	17,364,715.63	44,404,715.63	-
06/30/2029	-	-	-	-	61,769,431.26
10/01/2029	-	-	16,688,715.63	16,688,715.63	-
04/01/2030	28,390,000	5.000%	16,688,715.63	45,078,715.63	-
06/30/2030	-	-	-	-	61,767,431.26
10/01/2030	-	-	15,978,965.63	15,978,965.63	-
04/01/2031	29,810,000	5.000%	15,978,965.63	45,788,965.63	-
06/30/2031	-	-	-	-	61,767,931.26
10/01/2031	-	-	15,233,715.63	15,233,715.63	-
04/01/2032	31,305,000	5.000%	15,233,715.63	46,538,715.63	-
06/30/2032	-	-	-	-	61,772,431.26
10/01/2032	-	-	14,451,090.63	14,451,090.63	-
04/01/2033	32,870,000	5.000%	14,451,090.63	47,321,090.63	-
06/30/2033	-	-	-	-	61,772,181.26
10/01/2033	-	-	13,629,340.63	13,629,340.63	-
04/01/2034	34,510,000	5.000%	13,629,340.63	48,139,340.63	-
06/30/2034	-	-	-	-	61,768,681.26
10/01/2034	-	-	12,766,590.63	12,766,590.63	-
04/01/2035	36,235,000	5.000%	12,766,590.63	49,001,590.63	-
06/30/2035	-	-	-	-	61,768,181.26
10/01/2035	-	-	11,860,715.63	11,860,715.63	-
04/01/2036	38,050,000	5.000%	11,860,715.63	49,910,715.63	-
06/30/2036	-	-	-	-	61,771,431.26
10/01/2036	-	-	10,909,465.63	10,909,465.63	-
04/01/2037	39,950,000	5.000%	10,909,465.63	50,859,465.63	-
06/30/2037	-	-	-	-	61,768,931.26
10/01/2037	-	-	9,910,715.63	9,910,715.63	-
04/01/2038	41,950,000	5.000%	9,910,715.63	51,860,715.63	-
06/30/2038	-	-	-	-	61,771,431.26
10/01/2038	-	-	8,861,965.63	8,861,965.63	-
04/01/2039	44,045,000	5.000%	8,861,965.63	52,906,965.63	-
06/30/2039	-	-	-	-	61,768,931.26
10/01/2039	-	-	7,760,840.63	7,760,840.63	-
04/01/2040	46,250,000	5.000%	7,760,840.63	54,010,840.63	-
06/30/2040	-	-	-	-	61,771,681.26
10/01/2040	-	-	6,604,590.63	6,604,590.63	-
04/01/2041	48,560,000	5.000%	6,604,590.63	55,164,590.63	-
06/30/2041	-	-	-	-	61,769,181.26
10/01/2041	-	-	5,390,590.63	5,390,590.63	-
04/01/2042	50,990,000	** %	5,390,590.63	56,380,590.63	-
06/30/2042	-	-	-	-	61,771,181.26
10/01/2042	-	-	4,121,765.63	4,121,765.63	-
04/01/2043	53,525,000	5.000%	4,121,765.63	57,646,765.63	-
06/30/2043	-	-	-	-	61,768,531.26
10/01/2043	-	-	2,783,640.63	2,783,640.63	-
04/01/2044	56,205,000	** %	2,783,640.63	58,988,640.63	-
06/30/2044	-	-	-	-	61,772,281.26
10/01/2044	-	-	1,387,375.00	1,387,375.00	-
04/01/2045	58,995,000	** %	1,387,375.00	60,382,375.00	-
06/30/2045	-	-	-	-	61,769,750.00
	771,910,000		463,487,709.84	1,235,397,709.84	1,235,397,709.84



Andy Beshear
GOVERNOR

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

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

Holly M. Johnson
SECRETARY

L. Joe McDaniel
CONTROLLER

Chelsey Couch
EXECUTIVE DIRECTOR

May 5, 2025

Holly M. Johnson
Secretary
Finance and Administration Cabinet
Executive Director
State Property and Buildings Commission
200 Mero Street, 5th 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 \$128,090,000 State Property and Buildings Commission Revenue Refunding Bonds, Project No. 132 Series B dated May 5, 2025.

Sincerely,

Signed by:

Chelsey Couch

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Chelsey Couch
Executive Director
Office of Financial Management

Attachments

OFM APPROVAL PURSUANT TO KRS 42.420
\$128,090,000
COMMONWEALTH OF KENTUCKY
STATE PROPERTY AND BUILDINGS COMMISSION
REVENUE BONDS, PROJECT NO. 132 SERIES B

DESCRIPTION:

The Bonds are being issued to provide funds to (i) refund certain outstanding Revenue Bonds, Project No. 108 Series A and Revenue and Revenue Refunding Bonds, Project No. 110 for present value savings; and, (ii) pay costs of issuance.

BOND SUMMARY STATISTICS:

Par Amount:	\$128,090,000
Pricing Date:	March 5, 2025
Closing Date:	May 5, 2025
Dated Date:	May 5, 2025
Final Maturity:	April 1, 2036
Arbitrage Yield:	3.4986%
TIC:	3.1724%
NIC:	3.3864%
All-In TIC:	3.1840%
Benchmark (BBWK20GO):	4.15% (March 6, 2025)
Method of Sale:	Negotiated
Underwriter:	BofA Securities

RATINGS:

Moody's:	Aa3
Fitch Ratings:	AA-

SOURCES AND USES OF FUNDS:

SOURCES OF FUNDS:

Par Amount of Bonds	\$ 128,090,000.00
Net Original Issue Premium	<u>13,904,719.95</u>
TOTAL SOURCES	\$ 141,994,719.95

USES OF FUNDS:

Refunding Escrow Deposit	\$ 141,415,031.25
Costs of Issuance*	<u>579,688.70</u>
TOTAL USES	\$ 141,994,719.95

*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 of Refunded Bonds:	\$ 138,120,000.00
Net PV Savings:	\$ 11,213,938.23
Percentage Savings of Refunded Bonds	8.1190%

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.

Firm	Service	Fee
Moody's	Rating Service	\$ 16,651.70
Fitch Ratings	Rating Service	13,520.61
Dinsmore & Shohl LLP	Underwriter's Counsel	12,809.00
Kutak Rock LLP	Bond Counsel	17,790.28
Hilltop Securities LLP	Municipal Advisor	4,269.67
OFM	Financial Advisor	16,011.25
BondLink	Printer/Roadshow	4,027.72
US Bank	Trustee	213.48
Bingham	Verification Agent	650.00
	Contingency / Misc.	<u>8,349.25</u>
TOTAL		\$ 94,292.96

GROSS SPREAD/UNDERWRITER'S DISCOUNT:

	Per Bond	Total
Underwriter's Average Takedown	3.67865	\$ 471,198.75
Underwriter's Other Fee	<u>0.11084</u>	<u>14,196.99</u>
TOTAL	3.78949	\$ 485,395.74

COST OF ISSUANCE GRAND TOTAL: \$ 579,688.70

ATTACHMENTS:

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

**Book-Entry-Only
NEW ISSUE**

**Ratings: Moody's: "Aa3"
Fitch: "AA-"
(See "RATINGS" herein)**

In the opinion of Bond Counsel for the 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 TREATMENT," interest on the Bonds (including any original issue discount properly allocable to the owner of any 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 Bonds may affect the federal alternative minimum tax imposed on certain corporations. Interest on the Bonds is exempt from Kentucky income tax and the Bonds are exempt from ad valorem taxation by the Commonwealth of Kentucky and any of its political subdivisions. See "TAX TREATMENT" herein for a more complete discussion, and "EXHIBIT F – Form of Bond Counsel Opinions for the Bonds."



**COMMONWEALTH OF KENTUCKY
STATE PROPERTY AND BUILDINGS COMMISSION
\$771,910,000 REVENUE BONDS, PROJECT NO. 132 SERIES A
\$128,090,000 REVENUE REFUNDING BONDS, PROJECT NO. 132 SERIES B**

Dated: Date of Delivery

Maturity: April 1, as shown on inside cover

The Commonwealth of Kentucky State Property and Buildings Commission (the "Commission") is issuing its Revenue Bonds, Project No. 132 Series A (the "Series A Bonds") and its Revenue Refunding Bonds, Project No. 132 Series B (the "Series B Bonds" and, together with the Series A Bonds, the "Bonds"). The 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 Bonds. Purchasers will not receive certificates representing their ownership interest in the Bonds so purchased. So long as DTC or its nominee is the registered owner of the Bonds, payments of principal, premium, if any, and interest due on the Bonds will be made directly to DTC. The Bonds will be issued in denominations of \$5,000 or any integral multiple thereof. The Bonds will bear interest, payable semiannually on each April 1 and October 1, commencing on October 1, 2025. The principal of, premium, if any, and interest on the Bonds will be paid directly to DTC by U.S. Bank Trust Company, National Association, Louisville, Kentucky, as Trustee and Paying Agent.

The Bonds mature on the dates and in the principal amounts, bear interest at the rates, and have the prices, yields, and CUSIP numbers shown on the inside cover page hereof.

The Series A Bonds are subject to redemption before maturity as described herein. The Series B Bonds are not subject to redemption before maturity. See "THE BONDS – Redemption".

The Bonds are being issued by 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"), in accordance with a Bond Resolution adopted by the Commission on January 14, 2025 (the "Resolution"). The Series A Bonds are being issued to (i) pay the costs of the New Project (as defined herein), and (ii) pay the costs of issuing the Series A Bonds. The Series B Bonds are being issued to (a) refund certain of the Prior Bonds (as defined herein), and (b) pay the costs of issuing the Series B Bonds. See "PLAN OF FINANCE" herein.

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE COMMISSION. THE 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 RESOLUTION AND FROM RENTAL INCOME DERIVED FROM THE BIENNIAL RENEWABLE LEASE WITH THE CABINET AND THE SUBLEASES (AS DESCRIBED AND DEFINED HEREIN), 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 (AS DEFINED HEREIN) OR ANY AMOUNTS DERIVED THEREFROM. See "SECURITY FOR THE BONDS" herein.

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BofA Securities

Morgan Stanley

Baird

FHN Financial Capital Markets

PNC Capital Markets LLC

Huntington Capital Markets

First Kentucky Securities Corp.

Raymond James

Stifel

Dated: March 5, 2025.

BOND DEBT SERVICE

Commonwealth of Kentucky State Property and Buildings Commission
Revenue Refunding Bonds, Project No. 132 Series B

Dated Date 05/05/2025
Delivery Date 05/05/2025

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2025	-	-	2,597,380.56	2,597,380.56	-
04/01/2026	-	-	3,202,250.00	3,202,250.00	-
06/30/2026	-	-	-	-	5,799,630.56
10/01/2026	-	-	3,202,250.00	3,202,250.00	-
04/01/2027	11,080,000	5.000%	3,202,250.00	14,282,250.00	-
06/30/2027	-	-	-	-	17,484,500.00
10/01/2027	-	-	2,925,250.00	2,925,250.00	-
04/01/2028	11,635,000	5.000%	2,925,250.00	14,560,250.00	-
06/30/2028	-	-	-	-	17,485,500.00
10/01/2028	-	-	2,634,375.00	2,634,375.00	-
04/01/2029	12,215,000	5.000%	2,634,375.00	14,849,375.00	-
06/30/2029	-	-	-	-	17,483,750.00
10/01/2029	-	-	2,329,000.00	2,329,000.00	-
04/01/2030	12,825,000	5.000%	2,329,000.00	15,154,000.00	-
06/30/2030	-	-	-	-	17,483,000.00
10/01/2030	-	-	2,008,375.00	2,008,375.00	-
04/01/2031	12,315,000	5.000%	2,008,375.00	14,323,375.00	-
06/30/2031	-	-	-	-	16,331,750.00
10/01/2031	-	-	1,700,500.00	1,700,500.00	-
04/01/2032	14,120,000	5.000%	1,700,500.00	15,820,500.00	-
06/30/2032	-	-	-	-	17,521,000.00
10/01/2032	-	-	1,347,500.00	1,347,500.00	-
04/01/2033	14,825,000	5.000%	1,347,500.00	16,172,500.00	-
06/30/2033	-	-	-	-	17,520,000.00
10/01/2033	-	-	976,875.00	976,875.00	-
04/01/2034	15,560,000	5.000%	976,875.00	16,536,875.00	-
06/30/2034	-	-	-	-	17,513,750.00
10/01/2034	-	-	587,875.00	587,875.00	-
04/01/2035	16,345,000	5.000%	587,875.00	16,932,875.00	-
06/30/2035	-	-	-	-	17,520,750.00
10/01/2035	-	-	179,250.00	179,250.00	-
04/01/2036	7,170,000	5.000%	179,250.00	7,349,250.00	-
06/30/2036	-	-	-	-	7,528,500.00
	128,090,000		41,582,130.56	169,672,130.56	169,672,130.56

SAVINGS

Commonwealth of Kentucky State Property and Buildings Commission
Revenue Refunding Bonds, Project No. 132 Series B

Date	Prior Debt Service	Refunding Debt Service	Refunding Receipts	Refunding Net Cash Flow	Savings	Present Value to 05/05/2025 @ 3.4985739%
06/30/2026	6,590,062.50	5,799,630.56	1,483,114.35	4,316,516.21	2,273,546.29	2,286,042.60
06/30/2027	18,251,062.50	17,484,500.00	-	17,484,500.00	766,562.50	1,015,379.26
06/30/2028	18,252,687.50	17,485,500.00	-	17,485,500.00	767,187.50	990,747.75
06/30/2029	18,246,637.50	17,483,750.00	-	17,483,750.00	762,887.50	962,020.94
06/30/2030	18,249,587.50	17,483,000.00	-	17,483,000.00	766,587.50	942,038.28
06/30/2031	17,098,515.63	16,331,750.00	-	16,331,750.00	766,765.63	897,155.95
06/30/2032	18,286,693.76	17,521,000.00	-	17,521,000.00	765,693.76	896,565.41
06/30/2033	18,283,193.76	17,520,000.00	-	17,520,000.00	763,193.76	874,048.97
06/30/2034	18,279,534.38	17,513,750.00	-	17,513,750.00	765,784.38	855,585.70
06/30/2035	18,286,625.00	17,520,750.00	-	17,520,750.00	765,875.00	836,876.50
06/30/2036	8,292,500.00	7,528,500.00	-	7,528,500.00	764,000.00	654,127.61
	178,117,100.03	169,672,130.56	1,483,114.35	168,189,016.21	9,928,083.82	11,210,588.98

Savings Summary

Dated Date	05/05/2025
Delivery Date	05/05/2025
PV of savings from cash flow	11,210,588.98
Plus: Refunding funds on hand	3,349.25
Net PV Savings	11,213,938.23

SUMMARY OF BONDS REFUNDED

Commonwealth of Kentucky State Property and Buildings Commission
Revenue Refunding Bonds, Project No. 132 Series B

Bond	Maturity Date	CUSIP	Interest Rate	Par Amount	Call Date	Call Price
Project No. 108A, 108A:						
SERIAL_1	08/01/2026	49151FGF1	5.000%	6,555,000	08/01/2025	100.000
	08/01/2027	49151FGG9	5.000%	6,890,000	08/01/2025	100.000
	08/01/2028	49151FGH7	5.000%	7,240,000	08/01/2025	100.000
	08/01/2029	49151FGJ3	5.000%	7,615,000	08/01/2025	100.000
	08/01/2030	49151FGW4	5.000%	6,825,000	08/01/2025	100.000
	08/01/2031	49151FGL8	5.000%	8,390,000	08/01/2025	100.000
	08/01/2032	49151FGM6	5.000%	8,820,000	08/01/2025	100.000
	08/01/2033	49151FGN4	5.000%	9,270,000	08/01/2025	100.000
	08/01/2034	49151FGP9	5.000%	9,750,000	08/01/2025	100.000
				71,355,000		
Project No. 110, 110:						
SERIAL_1	08/01/2026	49151FLB4	5.000%	5,405,000	08/01/2025	100.000
	08/01/2027	49151FLC2	5.000%	5,685,000	08/01/2025	100.000
	08/01/2028	49151FLD0	5.000%	2,165,000	08/01/2025	100.000
	08/01/2028	49151FLT5	3.000%	3,770,000	08/01/2025	100.000
	08/01/2029	49151FLE8	5.000%	6,200,000	08/01/2025	100.000
	08/01/2030	49151FLU2	3.375%	2,745,000	08/01/2025	100.000
	08/01/2030	49151FLF5	5.000%	3,750,000	08/01/2025	100.000
	08/01/2031	49151FLM0	3.500%	5,050,000	08/01/2025	100.000
	08/01/2031	49151FLG3	5.000%	1,720,000	08/01/2025	100.000
	08/01/2032	49151FLH1	5.000%	7,075,000	08/01/2025	100.000
	08/01/2033	49151FLR9	3.375%	6,165,000	08/01/2025	100.000
	08/01/2033	49151FLJ7	5.000%	1,220,000	08/01/2025	100.000
	08/01/2034	49151FLK4	5.000%	7,715,000	08/01/2025	100.000
	08/01/2035	49151FLL2	5.000%	6,100,000	08/01/2025	100.000
	08/01/2035	49151FLN8	4.000%	2,000,000	08/01/2025	100.000
				66,765,000		
				138,120,000		



School Facilities Construction Commission

Finance and Administration Cabinet

200 Mero St

5th Floor

Frankfort, Kentucky 40622

(502) 564-5582

(888) 979-6152 Fax

www.sfcc.ky.gov

ANDY BESHEAR

Governor

MS. HOLLY M. JOHNSON

Secretary

HEATHER OVERBY


Chairman

KRISTI RUSSELL

Executive Director

MEMORANDUM

TO: Chelsey Couch
Office of Financial Management

FROM: Kristi Russell, SFCC 

DATE: April 30, 2025

SUBJECT: Capital Projects and Bond Oversight Committee (CPBO)

The following information is submitted for consideration by CPBO at their next meeting, tentatively scheduled on May 19, 2025:

Harlan County - \$1,500,000 estimated – General Obligation Bonds for financing roof replacement at Cumberland and Evarts Elementary Schools. State estimated annual debt service is \$112,608, and no local portion. No tax increase is necessary to finance this project.

Kenton County - \$23,000,000 estimated – General Obligation Bonds for renovations to Hinsdale Elementary School. State estimated annual debt service is \$21,785, and local is \$1,732,038. No tax increase is necessary to finance this project.

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





April 29, 2025

School Facilities Construction Commission
Attn: Kristi Russell, Executive Director
Carriage House
Frankfort, KY 40601

RE: \$1,500,000 Harlan County School District General Obligation Bonds,
Series of 2025

Dear Ms. Russell:

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 roof replacement at Cumberland ES and Evarts ES.

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 100% 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 blue ink, appearing to read 'Dwight Salsbury'.

Dwight Salsbury

Enclosures

147 East Third Street
Lexington, KY
40508

859/977-6600

fax: 859/381-1357

www.rsamuni.com

RSA ADVISORS, LLC

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$1,500,000			
District	Harlan County School District			
Issue Name:	General Obligation Bonds, Series 2025			
Purpose:	Roof Replacement at Cumberland ES and Evarts ES			
Projected Sale Date:	Q3 2025			
First Call Date:	8 Years at par			
Method of Sale:	Competitive Bids			
Place/time of sale:	Parity/SFCC, Frankfort, Ky. / TBD			
Bond Rating:	Moody's: "Aa3"			
Bond Counsel:	Step toe and Johnson, Louisville, KY			
Fiscal Agent:	RSA Advisors LLC, Lexington, Kentucky			
Date received by SFCC:	<table border="1" style="display: inline-table; width: 150px;"> <tr> <td style="width: 33px; text-align: center;">/</td> <td style="width: 33px; text-align: center;">/</td> <td style="width: 84px;"></td> </tr> </table> <i>To be filled in by SFCC</i>	/	/	
/	/			
Date scheduled for Committee review:	<table border="1" style="display: inline-table; width: 150px;"> <tr> <td style="width: 33px; text-align: center;">/</td> <td style="width: 33px; text-align: center;">/</td> <td style="width: 84px;"></td> </tr> </table> <i>To be filled in by SFCC</i>	/	/	
/	/			

	SFCC Portion	Local Portion	Total
Estimated par amount of Bonds:	\$1,500,000	\$0	\$1,500,000
% Share of total Bonds:	100.00%	0.00%	100.00%
Estimated average annual debt service:	\$112,608	\$0	\$112,608
Estimated debt service reserve:	\$0	\$0	\$0

Estimated Cost of Issuance:

Fiscal Agent, Bond Counsel, etc	\$16,000	\$0	\$16,000
Special Tax Counsel	\$0	\$0	\$0
Number verifications	\$0	\$0	\$0
Bond Rating & Bank Fee	\$18,350	\$0	\$18,350
Underwriter's Discount	\$30,000	\$0	\$30,000
Credit Enhancement	\$0	\$0	\$0
Total Cost of Issuance:	\$64,350	\$0	\$64,350

Anticipated Interest Rates:

5 Years: 3.520% 10 Years: 3.900% 15 Years: 4.400%
 20 Years: 4.750%

Notes: No Tax Increase required

ESTIMATED SOURCES & USES

<u>Sources Of Funds</u>	
Par Amount of Bonds	\$1,500,000.00
Cash	\$0.00
Esser	\$0.00
LAVEC	\$0.00
Total Sources	\$1,500,000.00
<u>Uses Of Funds</u>	
Deposit to Project Construction Fund	\$1,435,650.00
Total Underwriter's Discount (2.00%)	\$30,000.00
Costs of Issuance	\$34,350.00
Total Uses	\$1,500,000.00

Statement of Indebtedness

1. The assessed valuation of all the taxable property in the School District as estimated by the last certified assessment is:	\$945,963,648
2. Date of last certified audit:	6/30/2024
3. The total of all bonds, notes, and other obligations of the district currently issued and outstanding, including the present issue of <u>\$1,500,000</u>	\$29,230,000
4. Statutory debt limit for General Obligation bonds as set forth in KRS 66.041:	\$18,919,273
5. District bonding potential as set forth in 702 KAR 3:020:	\$7,000,000
6. The total of bonds, notes, and other obligations of the district currently issue subject to the 2% statutory limit including the present issue of \$2,000,000	\$1,500,000
7. Does this issue include a special appropriation grant from the Commonwealth of Kentucky? If so, please state the amount and purpose of the grant.	

Harlan County
 Elementary School Roof Replacement
 Probable Cost Breakdown (Administration/Athletics/Instructional)
 04.29.25

	<div> <div>Total Project</div> <div>100%</div> </div>	<div>Administration</div> <div>Percentage (0%)</div>	<div>Athletics</div> <div>Percentage (0%)</div>	<div>Instructional</div> <div>Percentage (100%)</div>
Site Development	\$ -	\$ -	\$ -	\$ -
General Construction	\$ 1,435,650.00	\$ -	\$ -	\$ 1,435,650.00
HVAC	\$ -	\$ -	\$ -	\$ -
Plumbing	\$ -	\$ -	\$ -	\$ -
Electrical	\$ -	\$ -	\$ -	\$ -
Total Construction Cost	\$ 1,435,650.00	\$ -	\$ -	\$ 1,435,650.00
Soft Costs	\$ 64,350.00	\$ -	\$ -	\$ 64,350.00
Total Project Cost	\$ 1,500,000.00	\$ -	\$ -	\$ 1,500,000.00

HARLAN COUNTY, KENTUCKY SCHOOL DISTRICT

GENERAL OBLIGATION BONDS, SERIES 2025

100% SFCC

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2026	-	-	30,689.75	30,689.75
06/30/2027	55,000.00	3.350%	60,458.25	115,458.25
06/30/2028	55,000.00	3.380%	58,607.50	113,607.50
06/30/2029	55,000.00	3.400%	56,743.00	111,743.00
06/30/2030	60,000.00	3.460%	54,770.00	114,770.00
06/30/2031	60,000.00	3.520%	52,676.00	112,676.00
06/30/2032	60,000.00	3.580%	50,546.00	110,546.00
06/30/2033	65,000.00	3.650%	48,285.75	113,285.75
06/30/2034	65,000.00	3.720%	45,890.50	110,890.50
06/30/2035	70,000.00	3.820%	43,344.50	113,344.50
06/30/2036	70,000.00	3.900%	40,642.50	110,642.50
06/30/2037	75,000.00	4.000%	37,777.50	112,777.50
06/30/2038	80,000.00	4.100%	34,637.50	114,637.50
06/30/2039	80,000.00	4.200%	31,317.50	111,317.50
06/30/2040	85,000.00	4.300%	27,810.00	112,810.00
06/30/2041	90,000.00	4.400%	24,002.50	114,002.50
06/30/2042	95,000.00	4.500%	19,885.00	114,885.00
06/30/2043	100,000.00	4.600%	15,447.50	115,447.50
06/30/2044	100,000.00	4.650%	10,822.50	110,822.50
06/30/2045	105,000.00	4.700%	6,030.00	111,030.00
06/30/2046	75,000.00	4.750%	1,781.25	76,781.25
Total	\$1,500,000.00	-	\$752,165.00	\$2,252,165.00

Yield Statistics

Bond Year Dollars	\$17,415.00
Average Life	11.610 Years
Average Coupon	4.3190640%
Net Interest Cost (NIC)	4.3190640%
True Interest Cost (TIC)	4.2844110%
Bond Yield for Arbitrage Purposes	4.2844110%
All Inclusive Cost (AIC)	4.2844110%

IRS Form 8038

Net Interest Cost	4.3190640%
Weighted Average Maturity	11.610 Years



April 24, 2025

School Facilities Construction Commission
Attn: Kristi Russell, Executive Director
Carriage House
Frankfort, KY 40601

RE: \$23,000,000 Kenton County School District General Obligation Bonds, Series
of 2025

Dear Ms. Russell:

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 RC Hinsdale site circulation and renovations.

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 1.22% SFCC funds. The issue was originally submitted through oversight in March 2025 as 100% local.

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 blue ink, appearing to read 'Dwight Salsbury'.

Dwight Salsbury

147 East Third Street
Lexington, KY
40508

859/977-6600
fax: 859/381-1357
www.rsamuni.com

Enclosures

BOND PAYEE DISCLOSURE FORM

Par Amount:	\$23,000,000	
District	Kenton County School District	
Issue Name:	General Obligation Bonds, Series 2025	
Purpose:	Renovations to Hinsdale ES	
Projected Sale Date:	Q2 2025	
First Call Date:	8 Years at par	
Method of Sale:	Competitive Bids	
Place/time of sale:	Parity/SFCC, Frankfort, Ky. / TBD	
Bond Rating:	Moody's: "Aa3"	
Bond Counsel:	Dinsmore & Shohl, 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:	\$280,000	\$22,720,000	\$23,000,000
% Share of total Bonds:	1.22%	98.78%	100.00%
Estimated average annual debt service:	\$21,785	\$1,732,038	\$1,753,823
Estimated debt service reserve:	\$0	\$0	\$0

Estimated Cost of Issuance:

Fiscal Agent, Bond Counsel, etc	\$1,278	\$103,722	\$105,000
Special Tax Counsel	\$0	\$0	\$0
Number verifications	\$0	\$0	\$0
Bond Rating & Bank Fee	\$503	\$40,847	\$41,350
Underwriter's Discount	\$5,600	\$454,400	\$460,000
Credit Enhancement	\$0	\$0	\$0
Total Cost of Issuance:	\$7,382	\$598,968	\$606,350

Anticipated Interest Rates:

5 Years: 3.520% 10 Years: 3.900% 15 Years: 4.500%
 20 Years: 4.750%

Notes: No Tax Increase required

ESTIMATED SOURCES & USES

<u>Sources Of Funds</u>	
Par Amount of Bonds	\$23,000,000.00
Cash	\$0.00
Esser	\$0.00
LAVEC	\$0.00
Total Sources	\$23,000,000.00
<u>Uses Of Funds</u>	
Deposit to Project Construction Fund	\$22,393,650.00
Total Underwriter's Discount (2.00%)	\$460,000.00
Costs of Issuance	\$146,350.00
Total Uses	\$23,000,000.00

Statement of Indebtedness

1. The assessed valuation of all the taxable property in the School District as estimated by the last certified assessment is:	13,316,138,047
2. Date of last certified audit:	6/30/2024
3. The total of all bonds, notes, and other obligations of the district currently issued and outstanding, including the present issue of \$ <u>23,000,000</u> :	272,090,000
4. Statutory debt limit for General Obligation bonds as set forth in KRS 66.041:	266,322,761
5. District bonding potential as set forth in 702 KAR 3:020:	113,795,000
6. The total of bonds, notes, and other obligations of the district currently issue subject to the 2% statutory limit including the present issue of \$ <u>23,000,000</u> :	47,985,000
7. Does this issue include a special appropriation grant from the Commonwealth of Kentucky? If so, please state the amount and purpose of the grant.	0

School District Name Kenton County

Project: RC Hinsdale site circulation and renovation

Probable Cost Breakdown (Administration/Athletics/Instructional)

Date 4/24/25

	Total Project 100%	Administration Percentage (Update)	Athletics Percentage 0.0%	Instructional Percentage 100.0%
Site Development	\$ 1,950,822.48	\$ -	\$ -	\$ 1,950,822.48
General Construction	\$ 10,606,956.82	\$ -	\$ -	\$ 10,606,956.82
HVAC	\$ 3,974,160.38	\$ -	\$ -	\$ 3,974,160.38
Plumbing	\$ 836,291.98	\$ -	\$ -	\$ 836,291.98
Electrical	\$ 2,359,904.05	\$ -	\$ -	\$ 2,359,904.05
Total Construction Cost	\$ 19,728,135.71	\$ -	\$ -	\$ 19,728,135.71
Soft Costs	\$ 3,271,864.29	\$ -	\$ -	\$ 3,271,864.29
Total Project Cost	\$ 23,000,000.00	\$ -	\$ -	\$ 23,000,000.00

KENTON COUNTY SCHOOL DISTRICT

PLAN OF FINANCING - SERIES 2025

Date of Report: 04.24.25

Local Bond Payments Outstanding	1
Summary of Funds for Bond Payments	2
Projected Series 2025.....	3
Disclosure.....	4



KENTON COUNTY SCHOOL DISTRICT

OUTSTANDING NET LOCAL DEBT SERVICE

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Total
FYE	Series 2013-REF	Series 2013	Series 2015A-REF	Series 2015B-REF	Series 2015	Series 2016-REF	Series 2016	Series 2017E	Series 2018	Series 2020	Series 2020-REF	Series 2021	Series 2022	Series 2022B	Series 2023	Series 2024A	Debt Service
2025	\$5,108,800	\$511,773	\$938,275	\$2,255,008	\$1,087,594	\$4,007,488	\$161,963	\$26,263	\$455,992	\$294,030	\$892,175	\$943,331	\$1,352,168	\$97,078	\$1,402,900	\$469,163	\$20,004,000
2026		\$713,024	\$1,087,400	\$2,420,458	\$1,184,342	\$4,212,789	\$557,012	\$82,829	\$1,275,204	\$292,118	\$1,030,400	\$1,941,681	\$3,289,169	\$96,928	\$1,402,700	\$1,097,400	\$20,683,455
2027		\$712,369	\$1,083,525	\$1,172,913	\$1,182,494	\$4,228,788	\$559,613	\$82,010	\$1,274,704	\$295,205	\$1,031,375	\$1,944,581	\$3,424,169	\$195,278	\$1,402,500	\$1,093,400	\$19,682,922
2028		\$715,388	\$1,083,825		\$1,198,744	\$4,465,888	\$556,162	\$85,445	\$1,283,453	\$293,181	\$1,046,650	\$1,956,781	\$3,422,419	\$197,053	\$1,402,300	\$1,510,800	\$19,218,089
2029		\$721,089	\$1,093,075		\$1,187,863	\$4,479,488	\$556,813	\$82,974	\$1,286,154	\$296,155	\$1,026,460	\$1,953,331	\$3,425,169	\$193,753	\$1,402,100	\$1,509,200	\$19,213,623
2030		\$725,889	\$1,096,200		\$1,255,851		\$556,413	\$84,737	\$1,297,953	\$1,139,018	\$1,040,373	\$1,974,131	\$3,421,918	\$195,320	\$1,940,900	\$2,173,200	\$16,901,903
2031		\$729,789			\$1,247,875		\$559,963	\$75,574	\$1,303,555	\$1,142,868	\$1,063,288	\$1,974,131	\$3,423,518	\$196,663	\$2,217,600	\$2,353,500	\$16,288,323
2032		\$732,788			\$1,188,851		\$562,313	\$75,774	\$1,308,103	\$1,156,155		\$1,993,331	\$3,422,819	\$197,756	\$2,501,700	\$2,519,500	\$15,659,092
2033		\$734,888			\$1,180,526		\$563,463	\$80,023	\$1,310,291	\$1,162,406		\$1,986,781	\$3,422,418	\$208,363	\$2,488,600	\$2,519,500	\$15,657,258
2034					\$1,146,151		\$568,413	\$72,721	\$1,315,028	\$1,166,655		\$2,014,381	\$3,425,918	\$203,200	\$2,679,900	\$2,634,300	\$15,226,667
2035					\$1,135,188		\$580,287	\$69,115	\$1,315,655	\$1,175,155		\$2,011,081	\$3,423,218	\$197,600	\$2,685,000	\$2,633,700	\$15,226,000
2036							\$588,651	\$74,473	\$1,319,880	\$1,176,411		\$2,026,981	\$3,424,419	\$196,900	\$2,971,700	\$2,806,300	\$14,585,714
2037								\$77,935	\$1,316,479	\$1,180,473		\$2,022,081	\$3,425,669	\$200,900	\$3,126,600	\$2,899,900	\$14,250,038
2038									\$1,311,280	\$1,187,993		\$2,099,559	\$3,421,706	\$199,600	\$3,130,000	\$2,902,600	\$14,252,739
2039										\$1,186,993		\$2,048,656	\$3,421,282	\$203,000	\$3,502,200	\$3,126,500	\$13,488,631
2040										\$1,184,944		\$2,051,188	\$3,421,081	\$201,100	\$3,502,800	\$3,126,300	\$13,487,412
2041												\$2,055,225	\$3,422,481	\$199,000	\$3,837,100		\$9,513,806
2042												\$2,055,375	\$3,423,607	\$201,600	\$3,834,700		\$9,515,282
2043														\$198,900	\$5,061,900		\$5,260,800
2044															\$5,140,800		\$5,140,800
Totals:	\$5,108,800	\$6,296,998	\$6,382,300	\$5,848,379	\$12,995,479	\$21,394,440	\$6,371,066	\$969,873	\$17,373,730	\$14,329,760	\$7,130,720	\$35,052,610	\$59,413,148	\$3,579,989	\$55,634,000	\$35,375,263	\$293,256,555

KENTON COUNTY SCHOOL DISTRICT

SUMMARY OF FUNDS AVAILABLE

A	B	C	D	E	F	G	H	I	J	K	L
	----- Building Fund -----										
FYE	Local Nickel	Growth Nickel	Equalized Growth Nick	FSPK	Additional FSPK	Capital Outlay @ 80%	Total Local Funds	Less Current Payments	Local Funds Available	2022 SFCC Offer	Total Funds Available
2025	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$20,004,000)	\$4,518,280		\$4,518,280
2026	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$20,683,455)	\$3,838,826	\$21,785	\$3,860,611
2027	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$19,682,922)	\$4,839,358	\$21,785	\$4,861,143
2028	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$19,218,089)	\$5,304,192	\$21,785	\$5,325,977
2029	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$19,213,623)	\$5,308,657	\$21,785	\$5,330,442
2030	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$16,901,903)	\$7,620,378	\$21,785	\$7,642,163
2031	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$16,288,323)	\$8,233,958	\$21,785	\$8,255,743
2032	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$15,659,092)	\$8,863,189	\$21,785	\$8,884,974
2033	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$15,657,258)	\$8,865,022	\$21,785	\$8,886,807
2034	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$15,226,667)	\$9,295,613	\$21,785	\$9,317,398
2035	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$15,226,000)	\$9,296,281	\$21,785	\$9,318,066
2036	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$14,585,714)	\$9,936,566	\$21,785	\$9,958,351
2037	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$14,250,038)	\$10,272,243	\$21,785	\$10,294,028
2038	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$14,252,739)	\$10,269,542	\$21,785	\$10,291,327
2039	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$13,488,631)	\$11,033,649	\$21,785	\$11,055,434
2040	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$13,487,412)	\$11,034,868	\$21,785	\$11,056,653
2041	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$9,513,806)	\$15,008,475	\$21,785	\$15,030,260
2042	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$9,515,282)	\$15,006,999	\$21,785	\$15,028,784
2043	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$5,260,800)	\$19,261,481	\$21,785	\$19,283,266
2044	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281	(\$5,140,800)	\$19,381,481	\$21,785	\$19,403,266
2045	\$6,658,069	\$6,658,069	\$6,658,069	\$1,171,217	\$2,342,434	\$1,034,423	\$24,522,281		\$24,522,281	\$21,785	\$24,544,066

NOTES: Data based on KDE Final Calculations (FY 24-25)

KENTON COUNTY SCHOOL DISTRICT

PROJECTED SERIES 2025

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>	<u>I</u>	<u>J</u>	<u>K</u>
Current Payments	----- Estimated New Bond Issue -----					SFCC Portion	Local Portion	Projected All Local Payments Outstanding	Local Funds Available	Local Funds Available For Future Projects
FY June 30	Principal Payment	Coupon	Interest Payments	Total Payments						
\$20,004,000	2025							\$20,004,000	\$24,522,281	\$4,518,280
\$20,683,455	2026	\$525,000	3.350%	\$889,300	\$1,414,300	\$21,785	\$1,392,515	\$22,075,969	\$24,522,281	\$2,446,311
\$19,682,922	2027	\$505,000	3.338%	\$918,517	\$1,423,517	\$21,785	\$1,401,732	\$21,084,655	\$24,522,281	\$3,437,626
\$19,218,089	2028	\$830,000	3.400%	\$901,661	\$1,731,661	\$21,785	\$1,709,876	\$20,927,964	\$24,522,281	\$3,594,316
\$19,213,623	2029	\$860,000	3.460%	\$873,441	\$1,733,441	\$21,785	\$1,711,656	\$20,925,279	\$24,522,281	\$3,597,002
\$16,901,903	2030	\$890,000	3.520%	\$843,685	\$1,733,685	\$21,785	\$1,711,900	\$18,613,803	\$24,522,281	\$5,908,478
\$16,288,323	2031	\$920,000	3.580%	\$812,357	\$1,732,357	\$21,785	\$1,710,572	\$17,998,894	\$24,522,281	\$6,523,387
\$15,659,092	2032	\$955,000	3.650%	\$779,421	\$1,734,421	\$21,785	\$1,712,636	\$17,371,727	\$24,522,281	\$7,150,553
\$15,657,258	2033	\$990,000	3.720%	\$744,563	\$1,734,563	\$21,785	\$1,712,778	\$17,370,036	\$24,522,281	\$7,152,244
\$15,226,667	2034	\$1,025,000	3.820%	\$707,735	\$1,732,735	\$21,785	\$1,710,950	\$16,937,617	\$24,522,281	\$7,584,663
\$15,226,000	2035	\$1,065,000	3.900%	\$668,580	\$1,733,580	\$21,785	\$1,711,795	\$16,937,795	\$24,522,281	\$7,584,486
\$14,585,714	2036	\$1,105,000	4.000%	\$627,045	\$1,732,045	\$21,785	\$1,710,260	\$16,295,974	\$24,522,281	\$8,226,306
\$14,250,038	2037	\$1,150,000	4.100%	\$582,845	\$1,732,845	\$21,785	\$1,711,060	\$15,961,098	\$24,522,281	\$8,561,183
\$14,252,739	2038	\$1,200,000	4.200%	\$535,695	\$1,735,695	\$21,785	\$1,713,910	\$15,966,649	\$24,522,281	\$8,555,632
\$13,488,631	2039	\$1,250,000	4.300%	\$485,295	\$1,735,295	\$21,785	\$1,713,510	\$15,202,141	\$24,522,281	\$9,320,139
\$13,487,412	2040	\$1,300,000	4.400%	\$431,545	\$1,731,545	\$21,785	\$1,709,760	\$15,197,172	\$24,522,281	\$9,325,108
\$9,513,806	2041	\$1,360,000	4.500%	\$374,345	\$1,734,345	\$21,785	\$1,712,560	\$11,226,366	\$24,522,281	\$13,295,915
\$9,515,282	2042	\$1,420,000	4.600%	\$313,145	\$1,733,145	\$21,785	\$1,711,360	\$11,226,642	\$24,522,281	\$13,295,639
\$5,260,800	2043	\$1,485,000	4.650%	\$247,825	\$1,732,825	\$21,785	\$1,711,040	\$6,971,840	\$24,522,281	\$17,550,441
\$5,140,800	2044	\$1,555,000	4.700%	\$178,773	\$1,733,773	\$21,785	\$1,711,988	\$6,852,788	\$24,522,281	\$17,669,493
	2045	\$2,610,000	4.750%	\$160,688	\$2,770,688	\$21,785	\$2,748,903	\$2,748,903	\$24,522,281	\$21,773,378
\$293,256,555	Totals:	\$23,000,000		\$12,076,458	\$35,076,458	\$435,700	\$34,640,758	\$327,897,313	\$514,967,893	\$187,070,581

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

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.